



**Office of State Procurement
PROACT Contract Certification of Approval**

**This certificate serves as confirmation that the Office of State Procurement
has reviewed and approved the contract referenced below.**

Reference Number: 2000107342 (6)

Vendor: Louisiana Healthcare Connections

Description: LHC MCO-A6 for Medicaid expansion

Approved By: Pamela Rice

Approval Date: 8/29/2016

Your amendment that was submitted to OSP has been approved.

(Regional/ Program/
Facility

Bureau of Health Services Financing

Original Contract Amt 1,964,731,789

AND

Louisiana Healthcare Connections, Inc.

Original Contract Begin Date 02-01-2015

Original Contract End Date 01-31-2018

RFP Number: 305PUR-DHHRFP-BH-4

Contractor Name

AMENDMENT PROVISIONS

Change Contract From: From Maximum Amount: 3,947,822,893.00 Current Contract Term : 2/1/2015-1/31/2018

See Attachment A-6, Attachment I, Attachment J, Appendix O, and Appendix UU.

Change Contract To: To Maximum Amount: 5,899,819,639.00 Changed Contract Term: N/A

See Attachment A-6, Attachment I, Attachment J, Appendix O, and Appendix UU.

Justifications for amendment:

This amendment is necessary to support the continued operation of the Medicaid managed care program and to provide for Medicaid Expansion pursuant to Executive Order No. JBE 16-01.

This Amendment Becomes Effective: 07-01-2016

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

CONTRACTOR

Louisiana Healthcare Connections, Inc.

CONTRACTOR SIGNATURE

DATE

PRINT NAME

James E. Schlottman

CONTRACTOR TITLE

CEO / Plan President

STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Secretary, Louisiana Department of Health or Designee

SIGNATURE

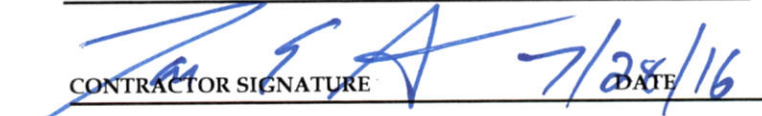
DATE

NAME

Jen Steele

TITLE

Medicaid Director



7/28/16

CONTRACTOR SIGNATURE

DATE

PRINT NAME

James E. Schlottman

CONTRACTOR TITLE

CEO / Plan President

Contract Amendment #6 Attachment A-6

Exhibit/ Attachment	Document	Change From:	Change To:	Justification
Attachment I	Rate Certification		New attachment	Rate certification dated June 30, 2016 provides for rates for the expansion population.
Attachment J	Alternative Benefit Plan		New attachment	The attachment contains the approved provisions of the Alternative Benefit Plan.
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	Add a new subsection	3.4.8 New Adults – Individuals age 19 through 64, not otherwise categorically eligible, with incomes at or below 133% FPL	To add the New Adult population to the mandatory MCO enrollment population.
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	3.8.1.11.3 Greater New Orleans Community Health Connection (GNOCHC) Program	3.8.1.11.3 Greater New Orleans Community Health Connection (GNOCHC) Program	Program ends 6/30/16.
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	5.12.4.3 Impose copayments for the following: <ul style="list-style-type: none"> • Family planning services and supplies; • Emergency services; • Services provided to: <ul style="list-style-type: none"> ○ Individuals younger than 21 years old; ○ Pregnant women; ○ Individuals who are inpatients in long-term care facilities or other institutions; ○ Native Americans; and ○ Alaskan Eskimos 	5.12.4.3 Impose copayments for the following: <ul style="list-style-type: none"> • Family planning services and supplies; • Emergency services; • <u>Aspirin 81mg: women ages 12-79 and men ages 45-79;</u> • <u>Folic Acid 0.4 and 0.8mg: women ages 12-54;</u> • <u>Vitamin D 400 IU: women and men ages 65 and older;</u> • Services provided to: <ul style="list-style-type: none"> ○ Individuals younger than 21 years 	To comply with ACA requirements and clarify expectations.

Contract Amendment #6 Attachment A-6

Exhibit/ Attachment	Document	Change From:	Change To:	Justification
			<ul style="list-style-type: none"> old; ○ Pregnant women; ○ Individuals who are inpatients in long-term care facilities or other institutions; ○ Native Americans; and ○ Alaskan Eskimos; ○ <u>Enrollees of a Home and Community Based Waiver;</u> ○ <u>Women whose basis of Medicaid eligibility is Breast or Cervical Cancer;</u> <u>and</u> ○ <u>Enrollees receiving hospice services.</u> 	
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	5.13.2.1 The MCO shall cost-avoid a claim if it establishes the probable existence of TPL at the time the claim is filed.	5.13.2.1 The MCO shall cost-avoid a claim if it establishes the probable existence of TPL at the time the claim is filed, <u>except for the “pay and chase” claims identified in 5.13.2.2.</u>	To add numbering detail and provide clarification.
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	Add new section	5.13.2.1.1 <u>Claims for labor and delivery and postpartum care may be cost-avoided, including the cost associated with provider and ancillary fees.</u>	To provide clarification.
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	5.13.2.2.2 The MCO may “pay and chase” the full amount allowed under the MCO payment schedule for the claim and then seek reimbursement for any liable TPL of legal liability if:	5.13.2.2 The MCO may “pay and chase” the full amount allowed under the MCO payment schedule for the claim and then seek reimbursement <u>from the TPL insurer (within sixty days after the end of the month in which the payment was made)</u> for any liable	To provide clarification.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
			TPL of legal liability if: <ul style="list-style-type: none"> ○ <u>The claim is for prenatal care for pregnant women;</u> ○ <u>The claim is for preventive pediatric services (including EPSDT and well baby screenings); or</u> ○ <u>The claim is for a service that is provided to an individual on whose behalf child support enforcement is being carried out by the state Title IV-D agency.</u> 	
Exhibit 3	RFP305PUR-DHHRFP-BH-MCO-2014-MVA	5.13.2.4 The claim is for prenatal care for pregnant women, or preventive pediatric services (including EPSDT);	5.13.2.4 The claim is for prenatal care for pregnant women, or preventive pediatric services (including EPSDT);	Revised and moved to 5.13.2.2 as a bullet.
Exhibit 3	RFP305PUR-DHHRFP-BH-MCO-2014-MVA	5.13.2.5 The claim is for a service that is provided to an individual on whose behalf child support enforcement is being carried out by the state Title IV-D agency. The MCO must seek recovery of reimbursement within sixty (60) days after the end of the month in which the payment was made.	5.13.2.5 The claim is for a service that is provided to an individual on whose behalf child support enforcement is being carried out by the state Title IV-D agency. The MCO must seek recovery of reimbursement within sixty (60) days after the end of the month in which the payment was made.	Moved to 5.13.2.2 as a bullet.
Exhibit 3	RFP305PUR-DHHRFP-BH-MCO-2014-MVA	5.13.2.6 If a TPL insurer requires the member to pay any co-payment, coinsurance or deductible, the MCO is responsible for making these payments under the method	5.13.2.6.3 If a TPL insurer requires the member to pay any co-payment, coinsurance or deductible, the MCO is responsible for making these payments under the method	Renumbered.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
		described below, even if the services are provided outside of the MCO network.	described below, even if the services are provided outside of the MCO network.	
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	<p>6.1.4 The MCO shall provide core benefits and services to Medicaid members. The core benefits and services that shall be provided to members are:</p> <ul style="list-style-type: none"> • Audiology Services • Inpatient Hospital Services • Outpatient Hospital Services • Ambulatory Surgical Services • Ancillary Medical Services • Lab and X-ray Services • Surgical Dental Services • Diagnostic Services • Organ Transplant and Related Services • Family Planning Services (not applicable to MCO operating under Section 2.4 of this RFP) • Early Periodic Screening, Diagnostic, and Treatment (EPSDT) Services (excluding Applied Behavior Analysis (ABA) and dental services) • Emergency Medical Services • Communicable Disease Services • Durable Medical Equipment, Prosthetics, Orthotics and Certain Supplies • Emergency Dental Services 	<p>6.1.4 The MCO shall provide core benefits and services to Medicaid members. The core benefits and services that shall be provided to members are:</p> <ul style="list-style-type: none"> • Audiology Services • Inpatient Hospital Services • Outpatient Hospital Services • Ambulatory Surgical Services • Ancillary Medical Services • Lab and X-ray Services • Surgical Dental Services • Diagnostic Services • Organ Transplant and Related Services • Family Planning Services (not applicable to MCO operating under Section 2.4 of this RFP) • Early Periodic Screening, Diagnostic, and Treatment (EPSDT) Services (excluding Applied Behavior Analysis (ABA) and dental services) • Emergency Medical Services • Communicable Disease Services • Durable Medical Equipment, Prosthetics, Orthotics and Certain Supplies • Emergency Dental Services 	Addition of benefits approved by CMS in the Alternative Benefit Plan.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
		<ul style="list-style-type: none"> • Emergency and Non-Emergency Medical Transportation • Home Health Services • Personal Care Services (Age 0-20) • Hospice Services • Basic Behavioral Health Services • Specialized Behavioral Health Services including rehabilitative and Licensed Mental Health Professional Services (including Advanced Practice Registered Nurse (APRN) services) • Clinic Services • Physician Services • Pregnancy-Related Services • Nurse Midwife Services • Pediatric and Family Nurse Practitioner Services • Advance Practice Registered Nursing Services • Chiropractic Services (Age 0-20) • Federally Qualified Health Center (FQHC) Services • Rural Health Clinic Services • Immunizations (Children and Adults) • End Stage Renal Disease Services • Home Health-Extended Services (Age 0-20) • Optometrist Services (Age 21 & Older, non-EPSTD) 	<ul style="list-style-type: none"> • Emergency and Non-Emergency Medical Transportation • Home Health Services • Personal Care Services (Age 0-20) • Hospice Services • Basic Behavioral Health Services • Specialized Behavioral Health Services including rehabilitative and Licensed Mental Health Professional Services (including Advanced Practice Registered Nurse (APRN) services) • Clinic Services • Physician Services • Pregnancy-Related Services • Nurse Midwife Services • Pediatric and Family Nurse Practitioner Services • Advance Practice Registered Nursing Services • Chiropractic Services (Age 0-20) • Federally Qualified Health Center (FQHC) Services • Rural Health Clinic Services • Immunizations (Children and Adults) • End Stage Renal Disease Services • Home Health-Extended Services (Age 0-20) • Optometrist Services (Age 21 & Older, 	

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
		<ul style="list-style-type: none"> Personal Care Services (Age 0-20) Podiatry Services Therapy Services (Physical, Occupational, Speech) Respiratory Services Pharmacy Services (Outpatient prescription medicines dispensed). Pediatric Day Healthcare Services 	non-EPSTD) <ul style="list-style-type: none"> Personal Care Services (Age 0-20) Podiatry Services Therapy Services (Physical, Occupational, Speech) Respiratory Services Pharmacy Services (Outpatient prescription medicines dispensed) Pediatric Day Healthcare Services <u>Other benefits and services in the Alternative Benefit Plan approved by CMS.</u> 	
Exhibit 3	RFP305PUR-DHHRFP-BH-MCO-2014-MVA	6.7.1 The MCO shall provide all members under twenty-one (21) years of age with all vaccines and immunizations in accordance with the Advisory Committee on Immunization Practices (ACIP) guidelines.	6.7.1 The MCO shall provide all members under twenty-one (21) years of age with all vaccines and immunizations in accordance with the Advisory Committee on Immunization Practices (ACIP) guidelines.	To align benefits across programs.
Exhibit 3	RFP305PUR-DHHRFP-BH-MCO-2014-MVA	6.26.6.1 All vaccines and immunizations in accordance with the Centers for Disease Control and Prevention's (CDC) Advisory Committee on Immunization Practices (ACIP) for members over twenty-one (21) years of age, not otherwise covered in Section 6.7.5;	6.26.6.1 All vaccines and immunizations in accordance with the Centers for Disease Control and Prevention's (CDC) Advisory Committee on Immunization Practices (ACIP) for members over twenty-one (21) years of age, not otherwise covered in Section 6.7.5;	Mandatory coverage effective 7/1/16, so this can no longer be considered value added benefits.
Exhibit 3	RFP305PUR-DHHRFP-BH-MCO-2014-MVA	7.6.1.1 The MCO must offer a contract to the following providers: <ul style="list-style-type: none"> Louisiana Office of Public Health (OPH); 	7.6.1.1 The MCO must offer a contract to the following providers: <ul style="list-style-type: none"> Louisiana Office of Public Health (OPH); 	To add required mandatory contracting offers to Ryan White clinics.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
		<ul style="list-style-type: none"> • All OPH-certified School Based Health Clinics (SBHCs); • All small rural hospitals meeting the definition in the Rural Hospital Preservation Act of 1997; • Federally Qualified Health Centers (FQHCs); • Rural Health Clinics (RHCs) (free-standing and hospital based); • The MCO shall make a reasonable effort to contract with all local family planning clinics and providers, including those funded by Title X of the Public Health Services Act services; and • All providers approved by the DHH PSH program to provide tenancy and pre-tenancy supports for the Louisiana Permanent Supportive Housing program. 	<ul style="list-style-type: none"> • All OPH-certified School Based Health Clinics (SBHCs); • All small rural hospitals meeting the definition in the Rural Hospital Preservation Act of 1997; • Federally Qualified Health Centers (FQHCs); • Rural Health Clinics (RHCs) (free-standing and hospital based); • <u>Clinics and outpatient providers funded under the HRSA administered Ryan White HIV/AIDS Program;</u> • The MCO shall make a reasonable effort to contract with all local family planning clinics and providers, including those funded by Title X of the Public Health Services Act services; and) • All providers approved by the DHH PSH program to provide tenancy and pre-tenancy supports for the Louisiana Permanent Supportive Housing program. 	
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	Add new section	7.18 Provider Satisfaction Surveys 7.18.1 The MCO shall conduct an annual provider survey to assess overall satisfaction,	To add requirement that was inadvertently omitted from the RFP.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
			<p>as well as satisfaction with the following functions:</p> <ul style="list-style-type: none"> • Access to linguistic assistance; • Provider enrollment; • Provider communication; • Provider education and trainings (including cultural competency trainings); • Resolution to provider complaints/disputes; • Claims processing; • Claims reimbursement; • Network/coordination of care; and • Utilization management processes (including medical reviews and support toward Patient Centered Medical Home implementation). <p>7.18.2 The Provider Satisfaction survey tool and methodology must be submitted to DHH for approval 90 days prior to administration.</p> <p>7.18.3 All required components of the survey tool must be administered and reported to DHH annually within the provider satisfaction survey report. Survey response rates shall consider the population size and demographic category of providers with a</p>	

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
			<p>minimum margin of error of +/- 5% and a confidence level of at least 95%. This shall be the minimum response rate for surveys completed and reported to DHH.</p> <p>7.18.4 The MCO shall submit an annual Provider Satisfaction Survey Report that summarizes the survey methods and findings and provides analysis of opportunities for improvement. Provider Satisfaction Survey Reports are due 120 days after the end of the plan year.</p>	
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	DHH, through its Enrollment Broker, will provide an opportunity for all MCO members to retain or select a new MCO during a single statewide annual open enrollment period. Prior to the annual open enrollment period, the Enrollment Broker will mail a re-enrollment offer to the MCO member to determine if they wish to continue to be enrolled with their current MCO.	<u>11.8.1</u> DHH, through its Enrollment Broker, will provide an opportunity for all MCO members to retain or select a new MCO during a single statewide annual open enrollment period. Prior to the annual open enrollment period, the Enrollment Broker will mail a re-enrollment offer to the MCO member to determine if they wish to continue to be enrolled with their current MCO.	To add numbered detail to section.
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	Add new section	<u>11.8.1.1</u> The first opportunity for New Adults to retain or select a new MCO during a single statewide annual open enrollment period will be in late 2017.	To clarify that New Adult members will not be included in the 2016 Annual Open Enrollment Period.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	11.8.1 Each MCO member shall receive information and the offer of assistance with making informed choices about the participating MCOs and the availability of choice counseling. The Enrollment Broker shall provide the individual with information on the MCOs from which they may select. Each Medicaid enrollee shall be given sixty (60) calendar days to retain their existing MCO or select a new MCO.	11.8.1.2 Each MCO member shall receive information and the offer of assistance with making informed choices about the participating MCOs and the availability of choice counseling. The Enrollment Broker shall provide the individual with information on the MCOs from which they may select. Each Medicaid enrollee shall be given sixty (60) calendar days to retain their existing MCO or select a new MCO.	Corrected numbering.
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	11.8.2 Unless the member becomes ineligible for the Bayou Health Program , members that fail to select a new MCO during their annual open enrollment period will remain enrolled with the existing MCO	11.8.2.3 Unless the member becomes ineligible for the Bayou Health Program , members that fail to select a new MCO during their annual open enrollment period will remain enrolled with the existing MCO	Corrected numbering.
Exhibit 3	RFP305PUR -DHHRFP- BH-MCO- 2014-MVA	12.1.14 The MCO shall develop marketing and member materials that address members as per the MCO populations outlined in Section 3.3.3 of the Contract (i.e., those who receive the full range of benefits as outlined in this contract versus members covered only for specialized behavioral health and NEMT services).	12.1.14 The MCO shall develop marketing and member materials that address members as per the MCO populations outlined in Section 3.3.3 of the Contract (i.e., those who receive the full range of benefits as outlined in this contract versus members covered only for specialized behavioral health and NEMT services).	Delete duplicative verbiage.
Exhibit 3	RFP305PUR -DHHRFP-	14.2.10.3 The MCO's vendor shall perform CAHPS Adult surveys, CAHPS Child surveys, and	14.2.10.3 The MCO's vendor shall perform CAHPS Adult surveys, <u>and</u> CAHPS Child	To clarify survey requirements.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
	BH-MCO-2014-MVA	CAHPS Children with Chronic Conditions survey.	surveys, and CAHPS , including the Children with Chronic Conditions survey <u>supplement</u> .	
Exhibit 3	RFP305PUR-DHHRFP-BH-MCO-2014-MVA	14.6 Fidelity to Evidence-Based Practices . . . Reports will be submitted quarterly to DHH.	14.6 Fidelity to Evidence-Based Practices . . . Reports will be submitted quarterly to DHH <u>according to the frequency established in the fidelity monitoring plan submitted to the State, but no less than once per year.</u>	To clarify the reporting deadline for fidelity to evidence-based practices report.
Exhibit 3	RFP 305 PUR-DHHRFP-BH-MCO-2014-MVA	17.11 Audit Requirements The MCO shall ensure that their Systems facilitate the auditing of individual claims. Adequate audit trails shall be provided throughout the Systems. DHH may require the Contractor and/or subcontractors, if performing a key internal control, to submit to financial and performance audits from outside companies to assure both the financial viability of the program and the operational viability, including the policies and procedures placed into operation. To facilitate claims auditing, the MCO shall ensure that the Systems follows, at a minimum, the guidelines and objectives of the American Institute of Certified Public	17.11 Audit Requirements The MCO shall ensure that their Systems facilitate the auditing of individual claims. Adequate audit trails shall be provided throughout the Systems. DHH may require the Contractor and/or subcontractors, if performing a key internal control, to submit to financial and performance audits from outside companies to assure both the financial viability of the program and the operational viability, including the policies and procedures placed into operation. To facilitate claims auditing, the MCO shall ensure that the Systems follows, at a minimum, the guidelines and	Federal regulations do not require the submission of SSAE-16 audits by Medicaid managed care organizations.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
		Accountants (AICPA) <i>Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization.</i>	objectives of the American Institute of Certified Public Accountants (AICPA) <i>Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization.</i>	
Exhibit 3	RFP 305 PUR- DHHRFP- BH-MCO- 2014-MVA	17.11.2.1 The MCO shall, at its own expense, be required to submit to an annual independent Statement on Standards for Attestation Engagements (SSAE) No. 16 Service Organization Control (SOC) Type II audit of its internal controls and other financial and performance systems by an external company to ensure financial and operational viability and to ensure contract compliance. The audit period must be 12 consecutive months with no breaks between subsequent audit periods.	17.11.2.1 The MCO shall, at its own expense, be required to submit to an annual independent Statement on Standards for Attestation Engagements (SSAE) No. 16 Service Organization Control (SOC) Type II audit of its internal controls and other financial and performance systems by an external company to ensure financial and operational viability and to ensure contract compliance. The audit period must be 12 consecutive months with no breaks between subsequent audit periods.	Federal regulations do not require the submission of SSAE-16 audits by Medicaid managed care organizations.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
Exhibit 3	RFP 305 PUR- DHHRFP- BH-MCO- 2014-MVA	21.9 Independent Assurances DHH will also require the Contractor and/or subcontractors, if performing a key internal control, to submit to an independent SSAE 16 SOC 1 and/or type II audit of its internal controls and other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. The audit firm will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures.—When required by DHH, the contractor must provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV&V), and other internal project/program reviews and audits.	21.9 Independent Assurances DHH will also require the Contractor and/or subcontractors, if performing a key internal control, to submit to an independent SSAE 16 SOC 1 and/or type II audit of its internal controls and other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. The audit firm will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures. When required by DHH, the contractor must provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV&V), and other internal project/program reviews and audits.	Federal regulations do not require the submission of SSAE-16 audits by Medicaid managed care orgas.
Exhibit 4	RFP 305 PUR- DHHRFP- BH-MCO- 2014-MVA Appendix O		Replace with updated version	Removal of SSAE requirement for subcontractors.

