



**CONTRACTS COMMITTEE BRIEFING**  
**November 9, 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.

**2.69.601 REASONABLE COMPENSATION**

*(1) The commission shall meet at least biannually to review and approve the compensation rates based on criteria the commission deems appropriate.*

*(2) The commission shall determine appropriate compensation rates for:*

*(a) contract attorneys; and*

*(b) others who provide services related to the provision of public defender services.*

*(3) Any contracts for attorney or related services shall use these approved rates of compensation.*

3. Setting rates is a separate process from developing a plan to finance any rate increase.
4. Rates currently set by the commission:
  - a. Contract attorney
  - b. Contract investigator
  - c. Mental health providers
5. Examples of information that may be useful in the rate setting process:
  - a. Other states' rates
  - b. Federal rates
  - c. Rates charged by private professionals doing similar work
  - d. Rates charged by other Montana state agencies
  - e. Rates contracted for by other Montana state agencies
6. Criteria in setting rates:
  - a. Consider developing weights that indicate the relative importance of any criterion, 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.