



Brian Schweitzer
Governor

OFFICE OF THE STATE PUBLIC DEFENDER STATE OF MONTANA

William F. Hooks
Chief Public Defender

CONTRACTS COMMITTEE BRIEFING August 8, 2012 RATE SETTING PROCESS

1. The Commission must set contractor rates as per administrative rule (2.69.601).
2. The rule states that they must approve rates based on criteria they deem appropriate.
3. Setting rates is a separate process from developing a plan to finance any rate increase.
4. What rates are currently set by the commission?
 - a. Contract attorney
 - b. Contract investigation
 - c. Mental health providers
 - d. Other?
5. Examples of information that may be useful in the rate setting process:
 - a. Other states' rates
 - b. Federal rates
 - c. Rates changed by private professionals doing similar work
 - d. Rates changed by other Montana State Agencies
 - e. Rates contracted for by other Montana State Agencies
6. Criteria in setting rates:
 - a. Consider developing weightings that indicate the relative importance of any consideration, including:
 - i. Cost of service
 - ii. Competition for resources
 - iii. Quality of service
 - iv. Ability to support and communicate rates to others
7. Recommendation: Set rates based on relevant information and sound criteria. Treat the financing of any rate increase as a separate issue.