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Exhibit/ Attachment	Document	Change From:	Change To:	Justification
Exhibit 4	RFP 305 PUR- DHHRFP- BH-MCO- 2014-MVA Appendix UU		Replace with updated version	The version submitted with Amendment #4 did not contain all pages.



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Ms. Amanda H. Joyner
Medicaid Deputy Director
Louisiana Department of Health
Bureau of Health Services Financing
628 North 4th Street
Baton Rouge, LA 70821

June 30, 2016

Subject: Healthy Louisiana Medicaid Expansion – Risk-Bearing Managed Care Organization Rate Development and Actuarial Certification for the Period July 1, 2016 through January 31, 2017

Dear Ms. Joyner:

The Louisiana Department of Health (LDH) has contracted with Mercer Government Human Services Consulting (Mercer) to develop actuarially sound capitation rate ranges for the Healthy Louisiana, formerly known as Bayou Health, Medicaid Expansion program [42 CFR 433.204 b(1)] for the period of July 1, 2016 through January 31, 2017.

This letter presents an overview of the methodology used in Mercer's managed care rate development for the purpose of satisfying the requirements of the Centers for Medicare & Medicaid Services (CMS). This rate development process used Medicaid fee-for-service (FFS) medical and pharmacy claims, Bayou Health Shared Savings claims experience, Bayou Health Prepaid encounter data, and LBHP claims experience. It resulted in the development of a range of actuarially sound rates for each rate cell. The capitation rate ranges are summarized in Appendix A and represent payment in full for the covered services.

Medicaid benefit plan premium rates are "actuarially sound" if, for business in the state for which the certification is being prepared and for the period covered by the certification, projected premiums, including expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows, and investment income, provide for all reasonable, appropriate and attainable costs, including health benefits, health benefit settlement expenses, marketing and administrative expenses, any government mandated assessments, fees, and taxes, and the cost of capital. Note: Please see page 2 of Actuarial Standard of Practice Number 49, *Medicaid Managed Care Capitation Rate Development and Certification*, issued March 2015 by the Actuarial Standards Board, http://www.actuarialstandardsboard.org/wp-content/uploads/2015/03/asop049_179.pdf.

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Ms. Amanda H. Joyner
Louisiana Department of Health

Expansion Population Rate Development Base Data and Adjustments

Capitation rate ranges for the Healthy Louisiana program were developed in accordance with rate-setting guidelines established by CMS. The rate development for the expansion enrollment relied upon base data and rate-setting adjustments used to develop the Bayou Health February 1, 2016 effective capitation rates. The expansion rate development relied primarily upon Family & Children (F&C) experience and rate adjustments. Please refer to the certification letter effective Feb 2016-Jan 2017, appended at the end of this document as Appendix E, for further details regarding these adjustments.

Certain rate adjustments used to develop the Healthy Louisiana capitation rates for the traditional Medicaid program were removed or revised in the development of the expansion rates. Furthermore, additional data adjustments were applied to reflect anticipated differences in the health status and utilization patterns of the expansion population. The adjustments removed or revised and additional adjustments applied will be discussed in the *Expansion Data Adjustments* section of this letter.

Rate Cell Structure

Expansion rates will vary by region as defined for the existing population: Gulf, Capital, South Central, and North. Additionally, rates are divided into four age groupings and segregated into Male and Female. The factors for each of these splits are shown in Table 1. Rate cells for maternity kick payments were created for the expansion population, but will receive the same rate as the existing population. Additionally, a Medicare Specialized Behavioral Health (SBH) rate cell was created to account for the rare but potential situation in which an individual is found to be eligible for Medicare retro-actively overlapping enrollment in expansion. Medicare eligibility disqualifies an individual for the expansion program; however the state will pay the MCOs to cover the SBH services not covered by Medicare incurred during any retro enrollment period. This service coverage is identical to the SBH-Only Dual eligible coverage; therefore the rate from the existing Bayou population for SBH-Dual Eligible will be used in this scenario.

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Ms. Amanda H. Joyner
Louisiana Department of Health

Table 1: Age Gender Factors

Rate Cell Description	Age/Gender Factor
Female Age 19 - Age 24	0.62
Male Age 19 - Age 24	0.50
Female Age 25 - Age 39	0.91
Male Age 25 - Age 39	0.81
Female Age 40 - Age 49	1.42
Male Age 40 - Age 49	1.39
Female Age 50 - Age 64	1.70
Male Age 50 - Age 64	1.94
SBH Medicare Eligible, All Sex/Ages	NA

Covered Services

LDH expanded State Plan covered services to include additional services required per section 4106 of the Affordable Care Act (ACA). Additional services consisted of certain preventive services, screenings, and new pharmacy requirements. The actuary considered the impact of these additional services on program costs, but did not make any explicit adjustments in rate development due to the relatively small incremental cost for these services compared to the additional expansion population rate adjustments.

Expansion Data Adjustments

Removed and Revised Data Adjustments

All F&C Adult applicable rate adjustments from the Bayou Health February 1, 2016 effective capitation rates were applied except for efficiency adjustments and trend. Trend was re-evaluated for all categories of service (COS). For pharmacy, emerging experience for F&C adults and SSI adults were reviewed to set the expansion trend. For all other COS, a weighting between F&C adults and SSI adults was applied to determine the expansion trend. The resulting trends by COS can be seen in Table 2.

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 Ms. Amanda H. Joyner
 Louisiana Department of Health

Table 2: Expansion Annual Trend Factors

COS Description	Expansion	
	Trend Low	Trend High
Inpatient Hospital	0.00%	1.00%
Outpatient Hospital	4.20%	7.45%
Primary Care Physician	1.55%	4.06%
Specialty Care Physician	1.58%	4.09%
FQHC/RHC	1.73%	4.18%
EPSDT	0.15%	3.27%
Certified Nurse Practitioners/Clinical Nurse	1.36%	3.93%
Lab/Radiology	7.23%	11.17%
Home Health	7.66%	11.63%
Emergency Transportation	9.85%	12.99%
Non-Emergency Transportation	9.22%	12.07%
Rehabilitation Services (OT, PT, ST)	10.09%	14.12%
DME	7.25%	11.22%
Clinic	2.03%	4.39%
Family Planning	1.16%	3.81%
Other	6.92%	10.84%
Prescribed drugs	8.12%	9.30%
Emergency Room	4.20%	7.45%
Basic Behavioral Health	1.90%	4.30%
Hospice	0.00%	1.00%
Personal Care Services	0.00%	0.00%
Inpatient Services -- Mental Health	4.00%	6.00%
Emergency Room -- Mental Health	4.00%	6.00%
Professional/Other -- Mental Health	4.00%	6.00%
All Categories of Service	4.82%	7.04%

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Additional Rate Adjustments

Several adjustments unique to the expansion population were developed to account for expected differences from our Bayou Health February 1, 2016 effective capitation rates. The four adjustments applied were acuity, pent-up demand, adverse selection, and reverse managed care. Some of these factors vary between the Gulf region and all other regions due to auto-enrollment of eligibles previously enrolled in the Greater New Orleans Community Health Connection (GNOCHC) program. The resulting factors by region and low versus high can be seen in Table 3:

Table 3: Expansion Assumption Factors

	Acuity	Pent-Up Demand		Adverse Selection		Reverse Managed Care
Region(s)	All	Gulf	All Other	Gulf	All Other	All
Low	1.125	1.093	1.101	1.027	1.036	1.052
High	1.306	1.093	1.101	1.034	1.047	1.052

Acuity

Acuity is a morbidity adjustment to account for the expected difference in health status between the current (F&C) population and the expansion population. The range of this factor was developed by reviewing other state expansion certifications, which had already gone through expansion, as well as review expansion experience where available. The resulting acuity factor range is set statewide at 12.5% - 30.6%.

Pent-up Demand

Pent-up demand was developed to capture the effect of people putting off elective medical services, because they had no access to health care or the access was at a prohibitive cost. This will increase utilization in the short-term, but will phase down over time. A separate factor for the Gulf region was necessary, because all of the GNOCHC population, which will be auto-enrolled July 1, 2016, already have access to professional services, which results in a lower pent-up demand expectation for this population. The GNOCHC population resides exclusively in the Gulf region. The weights and resulting factor are shown in Table 4.

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Table 4: Pent-up Demand Factors

	Projected Member Months 7/1/16-1/31/17 ¹			Pent-Up Demand Factor
	Non-Elderly Uninsured	GNOCHC ^{2,3}	Family Planning (FP)	
Statewide	868,147	423,850	929,355	9.8%
Gulf Region	243,191	423,850	260,337	9.3%
All Other Regions	624,956	0	669,018	10.1%

1 - Regional population estimated using Databook CY2014 enrollment (Physical Health Only)

2 - Current GNOCHC services include professional

3 - GNOCHC enrollees are exclusively Gulf region residents

Adverse Selection

Adverse selection accounts for the fact that the members in most need of care will have an increased awareness and motivation of obtaining coverage. This will result in a higher acuity for those enrolled in the initial months of the program relative to the total program population in the future.

Two existing program populations are being auto-enrolled effective July 1, 2016. These populations are the Family Planning (FP) program and the previously discussed GNOCHC program. Because these program populations are auto-enrolled, the adverse selection adjustment applied to these populations is 1.000. Details from a risk score analysis of an early adopting expansion state was used to inform the development of this factor. A high and low factor was developed to account for potential variation in how different segments of the anticipated enrolling populations may react to the new program. The adverse selection factor applied to the application process enrolling population ranged from 1.073 to 1.094. The final factors, after dilution with the auto-enrollment population, are shown in Table 5.

Table 5: Adverse Selection Factors

	Low	High
Gulf Region	1.027	1.034
All Other Regions	1.036	1.047

Reverse Managed Care

A reverse managed care factor was applied to recognize that managed care techniques may take time to be effective and to achieve efficient and effective care delivery. Therefore, adjustments were made to reflect the time to implement medical management to a new population. Reverse managed care factors were developed using 50% of the inverse of historical managed care

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factors used in early rate development for the Healthy Louisiana program. This effect is not expected for pharmacy, so it was set at zero. Details by COS are shown in Table 6.

Table 6: Reverse Managed Care Factors by COS

COS	Managed Care (MC) Factor	Reverse MC Factor
Inpatient	-21.1%	13.3%
Outpatient	-16.7%	10.0%
Professional	-6.5%	3.5%
Other	-13.9%	8.1%
Transportation	-4.5%	2.4%
Pharmacy	-25.2%	0.0%
SBH - IP	-30.0%	21.4%
SBH - ER	-10.0%	5.6%
SBH - Prof/Other	20.0%	-8.3%
Model Total	-9.5%	5.24%

Seasonality

Because the rate period is less than 12 months, and enrollment is expected to grow significantly during the projection period, the actuary considered including a seasonality factor in the rate development. However, after review, the actuary determined a seasonality factor was unnecessary.

Full Medicaid Pricing (FMP)

Beginning in April 2014, LDH implemented a series of program changes to ensure consistent pricing in the Medicaid program for hospital services, including inpatient hospital, outpatient hospital, hospital-based physician, and ambulance services. This change required the use of FMP in the calculation of per member per month (PMPM) payments to managed care organizations (MCOs). LDH expects this rate increase will lead to increased payments to those providers contracting with the MCOs to maintain and increase access to inpatient hospital, outpatient hospital, hospital-based physician, and ambulance services to the enrolled Medicaid populations. Mercer and LDH reviewed the aggregate funding levels for these services between the base period and the contract period and determined that an addition to the historical data was necessary in order to ensure the capitation rate ranges reflect adequate statewide pricing levels. Separate adjustments were made to each of the four services to capture the full impact of statewide funding.

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FMP adjustments were implemented for inpatient and outpatient services effective April 2014. Physician and ambulance FMP adjustments were implemented effective July 2015.

FMP Pricing Methodology

The actuary relied upon development of FMP from the existing February 1, 2016 rates to determine the inpatient, outpatient, physician, and ambulance FMP amounts. Using the February 1, 2016 SSI and F&C adult rates, Mercer reviewed the relativities of each FMP category with respect to the corresponding limited rates and derived the FMP estimates specific to the expansion population, as shown in Table 7.

Table 7: FMP Estimates by Region

Region	FMP (excluding premium tax)			
	Hospital (IP/OP)	Ambulance	Physician	Total
Gulf	\$67.42	\$5.33	\$12.06	\$84.80
Capital	\$64.86	\$4.55	\$22.56	\$91.97
South Central	\$62.49	\$2.61	\$21.62	\$86.72
North	\$65.59	\$4.96	\$6.76	\$77.31

Non-Medical Expense Load

The actuarially sound capitation rate ranges developed include a provision for MCO administration and other non-medical expenses. Administrative cost for the Expansion population was developed to be consistent with the aggregate February 1, 2016 SSI Adult and F&C Adult rate cell administrative loads. Final Administrative cost expectation for the expansion population is \$29.38 PMPM.

Additionally, provision has been made in the rate development for a 2.00% underwriting gain calculated before applying any adjustment for FMP. Final rates also include provision for Louisiana's 5.50% premium tax, which changed from 2.25% per Act No. 1 of the 2016 Second Extraordinary Session. The FMP PMPMs include provision for premium tax only.

Risk Adjustment

Due to the lack of diagnosis data for this population, expansion rate cells will not be subject to risk adjustment during the rating period. LDH intends to risk adjust the expansion rates in the future when sufficient and reliable diagnosis data is available to support the risk-adjustment process.

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Federal Health Insurer Fee

Section 9010 of the ACA established a health insurance provider fee (HIPF), which applies to certain for-profit/tax-paying health insurers. For-profit Medicaid health plans are not exempt from the HIPF, which will become a cost of doing business that is appropriate to recognize in actuarially sound capitation rates.

At the time of this certification, many aspects of the calculation and application of this fee are not yet determined and/or finalized. These fees are calculated on an annual basis. The Consolidated Appropriations Act of 2016, Title II, Section 201 suspended the fee for calendar year 2016. Barring any new legislation to the contrary, the fee is scheduled to resume in 2017. It will be calculated and become payable during the third quarter of 2018. Of the rates certified within this document, the expectation is that only capitation payments made on or after January 1, 2017 will be subject to the HIPF. As these fees are not yet defined by insurer and by marketplace, no adjustment has been made in the rate range development for the Healthy Louisiana program. An adjustment and revised certification will be considered when the fee amount and impacted entities applicable to this rate period are announced in 2018.

Certification of Final Rate Ranges

In preparing the rate ranges shown in Attachment A, Mercer has used and relied upon enrollment, FFS claims, encounter data, reimbursement level, benefit design, and other information supplied by LDH and its fiscal agent. LDH, its fiscal agent, and the Prepaid plans are responsible for the validity and completeness of the data supplied. We have reviewed the data and information for internal consistency and reasonableness, but we did not audit them. In our opinion they are appropriate for the intended purposes. If the data and information are incomplete or inaccurate, the values shown in this report may need to be revised accordingly.

Mercer certifies that the rates in Attachment A were developed in accordance with generally accepted actuarial practices and principles and are appropriate for the Medicaid covered populations and services under the managed care contract. Rate estimates provided are based upon the information available at a point in time and are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely range of variability from the estimate. The undersigned actuaries are members of the American Academy of Actuaries and meet its qualification standards to certify to the actuarial soundness of Medicaid managed care capitation rates.

Rates and ranges developed by Mercer are actuarial projections of future contingent events. Actual Healthy Louisiana MCO costs will differ from these projections. Mercer has developed these rates on behalf of LDH to demonstrate compliance with the CMS requirements under

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42 CFR 438.6(c), and in accordance with applicable law and regulations. Use of these rate ranges for any purpose beyond that stated may not be appropriate.

Healthy Louisiana MCOs are advised that the use of these rate ranges may not be appropriate for their particular circumstance and Mercer disclaims any responsibility for the use of these rate ranges by Healthy Louisiana MCOs for any purpose. Mercer recommends that any Healthy Louisiana MCO considering contracting with LDH should analyze its own projected medical expense, administrative expense, and any other premium needs for comparison to these rate ranges before deciding whether to contract with LDH.

This certification letter assumes the reader is familiar with the Healthy Louisiana Program, Medicaid eligibility rules, and actuarial rate-setting techniques. It is intended for LDH and CMS, and should not be relied upon by third parties. Other readers should seek the advice of actuaries or other qualified professionals competent in the area of actuarial rate projections to understand the technical nature of these results.

If you have any questions on any of the information provided, please feel free to call Jared Simons or Erik Axelsen at +1 404 442 3358 or +1 404 442 3517.

