

Example Payment Structure

80% Direct / 20% Performance

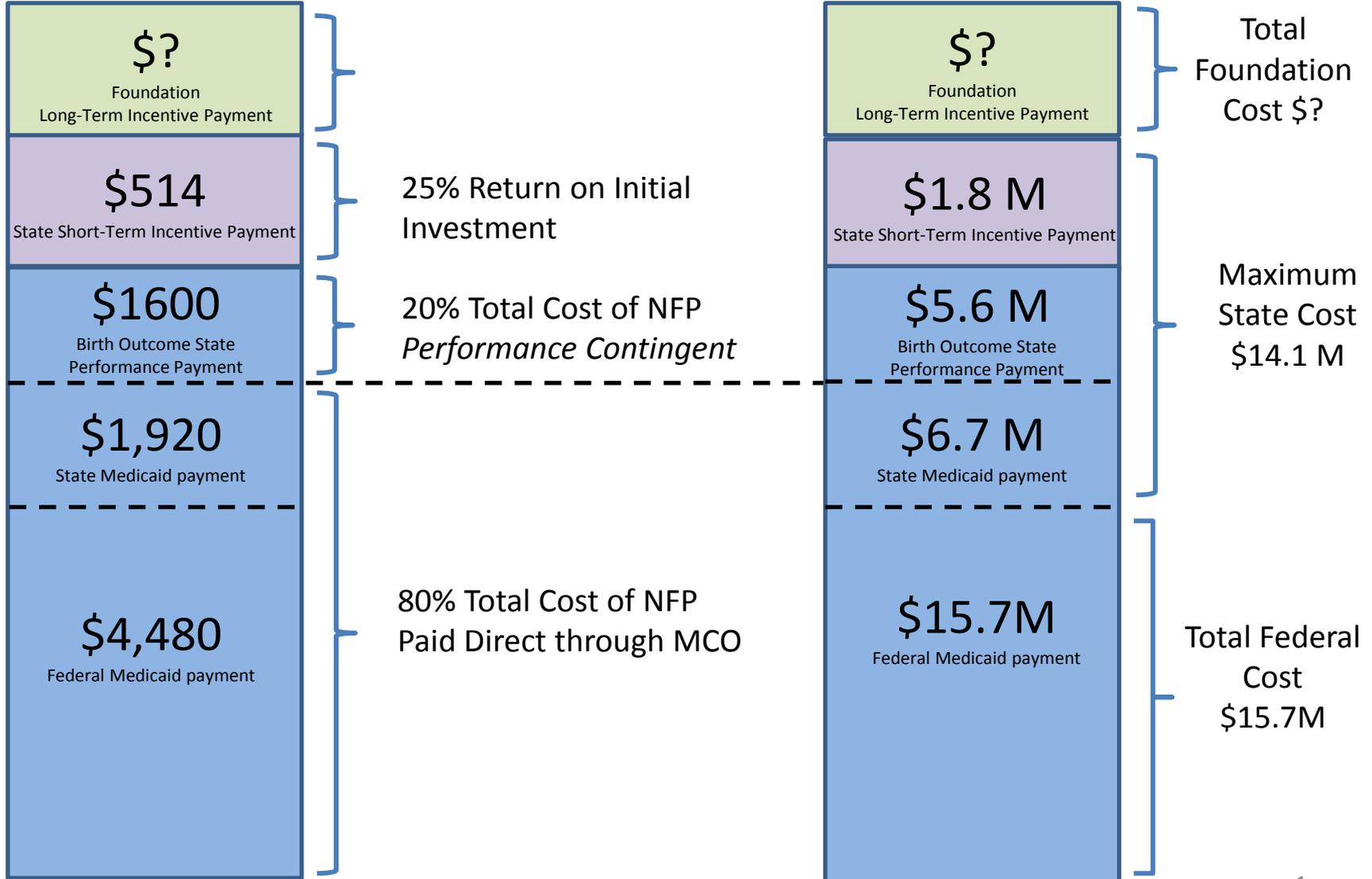
Initial Investment = \$7.1M

Cost per Client Served

NFP Total Cost = \$8,000

Aggregate Cost

Total Clients = 3,500



Example Cash Flow Forecast
80% Direct / 20% Performance
Initial Investment = \$7.1M

SIB Cash Flow Forecast (NFP)

Year	Pre-Start	1	2	3	4	5	6
Total Clients Served		500	1,000	1,000	1,000		
Investor Payment	\$ 5,600,000						
NFP Beginning Balance		\$ 5,600,000	\$ 4,800,000	\$ 3,200,000	\$ 1,600,000	\$ -	
Program Expenses (Cost of Providing NFP Services)	\$ -	\$ (4,000,000)	\$ (8,000,000)	\$ (8,000,000)	\$ (8,000,000)		
Federal Medicaid Payment	\$ -	\$ 2,240,000	\$ 4,480,000	\$ 4,480,000	\$ 4,480,000		
State Medicaid Payment	\$ -	\$ 960,000	\$ 1,920,000	\$ 1,920,000	\$ 1,920,000		
State Performance Payment							
Return Payment to Investors	\$ -						
End of Year Balance	\$ 5,600,000	\$ 4,800,000	\$ 3,200,000	\$ 1,600,000	\$ -	\$ -	\$ -

Initial Investment (\$7.1M) = Investor Payment (\$5.6M) + Intermediary/Evaluator Fees (\$1.5M)

% Paid Direct / % Performance Contingent	Investment Required (Millions)	Total State Cost Min-Max (Millions)	Total Federal Cost (Millions)	Preliminary Estimate of State Savings (Millions)		State Share of Total Cost Min-Max (%)
0 (No SIB)	\$0	\$8.4	\$19.6	Medicaid Non-Medicaid Total	\$12.5 \$10.8 \$23.3	30
90/10	\$4.2	\$7.6 - \$11.5	\$17.6	Medicaid Non-Medicaid Total	\$12.5 \$10.8 \$23.3	30 - 40
80/20	\$7.1	\$6.7 - \$14.1	\$15.7	Medicaid Non-Medicaid Total	\$12.5 \$10.8 \$23.3	30 - 47
70/30	\$9.9	\$5.9 - \$16.8	\$13.7	Medicaid Non-Medicaid Total	\$12.5 \$10.8 \$23.3	30 - 55
60/40	\$12.7	\$5 - \$19.4	\$11.8	Medicaid Non-Medicaid Total	\$12.5 \$10.8 \$23.3	30 - 62
50/50	\$15.5	\$4.2 - \$22.1	\$9.8	Medicaid Non-Medicaid Total	\$12.5 \$10.8 \$23.3	30 - 69

Total Cost to South Carolina by Performance Contingent Breakdown

