

Fiscal Sustainability Design Team Charter

The Fiscal Sustainability Design Team will work collaboratively with the other four design teams to recommend a financial platform that supports the goals and desired outcomes of the People First Waiver. The new financial platform should: (a) distribute financial resources equitably and efficiently based on individual needs, not historic program costs; (b) modernize reimbursement and align financial incentives to achieve waiver goals and desired outcomes while supporting improved care coordination, accountability, individualized approaches and benefits, and support the development of specialized community integrated options that facilitate the movement of individuals residing in institutional settings to the community; and (c) develop strategies, consistent with the waiver, that hold future expenditure growth to sustainable levels, and to the extent possible, preserve and sustain existing financial resources while promoting innovation.

Through its work, the Fiscal Sustainability Design Team will address the following topics and questions:

1. Develop financial strategies that will facilitate the outcomes of the People First Waiver while preserving existing resources and achieving sustainable growth to continue to serve people with developmental disabilities.
 - Examine recent trends in service use and Medicaid expenditures for individuals with developmental disabilities.
 - What are the constraints on future expenditure growth?
 - What are the best strategies for reconciling continued growth in service demand with the known fiscal constraints?
 - How will we seize the advantages of improved care coordination, health homes, and person-centered principles to make our service system more efficient and fiscally sustainable while enhancing quality of care?
 - Are there opportunities to seek efficiencies and sustain funds through improved coordination among payers (especially with Medicare) or through other strategies?
2. Support person-centered principles and People First Waiver goals by distributing financial resources rationally, equitably, and efficiently.
 - What are the advantages and disadvantages of potential models for modernizing and restructuring reimbursement and flow of funds so that the focus is first on individual needs and goals rather than facilities and program expenditures?
 - How should reimbursement be structured under the models we examine for the 1115 waiver?
 - How should the 1115 waiver support experiments and demonstrations? How can OPWDD structure a PACE-like pilot/demonstration with capitated payments?
 - What would be the impacts of the potential funding models on services in which funding has been directly connected to facility-based costs/budgets in the past (e.g., ICF's, IRA's, CR's, Day Treatment, Workshops, Center-based Day Habilitation, Free-standing Respite)? What steps can we take to smooth the transition?
 - Under what parameters would it be appropriate to consider direct financial incentives (e.g., "pay for performance") as a means to promote waiver goals and desired outcomes?



3. Fiscal monitoring and reporting and information technology.

- How will we measure whether resource distribution strategies are equitable and support person-centered principles?
- How will we monitor the success and effectiveness of our global/overall efforts and specific targeted efforts to achieve efficiencies and sustainable growth?
- How should we measure the breadth, adequacy and capacity of our provider/service delivery networks?
- What information technology tools and infrastructure can we use to support our efforts?
- What recommendations and strategies can we look at to redirect the overall time and resources spent on provider compliance efforts to person-centered service provision?