Sincerely,



Jaredd Simons, ASA, MAAA
Principal



Erik Axelsen, ASA, MAAA
Senior Associate

Appendix A: Healthy Louisiana Expansion Capitation Rate Range

Region Description	Category of Aid Description	Rate Cell Description	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery
Gulf	Medicaid Expansion	Female Age 19 - Age 24	\$336.74	\$386.00
Gulf	Medicaid Expansion	Male Age 19 - Age 24	\$297.12	\$337.31
Gulf	Medicaid Expansion	Female Age 25 - Age 39	\$440.21	\$513.15
Gulf	Medicaid Expansion	Male Age 25 - Age 39	\$404.43	\$469.19
Gulf	Medicaid Expansion	Female Age 40 - Age 49	\$617.26	\$730.72
Gulf	Medicaid Expansion	Male Age 40 - Age 49	\$607.36	\$718.56
Gulf	Medicaid Expansion	Female Age 50 - Age 64	\$714.40	\$850.10
Gulf	Medicaid Expansion	Male Age 50 - Age 64	\$800.08	\$955.39
Gulf	Medicaid Expansion	SBH - Dual Eligible, All Ages	\$29.05	\$30.17
Gulf	Medicaid Expansion	Maternity Kick Payment	\$10,535.94	\$10,674.16
Gulf	Medicaid Expansion	EED Kick Payment	\$6,360.51	\$6,407.97
Capital	Medicaid Expansion	Female Age 19 - Age 24	\$389.88	\$450.50
Capital	Medicaid Expansion	Male Age 19 - Age 24	\$341.88	\$391.34
Capital	Medicaid Expansion	Female Age 25 - Age 39	\$515.26	\$605.02
Capital	Medicaid Expansion	Male Age 25 - Age 39	\$471.91	\$551.59
Capital	Medicaid Expansion	Female Age 40 - Age 49	\$729.79	\$869.41
Capital	Medicaid Expansion	Male Age 40 - Age 49	\$717.79	\$854.63
Capital	Medicaid Expansion	Female Age 50 - Age 64	\$847.50	\$1,014.48
Capital	Medicaid Expansion	Male Age 50 - Age 64	\$951.31	\$1,142.43
Capital	Medicaid Expansion	SBH - Dual Eligible, All Ages	\$22.57	\$23.43
Capital	Medicaid Expansion	Maternity Kick Payment	\$10,046.81	\$10,168.49
Capital	Medicaid Expansion	EED Kick Payment	\$6,872.26	\$6,924.95
South Central	Medicaid Expansion	Female Age 19 - Age 24	\$363.59	\$419.59
South Central	Medicaid Expansion	Male Age 19 - Age 24	\$319.40	\$365.09
South Central	Medicaid Expansion	Female Age 25 - Age 39	\$479.00	\$561.92
South Central	Medicaid Expansion	Male Age 25 - Age 39	\$439.09	\$512.71
South Central	Medicaid Expansion	Female Age 40 - Age 49	\$676.47	\$805.46
South Central	Medicaid Expansion	Male Age 40 - Age 49	\$665.42	\$791.84
South Central	Medicaid Expansion	Female Age 50 - Age 64	\$784.81	\$939.08
South Central	Medicaid Expansion	Male Age 50 - Age 64	\$880.38	\$1,056.94
South Central	Medicaid Expansion	SBH - Dual Eligible, All Ages	\$19.80	\$20.54
South Central	Medicaid Expansion	Maternity Kick Payment	\$8,687.40	\$8,813.53
South Central	Medicaid Expansion	EED Kick Payment	\$5,276.32	\$5,328.31
North	Medicaid Expansion	Female Age 19 - Age 24	\$337.24	\$389.35
North	Medicaid Expansion	Male Age 19 - Age 24	\$296.07	\$338.58
North	Medicaid Expansion	Female Age 25 - Age 39	\$444.77	\$521.93
North	Medicaid Expansion	Male Age 25 - Age 39	\$407.58	\$476.08
North	Medicaid Expansion	Female Age 40 - Age 49	\$628.75	\$748.78
North	Medicaid Expansion	Male Age 40 - Age 49	\$618.46	\$736.09
North	Medicaid Expansion	Female Age 50 - Age 64	\$729.70	\$873.24
North	Medicaid Expansion	Male Age 50 - Age 64	\$818.74	\$983.03
North	Medicaid Expansion	SBH - Dual Eligible, All Ages	\$21.24	\$22.05
North	Medicaid Expansion	Maternity Kick Payment	\$9,307.91	\$9,430.41
North	Medicaid Expansion	EED Kick Payment	\$5,809.03	\$5,855.53

Appendix B: Projected Claims PMPM Development

Table 1: PH Expansion Rate Component Development

Region Name	COA Desc	Rate Cell Desc	Remove Prospective Components								
			A	B	C	D	E	F	G	H	I
			Projected PMPM - Low	Projected PMPM - High	Remove Clinical & Rx Efficiencies	Remove Low Trend	Remove High Trend	Remove Retro Adj	Adjusted Low PMPM	Adjusted High PMPM	Adjusted Midpoint PMPM
Gulf	Family and Children	Adult, 21+ Years	\$ 213.16	\$ 224.92	\$ 1.68	3.60%	5.77%	0.00%	\$ 199.57	\$ 201.61	\$ 200.59
Capital	Family and Children	Adult, 21+ Years	\$ 254.90	\$ 268.91	\$ 1.69	3.63%	5.80%	0.00%	\$ 238.21	\$ 240.60	\$ 239.41
South Central	Family and Children	Adult, 21+ Years	\$ 233.76	\$ 246.71	\$ 1.67	3.64%	5.85%	0.00%	\$ 218.54	\$ 220.65	\$ 219.60
North	Family and Children	Adult, 21+ Years	\$ 218.07	\$ 230.08	\$ 1.67	3.40%	5.61%	0.00%	\$ 204.94	\$ 206.85	\$ 205.90

Notes:

Columns A & B correspond to Physical Health only TANF rate components and can be found on page 61 - 62 within the attached February 2016 Rate Certification Letter (Appendix E)

Prospective components removed in columns C through F also correspond to Physical Health only rating adjustments

$$G = [(A + C) / (1 + D)^{25/12}] / (1 + F)$$

$$H = [(B + C) / (1 + E)^{25/12}] / (1 + F)$$

$$I = (G + H) / 2$$

Table 2: SBH Expansion Rate Component Development

Table 2: SBH Expansion Rate Component Development					Remove Prospective Components						
			J	K	L		M	N	O	P	Q
Region Name	COA Desc	Rate Cell Desc	Projected PMPM - Low	Projected PMPM - High	Remove Low Trend	Remove High Trend	Remove Retro Adj	Adjusted PMPM - Low	Adjusted PMPM - High	Adjusted PMPM - Midpoint	
Gulf	Family and Children	Adult, 21+ Years	\$ 19.55	\$ 20.35	4.00%	6.00%	0.00%	\$ 18.02	\$ 18.02	\$ 18.02	
Capital	Family and Children	Adult, 21+ Years	\$ 21.37	\$ 22.23	4.00%	6.00%	0.00%	\$ 19.69	\$ 19.69	\$ 19.69	
South Central	Family and Children	Adult, 21+ Years	\$ 21.16	\$ 22.01	4.00%	6.00%	0.00%	\$ 19.50	\$ 19.50	\$ 19.50	
North	Family and Children	Adult, 21+ Years	\$ 20.32	\$ 21.14	4.00%	6.00%	0.00%	\$ 18.72	\$ 18.72	\$ 18.72	

Notes:

Columns J & K correspond to SBH only TANF rate components and can be found on page 67 - 68 within the attached February 2016 Rate Certification Letter (Appendix E)

Prospective components removed in columns L through N also correspond to SBH only rating adjustments

$$O = (J / ((1 + L)^{25/12})) / (1 + N)$$

$$P = (K / ((1 + M)^{25/12})) / (1 + N)$$

$$Q = (O + P) / 2$$

Appendix C: Combined Expansion Rate Development

Table 1a: Projected Claims PMPM Development for Expansion

Region Name	COA Desc	Rate Cell Desc	A CY2014 MMs	Projected Claims PMPM			E Credibility	F Projected Claims PMPM
				B PH PMPM	C SBH PMPM	D PH & SBH Combined		
				B Midpoint PMPM	C Midpoint PMPM	D Midpoint PMPM		
Gulf	Family and Children	Adult, 21+ Years	388,455	\$ 200.59	\$ 18.02	\$ 218.61	100%	\$ 218.61
Capital	Family and Children	Adult, 21+ Years	288,647	\$ 239.41	\$ 19.69	\$ 259.10	100%	\$ 259.10
South Central	Family and Children	Adult, 21+ Years	299,789	\$ 219.60	\$ 19.50	\$ 239.09	100%	\$ 239.09
North	Family and Children	Adult, 21+ Years	239,631	\$ 205.90	\$ 18.72	\$ 224.62	100%	\$ 224.62

Notes:

PH & SBH PMPM correspond to columns Q & I on Appendix A

D = B + C

F = D * E

Table 1b: Expansion Rate Development

Expansion Adjustments													
G Region	F Projected Expansion Enrollment	F Projected Claims PMPM -- Midpoint	H Acuity Adj -- Low	I Acuity Adj -- High	J Expansion Trend Low	K Expansion Trend High	L Reverse MC Impact to Low	M Reverse MC Impact to High	N Pent Up Demand Adjustment	O Adverse Selection Adj -- Low	P Adverse Selection Adj -- High	Q Claims Expense PMPM - Low	R Claims Expense PMPM - High
Gulf	857,666	\$ 218.61	12.5%	30.6%	4.86%	7.12%	5.05%	5.10%	9.27%	2.66%	3.44%	\$ 323.14	\$ 397.09
Capital	461,375	\$ 259.10	12.5%	30.6%	4.94%	7.21%	5.41%	5.46%	10.10%	3.64%	4.71%	\$ 391.54	\$ 482.54
South Central	488,040	\$ 239.09	12.5%	30.6%	4.85%	7.16%	5.34%	5.39%	10.10%	3.64%	4.71%	\$ 360.41	\$ 444.48
North	414,271	\$ 224.62	12.5%	30.6%	4.56%	6.85%	5.14%	5.18%	10.10%	3.64%	4.71%	\$ 335.80	\$ 414.03

Notes:

Q = F * (1 + H) * (1 + J) ^ (27.5/12) * (1 + L) * (1 + N) * (1 + O)

R = F * (1 + I) * (1 + K) ^ (27.5/12) * (1 + M) * (1 + N) * (1 + P)

Appendix D: Expansion Age-Sex Rate Cell Rate Development

Table 1a: Creation of Rate cells using Age-Sex Acuity and development of Loaded Rates

											K	L
A		B	C		D	E	F	J	H	I	Loaded Rates	
Region	Claims Expense PMPM	Claims Expense PMPM	Age - Sex Factor	Rate Cell Desc	Low PMPM	High PMPM	Admin PMPM Load Low PMPM	Admin PMPM Load High PMPM	UW Gain @ 2%	Premium Tax @ 5.5%	Low	High
Gulf	\$ 323.14	\$ 397.09	0.616	Female Age 19 - Age 24	\$ 199.09	\$ 244.65	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 247.00	\$ 296.26
Gulf	\$ 323.14	\$ 397.09	0.503	Male Age 19 - Age 24	\$ 162.44	\$ 199.62	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 207.38	\$ 247.57
Gulf	\$ 323.14	\$ 397.09	0.912	Female Age 25 - Age 39	\$ 294.80	\$ 362.27	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 350.47	\$ 423.41
Gulf	\$ 323.14	\$ 397.09	0.810	Male Age 25 - Age 39	\$ 261.71	\$ 321.60	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 314.69	\$ 379.45
Gulf	\$ 323.14	\$ 397.09	1.419	Female Age 40 - Age 49	\$ 458.57	\$ 563.53	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 527.52	\$ 640.98
Gulf	\$ 323.14	\$ 397.09	1.391	Male Age 40 - Age 49	\$ 449.41	\$ 552.27	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 517.62	\$ 628.82
Gulf	\$ 323.14	\$ 397.09	1.697	Female Age 50 - Age 64	\$ 548.43	\$ 673.95	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 624.66	\$ 760.36
Gulf	\$ 323.14	\$ 397.09	1.942	Male Age 50 - Age 64	\$ 627.68	\$ 771.34	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 710.34	\$ 865.65
Capital	\$ 391.54	\$ 482.54	0.616	Female Age 19 - Age 24	\$ 241.23	\$ 297.30	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 292.56	\$ 353.18
Capital	\$ 391.54	\$ 482.54	0.503	Male Age 19 - Age 24	\$ 196.83	\$ 242.58	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 244.55	\$ 294.01
Capital	\$ 391.54	\$ 482.54	0.912	Female Age 25 - Age 39	\$ 357.21	\$ 440.23	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 417.94	\$ 507.70
Capital	\$ 391.54	\$ 482.54	0.810	Male Age 25 - Age 39	\$ 317.11	\$ 390.81	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 374.59	\$ 454.27
Capital	\$ 391.54	\$ 482.54	1.419	Female Age 40 - Age 49	\$ 555.65	\$ 684.80	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 632.47	\$ 772.09
Capital	\$ 391.54	\$ 482.54	1.391	Male Age 40 - Age 49	\$ 544.55	\$ 671.12	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 620.47	\$ 757.30
Capital	\$ 391.54	\$ 482.54	1.697	Female Age 50 - Age 64	\$ 664.52	\$ 818.98	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 750.17	\$ 917.15
Capital	\$ 391.54	\$ 482.54	1.942	Male Age 50 - Age 64	\$ 760.56	\$ 937.33	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 853.99	\$ 1,045.10
South Central	\$ 360.41	\$ 444.48	0.616	Female Age 19 - Age 24	\$ 222.05	\$ 273.85	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 271.82	\$ 327.83
South Central	\$ 360.41	\$ 444.48	0.503	Male Age 19 - Age 24	\$ 181.18	\$ 223.44	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 227.64	\$ 273.33
South Central	\$ 360.41	\$ 444.48	0.912	Female Age 25 - Age 39	\$ 328.81	\$ 405.51	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 387.23	\$ 470.16
South Central	\$ 360.41	\$ 444.48	0.810	Male Age 25 - Age 39	\$ 291.89	\$ 359.99	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 347.33	\$ 420.94
South Central	\$ 360.41	\$ 444.48	1.419	Female Age 40 - Age 49	\$ 511.47	\$ 630.78	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 584.70	\$ 713.70
South Central	\$ 360.41	\$ 444.48	1.391	Male Age 40 - Age 49	\$ 501.25	\$ 618.19	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 573.66	\$ 700.08
South Central	\$ 360.41	\$ 444.48	1.697	Female Age 50 - Age 64	\$ 611.69	\$ 754.38	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 693.05	\$ 847.32
South Central	\$ 360.41	\$ 444.48	1.942	Male Age 50 - Age 64	\$ 700.08	\$ 863.40	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 788.61	\$ 965.18
North	\$ 335.80	\$ 414.03	0.616	Female Age 19 - Age 24	\$ 206.89	\$ 255.09	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 255.43	\$ 307.54
North	\$ 335.80	\$ 414.03	0.503	Male Age 19 - Age 24	\$ 168.81	\$ 208.13	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 214.26	\$ 256.78
North	\$ 335.80	\$ 414.03	0.912	Female Age 25 - Age 39	\$ 306.35	\$ 377.73	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 362.96	\$ 440.12
North	\$ 335.80	\$ 414.03	0.810	Male Age 25 - Age 39	\$ 271.96	\$ 335.32	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 325.78	\$ 394.28
North	\$ 335.80	\$ 414.03	1.419	Female Age 40 - Age 49	\$ 476.54	\$ 587.56	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 546.94	\$ 666.97
North	\$ 335.80	\$ 414.03	1.391	Male Age 40 - Age 49	\$ 467.02	\$ 575.83	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 536.65	\$ 654.28
North	\$ 335.80	\$ 414.03	1.697	Female Age 50 - Age 64	\$ 569.91	\$ 702.70	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 647.89	\$ 791.44
North	\$ 335.80	\$ 414.03	1.942	Male Age 50 - Age 64	\$ 652.27	\$ 804.24	\$ 29.38	\$ 29.38	2.00%	5.50%	\$ 736.93	\$ 901.22

Notes:

D = A * C

E = B * C

K = (D + F) / (1 - H - I)

L = (E + J) / (1 - H - I)

Ms. Amanda H. Joyner
Acting Medicaid Deputy Director
Louisiana Department of Health and Hospitals
Bureau of Health Services Financing
628 North 4th Street
Baton Rouge, LA 70821

February 26, 2016

Subject: Louisiana Bayou Health Program – Full Risk-Bearing Managed Care Organization
Rate Development and Actuarial Certification for the Period February 1, 2016 through
January 31, 2017

Dear Ms. Joyner:

The Louisiana Department of Health and Hospitals (DHH) has contracted with Mercer Government Human Services Consulting (Mercer) to develop actuarially sound capitation rate ranges for the State of Louisiana's Bayou Health program for the period of February 1, 2016 through January 31, 2017.

The Bayou Health program began February 1, 2012, and operated under two separate managed care paradigms for the first three years of the program. The Bayou Health Prepaid program operated under an at-risk capitated arrangement, and the Shared Savings program was an enhanced Primary Care Case Management (ePCCM) program. Effective February 1, 2015, Bayou Health began operating as an at-risk capitated program only. Beginning December 1, 2015, the Bayou Health Program began covering specialized behavioral health (SBH) services. At the same time, DHH carved in new populations who will receive SBH and non-emergency transportation (NEMT) services from the Bayou Health MCOs. This bifurcated the Bayou Health program into two capitated sub-programs – the Physical Health (PH) program and the SBH program. The Bayou Health PH program covers all services and populations previously included in Bayou Health plus most SBH services that were previously covered by the Louisiana Behavioral Health Partnership (LBHP). The Bayou Health SBH program covers most SBH services and NEMT services for the populations previously excluded from the Bayou Health program. Bayou Health SBH program enrollees continue to receive physical health services from fee-for-service (FFS). For a list of included services by program, please see Appendix C.

For populations with a voluntary enrollment status, enrollees may select either the PH program or SBH program. Mercer developed a rate specific to each program for these populations.

From December 1, 2015 to January 31, 2016, it was necessary to create separate capitation payments for SBH and NEMT services in addition to the existing Bayou Health capitation rates that covered physical health services. This resulted in every Bayou Health enrollee being covered by a combination of two capitation payments, either SBH and NEMT or SBH and physical health. The rates developed effective February 1, 2016 unify all eligible services into one capitation payment per enrollee.

This letter presents an overview of the methodology used in Mercer's managed care rate development for the purpose of satisfying the requirements of the Centers for Medicare & Medicaid Services (CMS). This rate development process used Medicaid FFS medical and pharmacy claims, Bayou Health Shared Savings claims experience, Bayou Health Prepaid encounter data, and LBHP claims experience. It resulted in the development of a range of actuarially sound rates for each rate cell. The capitation rate ranges are summarized in Appendix A and represent payment in full for the covered services.

Medicaid benefit plan premium rates are "actuarially sound" if, for business in the state for which the certification is being prepared and for the period covered by the certification, projected premiums, including expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows, and investment income, provide for all reasonable, appropriate and attainable costs, including health benefits, health benefit settlement expenses, marketing and administrative expenses, any government mandated assessments, fees, and taxes, and the cost of capital. Note: Please see page 2 of Actuarial Standard of Practice Number 49, *Medicaid Managed Care Capitation Rate Development and Certification*, issued March 2015 by the Actuarial Standards Board, http://www.actuarialstandardsboard.org/wp-content/uploads/2015/03/asop049_179.pdf.

The remainder of this letter is structured as follows:

- Section 1: Base Data Development
- Section 2: Capitation Rate Development
 - Subsection 2A: PH Services
 - Subsection 2B: SBH Services
 - Subsection 2C: All Services Combined
- Section 3: Certification of Final Rate Ranges

Section 1: Base Data Development

Overview

Capitation rate ranges for the Bayou Health program were developed in accordance with rate-setting guidelines established by CMS. For rate range development for the Bayou Health managed care organizations (MCOs), Mercer used calendar year 2013 (CY 2013) and CY 2014 Medicaid FFS medical and pharmacy claims, Bayou Health Shared Savings claims experience, Bayou Health Prepaid encounter data, and LBHP claims experience. All data was reported on an incurred basis and included payment dates through June 30, 2015. Restrictions were applied to the enrollment and claims data so that it was appropriate for the populations and benefit package defined in the contract.

Mercer reviewed the data provided by DHH, the Bayou Health plans, and the LBHP for consistency and reasonableness and determined the data are appropriate for the purpose of setting capitation rates for the MCO program. The data reliance attestation shown in Appendix L has been provided by DHH, and its purpose is to certify the accuracy, completeness, and consistency of the base data.

Adjustments were made to the selected base data to match the covered populations and Bayou Health benefit packages for rating year 2016 (RY16). Additional adjustments were then applied to the base data to incorporate:

- Prospective and historic (retrospective) program changes not reflected (or not fully reflected) in the base data.
- Provision for incurred-but-not-reported (IBNR) claims.
- Financial adjustments to encounter data for under-reporting.
- Trend factors to forecast the expenditures and utilization to the contract period.
- Changes in benefits covered by managed care.
- Addition of new populations to the Bayou Health program.
- Opportunities for managed care efficiencies.
- Administration and underwriting profit/risk/contingency loading.

In addition to these adjustments, DHH takes two additional steps in the matching of payment to risk:

- Application of maternity supplemental (kick) payments.
- Application of risk-adjusted regional rates.

The resulting rate ranges for each individual rate cell were net of Graduate Medical Education (GME) payments to teaching hospitals provided in the Louisiana Medicaid State Plan.

Appendix H-K shows the full rate development from the base data as shown in the data book released by DHH, dated January 8, 2016, and applies all the rate setting adjustments as described in this letter.

