The Funding Workgroup has explored the issue of how to fairly and appropriately fund the affiliated Atlantic and Pacific Islands as we move forward in the implementation of formula and performance based funding. These areas have been funded according to the standard formula up to this point, but there is concern over how formula elements have different definitions when applied to these areas and if the formula elements have the same impact on these areas.

To address these matters, it has been decided to take approximately $2,500,000 from the funds available for cooperative agreements to the prevention and control portion of funding for specific use in allocations to the affiliated islands. This calculation was derived by multiplying the number of cases averaged out times about $6,000 per case, which is equal to the an approximate average per case for domestic US cases being distributed through formula funding.

It is further recommended that as future decreases or potential increases in funds available for the P&C, the calculations be adjusted proportionately and that changes in morbidity also be monitored and adjustments be made as appropriate with such changes.

Finally, it is believed that a workgroup be developed consisting of representation from the affiliated islands, CDC and NTCA to develop a formula that is appropriate to the needs of the islands. It is believed that it is important that those who are impacted by the formula should be an integral part of the process of deciding such formulas.