

NETWORK FUNDS FLOW TOOLKIT

PURPOSE

This document is intended to assist CCN Networks in the process of determining how funds are shared and distributed among the Network Partners participating in the Cohort Management Program. **This toolkit serves ONLY as a guide and illustrates examples. It does not advocate any particular model or level of funds to be distributed to any type of Partner in the Networks.**

This toolkit addresses how Networks may choose to distribute the \$50,000 in Planning Funds, intended to be used to support completion of the three Planning Milestones: Clinical Design, Partnerships and Network Build, and Data Reporting. The requirements of the Planning Milestones are described elsewhere (See Program Overview and Milestone Tools). Each Network must include at least four Partners, and among them have a Value-based Payment Lead Contractor (VLC), a Tier 1 Community-Based Organization (CBO). Each Network must also have a referral source, which may be the VLC, the Tier 1 CBO, or another Partner.

The examples below are based on generic networks, which include a VLC, a Tier 1 CBO, Partner 3 (which serves as the referral source), and Partner 4. Included is a brief description of the model and potential pros and cons of the model.

Note: CCN does not recommend or require any specific allocation of funds (percentages or amounts) to Partners. CCN is committed to helping Networks collectively decide how funds should be used and distributed.

There are four examples of how to distribute Planning Funds:

- 1) **Equal among all Partners** – evenly split.
- 2) **Allocation across Functional Requirements** – based on the Network’s assessment of funds needed to meet the requirements of each milestone.
- 3) **Cohort Member Per Capita Distribution** – distribution of funds to Partners based on expected distribution of members served by Partners directly.
- 4) **Allocation based on Partner Planning Engagement** – distribute funds to Partners based on their involvement in meeting Planning Milestones and/or filling functional gaps in the Network.

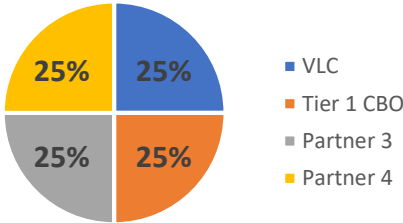
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CARE COMPASS NETWORK COHORT MANAGEMENT PROGRAM

Model 1. Equal among Network Partners

Divide planning funds evenly among Network Partners.



| Pros: | Cons: |
|---|--|
| Puts all Partners on an equal level. | Not directly linked to Network readiness without further requirements established by the Networks. |
| Each Partner can determine appropriate use of funds to support readiness. | Unclear how to support Partners which join Networks after the distribution of planning funds. |

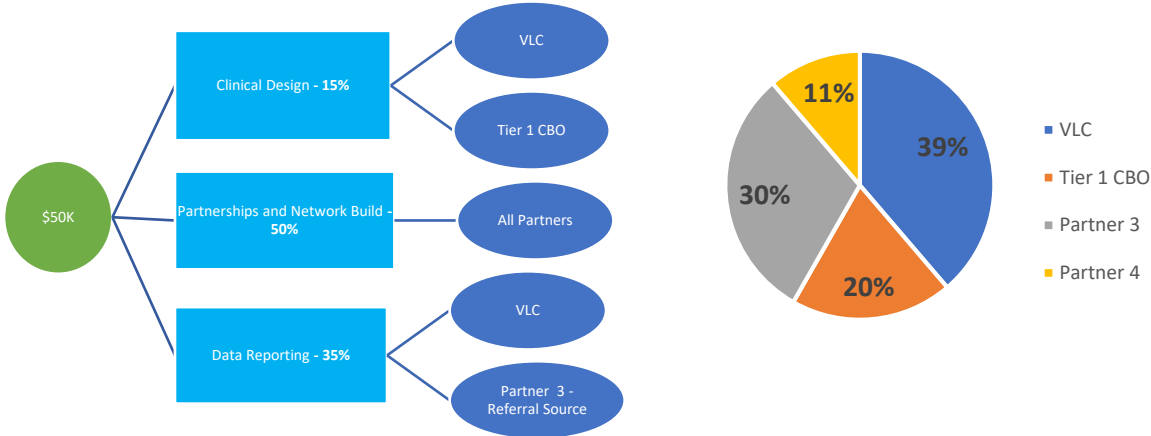
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Model 2. Allocation across Functional Requirements

Allocate planning funds across planning milestones based on estimated cost to meet requirement, then distribute funds to Partners based on roles in meeting requirements.



| Pros: | Cons: |
|---|---|
| Directly linked to Network readiness. | Potential for Partners' development expenses to exceed funding allocated for the milestone. |
| Network agrees on the appropriate allocation of funds across milestones; allocation to Partners reflects involvement in meeting milestone requirements. | |

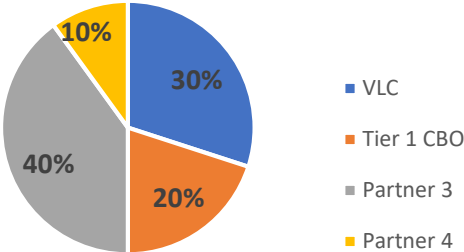
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Model 3: Cohort Member Per Capita Distribution

Divide among Partners based on expected Cohort Member distribution across Partners.



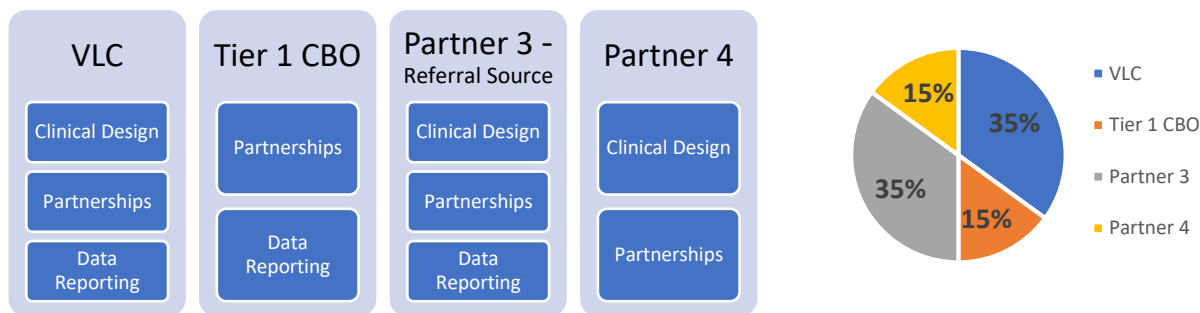
| Pros: | Cons: |
|--|--|
| Reflects likely patient care efforts and differential efforts required for readiness. | Not directly linked to Network readiness without further requirements established by the Networks. |
| Network agrees on the appropriate allocation of fund allocation across Partners and recognizes that different Partners have different needs. | Per Capita distribution of cohort members may not be correlated with differences in cost to prepare. |
| Each Partner can determine appropriate use of funds to support readiness. | |

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Model 4: Allocation based on Partner Planning Engagement

Divide planning funds according to Partner involvement in meeting functional requirements. Partners allocate to specific functional needs.



| Pros: | Cons: |
|---|--|
| Reflects differential efforts required for readiness and is linked to Network readiness. | Requires consensus on how to allocate across Partners directly, which is a subjective. |
| Network agrees on the appropriate allocation of fund allocation across Partners and recognizes that different Partners have different needs. | |
| Each Partner can determine appropriate use of funds to support readiness. | |
| This model could be used to bring Partners to the table who would be important additions but are not previously engaged (e.g. Tier 1 CBOs, Providers of a specific service needed). | |

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