Bayou Health Populations

PH Program

Covered Populations

In general, the Bayou Health PH program includes individuals classified as Supplemental Security Income (SSI), Family & Children, Foster Care Children (FCC), Breast and Cervical Cancer (BCC), and Louisiana Children's Health Insurance Program (LaCHIP) Affordable Plan (LAP) as mandatory populations. Voluntary opt-in populations include Home- and Community-Based Services (HCBS) waiver participants and Chisholm Class Members (CCM).

Mandatory Populations

The following individuals are automatically enrolled into the Bayou Health PH program:

- Children under 19 years of age, including those who are eligible under Section 1931 poverty-level related groups and optional groups of older children in the following categories:
 - Temporary Assistance for Needy Families (TANF)
 - Child Health and Maternity Program (CHAMP) Child
 - Deemed Eligible Child program
 - Youth Aging Out of Foster Care (Chafee Option)
 - Former FCC
 - Regular Medically Needy Program (MNP)
 - LaCHIP program
 - Medicaid Purchase Plan program
 - Provisional Medicaid program
- Parents and Caretaker Relative eligible under Section 1931 of the Social Security Act (SSA) including:
 - Parents and Caretakers Relatives program
 - TANF Family Independence Temporary Assistance program
 - Regular MNP
- Pregnant Women — Individuals whose basis of eligibility is pregnancy; who are eligible only for pregnancy-related services [42 CFR §440.210(2)] including:
 - LaMOMS (CHAMP-Pregnant Women)
 - LaCHIP Phase IV program
- BCC Program — Uninsured women under the age of 65 who are not otherwise eligible for Medicaid, and are identified through the Centers for Disease Control (CDC) National Breast and Cervical Cancer Early Detection program as being in need of treatment for breast and/or cervical cancer, including pre-cancerous conditions and early stage cancer

- Coordinated System of Care (CSoC) individuals
- Aged, Blind and Disabled (ABD) Adults — Individuals, 19+ years, who do not meet any of the conditions for exclusion from participation in an MCO, including:
 - SSI program
 - Extended Medicaid programs consisting of the following:
 - Disabled Adult Children
 - Early Widows/Widowers
 - PICKLE (Group One and Group Two)
 - Disabled Widows/Widowers (DW/W) and Disabled Surviving Divorced Spouses Unable to Perform Any Substantial Gainful Activity
 - Blood Product Litigation program
 - Medicaid Purchase Plan program
 - Provisional Medicaid program
 - Continued Medicaid program

Effective December 1, 2015, the following individuals were automatically enrolled into the Bayou Health PH program. Previously, under the Legacy Bayou Health program, they were able to voluntarily disenroll:

- Children under 19 years of age who meet one of the following:
 - Eligible for SSI under Title XVI of the SSA
 - Eligible under Section 1902(e)(3) of the SSA
 - In foster care or other out-of-home placement
 - Receiving foster care or adoption assistance
 - Receiving services through a family-centered community-based, coordinated care system that receives grant funds under Section 501(a)(1)(D) of Title V of the SSA, and is defined by DHH in terms of either program participation or special health care needs
 - Enrolled in the Family Opportunity Act Medicaid Buy-In program
- Native Americans who are members of federally recognized tribes except when the MCO is:
 - The Indian Health Service
 - An Indian health program or urban Indian program operated by a tribe or tribal organization under a contract, grant, cooperative agreement, or compact with the Indian Health Service

Voluntary Opt-In Populations

The following individuals are not automatically enrolled into the Bayou Health PH program, but may voluntarily enroll:

- Individuals receiving services through any 1915(c) HCBS waiver:
 - Adult Day Health Care (ADHC)

- New Opportunities waiver (NOW)
- Children's Choice (CC)
- Residential Options waiver (ROW)
- Supports waiver
- Community Choices waiver (CCW)
- Other HCBS waivers as may be approved by CMS
- Individuals under the age of 21 otherwise eligible for Medicaid who are listed on the Office for Citizens with Developmental Disabilities' (OCDD's) Request for Services Registry who are CCM

Excluded Populations

The following individuals are excluded from participation in the Bayou Health PH program:

- Medicare-Medicaid Dual Eligible Beneficiaries
- Qualified Medicare Beneficiaries (QMB) (only where State only pays Medicare premiums)
- Specified Low-income Medicare Beneficiaries (SLMB) (where State only pays Medicare premiums)
- MNP Spend-Down Individuals
- Individuals residing in Long-Term Care (LTC) Facilities (Nursing Home, Intermediate Care Facility/Developmentally Disabled (ICF/DD))
- Eligible under the Program of All-Inclusive Care for the Elderly (PACE), a community-based alternative to placement in a Nursing Facility that includes a complete "managed care" type benefit combining Medical, Social, and LTC services
- Eligible under the Family Planning Eligibility Option (FPEO) that provides Family Planning services
- Eligible under the Greater New Orleans Community Health Connection (GNOCHC)

Appendix B encompasses a comprehensive list of Bayou Health's covered and excluded populations.

Specialized Behavioral Health Program

Covered Populations

The Bayou Health SBH program includes individuals classified as SBH Dual and SBH Other as mandatory populations. The voluntary opt-in populations that did not choose to opt into Bayou Health for PH services are automatically included in the SBH program. These populations are denoted as SBH HCBS Waiver participants and SBH CCM.

Mandatory Populations

The following population groups are automatically enrolled into the Bayou Health SBH program:

- SSI/LTC
- SSI Transfer of Resource(s)/LTC
- Transfer of Resource(s)/LTC
- LTC Spend-Down MNP
- LTC MNP/Transfer of Resources
- LTC
- Excess Home Equity SSI Under Special Income Level (SIL)
- Excess Home Equity SSI Under SIL-Reg LTC
- LTC Payment Denial/Late Admission Packet
- SSI Payment Denial/Late Admission
- Qualified Disabled Working Individual (QDWI)
- SSI/Public ICF/DD under the age of 21
- SSI/Private ICF/DD under the age of 21
- Private ICF/DD under the age of 21
- Public ICF/DD under the age of 21
- CSoC individuals not otherwise eligible for Medicaid services

Voluntary Opt-In Populations

The following individuals are not automatically enrolled into the Bayou Health PH program. If they choose not to voluntarily enroll into the Bayou Health PH program, they will automatically have only their SBH and NEMT services covered by the Bayou Health SBH program:

- Individuals receiving services through any 1915(c) HCBS waiver:
 - ADHC
 - NOW
 - CC
 - ROW
 - Supports waiver
 - CCW
 - Other HCBS waivers as may be approved by CMS
- Individuals under the age of 21 otherwise eligible for Medicaid who are listed on OCDD's Request for Services Registry who are CCM

In addition, the following new populations were not part of the CY 2013 and CY 2014 data, but will be considered as part of the rate development process:

- Presumptive Eligible Adult and Child populations
- LaCHIP Phase V: Affordable Plan
- Tuberculosis
- Provisional Medicaid

Excluded Populations

The following individuals are excluded from participation in the Bayou Health program:

- Eligible under the Refugee Cash/Medical Assistance program
- Eligible under the Medicare Savings program (QMB, SLMB, and Qualified Individuals)
- Eligible under the Emergency Services Only program (aliens who do not meet Medicaid citizenship/5-year residency requirements)
- Eligible under the LTC Medicare Co-Insurance program
- Eligible under the Section 1115 GNOCHC waiver
- Eligible under the FPEO that provides Family Planning services
- Eligible under the PACE, a community-based alternative to placement in a Nursing Facility that includes a complete “managed care” type benefit combining Medical, Social, and LTC services
- Non-Medicaid adult on the eligibility file who is eligible for a Low-Income Subsidy program administered by the SSA
- Former 1915(i)-only adult eligibles
- SSI/Public ICF/DD age 21 and over
- SSI/Private ICF/DD age 21 and over
- Private ICF/DD age 21 and over
- Public ICF/DD age 21 and over
- Any Medicaid eligible person during a period of incarceration

Rate Category Groupings

Rates will vary by the major categories of eligibility. Furthermore, where appropriate, the rates within a particular category of eligibility are subdivided into different age bands to reflect differences in risk due to age. In addition, due to the high cost associated with pregnancies, DHH will pay a maternity kick payment to the MCOs for each delivery that takes place. Table 1A shows a list of the different rate cells for each eligibility category including the maternity kick payments. PH program rate cell structure is similar to the rate structure instituted effective February 1, 2015, but has 2 notable changes.

- Child rate cells include enrollees up to age 20 (previously defined up to age 18)
- FCC have been separated into a distinct rate cell (previously included in Family & Children)

Five new rate cells were created for the SBH Program. These groups are labeled beginning with SBH and are displayed in Table 1B.

Table 1A: PH Rate Category Groupings

SSI	
Newborn, 0–2 Months, Male & Female	Child, 1–20 Years, Male & Female
Newborn, 3–11 Months, Male & Female	Adult, 21+ Years, Male & Female
Family & Children (TANF)	
Newborn, 0–2 Months, Male & Female	Child, 1–20 Years, Male & Female
Newborn, 3–11 Months, Male & Female	Adult, 21+ Years, Male & Female
HCBS Waiver	
20 and Under, Male & Female	21+ Years, Male & Female
FCC	
All Ages, Male & Female	
BCC	
All Ages, Female	
CCM	
All Ages, Male & Female	
LAP	
All Ages, Male & Female	

Table 1B: SBH Rate Category Groupings

SBH — CCM	
All Ages, Male & Female	
SBH — Dual Eligibles	
All Ages, Male & Female	
SBH — HCBS Waiver	
20 and Under, Male & Female	21+ Years, Male & Female
SBH — Other	
All Ages, Male & Female	

Region Groupings

For rating purposes, Louisiana has been split into four different regions. Table 2 lists the associated parishes for each of the four regions. The region groupings are the same in both programs.

Table 2: Region Groupings

Region Description	Associated Parishes (Counties)
Gulf	Assumption, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John, St. Mary, and Terrebonne
Capital	Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, St. Tammany, Tangipahoa, Washington, West Baton Rouge, and West Feliciana
South Central	Acadia, Allen, Avoyelles, Beauregard, Calcasieu, Cameron, Catahoula, Concordia, Evangeline, Grant, Iberia, Jefferson Davis, Lafayette, Lasalle, Rapides, St. Landry, St. Martin, Vermilion, Vernon, and Winn
North	Bienville, Bossier, Caddo, Caldwell, Claiborne, DeSoto, East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Natchitoches, Ouachita, Red River, Richland, Sabine, Tensas, Union, Webster, and West Carroll

Bayou Health Services

Covered Services

Appendix C lists the services the Bayou Health MCOs must provide to the members in the Bayou Health PH and Bayou Health SBH programs, respectively. The MCOs also have the ability to develop creative and innovative solutions to care for their members (i.e., provide other cost-effective alternative services), as long as the contractually-required Medicaid services are covered. Costs of alternative services are expected to be funded through savings on the contractually-required services for which these services are a cost-effective substitute.

New Services

The Legacy Prepaid and Shared Savings program did not have identical sets of covered services. Additionally, DHH incorporated services covered historically by FFS in the Bayou Health program effective February 1, 2015 and December 1, 2015.

The following services, included effective February 1, 2015, were previously excluded from both the Prepaid and Shared Savings programs:

- Hospice services
- Personal Care services for ages 0–20

The following services, included effective February 1, 2015, were previously excluded from the Legacy Shared Savings program:

- Inpatient Acute Detox services
- NEMT

- Behavioral Health prescribed drugs
- Durable medical equipment (DME) services

The following services, included effective December 1, 2015, were previously excluded from both the Legacy Bayou Health Prepaid and Shared Savings programs:

- SBH services

The SBH services required under the Bayou Health contract are detailed in the Behavioral Health Integration Amendment issued by DHH. Mercer analyzed service cost variance and grouped the SBH services into the following categories of service (COS):

- Inpatient
- Emergency Room
- Professional/Other

State Plan Service Considerations

The costs in the base data reflect costs for State Plan services delivered in a managed care environment. In some cases for the adult population, the LBHP pre-paid inpatient health plans (PIHP) provided an approved service in lieu of a State Plan service. In these cases, Mercer has reflected the costs of the State Plan service and applied a managed care discount to arrive at total costs consistent with actual paid expenses. A summary of these costs are shown in Table 3.

**Table 3: Summary of In Lieu of Services
2013 Encounter Claims**

State Plan	In Lieu Of	2013 Encounter Claims	Encounter Unit Cost	State Plan Unit Cost	Managed Care Discount
Inpatient	Inpatient Institute for Mental Disease (IMD) (21-64)	\$16,119,521	\$487.01	\$646.94	-25%
Substance Use Disorder (SUD) Residential	SUD Residential IMD	\$5,047,040	\$71.02	\$145.51	-51%
Emergency Room	Crisis	\$175,323	\$87.49	\$249.12	-65%
2014 Encounter Claims					
State Plan	In Lieu Of	2014 Encounter Claims	Encounter Unit Cost	State Plan Unit Cost	Managed Care Discount
Inpatient	Inpatient IMD (21-64)	\$17,439,937	\$470.64	\$646.94	-27%
SUD Residential	SUD Residential IMD	\$6,463,591	\$79.51	\$145.51	-45%
Emergency Room	Crisis	\$362,095	\$58.09	\$249.12	-77%

Medicare Crossover Claims

For dually eligible individuals, Medicare “Crossover” claims (claims that include primary payment from Medicare) for Inpatient, Outpatient, Emergency Room, and Professional services are excluded from the base data. These services will be paid directly by the State after coordinating with Medicare.

In order to exclude Crossover claims from the base data, Mercer identified claims submitted to DHH and coded with claim type “14” (Medicare Crossover Institutional) or claim type “15” (Medicare Crossover Professional). This includes claims with a Medicare qualifying Electronic Media Claim submitter ID and claim format 837-I (Institutional) or 837-P (Professional), as well as hard copy claims with an Explanation of Benefits from Medicare attached. Mercer then cross-referenced these claims to the encounter data and excluded matching records from the base data.

Behavioral Health Mixed Services Protocol (MSP)

DHH implemented a new mixed services protocol effective February 1, 2015. Prior to February 1, 2015, Basic Behavioral Health Covered services were defined as services provided

in the Primary Care setting and Inpatient Hospital services for acute medical detoxification based on medical necessity. Institutional services (Inpatient, Outpatient, and Emergency Room) are considered SBH services if the claim is identified with a qualifying Behavioral Health diagnosis.

Effective February 1, 2015, the new mixed services protocol delineates coverage responsibility based on provider type and specialty or facility type. Basic Behavioral Health continues to include services provided in a Primary Care setting, but also includes all Inpatient Hospital services provided in a General Hospital setting, regardless of diagnosis. SBH includes services from Behavioral Health Facilities (distinct Psychiatric Units of General Hospitals and Freestanding Psychiatric Hospitals) and services provided by Behavioral Health specialists.

Since both PH services and SBH services are covered under Bayou Health for certain categories of aid (COA), an adjustment for mixed service protocol was needed only for the SBH program COAs whose PH services are covered under FFS. Appendix D summarizes the mixed services protocol adjustment.

Excluded Services

Bayou Health MCOs are not responsible for providing PH services and other Medicaid services not identified in Appendix C, including the following services:

- Applied Behavioral Analysis services
- Dental services, with the exception of Early and Periodic Screening & Diagnosis Treatment (EPSDT) varnishes provided in a Primary Care setting
- ICF/DD services
- Personal Care services 21 and older
- Institutional LTC Facility/Nursing Home services
- School-based Individualized services
- Education Plan services provided by a school district and billed through the intermediate school district, or School-based services funded with certified public expenditures, including school nurses
- HCBS waiver services
- Targeted Case Management services
- Services provided through DHH's Early-Steps program
- CSoC services previously covered under 1915(c) or 1915(b)(3) waiver authority
- Medicare Crossover services
- Services covered under a non-CSoC 1915(c) waiver

For more specific information on covered services, please refer to the Bayou Health Behavioral Health Integration Amendment issued by DHH.

Base Data Adjustments

IBNR

Capitation rate ranges were developed using claims data for services incurred in CY 2013 and CY 2014 and reflects payments processed through June 30, 2015. PH claims for dates of service in CY 2013 were deemed complete as they reflect at least 18 months of runout. Although SBH claims had the same amount of runout, Mercer determined a small IBNR adjustment for CY 2013 was necessary after reviewing financial reports.

IBNR factors were developed for claims with date of service in CY 2014 to incorporate consideration for any outstanding claims liability. To establish the IBNR factors for the Shared Savings/Legacy Medicaid FFS data, claims were grouped into three COA and six main IBNR service categories. Encounter claim IBNR factors, developed separately for each Prepaid plan, were compared to IBNR estimates provided by the Prepaid plan actuaries, and summarized by IBNR COS. IBNR category mapping is provided in Appendix C. Table 4A summarizes the IBNR factors that were applied to CY 2014 PH services data.

Table 4A: IBNR Factors Applied to CY 2014 PH and NEMT Services Data

IBNR COS	Encounter Data	Shared Savings Claims & Legacy Medicaid/FFS Cost Data		
	All COAs	TANF/FCC/LAP	SSI/BCC/CCM	HCBS
Inpatient	1.0065	1.0061	1.0274	1.0062
Outpatient	0.9960	0.9994	1.0074	0.9943
Physician	1.0054	1.0053	1.0110	1.0092
Other	1.0214	1.0091	1.0021	1.0034
Prescribed Drugs	1.0002	0.9952	0.9968	0.9981
Maternity Kick Payment	1.0053	1.0128	1.0128	1.0128

Mercer reviewed the financial lag triangles provided by the LBHP PIHP and determined the IBNR factors for SBH services. Claims were grouped into two main service categories, "Inpatient" and "Emergency Room and Other". Table 4B summarizes the IBNR factors that were applied to CY 2013 and CY 2014 SBH services data.

Table 4B: IBNR Factors Applied to SBH Services Data

IBNR COS	LBHP Encounter & FFS Data	
	All COAs	
	CY 2013	CY 2014
Inpatient	1.0013	1.0213
Emergency Room and Other	1.0012	1.0257

Under-Reporting Adjustments

Under-reporting adjustments were developed by comparing encounter data from the Medicaid Management Information System (MMIS) to financial information provided by the Prepaid MCOs and the LBHP PIHP. This adjustment was computed and applied on an MCO/PIHP basis. The adjustment resulted in an overall aggregate increase of 2.0% and 3.4% respectively to CY 2013 and CY 2014 PH services encounter cost data, and 11.72% and 6.11% respectively to CY 2013 and CY 2014 SBH services encounter cost data for the adult population. Note this adjustment does not apply to the Shared Savings claims or Legacy Medicaid/FFS data. Also, regarding SBH services, the children's population was operated under a non-risk model, where the PIHP was only reimbursed for submitted and approved encounters. Based on this service model, it is reasonable that encounters fully reflect the incurred costs, while under the adult service model encounter reporting was not as complete, and the PIHP was paid a capitation rate regardless of submitted encounters.

Assertive Community Treatment (ACT) Services Payment Adjustment

Claims for ACT services were not correctly reported in the encounter data for dates of service from January 1, 2013 through September 30, 2013. While units were available, paid amounts were zero for the dates listed. Mercer estimated a total for the missing paid amounts during this period by calculating a unit cost for the CY 2014 data and applying this to the units accompanied by zero-paid amounts. In total, this adjustment incorporated approximately \$9.4 million of additional ACT services for 2013. Table 5 displays the total ACT services added by COA.

Table 5: Total ACT Services Added by COA

COA Description	CY 2013
SSI	\$6,832,676
Family & Children	\$331,899
FCC	\$0
BCC	\$63,530
HCBS Waiver	\$81,017
CCM	\$0
SBH — CCM	\$0
SBH — Dual Eligible	\$1,988,514
SBH — HCBS Waiver	\$81,017
SBH — Other	\$19,687
Total	\$9,398,339

Third-Party Liabilities

All claims are reported net of third-party liability, therefore no adjustment is required.

Fraud and Abuse Recoveries

DHH provided data related to fraud and abuse recoveries on the LBHP, Shared Savings, and Legacy FFS programs. The total adjustment applied to the FFS and Shared Savings PH services was -0.2% for CY 2013 and CY 2014. The total adjustment for SBH services was -0.1% and -0.2% of the SBH services for CY 2013 and CY 2014, respectively. Prepaid plans included fraud and abuse recoveries in their financial reports. These recoveries were included in the development of the under-reporting adjustment for PH services.

Co-Payments

Co-pays are only applicable to prescription drugs. Pharmacy claims are reported net of any co-payments so no additional adjustment is necessary.

Disproportionate Share Hospital (DSH) Payments

DSH payments are made outside of the MMIS system and have not been included in the capitation rates.

Data Smoothing

As part of the rate development process, Mercer blended the CY 2013 and CY 2014 base data with the goal of obtaining a set of base data that has sufficient credibility and reasonableness to develop actuarially sound capitation rates. Mercer applied weights of 40% and 60% to the CY 2013 and CY 2014 data, respectively, after accounting for historical rating adjustments described in Subsection 2A and Subsection 2B of this certification.

Additionally, certain rate cells did not contain enough member months (MMs) within each region to produce a statistically credible rate. For rate cells with less than 30,000 MMs per region, Mercer calculated a statewide capitation rate. Affected rate cells include:

- SSI newborns 0-1 years of age
- BCC, All Ages
- LAP, All Ages
- HCBS, All Ages
- CCM, All Ages
- SBH — CCM, All Ages
- SBH — HCBS, All Ages
- SBH — Other, All Ages

Section 2: Capitation Rate Development

Rating adjustments were developed and applied separately for PH and SBH services. Adjustments that were applied to each calendar year of base data are referred to as Historical Rating Adjustments and adjustments applied once the base data was blended are referred to as Prospective Rating Adjustments. The following subsections describe the analysis for each adjustment and provide the statewide impact to the respective PH or SBH services.

Subsection 2A: Physical Health Services

PH Historical Adjustments

Fee Schedule Changes

The capitation rates reflect changes in covered services' fee schedules and unit costs, between the base period and the contract period. The fee adjustment process also took into account the closing of two state hospitals, W.O. Moss Regional Medical Center and Earl K. Long, which occurred in 2013. DHH provided Mercer guidance on which hospitals were expected to absorb the closed hospitals' utilization: W.O. Moss Regional Medical Center's utilization would be absorbed by Lake Charles Memorial and Earl K. Long's utilization would be absorbed by Our Lady of the Lake.

Inpatient Services

Inpatient claims were adjusted to reflect changes in the fee schedule between the base period and the contract period, using the most recent fee schedule published by DHH (i.e., the July 1, 2015 fee schedule). The non-GME part of the per diems were used in this fee adjustment process to be consistent with DHH's intention to continue paying GME amounts directly to the teaching hospitals.

Certain "High Medicaid Community Hospitals" receive supplemental payments that are provided for in the State Plan. The total pool is \$1 million annually. The per diem rates of the corresponding hospitals were adjusted accordingly. The total impact of the inpatient fee change is summarized below.

Table 6A: Inpatient Fee Change Impact

Time Period	Historical Cost	Adjustment Dollar Impact	Impact as % of	
			Historical Cost	All PH Services Cost
CY 2013	\$608,712,298	\$10,934,243	1.80%	0.44%
CY 2014	\$563,991,217	-\$1,296,978	-0.23%	-0.05%

Outpatient Services

Outpatient claims were adjusted to reflect the most recent cost-to-charge ratios (CCRs). The CCRs were reported on hospital fiscal year bases, which varied by hospital from February 28, 2014 to December 31, 2014. The adjustment also included estimation of cost

settlements and reflected the most up-to-date cost settlement percentages for each facility. For most non-rural facilities, the cost settlement percentage is 66.46%; however, the remaining facilities are settled at different percentages. Rural facilities are cost settled at 110%. The total impact of the outpatient fee change is summarized below.

Table 6B: Outpatient Fee Change Impact

Time Period	Historical Cost	Adjustment Dollar Impact	Impact as % of	
			Historical Cost	All PH Services Cost
CY 2013	\$351,651,586	\$15,044,474	4.28%	0.60%
CY 2014	\$371,250,343	\$13,364,559	3.60%	0.53%

Affordable Care Act (ACA) Primary Care Physician (PCP) Fee Change

Under Section 1202 of the ACA, state Medicaid programs were required to increase payments to PCPs in 2013 and 2014. This requirement expired on December 31, 2014. As a result, 2013 and 2014 base data were adjusted to reflect the decrease in PCP payment rates between the base data period and the rating period.

Table 6C: ACA PCP Fee Change Impact

Time Period	Historical Cost	Adjustment Dollar Impact	Impact as % of	
			Historical Cost	All PH Services Cost
CY 2013	\$233,541,569	-\$73,199,444	-31.34%	-2.92%
CY 2014	\$250,895,188	-\$76,658,689	-30.55%	-3.05%

Other Physician Services

Mercer reviewed all non-ACA PCP services at a procedure code level and adjusted the CY 2013 claims to reflect observed changes in unit cost between CY 2013 and CY 2014.

Table 6D: Physician Fee Change Impact (Non-ACA PCP Services)

Time Period	Historical Cost	Adjustment Dollar Impact	Impact as % of	
			Historical Cost	All PH Services Cost
CY 2013	\$602,101,459	\$12,853,265	2.13%	0.51%
CY 2014	\$596,242,559	\$0	0.00%	0.00%

Prescribed Drugs Unit Cost Change

Mercer reviewed pharmacy claims at a National Drug Code (NDC) level and adjusted the CY 2013 claims to reflect observed changes in unit cost between CY 2013 and CY 2014.

Table 6E: Pharmacy Fee Change Impact

Time Period	Historical Cost	Adjustment Dollar Impact	Impact as % of	
			Historical Cost	All PH Services Cost
CY 2013	\$708,050,576	\$56,655,579	8.00%	2.26%
CY 2014	\$731,726,815	\$0	0.00%	0.00%

Overall, as shown in Table 7, the combined effect of all the historical fee adjustments was a 0.89% increase in CY 2013 base data and a 2.57% decrease in CY 2014.

Table 7: Summary of Fee Change Impact for All Claims

Time Period	Historical Cost	Adjustment Dollar Impact	Adjusted Cost	Percent Impact
CY 2013	\$2,504,057,487	\$22,288,117	\$2,526,345,604	0.89%
CY 2014	\$2,514,106,122	-\$64,591,109	\$2,449,515,013	-2.57%

Act 312 (Prescriber Prevails)

Effective January 1, 2014, Act 312 requires that, when medications are restricted for use by an MCO using a step therapy or fail first protocol, the prescribing physician shall be provided with, and have access to, a clear and convenient process to expeditiously request an override of such restrictions from the MCO. The MCO is required to grant the override under certain conditions. Mercer reviewed this requirement and estimated the impact of this change to be an increase of approximately 3% of pharmacy costs.

PH Prospective Rating Adjustments

Rx Rebates

FFS and Shared Savings pharmacy claims were reduced 2.08% for Rx rebates collected by the MCO. This factor was developed using Prepaid plans' experience as reported in financial statements provided to DHH. Prepaid Encounters were taken as net of drug rebates, so no adjustment was necessary.

ACT 399 (Provider Fee Reimbursement)

Effective December 1, 2015, Act 399 creates an appeal board to review pharmacy reimbursement disputes. It is the obligation of a health insurance issuer or its agent to reimburse a pharmacist or his agent for fees remitted by a pharmacy or pharmacist or his agent in compliance with R.S. 46:2625 or risk being sanctioned. Mercer reviewed this requirement and its underlying details and estimated the impact to the base period data to be approximately 0.16%.

Early Elective Delivery (EED)

Beginning February 2015, facility and delivering physician costs for EEDs will not be covered under the Bayou Health program. MCOs receive an EED Kick Payment for deliveries that occur prior to 39 weeks for reasons that are not medically indicated in the Louisiana Electronic Event Registration System (LEERS) maintained by the Office of Public Health/Vital Records. Deliveries that occur prior to 39 weeks for reasons that are medically indicated in LEERS will receive the Maternity Kick Payment. Mercer identified the average facility and delivering physician costs included in the Maternity Kick Payment by region and removed those costs to create the EED Kick Payment. Table 8 shows the EED reduction amount by region in the low and high scenarios. The resulting EED Kick Payment is equal to the Maternity Kick Payment plus the reduction amount in Table 8 and is shown in Appendix A.

Table 8: EED Rate Reduction

Region Description	Reduction – Low Cost per Delivery	Reduction – High Cost per Delivery
Gulf	\$(4,033.70)	\$(4,121.38)
Capital	\$(3,066.79)	\$(3,133.45)
South Central	\$(3,295.30)	\$(3,366.92)
North	\$(3,380.12)	\$(3,453.54)
Total	\$(3,465.14)	\$(3,540.45)

PH Trend

Trend is an estimate of the change in the overall cost of providing health care benefits over a finite period of time. A trend factor is necessary to estimate the cost of providing health care services in a future period. Mercer studied historical cost and utilization data for each of the three data sources incorporated in the capitation rates: Prepaid encounters, Shared Savings, and FFS. Trends were selected based on Louisiana experience, as well as national trend information.

Trends, delineated by utilization, unit cost, per member per month (PMPM), and by population are shown in Appendix E.

PH Efficiency and Managed Care Savings Adjustments

Mercer distinguishes efficiency adjustments (which are applied to previously managed populations) from managed care savings adjustments (which are applied to previously unmanaged populations). Efficiency adjustments are intended to reflect improved efficiency in

the hospital inpatient, emergency department (ED), and pharmacy settings, and are consistent with DHH's goal that the Bayou Health program be operated in an efficient, high quality manner.

Inpatient Hospital Efficiency Adjustment

Illness prevention is an important medical care element for all health care providers. DHH expects the MCOs to help their members stay healthy by preventing diseases or preventing complications of existing diseases. Since hospital expense represents a significant portion of all medical expenditures, Mercer performed a retrospective data analysis of the Plans' CY 2013 and CY 2014 encounter data using indicators developed by the Agency for Healthcare Research and Quality (AHRQ). These conditions are collectively referred to as Prevention Quality Indicators (PQI) and Pediatric Quality Indicators (PDI), respectively. Mercer utilized 13 adult and five pediatric PQIs as part of the analysis. Evidence suggests that hospital admissions for these conditions could have been avoided through high-quality outpatient care and/or the conditions could have been less severe if treated early and appropriately. AHRQ's technical specifications provide specific criteria that define each PQI and PDI that Mercer utilized in the analysis of the MCOs' inpatient hospital encounter data. Although AHRQ acknowledges that there are factors outside of the direct control of the health care system that can result in a hospitalization (e.g., environmental, patient compliance), AHRQ does recognize these analyses can be utilized to benchmark health care system efficiency between facilities and across geographies.

Accordingly, in the process of evaluating whether an adjustment is applicable to the rates, Mercer considered the following factors: member health risk and member enrollment duration with a particular health plan. Mercer then works with the State to identify the targeted efficiency level that should be applied to the outcome of the analysis.

While the AHRQ technical specifications include exclusionary criteria specific to each PQI and PDI, Mercer also considered clinically-based global exclusion criteria that removed a member's inpatient admissions from all inpatient efficiency analyses. The global exclusion criteria was utilized to identify certain conditions and situations (e.g., indications of trauma, burns, HIV/AIDS) that may require more complex treatment for members. Based on a review of the CY 2013 and CY 2014 inpatient encounter data, any member identified as having indications of any of the qualifying criteria resulted in all of that member's admissions being removed from the analyses. Once all clinical global exclusions (CGE) data was removed from the analysis, the embedded AHRQ exclusions, by PQI/PDI were then applied.

Additionally, even though the AHRQ technical specifications do not explicitly mention enrollment duration, Mercer considered enrollment duration as one of the contributing factors to review that would be associated with the applicability of a PQI/PDI-based adjustment. Enrollment duration was used as a proxy for issues such as patient compliance, health plan outreach and education,

time to intervene, and other related concepts. A variable-month enrollment duration ranging from two to twelve months, depending on PQI or PDI condition, was applied to the RY 2016 rates. This assumption meant that an individual had to be enrolled with the same plan for a minimum number of consecutive months prior to that individual's PQI or PDI hospital admission to be considered subject to the adjustment. Only the dollars associated with the PQI and PDI hospital admissions that met this enrollment duration criteria were included in the base data adjustment. Recipient eligibility data supplied by the State provided the information to make this duration test assessment.

Although the clinical global exclusions and enrollment duration criteria significantly reduced the total original PQI and PDI dollars, the State decided that to reflect its desire for value-focused purchasing, the final inpatient hospital efficiency adjustment had a 25% targeted efficiency level applied to the remaining PQI and PDI dollars that met both the health risk and enrollment duration criteria.

ED Efficiency Adjustment

Mercer performed a retrospective analysis of the health plans' CY 2013 and CY 2014 ED encounter data to identify ED visits that were considered preventable/pre-emptible. For the RY 2016 rate development, Mercer analyzed preventable/pre-emptible Low Acuity Non-Emergent (LANE) visits. This analysis was not intended to imply that members should be denied access to EDs or that the health plans should deny payment for the ED visits. Instead, the analysis was designed to reflect the State's objective that more effective, efficient, and innovative managed care could have prevented or pre-empted the need for some members to seek care in the ED setting in the first place.

The criteria used to define LANE ED visits was based on publicly available studies, input from Mercer's clinical staff, as well as review by practicing ED and PCPs. ICD-9 primary diagnosis code information was the basis for identifying an ED visit. A limited set of diagnosis codes was agreed upon by all physicians involved in developing the methodology for the analysis. Preventable percentages ranging from 5% to 90% were assigned to each diagnosis code to account for external factors that can influence and impact variation in ED use. Using procedure code information, the ED visits were evaluated from low complexity clinical decision making to high complexity clinical decision making. In addition, LANE ED visits that resulted in an inpatient admission or observation stay (observation revenue code 0762) were excluded. No adjustment was made for any possible up coding by providers.

For the RY 2016, Mercer excluded low unit cost visits from the LANE analysis to account for improvements in the health plans' use of triage fees and/or more appropriate health services management. A hierarchical process was used for the remaining LANE visits to identify those that could have been prevented or pre-empted. Beginning with the lowest acuity visits, data was

accumulated until the percentage of preventable/pre-emptible visits was achieved for each respective diagnosis code. Regardless of the targeted percentage, no LANE ED visit/dollars associated with the most complex clinical decision making procedure codes (99284-99285) were included in the final adjustment. In addition, a replacement cost amount (average cost physician visit) was made for the majority of LANE visits that were deemed preventable/pre-emptible. As a final step in the analysis, a 25% targeted efficiency level was applied to reflect the State's value-focused purchasing strategy. At this targeted efficiency level, 25% of the dollars identified were part of the final adjustment.

Appropriate Diagnosis for Selected Drug Classes (DxRx)

The DxRx efficiency adjustment is used to ensure appropriate utilization of selected drug classes in historical claims data, based on supporting diagnosis information in the recipients medical history. The selected drug classes were identified based on high cost, safety concerns, and/or high potential for abuse or misuse. Diagnosis information from 30 months (24 months prior to date of service, 6 months after date of service) of medical, professional, pharmacy and inpatient data is reviewed for each recipient. Appropriate drug-diagnosis pairs are reviewed annually by Mercer's team of clinicians, and include consideration for:

- FDA Approved Indications (both drug specific, and by drug class)
- Clinically-accepted, off-label utilization
 - As identified by published literature and clinical/ professional expertise
- Industry standard practices

Retrospective Pharmacy Claims Analysis

The clinical edits efficiency adjustment used a retrospective pharmacy claims analysis to identify inappropriate prescribing and/or dispensing patterns using a customized series of pharmacy utilization management edits that are clinically based on rules. Edits were developed by Mercer's managed pharmacy practice based on:

- Published literature
- Industry standard practices
- Clinical appropriateness review
- Professional expertise
- Information gathered during the review of several Medicaid FFS and managed care pharmacy programs across the country

The State decided that to reflect its response for value-focused purchasing, the final retrospective pharmacy claims analysis efficiency adjustment should reflect a 25% targeted efficiency level applied to the final adjustment identified.

The overall impact of the Inpatient, ED and Pharmacy efficiency adjustments was a decrease of \$1.78 to the PH program.

Managed Care Savings Adjustment

For those populations and services that had previously been excluded from Bayou Health, Mercer adjusted the capitation rates to reflect areas for managed care efficiency. Managed Care is able to generate savings by:

- Encouraging the use of preventive services so that acute conditions are not exacerbated to the point that requires a visit to the emergency room or hospitalization
- Using alternatives to the emergency room for conditions that are non-emergent in nature
- Increasing access and providing member education
- Minimizing duplication of services
- Hospital discharge planning to ensure a smooth transition from facility-based care to community resources and minimize readmissions

Statewide managed care savings factors were applied to the HCBS and CCM COAs. Additionally, DME and NEMT costs for Shared Savings enrollees were adjusted as part of this rate setting, as these services were excluded from Bayou Health Shared Savings. Appendix F summarizes the managed care savings adjustments that were applied to the Shared Savings/Legacy Medicaid FFS data.

Shared Savings Rx claims

Under the Bayou Health Shared Savings program, plans had limited ability to manage prescription drug costs. In order to use the Shared Savings experience to set capitated rates, adjustments were needed to account for generic dispense rate (GDR) differences between the Prepaid and Shared Savings experience. For the Prepaid program, GDR was approximately 84%, compared to approximately 77% for Shared Savings and FFS. This adjustment is a downward adjustment to the Shared Savings claims data. Mercer analyzed Shared Savings prescription drug experience and compared it to the spending on similar therapeutic classes of drugs in the Prepaid program. Mercer determined that achieving the same GDR levels would result in savings of 11.10% to 13.60%. Table 9 details the savings breakdown by COA.

Table 9: GDR Savings Adjustment

Savings from Improvement in GDR (w/Phase-in)						
COS Description	SSI	Family & Children*	BCC	LAP	HCBS Waiver** (FFS)	Total
	(%)	(%)	(%)	(%)	(%)	(%)
Low Savings	3.47%	17.68%	0.00%	24.92%	5.62%	11.10%
High Savings	5.97%	20.18%	1.78%	27.42%	8.12%	13.60%

*Includes FCC

**Includes CCM

Outliers

As part of the State Plan, inpatient hospitals receive an additional payment for high-cost stays for children under six, called outliers. These payments are for inpatient stays with a total cost to the hospital in excess of \$150,000, where the cost is determined based on the hospital's Neonatal Intensive Care Unit (NICU) or Pediatric Intensive Care Unit (PICU) -specific CCR. DHH makes payments to a maximum of \$10 million, annually. As payment of outlier liability is the responsibility of Bayou Health MCOs, this additional \$10 million was built into the rates based on the distribution by rate cell observed in state fiscal year (SFY) 13 payments. Outliers added an average cost of \$0.89 PMPM to the base data used in rate setting. Table 10 details the impact of outliers on the rates by rate cell.

Table 10: Outlier Claims to be Added into Bayou Health from \$10 Million Pool

COA Description	Rate Cell Description	CY 2014 MMs	Outlier PMPM	Outliers Total Adjustment
SSI	Newborn, 0-2 Months	1,791	\$1,457.70	\$2,610,741
SSI	Newborn, 3-11 Months	7,075	\$8.84	\$62,523
SSI	Child, 1-20 Years	472,130	\$0.50	\$234,445
Family & Children	Newborn, 0-2 Months	173,111	\$39.97	\$6,918,792
Family & Children	Child, 1-20 Years	7,757,419	\$0.02	\$173,499
Total*		11,255,774	\$0.89	\$10,000,000

*Total includes MMs for all populations in Bayou Health Physical Health.

Subsection 2B: SBH Services

Unlike PH services, SBH services are covered services in both the PH program and the SBH program. Therefore, the rate development adjustments in the following sections are applicable to both programs.

SBH Historical Adjustments

Inpatient Hospital Fee Schedules

Inpatient Hospital fee schedules have changed in Medicaid from the levels reported in the base data. Most notably, rates for certain public hospitals changed as a result of the public/private partnership. The changes to the hospital rates represent both increases and decreases depending on the hospital.

Mercer has included an adjustment to the capitation rates to account for the changes to the hospital reimbursement, including the public/private partnership. In order to account for this change, Mercer analyzed the base data by hospital and region separately for adults and children services. For adults, Mercer compared the PIHP fee schedules and per diem costs reported in the encounter data to the new State Medicaid fee schedule. Based on this comparison, Mercer determined no adjustment was needed for the Adult rates as the PIHP fee schedule underlying the encounter data generally aligned with the new State Medicaid fee schedule. For children, however, hospital reimbursement levels in the encounter data generally followed historic State Medicaid fee schedules. As a result, an adjustment was necessary to reflect changes between the historic and the new fee schedule for the children's rates.

Overall, this represents a 0.3% increase to both CY 2013 and CY 2014 SBH services and impacts child rating groups only.

Outpatient/Psychiatric Residential Treatment Facility (PRTF)/Permanent Supportive Housing (PSH) Fee Adjustment

Outpatient Fee Adjustment

The State has historically implemented fee schedule adjustments for various outpatient services. For outpatient providers, the fee schedule adjustment process includes an estimation of cost settlements that are not captured in the historic base data. Since cost settlements will become the responsibility of the MCOs under managed care, an adjustment to the Bayou Health rates was necessary.

PRTF Per Diem Adjustment

DHH informed Mercer of two PRTF providers that have historically been subject to risk-sharing arrangements that have had recent per diem changes. The prior risk-sharing process resulted in additional payments to the providers as the per diem documented in the cost reports was higher than the interim rates. Mercer has built in consideration of provider specific rates for these providers based on the cost report per diems.

To calculate the impact, DHH provided Mercer with the risk-sharing calculations that were based on base paid and final targeted per diem rates for these two providers. The final cost impact was calculated by another firm on behalf of DHH. Mercer reviewed these calculations for reasonability but did not audit them. Mercer leveraged the final calculations to determine the net impact to the CY 2013 and CY 2014 time period to develop the program change impact. Mercer incorporated the expected cost for the per diem change based on utilization during the 2013 and 2014 time periods.

PSH Provider Rate Increase

Subsequent to base data period, DHH implemented a 5% rate increase to certain providers delivering community psychiatric services to individuals in the PSH program. Using the list of PSH providers from DHH, Mercer summarized historic cost and utilization data for community psychiatric services for these providers and calculated the impact of the 5% increase. Mercer applied this impact to rating group and region based on historic utilization patterns.

Overall, the Outpatient, PRTF, and PSH fee adjustment represent a 0.2% and 0.3% increase to CY 2013 and CY 2014 SBH services, respectively.

1915(c) CSoC Regional Expansion

DHH submitted an amendment to the 1915(c) CSoC waiver to increase the number of waiver slots to 2,400 slots. Upon expansion, certain children previously classified in a Bayou Health rating group shifted to the CSoC program. The CSoC population will have select services covered by Bayou Health, including PRTF, TGH, and SUD services. Magellan will continue to

administer the remaining SBH services for this population. Mercer calculated the volume of CSoC transitions by comparing the average 2013 and 2014 CSoC enrollment to emerging levels as of December 2015. The growth by region is outlined in Table 11:

Table 11: CSoC Enrollment's Growth by Region

CSoC Enrollment	Average 2013	Average 2014	As of December 2015	Projected RY 2016 CSoC Recipients
Gulf	198	282	673	688
Capital	213	256	615	629
South Central	153	192	444	454
North	493	506	517	529
Statewide	1,057	1,235	2,249	2,300

Mercer then analyzed the historic SBH expenses associated with CSoC enrollees and noted that it is materially higher when compared to the PMPM for other Bayou Health rating groups (\$611.47 and \$20.66, respectively for CY 2013; \$968.66 and \$26.08, respectively for CY 2014). Because of this differential, the movement of those higher needs children out of Bayou Health rating groups resulted in a reduction in the average PMPM by region. The transition analysis was performed on a regional basis using the underlying PMPMs for each region, as well as CSoC-specific PMPMs for each region.

Overall, this represents a decrease of 2.7% and 3.2% to CY 2013 and CY 2014 SBH services, respectively, and impacts child rating groups only.

Medication Management Rate Change

Effective January 2013, the prior Medication Management procedure code of 90862 was eliminated and the services were required to be billed under General Evaluation and Management codes 99211-99214, 90863. These codes, as reflected in the base data, were reimbursed at lower rates than the prior medication management services in 2012. The PIHP revised the fee schedule in 2014 to adjust the fees for medication management services up to prior historical levels. DHH indicated it expects providers to continue to be paid at the higher reimbursement level under the Bayou Health program. For this reason, Mercer determined it was necessary to adjust the 2013 base data, but not the 2014 base data.

Mercer analyzed 2014 encounter data by region and observed an increase in these services' 2013 average reimbursement rate to roughly \$71 per unit. Mercer calculated the program change impact based on reported service utilization in each region.

Overall, this represents a 1.1% increase to CY 2013 SBH services.

Historical Trend

Mercer reviewed the 2013 and 2014 financials and encounters data for SBH services and determined it was necessary to apply a historical trend to the CY 2013 base data before blending the two years of base data. For SBH services, a historical trend of 3% and 32% were applied to adult and child rating groups, respectively. For NEMT Services, 16% historical trend was applied to the SBH Dual COA and 11% to the SBH CCM, SBH HCBS, and SBH Other COAs.

SBH Prospective Adjustments

Elimination of the 1915(i) Program Authority and Amendment of the State Plan

In order to accelerate receipt of medically necessary specialized mental health services for adults and make community-based licensed mental health professional (LMHP) services available to more individuals, DHH transitioned services currently in the 1915(i) to the Medicaid State Plan. The prior 1915(i) authority limited the availability of certain services to adults requiring acute stabilization or meeting certain functional criteria for a major mental disorder and the seriously mentally ill (SMI). The services covered under the 1915(i) included community psychiatric services including ACT, psychosocial rehab services, and services provided by other LMHPs. Another aspect of the 1915(i) program was the requirement of an independent assessment to confirm an individual met the population criteria before services could be received.

While the services will be covered under the State Plan, individuals will need to meet medical necessity criteria in order to be authorized for the services. Mercer understands the medical necessity criteria for community psychiatric and psychosocial rehab services will generally align with the diagnosis criteria associated with major mental disorders and SMI. The criteria for other LMHPs will apply to a broader segment of the covered population and not be specific to major mental disorders or SMI.

Mercer has reviewed the changes to the delivery of these former 1915(i) services with Mercer clinicians and policy consultants and identified two specific rate considerations.

- Elimination of the independent assessment will likely result in individuals accessing services more quickly. DHH has indicated that individuals have experienced, on average, a 30-day wait period for services while they await the independent assessment. Mercer analyzed the historical claims data to identify the subset of the 1915(i) users that were new to the program and expected to utilize more services in a 12-month period if the independent assessment was eliminated. Specifically, Mercer evaluated the individuals who utilized services through December 2014 and made an assumption about the number of members

who utilized services in 2014 that would have utilized more services had their authorizations started earlier in the year.

Table 12: Impact to Adult Services of Elimination of Independent Assessment

Total 1915(i) 2014 recipient count	51,344
Subset of recipients that are projected to receive an additional month of service	653
Average monthly cost of 1915(i) services (CY 2014)	\$538
Program Change PMPM	\$0.11
Adult PMPM	\$28.92
Total Impact to Adult Services	0.4%

- Expanded access to services provided by other licensed professionals (OLPs) will likely result in an increase to the penetration rate over time for other professional services. Individuals will still need to meet medical necessity criteria to access other professional services, but more individuals are expected to meet the criteria than historically when the 1915(i) services were limited to SMI or major mental disorder. To evaluate the potential change in utilization, Mercer reviewed the service utilization and penetration rates for other states where other professional services have been covered in the State Plan. The penetration rates in these other states are higher for adults indicating broader utilization of the services. The penetration rate findings are as follows:

Table 13: Penetration rate findings

2013 penetration rate for OLP services in Louisiana	2.5% of Adults
Penetration rate for similar OLP services in Other States	Up to 10% of Adults

- Mercer assumed the utilization of these services would increase over time essentially modeling a doubling of these services from January 2016 to January 2017. The utilization has been assumed to progressively increase over time as provider capacity may need to be developed to meet the demand as individuals understand the availability of these services.

Table 14: Impact to Adult Services of Expansion of Access to Services

December 2014 recipients	2,790
Projected January 2016 based on emerging data	2,881
Projected January 2017 users	5,762
Total new users in rating period	18,725
Average 2014 monthly cost by OLPs	\$130.88
Program change PMPM	\$0.73
Adult PMPM	\$28.92
Total Impact to Adult Services	2.5%

- This issue will continue to be monitored and evaluated as part of future rate-setting exercises as more data becomes available. The overall impact of the adjustment to account for the elimination of the 1915(i) authority and coverage of these services under the State Plan is a 0.8% impact overall and impacts the adult rate cells only.

SBH Trend

Trend is an estimate of the change in the overall cost of providing health care services over a finite period of time. Capitation rate ranges are actuarial projections of future contingent events and a trend factor is necessary to estimate the expenses of providing health care services in the future rating period.

For the Child population, Mercer studied historical cost and utilization encounter data as well as national trend information to select a trend. For the Adult population, Mercer relied upon Financials, due to encounter data reporting issues in the MMIS system.

Trends, delineated by utilization, unit cost, PMPM, and by population are shown in Appendix E.

Subsection 2C: All Services Combined

The following adjustments were developed and applied using all covered services within the respective programs.

Retroactive Eligibility Adjustment

Beginning in February 2015, members granted retroactive eligibility will be capitated retroactively, based on their eligibility for Bayou Health, for up to 12 months prior to enrollment in an MCO. The MCO selected by these members will then receive one capitation payment per month of retroactive enrollment, and will be liable for all claims incurred during this retroactive eligibility period. Mercer developed an adjustment factor to apply to the base data in the capitation rate development. Mercer did not apply any savings adjustments to the retroactive period claims in the development of these factors because the MCO will have no ability to manage utilization during the retroactive period.

The retroactive eligibility adjustment was developed as an increase to the capitation rates set for all members, meaning that the capitation payment is higher than otherwise required on non-retroactive MMs. Retroactive enrollment in any given rate cell will generate the same capitation payment per month to the MCO as any other enrollee in that same rate cell. The factors were developed at a rate cell level on a statewide basis (i.e., all regions used the same factors). The calculation relied upon retroactive claims PMPM, unique enrollee counts, and the average duration to develop the expected increase to Bayou Health claims.

Mercer reviewed the average duration of enrollees who were retroactively enrolled during 2014 using data from January 2013 to December 2014.

In some rate cells, the retroactive claims PMPM was below the base data claims PMPM. This generated an adjustment factor less than 1.0. The decision was made to not use a factor less than 1.0 on any rate cell. These implied factors (calculated) and final factors (used) are supplied in Appendix G.

Table 15 summarizes the overall adjustment by rate cell for retroactive eligibility.

Table 15: Retroactive Eligibility Adjustment

COA Description	Rate Cell Description	Adjustment (%)
SSI	0 - 2 Months	0.00%
SSI	3 - 11 Months	0.00%
SSI	Child 1 – 20	0.00%
SSI	Adult 21+	0.53%
Family & Children	0 - 2 Months	0.00%
Family & Children	3 - 11 Months	0.00%
Family & Children	Child 1 – 20	0.00%
Family & Children	Adult 21+	0.00%
FCC	FCC, All Ages	0.00%
BCC	BCC, All Ages	2.61%
LAP	LAP, All Ages	0.37%
HCBS	Child 0 – 20	0.00%
HCBS	Adult 21+	0.01%
CCM	CCM, All Ages	0.02%
SBH — CCM	SBH — Chisholm, All Ages Male & Female	0.00%
SBH — Duals	SBH — Dual Eligible, All Ages	0.00%
SBH — HCBS	SBH — 20 & Under, Male and Female	0.00%
SBH — HCBS	SBH — 21+ Years, Male and Female	0.00%
SBH — Other	SBH — Other, All Ages	0.00%
Maternity Kick Payment	Maternity Kick Payment	0.00%

Full Medicaid Pricing (FMP)

Beginning in April 2014, DHH implemented a series of program changes to ensure consistent pricing in the Medicaid program for hospital services, including inpatient hospital, outpatient hospital, hospital-based physician, and ambulance services. This change required the use of FMP in the calculation of PMPM payments to MCOs. DHH expects this rate increase will lead to increased payments to those providers contracting with the MCOs to maintain and increase

access to inpatient hospital, outpatient hospital, hospital-based physician, and ambulance services to the enrolled Medicaid populations. Mercer and DHH reviewed the aggregate funding levels for these services between the base period and the contract period and determined that an addition to the historical data was necessary in order to ensure the capitation rate ranges reflect adequate statewide pricing levels. Separate adjustments were made to each of the four services to capture the full impact of statewide funding.

FMP adjustments were implemented for inpatient and outpatient services effective April 2014. Physician and ambulance FMP adjustments were implemented effective July 2015.

Inpatient Hospital Services

Mercer relied upon an analysis of Medicare diagnosis related group equivalent pricing of Medicaid services provided by DHH. For PH, this analysis was done for each legacy subprogram (i.e., the three legacy Prepaid plans in aggregate, and the legacy Shared Savings/FFS). A separate analysis was done for the SBH claims. The analyses relied upon encounter, Shared Savings/FFS, and LBHP data incurred from July 2013 to June 2014 and compared the adjusted Medicare payments to the Medicaid payment on a per discharge basis at each hospital. The Medicare payments were adjusted to reflect the treatment of Medicaid patients and reflected the SFY15 reimbursement schedule. The SFY14 Medicaid payments were adjusted to reflect fee changes effective in SFY15 and payments made outside of the claims system (outlier payments). Mercer applied the ratio between the two payments to the base data at a hospital-specific level. Tables 17a and 17b below show the impact of FMP on the adjusted base cost of PH and SBH inpatient hospital services, respectively.

Table 17a: Inpatient Hospital FMP Impact (PH)

	[A]	[B]	[C] = [A] + [B]	[D]	[E] = [D] / [C]
Time Period	Historical Cost	Historical Adjustment Dollar Impact (Table 6a)	Adjusted Cost	FMP Impact	FMP Impact as % of Adjusted Cost
CY 2013	\$608,712,298	\$10,934,243	\$619,646,540	\$435,065,137	70.21%
CY 2014	\$563,991,217	-\$1,296,978	\$562,694,239	\$413,327,440	73.46%

Table 17b: Inpatient Hospital FMP Impact (SBH)

	[A]	[B]	[C] = [A] + [B]	[D]	[E] = [D] / [C]
Time Period	Historical Cost	Historical Adjustment Dollar Impact	Adjusted Cost	FMP Impact	FMP Impact as % of Adjusted Cost
CY 2013	\$65,720,876	\$838,008	\$66,558,885	\$27,159,733	40.81%
CY 2014	\$60,329,251	\$1,030,195	\$61,359,446	\$21,725,797	35.41%

Outpatient Hospital Services

The outpatient FMP was developed according to the State Plan using CCRs, which used reported costs and billed charges by hospital. The CCRs supplied by DHH were reported on hospital fiscal year bases, which varied by hospital from February 28, 2014 to December 31, 2014. The billed charges originated from the PH and SBH base data. Mercer applied the ratio between the base data and cost estimates at a hospital level to develop the outpatient component of the FMP. Tables 18a and 18b below show the impact of FMP on the adjusted base cost of PH and SBH outpatient hospital services, respectively.

Table 18a: Outpatient Hospital FMP Impact (PH)

	[A]	[B]	[C] = [A] + [B]	[D]	[E] = [D] / [C]
Time Period	Historical Cost	Historical Adjustment Dollar Impact	Adjusted Cost	FMP Impact	FMP Impact as % of Adjusted Cost
CY 2013	\$351,651,586	\$15,044,474	\$366,696,060	\$133,061,119	36.29%
CY 2014	\$371,250,343	\$13,364,559	\$384,614,902	\$142,417,061	37.03%

Table 18b: Outpatient Hospital FMP Impact (SBH)

	[A]	[B]	[C] = [A] + [B]	[D]	[E] = [D] / [C]
Time Period	Historical Cost	Historical Adjustment Dollar Impact	Adjusted Cost	FMP Impact	FMP Impact as % of Adjusted Cost
CY 2013	\$6,831,512	-\$306,525	\$6,524,987	\$939,767	14.40%
CY 2014	\$8,965,414	-\$92,370	\$8,873,044	\$704,437	7.94%

Hospital-Based Physician Services

. Mercer performed an analysis of hospital-based physician services provided at participating facilities by participating physicians compared to the average commercial rates for the same

services according to the State Plan methodology. The average commercial rates are maintained by DHH and updated periodically. For state-owned or operated entities, average commercial rate factors are updated annually. DHH provided state-owned conversion factors for RY 2016. For non-state owned or operated entities, the average commercial rate factors are indexed to Medicare rates and updated every 3 years. DHH provided the latest available non-state factors, which were last updated as recently as December 2015. Tables 19a and 19b below show the impact of FMP on the adjusted base cost of PH and SBH hospital-based physician services meeting the State Plan's criteria for FMP.

Table 19a: Hospital-Based Physician FMP Impact (PH)

	[A]	[B]	[C] = [A] + [B]	[D]	[E] = [D] / [C]
Time Period	Historical Cost	Historical Adjustment Estimated Dollar Impact	Adjusted Cost	FMP Impact	FMP Impact as % of Adjusted Cost
CY 2013	\$87,306,690	\$1,863,766	\$89,170,456	\$85,986,130	96.43%
CY 2014	\$88,124,993	\$0	\$88,124,993	\$85,883,764	97.46%

Table 19b: Hospital-Based Physician FMP Impact (SBH)

	[A]	[B]	[C] = [A] + [B]	[D]	[E] = [D] / [C]
Time Period	Historical Cost	Historical Adjustment Dollar Impact	Adjusted Cost	FMP Impact	FMP Impact as % of Adjusted Cost
CY 2013	\$546,936	\$0	\$546,936	\$387,827	70.91%
CY 2014	\$639,270	\$0	\$639,270	\$298,063	46.63%

Ambulance Services

Mercer performed an analysis of ambulance services utilized by Medicaid enrollees according to the State Plan using Medicare fee schedules and average commercial rates as a percentage of Medicare. Ambulance providers were classified as either Large Urban Governmental (LUG) or non-LUGs. LUGs have historically received 100% of the gap between average commercial rate and the Medicaid fee schedule while non-LUGs have historically received 17.35% of the gap. Mercer developed increases using these assumed funding levels. Average commercial rates as a percentage of Medicare were provided by DHH for RY 2016. According to the State Plan, average commercial rates are updated every three years. No ambulance services meeting the State Plan's criteria were found in the SBH claims experience. Tables 20a below shows the

impact of FMP on the adjusted base cost of PH ambulance services meeting the State Plan's criteria for FMP,

Table 20a: Ambulance FMP Impact (PH)

	[A]	[B]	[C] = [A] + [B]	[D]	[E] = [D] / [C]
Time Period	Historical Cost	Historical Adjustment Estimated Dollar Impact	Adjusted Cost	FMP Impact	FMP Impact as % of Adjusted Cost
CY 2013	\$27,841,853	\$594,350	\$28,436,203	\$13,028,188	45.82%
CY 2014	\$30,278,811	\$0	\$30,278,811	\$15,197,450	50.19%

As part of the rate development process, Mercer blended the CY 2013 and CY 2014 projected claims PMPM inclusive of the FMP amounts. The overall PMPM impact on final projected claims is summarized in Table 21 below:

Table 21: FMP PMPM Impact

		[A]	[B]	[C]	[D] = [A]+[B]+[C]
Full Medicaid Pricing PMPM Impact					
COA Description	CY 2014 MMs	Hospital (IP/OP)	Ambulance	Physician	Total
SSI	1,391,195	\$157.13	\$6.65	\$20.42	\$184.20
F&C	9,538,623	\$25.26	\$0.94	\$5.22	\$31.42
FCC	126,475	\$14.37	\$1.24	\$4.09	\$19.70
BCC	13,070	\$511.90	\$3.16	\$44.45	\$559.50
LAP	40,170	\$12.14	\$0.41	\$3.61	\$16.16
HCBS Waiver	77,066	\$106.68	\$6.83	\$13.80	\$127.32
CCM	69,175	\$73.30	\$2.73	\$8.51	\$84.54
SBH – CCM	70,181	\$0.00	\$0.00	\$0.00	\$0.00
SBH - Dual Eligible	1,117,726	\$0.73	\$0.00	\$0.06	\$0.79
SBH - HCBS Waiver	77,066	\$10.68	\$0.00	\$0.08	\$10.76
SBH – Other	36,202	\$61.19	\$0.00	\$0.28	\$61.47
Maternity Kick Payment	37,712	\$3,203.67	\$0.00	\$378.61	\$3,582.28
Total¹	12,556,949	\$48.30	\$1.52	\$7.61	\$57.43

Notes

1- The total line and composite PMPMs duplicate the voluntary opt-in membership

Non-Medical Expense Load

The actuarially sound capitation rate ranges developed include a provision for MCO administration and other non-medical expenses. Mercer reviewed historical Prepaid plan expense data and relied on its professional experience in working with numerous State Medicaid programs to develop the administrative load. The load for each rate cell was determined using a fixed and variable cost model. Under this model, a fixed administrative expense is attributed to each rate cell, which reflects program requirements, such as state-mandated staffing, and other indirect operational expenses. Added to this is a variable administrative amount, based on claims volume. In development of the PH Program rate cells, the variable administrative amount on each rate cell was determined by using 2% of pharmacy claim costs plus 5.66% of all other medical costs. Maternity kick payment rate cells have only the variable medical cost administrative load. For the SBH program, the variable administrative amount on each rate cell was determined using 4.77% of the covered claims expense. This methodology results in administrative expense loads that vary as a percentage by rate cell. The resulting variance in administrative expense determined using this methodology results in a higher allocation of administrative expenses on the rate cells with higher utilization, which Mercer believes is more accurate in reflecting the drivers of plan administration requirements.

Mercer reviewed plan financial information provided by the Prepaid plans to develop administrative cost expectations. The development included consideration for increases in expenses including items such as additional case management due to claims volume and increases in staff compensation over time. The administrative development also included an expected increase in staffing and operational expenses associated with the inclusion of SBH services and the new SBH program population. Final Administrative cost expectation was \$23.63 to \$24.84 PMPM.

Additionally, provision has been made in the rate development for a 2.00% underwriting gain calculated before applying any adjustment for FMP. Final rates also include provision for Louisiana's 2.25% premium tax. The FMP PMPMs include provision for premium tax only.

Risk Adjustment

Risk adjustment will be applied to the rates in Appendix A to reflect differences in health status of the members served in each MCO using the Adjusted Clinical Groups (ACG) model. The risk adjustment process does not increase nor decrease the overall cost of the program, but can change the distribution across the various Bayou Health MCOs according to the relative risk of their enrolled members. Table 21 shows the rate cells that will be risk adjusted.

Table 21: Risk-Adjusted Rate Cells

SSI	
Child, 1–20 Years, Male & Female	Adult, 21+ Years, Male & Female
Family and Children (TANF)	
Child, 1–20 Years, Male & Female	Adult, 21+ Years, Male & Female
FCC	
All Ages, Male & Female	
LAP	
All Ages, Male & Female	

Voluntary Opt-In Adjustment

It is unclear at this time if there will be a material difference in the risk profile of the Opt-in population from the historical FFS population. Therefore, Mercer made no adjustments for selection risk in the development of the HCBS and CCM rates.

Federal Health Insurer Fee

Section 9010 of the ACA established a health insurance provider fee (HIPF), which applies to certain for-profit/tax-paying health insurers. For-profit Medicaid health plans are not exempt from the HIPF, which will become a cost of doing business that is appropriate to recognize in actuarially sound capitation rates.

At the time of this certification, many aspects of the calculation and application of this fee are not yet determined and/or finalized. These fees will be calculated and become payable sometime during the third quarter of 2017. As these fees are not yet defined by insurer and by marketplace, no adjustment has been made in the rate range development for the Bayou Health program. An adjustment and revised certification will be considered when the fee amount and impacted entities applicable to this rate period are announced in 2017.

Section 3: Certification of Final Rate Ranges

In preparing the rate ranges shown in Attachment A, Mercer has used and relied upon enrollment, FFS claims, encounter data, reimbursement level, benefit design, and other information supplied by DHH and its fiscal agent. DHH, its fiscal agent, and the Prepaid plans are responsible for the validity and completeness of the data supplied. We have reviewed the data and information for internal consistency and reasonableness, but we did not audit them. In our opinion they are appropriate for the intended purposes. If the data and information are incomplete or inaccurate, the values shown in this report may need to be revised accordingly.

Mercer certifies that the rates in Attachment A were developed in accordance with generally accepted actuarial practices and principles and are appropriate for the Medicaid covered populations and services under the managed care contract. Rate estimates provided are based upon the information available at a point in time and are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely range of variability from the estimate. The undersigned actuaries are members of the American Academy of Actuaries and meet its qualification standards to certify to the actuarial soundness of Medicaid managed care capitation rates.

Rates and ranges developed by Mercer are actuarial projections of future contingent events. Actual Bayou Health MCO costs will differ from these projections. Mercer has developed these rates on behalf of DHH to demonstrate compliance with the CMS requirements under 42 CFR 438.6(c), and in accordance with applicable law and regulations. Use of these rate ranges for any purpose beyond that stated may not be appropriate.

Bayou Health MCOs are advised that the use of these rate ranges may not be appropriate for their particular circumstance and Mercer disclaims any responsibility for the use of these rate ranges by Bayou Health MCOs for any purpose. Mercer recommends that any Bayou Health MCO considering contracting with DHH should analyze its own projected medical expense, administrative expense, and any other premium needs for comparison to these rate ranges before deciding whether to contract with DHH.

This certification letter assumes the reader is familiar with the Bayou Health Program, Medicaid eligibility rules, and actuarial rate-setting techniques. It is intended for DHH and CMS, and should not be relied upon by third parties. Other readers should seek the advice of actuaries or other qualified professionals competent in the area of actuarial rate projections to understand the technical nature of these results.

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February 26, 2016
Ms. Amanda Joyner
Louisiana Department of Health and Hospitals

If you have any questions on any of the information provided, please feel free to call us at
+1 404 442 3358 or +1 404 442 3517.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Simons".

Jaredd Simons, ASA, MAAA
Senior Associate Actuary

A handwritten signature in blue ink, appearing to read "Erik Axelsen".

Erik Axelsen, ASA, MAAA
Senior Associate Actuary

Appendix E

Appendix A: Bayou Health Capitation Rate Range

Region Description	COA Description	Rate Cell Description	CY 2014 MMs or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery
Gulf	SSI	0 - 2 Months	499	\$27,754.36	\$28,393.93
Gulf	SSI	3 - 11 Months	2,016	\$7,250.16	\$7,411.77
Gulf	SSI	Child 1 - 20	140,382	\$700.51	\$733.78
Gulf	SSI	Adult 21+	268,331	\$1,240.93	\$1,280.94
Gulf	Family & Children	0 - 2 Months	48,751	\$1,705.49	\$1,754.55
Gulf	Family & Children	3 - 11 Months	108,391	\$272.54	\$283.77
Gulf	Family & Children	Child 1 - 20	2,120,899	\$156.41	\$164.78
Gulf	Family & Children	Adult 21+	388,455	\$323.40	\$337.82
Gulf	Foster Care Children	FCC, All Ages	23,352	\$518.08	\$552.29
Gulf	BCC	BCC, All Ages	3,937	\$2,262.84	\$2,339.95
Gulf	LAP	LAP, All Ages	10,244	\$184.94	\$194.58
Gulf	HCBS	Child 0 - 20	7,178	\$1,835.37	\$1,963.45
Gulf	HCBS	Adult 21+	13,626	\$1,066.32	\$1,121.51
Gulf	CCM	CCM, All Ages	16,983	\$1,149.31	\$1,233.62
Gulf	SBH — CCM	SBH — CCM, All Ages Male & Female	17,167	\$157.40	\$170.00
Gulf	SBH —Duals	SBH — Dual Eligible, All Ages	299,337	\$28.06	\$29.15
Gulf	SBH —HCBS	SBH — 20 & Under, Male and Female	7,178	\$77.72	\$83.18
Gulf	SBH —HCBS	SBH — 21+ Years, Male and Female	13,626	\$84.70	\$87.56
Gulf	SBH —Other	SBH — Other, All Ages	7,536	\$231.08	\$237.77
Gulf	Maternity Kick Payment	Maternity Kick Payment	10,549	\$10,181.22	\$10,314.75
Gulf	EED Kick Payment	EED Kick Payment	N/A	\$6,147.52	\$6,193.37
Capital	SSI	0 - 2 Months	384	\$27,754.36	\$28,393.93
Capital	SSI	3 - 11 Months	1,488	\$7,250.16	\$7,411.77
Capital	SSI	Child 1 - 20	104,301	\$700.95	\$735.88

Region Description	COA Description	Rate Cell Description	CY 2014 MMs or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery
Capital	SSI	Adult 21+	195,553	\$1,295.40	\$1,340.11
Capital	Family & Children	0 - 2 Months	42,461	\$1,950.22	\$2,000.49
Capital	Family & Children	3 - 11 Months	96,528	\$268.36	\$279.79
Capital	Family & Children	Child 1 - 20	1,914,036	\$164.35	\$173.17
Capital	Family & Children	Adult 21+	288,647	\$379.69	\$396.66
Capital	Foster Care Children	FCC, All Ages	33,498	\$518.08	\$552.29
Capital	BCC	BCC, All Ages	3,825	\$2,262.84	\$2,339.95
Capital	LAP	LAP, All Ages	10,876	\$184.94	\$194.58
Capital	HCBS	Child 0 - 20	7,499	\$1,835.37	\$1,963.45
Capital	HCBS	Adult 21+	12,294	\$1,066.32	\$1,121.51
Capital	CCM	CCM, All Ages	17,068	\$1,149.31	\$1,233.62
Capital	SBH — CCM	SBH — CCM, All Ages Male & Female	17,176	\$157.40	\$170.00
Capital	SBH — Duals	SBH — Dual Eligible, All Ages	239,197	\$21.80	\$22.64
Capital	SBH — HCBS	SBH — 20 & Under, Male and Female	7,499	\$77.72	\$83.18
Capital	SBH — HCBS	SBH — 21+ Years, Male and Female	12,294	\$84.70	\$87.56
Capital	SBH — Other	SBH — Other, All Ages	8,412	\$231.08	\$237.77
Capital	Maternity Kick Payment	Maternity Kick Payment	9,280	\$9,708.88	\$9,826.44
Capital	EED Kick Payment	EED Kick Payment	N/A	\$6,642.09	\$6,692.99
South Central	SSI	0 - 2 Months	466	\$27,754.36	\$28,393.93
South Central	SSI	3 - 11 Months	1,871	\$7,250.16	\$7,411.77
South Central	SSI	Child 1 - 20	108,433	\$682.40	\$715.83
South Central	SSI	Adult 21+	237,953	\$1,162.63	\$1,200.74

Region Description	COA Description	Rate Cell Description	CY 2014 MMs or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery
South Central	Family & Children	0 - 2 Months	46,634	\$2,065.71	\$2,116.67
South Central	Family & Children	3 - 11 Months	104,955	\$276.80	\$288.29
South Central	Family & Children	Child 1 - 20	2,083,138	\$160.35	\$168.72
South Central	Family & Children	Adult 21+	299,789	\$349.04	\$364.86
South Central	Foster Care Children	FCC, All Ages	44,797	\$518.08	\$552.29
South Central	BCC	BCC, All Ages	2,747	\$2,262.84	\$2,339.95
South Central	LAP	LAP, All Ages	12,678	\$184.94	\$194.58
South Central	HCBS	Child 0 - 20	6,786	\$1,835.37	\$1,963.45
South Central	HCBS	Adult 21+	14,109	\$1,066.32	\$1,121.51
South Central	CCM	CCM, All Ages	18,278	\$1,149.31	\$1,233.62
South Central	SBH — CCM	SBH — CCM, All Ages Male & Female	18,709	\$157.40	\$170.00
South Central	SBH — Duals	SBH — Dual Eligible, All Ages	323,040	\$19.12	\$19.84
South Central	SBH — HCBS	SBH — 20 & Under, Male and Female	6,786	\$77.72	\$83.18
South Central	SBH — HCBS	SBH — 21+ Years, Male and Female	14,109	\$84.70	\$87.56
South Central	SBH — Other	SBH — Other, All Ages	10,727	\$231.08	\$237.77
South Central	Maternity Kick Payment	Maternity Kick Payment	10,188	\$8,394.53	\$8,516.38
South Central	EED Kick Payment	EED Kick Payment	N/A	\$5,099.23	\$5,149.46

Region Description	COA Description	Rate Cell Description	CY 2014 MMs or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery
North	SSI	0 - 2 Months	442	\$27,754.36	\$28,393.93
North	SSI	3 - 11 Months	1,700	\$7,250.16	\$7,411.77
North	SSI	Child 1 - 20	119,014	\$732.77	\$771.83
North	SSI	Adult 21+	208,362	\$1,075.63	\$1,109.86
North	Family & Children	0 - 2 Months	35,265	\$1,972.31	\$2,023.24
North	Family & Children	3 - 11 Months	81,697	\$275.01	\$286.45
North	Family & Children	Child 1 - 20	1,639,346	\$161.97	\$171.11
North	Family & Children	Adult 21+	239,631	\$323.39	\$338.14
North	Foster Care Children	FCC, All Ages	24,828	\$518.08	\$552.29
North	BCC	BCC, All Ages	2,561	\$2,262.84	\$2,339.95
North	LAP	LAP, All Ages	6,372	\$184.94	\$194.58
North	HCBS	Child 0 - 20	4,318	\$1,835.37	\$1,963.45
North	HCBS	Adult 21+	11,256	\$1,066.32	\$1,121.51
North	CCM	CCM, All Ages	16,846	\$1,149.31	\$1,233.62
North	SBH — CCM	SBH — CCM, All Ages Male & Female	17,129	\$157.40	\$170.00
North	SBH — Duals	SBH — Dual Eligible, All Ages	256,152	\$20.52	\$21.30
North	SBH — HCBS	SBH — 20 & Under, Male and Female	4,318	\$77.72	\$83.18
North	SBH — HCBS	SBH — 21+ Years, Male and Female	11,256	\$84.70	\$87.56
North	SBH — Other	SBH — Other, All Ages	9,527	\$231.08	\$237.77
North	Maternity Kick Payment	Maternity Kick Payment	7,696	\$8,994.52	\$9,112.86
North	EED Kick Payment	EED Kick Payment	N/A	\$5,614.41	\$5,659.32

Appendix B: Bayou Health Eligibility Designation

COA/Eligibility Category Name	Mandatory	Voluntary Opt-In	SBH & NEMT	Excluded
SSI (ABD)				
Physical health Hospitals (LOS > 30 days)	●			
BPL (Walker vs. Bayer)	●			
CSOC	●			
Disability Medicaid	●			
Disabled Adult Child	●			
DW/W	●			
Early Widow/Widowers	●			
Family Opportunity Program	●			
Former SSI	●			
Medicaid Buy-In Working Disabled (Medicaid Purchase Plan)	●			
PICKLE	●			
Provisional Medicaid	●			
Section 4913 Children	●			
SGA Disabled W/W/DS	●			
SSI	●			
SSI Conversion	●			
Tuberculosis	●			
SSI (Office of Community Service (OCS) Foster Care, IV-E OCS/Office of Youth Development (OYD) and OCS/OYD (XIX))				
Foster Care IV-E — Suspended SSI	●			
SSI	●			
TANF (Families and Children, Low Income Families with Children (LIFC))				
CHAMP — Child	●			
CHAMP — Pregnant Woman (to 133% of Federal Poverty Income Guidelines (FPIG))	●			
CHAMP — Pregnant Woman Expansion (to 185% FPIG)	●			

COA/Eligibility Category Name	Mandatory	Voluntary Opt-In	SBH & NEMT	Excluded
Deemed Eligible	●			
ELE — Food Stamps (Express Lane Eligibility — Food Stamps)	●			
Grant Review	●			
LaCHIP Phase 1	●			
LaCHIP Phase 2	●			
LaCHIP Phase 3	●			
LaCHIP Phase IV —Pregnant Women Expansion	●			
HPE LaCHIP	●			
HPE LaCHIP Unborn	●			
LIFC — Unemployed Parent/CHAMP	●			
LIFC Basic	●			
PAP - Prohibited Aid for Families with Dependent Children Provisions	●			
Pregnant women with income greater than 118% of Federal Poverty Level (FPL) and less than or equal to 133% of FPL	●			
Regular MNP	●			
HPE Children under age 19	●			
Transitional Medicaid	●			
HPE Parent/Caretaker Relative	●			
FCC (Families and Children)				
Former Foster Care Children	●			
HPE Former Foster Care	●			
Youth Aging Out of Foster Care (Chaffee Option)	●			
FCC (OCS Foster Care, IV-E OCS/OYD and OCS/OYD (XIX))				
CHAMP — Child	●			
CHAMP — Pregnant Woman (to 133% of FPIG)*	●			
IV-E Foster Care	●			

COA/Eligibility Category Name	Mandatory	Voluntary Opt-In	SBH & NEMT	Excluded
LaCHIP Phase 1	●			
OYD — V Category Child	●			
Regular Foster Care Child	●			
YAP (Young Adult Program)	●			
YAP/OYD	●			
BCC (Families and Children)				
Breast and/or Cervical Cancer	●			
HPE B/CC	●			
LAP (Families and Children)				
LaCHIP Affordable Plan	●			
HCBS Waiver				
ADHC		●	●	
Children's Waiver — Louisiana CC		●	●	
Community Choice Waiver		●	●	
NOW — SSI		●	●	
NOW Fund		●	●	
NOW — Non-SSI		●	●	
ROW — Non-SSI		●	●	
ROW — SSI		●	●	
SSI Children's Waiver — Louisiana CC		●	●	
SSI Community Choice Waiver		●	●	
SSI NOW Fund		●	●	
SSI/ADHC		●	●	
Supports Waiver		●	●	
Supports Waiver SSI		●	●	
CCM				
CCM*		●	●	
SBH — Other				
LTC			●	
LTC MNP/Transfer of Resources			●	
LTC Payment Denial/Late Admission Packet			●	

COA/Eligibility Category Name	Mandatory	Voluntary Opt-In	SBH & NEMT	Excluded
LTC Spend-Down MNP			●	
Private ICF/DD			●	
Public ICF/DD			●	
SSI Payment Denial/Late Admission			●	
SSI Transfer of Resource(s)/LTC			●	
SSI/LTC			●	
SSI/Private ICF/DD			●	
SSI/Public ICF/DD			●	
Transfer of Resource(s)/LTC			●	
Excess Home Equity SSI Under SIL			●	
Excess Home Equity SSI Under SIL-Reg LTC			●	
QDWI			●	
SBH — Dual Eligibles				
Dual Eligibles**			●	
Excluded				
CHAMP Presumptive Eligibility				●
DD Waiver				●
Denied SSI Prior Period				●
Disabled Adults Authorized for Special Hurricane Katrina Assistance				●
EDA Waiver				●
Family Planning — New Eligibility/Non-LaMOMS				●
Family Planning — Previous LaMOMS Eligibility				●
Family Planning/Take Charge Transition				●
Forced Benefits				●
GNOCHC Adult Parent				●
GNOCHC Childless Adult				●
HPE Family Planning				●
HPE Take Charge Plus				●
LBHP — Adult 1915(i)				●

COA/Eligibility Category Name	Mandatory	Voluntary Opt-In	SBH & NEMT	Excluded
LTC Co-Insurance				●
LTC Spend-Down MNP (Income > Facility Fee)				●
OCS Child Under Age 18 (State Funded)				●
OYD (Office of Youth Development)				●
PACE SSI				●
PACE SSI-related				●
PCA Waiver				●
Private ICF/DD Spend-Down MNP				●
Private ICF/DD Spend-Down MNP/Income Over Facility Fee				●
Public ICF/DD Spend-Down MNP				●
QI-1 (Qualified Individual — 1)				●
QI-2 (Qualified Individual — 2) (Program terminated 12/31/2002)				●
QMB				●
SLMB				●
Spend-Down MNP				●
Spend-Down Denial of Payment/Late Packet				●
SSI Conversion/Refugee Cash Assistance (RCA)/LIFC Basic				●
SSI DD Waiver				●
SSI PCA Waiver				●
SSI/EDA Waiver				●
State Retirees				●
Terminated SSI Prior Period				●

* Individuals under the age of 21 otherwise eligible for Medicaid who are listed on the OCDD's Request for Services Registry who are CCM.

** Dual eligibles included in Bayou Health for SBH and NEMT services must be in a mandatory, voluntary opt-in or SBH and NEMT population listed above in Attachment C. They must also be eligible for Medicare, which is identified based on the Medicare Duals Eligibility table supplied by DHH's fiscal agent. Dually eligible individuals are represented by Dual Status code 02, 04, and 08.

Appendix C: Bayou Health Covered Services

Table 1: PH Program

Medicaid COS	Units of Measurement	Completion COS
Inpatient Hospital	Days	Inpatient
Outpatient Hospital	Claims	Outpatient
Primary Care Physician	Visits	Physician
Specialty Care Physician	Visits	Physician
Federally Qualified Health Center (FQHC)/Rural Health Clinic (RHC)	Visits	Physician
EPSDT	Visits	Physician
Certified Nurse Practitioners/Clinical Nurse	Claims	Physician
Lab/Radiology	Units	Other
Home Health	Visits	Other
Emergency Transportation	Units	Transportation
NEMT	Units	Transportation
Rehabilitation Services (Occupational Therapy, Physical Therapy, Speech Therapy)	Visits	Other
DME	Units	Other
Clinic	Claims	Physician
Family Planning	Visits	Physician
Other	Units	Other
Prescribed Drugs	Scripts	Prescribed Drugs
Emergency Room	Visits	Outpatient
Basic Behavioral Health	Claims	Physician
Hospice*	Admits	Inpatient
Personal Care Services (Age 0–20)*	Units	Physician
Inpatient Services — Mental Health*	Days	Inpatient
Emergency Room — Mental Health*	Visits	Other
Professional/Other — Mental Health*	Units	Other

* Services that were excluded during the base periods from the Bayou Health program and now are included.

Table 2: SBH Program

Medicaid COS	Units of Measurement	Completion COS
Inpatient Services — Mental Health*	Days	SBH Inpatient
Emergency Room — Mental Health*	Visits	SBH Other
Professional/Other — Mental Health*	Units	SBH Other
NEMT	Units	Transportation

* Services that were excluded during the base periods from the Bayou Health program and now are included.

Appendix D: PMPM Impact of Behavioral Health MSP

COA Description	CY 2014 MMs	Blended PMPM	MSP PMPM	MSP Adjustment
SBH — Chisholm Class Members	70,181	\$89.58	-\$4.19	-4.70%
SBH — Dual Eligible	1,117,726	\$15.38	-\$0.36	-2.30%
SBH — HCBS Waiver	77,066	\$53.34	-\$3.23	-6.10%
SBH — Other	36,202	\$141.59	-\$7.64	-5.40%
Total SBH Only COAs	1,301,175	\$25.14	-\$0.94	-3.70%

Appendix E: Trends by utilization, unit cost and PMPM

Table 1: PH Covered Services

COS Group	SSI/BCC/HCBS					
	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient					0.00%	1.00%
Outpatient	7.00%	8.00%	1.00%	2.00%	8.07%	10.16%
Physician	1.58%	2.58%	0.47%	1.47%	2.06%	4.09%
Transportation					8.20%	11.18%
Pharmacy					8.83%	9.83%
Other	3.85%	5.56%	9.57%	10.56%	13.78%	16.71%
Maternity Kickpayment						

COS Group	F&C/FCC/LAP/CCM					
	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient					0.00%	1.00%
Outpatient	4.00%	6.00%	0.00%	1.00%	4.00%	7.06%
Physician	1.26%	2.84%	0.00%	1.00%	1.26%	3.87%
Transportation					9.71%	12.88%
Pharmacy					4.00%	5.00%
Other	1.24%	2.56%	4.60%	6.60%	5.90%	9.33%
Maternity Kickpayment						

COS Group	Maternity Kickpayment					
	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient						
Outpatient						
Physician						
Transportation						
Pharmacy						
Other						
Maternity Kickpayment	0.00%	1.00%	0.00%	0.00%	0.00%	1.00%

Appendix E: Trends by utilization, unit cost and PMPM

Table 2: SBH Trends

Mapped_COA_Desc	Rate_Cell_Code	PMPM Trend			
		SBH Services		NEMT Services	
		Low	High	Low	High
SSI	Newborn, 0-2 Months	29.00%	34.00%		
SSI	Newborn, 3-11 Months	29.00%	34.00%		
SSI	Child, 1-20 Years	29.00%	34.00%		
SSI	Adult, 21+ Years	4.00%	6.00%		
Family and Children	Newborn, 0-2 Months	29.00%	34.00%		
Family and Children	Newborn, 3-11 Months	29.00%	34.00%		
Family and Children	Child, 1-20 Years	29.00%	34.00%		
Family and Children	Adult, 21+ Years	4.00%	6.00%		
Foster Care Children	Foster Care, All Ages Male & Female	29.00%	34.00%		
Breast and Cervical Cancer	BCC, All Ages Female	4.00%	6.00%		
LaCHIP Affordable Plan	All Ages	29.00%	34.00%		
HCBS Waiver	20 & Under, Male and Female	29.00%	34.00%		
HCBS Waiver	21+ Years, Male and Female	4.00%	6.00%		
Chisholm Class Members	Chisholm, All Ages Male & Female	29.00%	34.00%		
Chisholm Class Members	Chisholm, All Ages Male & Female	29.00%	34.00%	10.00%	12.00%
Dual Eligible	Dual Eligible, All Ages	4.00%	6.00%	15.00%	17.00%
HCBS Waiver	20 & Under, Male and Female	29.00%	34.00%	10.00%	12.00%
HCBS Waiver	21+ Years, Male and Female	4.00%	6.00%	10.00%	12.00%
Other	Other, All Ages	4.00%	6.00%	10.00%	12.00%
Kickpayment	Kickpayment				

Appendix F: Managed Care Savings Assumptions

Table 1: Managed Care Savings Assumptions

COS Description	HCBS Waiver/CCM						Historically VOO					
	Utilization		Unit Cost		PMPM		Utilization		Unit Cost		PMPM	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
IP Hospital	-12.50%	-10.00%	1.00%	5.00%	-11.63%	-5.50%	-20.00%	-15.00%	Varies by COA, please see Table 2	3.00%	-19.20%	-12.45%
OP Hospital	-10.00%	-7.50%	1.00%	3.00%	-9.10%	-4.72%	5.00%	10.00%	5.00%	7.00%	-10.25%	17.70%
PCP	2.50%	5.00%	5.00%	7.00%	-12.50%	-8.20%	-25.00%	-20.00%	0.00%	2.00%	-25.00%	-18.40%
Specialty Care Physician	-12.50%	-10.00%	0.00%	2.00%	0.00%	4.55%	0.00%	5.00%	0.00%	2.00%	0.00%	7.10%
FQHC/Rural Health Clinic	0.00%	2.50%	0.00%	7.00%	5.00%	7.00%	5.00%	10.00%	5.00%	7.00%	10.25%	17.70%
EPSTD	0.00%	0.00%	5.00%	7.00%	7.62%	12.35%	-20.00%	-10.00%	0.00%	2.00%	-20.00%	-8.20%
CNP/CN	2.50%	5.00%	0.00%	2.00%	-10.00%	0.00%	0.00%	5.00%	0.00%	2.00%	0.00%	7.10%
Lab/Radiology	-10.00%	-5.00%	0.00%	2.00%	0.00%	2.00%	-10.00%	-5.00%	0.00%	2.00%	-10.00%	-3.10%
Home Health	0.00%	0.00%	0.00%	2.00%	0.00%	0.00%	0.00%	5.00%	0.00%	2.00%	0.00%	7.10%
Emergency Transportation	-5.00%	-2.50%	0.00%	2.00%	-5.00%	-0.55%	-10.00%	-5.00%	0.00%	2.00%	-10.00%	-3.10%
NEMT ¹	0.00%	2.50%	0.00%	2.00%	0.00%	0.00%	0.00%	5.00%	0.00%	2.00%	0.00%	7.10%
Rehabilitation Services (OT, PT, ST)	-5.00%	-2.50%	0.00%	2.00%	-5.00%	-0.55%	-10.00%	-5.00%	0.00%	2.00%	-10.00%	-3.10%
Durable Medical Equipment (DME) ¹	-10.00%	-7.50%	0.00%	2.00%	-10.00%	-5.65%	-20.00%	-15.00%	0.00%	2.00%	-20.00%	-13.30%
Clinic	-10.00%	-7.50%	0.00%	2.00%	-10.00%	-5.65%	-20.00%	-15.00%	0.00%	2.00%	-20.00%	-13.30%
Family Planning	0.00%	2.50%	0.00%	2.00%	0.00%	4.55%	0.00%	5.00%	0.00%	2.00%	0.00%	7.10%
Other	0.00%	2.50%	0.00%	2.00%	0.00%	4.55%	0.00%	5.00%	0.00%	2.00%	0.00%	7.10%
Prescribed Drugs	-10.39%	-10.39%	0.00%	0.00%	-10.39%	-10.39%	-25.00%	-20.00%	Varies by COA, please see Table 3	7.00%	-21.25%	-14.40%
Emergency Room	-12.50%	-10.00%	5.00%	7.00%	-8.12%	-3.70%	0.00%	5.00%	5.00%	2.00%	0.00%	7.10%
Basic Behavioral Health	0.00%	0.00%	0.00%	2.00%	0.00%	0.00%	0.00%	5.00%	0.00%	2.00%	0.00%	7.10%
Hospice	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.00%	0.00%	2.00%	0.00%	7.10%
Personal Care Services ²	0.00%	0.00%	0.00%	0.00%	-10.00%	-5.00%	0.00%	5.00%	Varies by COA, please see Table 4	0.00%	-10.00%	-5.00%

Table 2: Inpatient Managed Care Savings Assumptions by COA

1 - IP Hospital	Utilization		Unit Cost		PMPM	
	Low	High	Low	High	Low	High
SSI/FCC/BCC/LaCHIP	-25.00%	-20.00%	1.00%	5.00%	-24.28%	-16.00%
Family and Children	-30.00%	-25.00%	1.00%	5.00%	-29.30%	-21.25%

Table 3: Prescribed Drugs Managed Care Savings Assumptions by COA

2 - Prescribed Drugs	Utilization		Unit Cost		PMPM	
	Low	High	Low	High	Low	High
SSI	-20.78%	-20.78%	-5.57%	-5.57%	-25.19%	-25.19%
Family and Children	-23.11%	-23.11%	-2.65%	-2.65%	-25.15%	-25.15%
Foster Care Children	-18.50%	-18.50%	-1.53%	-1.53%	-19.75%	-19.75%
Breast and Cervical Cancer	-12.45%	-12.45%	-8.71%	-8.71%	-20.07%	-20.07%
LaCHIP Affordable Plan	-20.78%	-20.78%	-5.57%	-5.57%	-25.19%	-25.19%

Table 4: Hospice Managed Care Savings Assumptions by COA

3 - Hospice	Utilization		Unit Cost		PMPM	
	Low	High	Low	High	Low	High
SSI/FCC/BCC/LaCHIP	-25.00%	-20.00%	1.00%	5.00%	-24.25%	-16.00%
Family and Children	-30.00%	-25.00%	1.00%	5.00%	-29.30%	-21.25%

Notes

1 – Managed care savings adjustments were applied to NEMT and DME services incurred by the Legacy Shared Savings program populations, as these services were not historically covered under the Shared Savings program.

2 – Managed care savings adjustments were applied to Personal Care Services incurred by the Legacy Shared Savings and Prepaid programs populations, as these services were not historically covered under the Shared Savings program.

Appendix G: Retro-Active Eligibility Adjustment Factors Development

Table 1: Monthly Duration Calculation Example – SSI Population

Unique Recipient Count		First Month of Enrollment in Bayou Health in 2014												Overall CY14	
Retroactive Eligibility Months		January	February	March	April	May	June	July	August	September	October	November	December		
1		29	120	81	106	96	118	95	112	105	139	137	82	1,220	
2		14	67	78	68	59	95	75	79	79	120	81	57	872	
3		13	46	52	42	47	56	54	67	66	57	79	41	620	
4		10	63	48	47	51	75	67	78	72	90	104	45	750	
5		10	67	54	67	59	68	67	122	91	86	87	68	846	
6		7	55	44	50	54	71	63	106	175	92	90	43	850	
7		11	30	41	74	49	51	36	75	78	94	76	43	658	
8		3	26	18	39	43	39	25	46	62	65	100	26	492	
9		6	13	7	14	19	34	28	82	69	39	54	32	397	
10		1	8	7	14	21	32	14	57	69	64	33	30	350	
11		1	37	38	50	47	56	42	59	69	55	45	42	541	
12		18	7	15	11	20	17	11	25	9	11	20	7	171	
Grand Total: [A]		123	539	483	582	565	712	577	908	944	912	906	516	7,767	
Retro Member Months: [B]		620	2,415	2,281	2,969	3,003	3,657	2,826	5,179	5,474	4,798	4,810	2,740	40,772	
Avg. Retro Duration: [C] = [B] / [A]		5.0	4.5	4.7	5.1	5.3	5.1	4.9	5.7	5.8	5.3	5.3	5.3	5.2	

Appendix G: Retro-Active Eligibility Adjustment Factors Development

Table 2a: Retroactive Member Months by COA

COA Description	First Month of Enrollment in Bayou Health in 2014												Overall CY14
	January	February	March	April	May	June	July	August	September	October	November	December	
SSI	620	2,415	2,281	2,969	3,003	3,657	2,826	5,179	5,474	4,798	4,810	2,740	40,772
F&C	3,812	9,554	6,718	12,481	17,455	14,633	16,381	20,503	17,535	36,843	16,443	8,809	181,167
FCC	3	25	15	64	44	52	57	92	83	102	37	39	613
BCC	3	68	40	46	24	36	54	27	51	39	69	38	495
LAP		4	2	1	2	3	3	11	16	12	11	1	66
HCBS								1	2	8	8	9	20
CCM		4		8		6	15	6	4	10	4	5	62
Grand Total	4,438	12,070	9,056	15,569	20,528	18,387	19,336	25,819	23,165	41,812	21,374	11,641	223,195

Table 2b: Unique Recipient Count by COA

COA Description	First Month of Enrollment in Bayou Health in 2014												Overall CY14
	January	February	March	April	May	June	July	August	September	October	November	December	
SSI	123	539	483	582	565	712	577	908	944	912	906	516	7,767
F&C	1,899	4,325	2,660	4,354	5,907	5,731	5,573	6,912	6,138	10,756	7,042	3,954	65,251
FCC	2	13	12	32	19	25	25	46	31	53	22	26	306
BCC	1	25	13	21	10	13	21	15	18	17	27	14	195
LAP		2	2	1	2	3	3	6	9	7	7	1	43
HCBS								1	1	4	1	2	8
CCM		2		2		2	3	4	2	4	1	1	21
Grand Total	2,025	4,906	3,170	4,992	6,503	6,486	6,202	7,892	7,143	11,753	8,005	4,514	73,591

Table 2c: Average Duration by COA ([2a] / [2b])

COA Description	First Month of Enrollment in Bayou Health in 2014												Overall CY14
	January	February	March	April	May	June	July	August	September	October	November	December	
SSI	5.0	4.5	4.7	5.1	5.3	5.1	4.9	5.7	5.8	5.3	5.3	5.3	5.3
F&C	2.0	2.2	2.5	2.9	3.0	2.6	2.9	3.0	2.9	3.4	2.3	2.2	2.8
FCC	1.5	1.9	1.3	2.0	2.3	2.1	2.3	2.0	2.7	1.9	1.7	1.5	2.0
BCC	3.0	2.7	3.1	2.2	2.4	2.8	2.6	1.8	2.8	2.3	2.6	2.7	2.5
LAP		2.0	1.0	1.0	1.0	1.0	1.0	1.8	1.8	1.7	1.6	1.0	1.5
HCBS								1.0	2.0	2.0	1.6	4.5	2.5
CCM		2.0		4.0		3.0	5.0	1.5	2.0	2.5	4.0	5.0	3.0
Grand Total	2.2	2.5	2.9	3.1	3.2	2.8	3.1	3.3	3.2	3.6	2.7	2.6	3.0

Appendix G: Retro-Active Eligibility Adjustment Factors Development

Table 3: Retroactive Eligibility Adjustment Factors Development

COA Description	Rate Cell Description	A Base Data from Data Book		B CY14 PMPMs		C Retroactive Eligibility -- CY14 Experience		D Average Duration		E PMPMs		F Adjustment Factors Development		G Observed Retro Adj. Factor		H Final Retro Adj. Factor	
		CY14 MMs		CY14 PMPMs		Recipient Count						MMs		PMPMs			
SSI	Newborn, 0-2 Months	1,791	\$ 17,484.87									1,791	\$ 17,484.87				1.000
SSI	Newborn, 3-11 Months	7,075	\$ 4,329.71									7,075	\$ 4,329.71				1.000
SSI	Child, 1-20 Years	472,130	\$ 462.78			886		5.3		188.66		476,782	\$ 460.11			0.994	1.000
SSI	Adult, 21+ Years	910,199	\$ 812.76			6,881		5.3		926.01		946,324	\$ 817.09			1.005	1.005
F&C	Newborn, 0-2 Months	173,111	\$ 1,199.02									173,111	\$ 1,199.02				1.000
F&C	Newborn, 3-11 Months	391,571	\$ 204.58									391,571	\$ 204.58				1.000
F&C	Child, 1-20 Years	7,757,419	\$ 112.98			35,649		2.8		46.53		7,856,523	\$ 112.14			0.993	1.000
F&C	Adult, 21+ Years	1,216,522	\$ 242.49			29,602		2.8		209.87		1,298,816	\$ 240.42			0.991	1.000
FCC	FCC, All Ages Male & Female	126,475	\$ 328.64			306		2.0		162.50		127,087	\$ 327.84			0.998	1.000
BCC	BCC, All Ages Female	13,070	\$ 1,337.82			195		2.5		2,292.67		13,565	\$ 1,372.68			1.026	1.026
LAP	All Ages	40,170	\$ 153.95			43		1.5		498.98		40,236	\$ 154.51			1.004	1.004
HCBS Waiver	20 & Under, Male and Female	25,781	\$ 1,368.09			4		2.5		1,109.00		25,791	\$ 1,367.99			1.000	1.000
HCBS Waiver	21+ Years, Male and Female	51,285	\$ 795.34			4		2.5		1,002.18		51,295	\$ 795.38			1.000	1.000
CCM	CCM, All Ages Male & Female	69,175	\$ 916.35			21		3.0		1,149.95		69,237	\$ 916.56			1.000	1.000

Notes:

The retroactive eligibility adjustment does not apply to the newborn rate cells as retroactive experience is included in the base data for these rate cells.

$$F = A + (C * D)$$

$$G = ((A * B) + (C * D * E)) / F$$

$$H = G / B$$

$$I = \text{MAX}(H, 1)$$

Appendix H: Physical Health Projected Claims PMPM Development

Table 1: PH Historical Rating Adjustments

Table 1: PH Historical Rating Adjustments														
Region Name	COA Desc	Rate Cell Desc	Historical Adjustments					Historical Adjustments						
			A	B	C	D	E	F	G	H	I	J	K	L
			CY2013 MMs	CY2013 PMPM	Recoupment Adj (F&A)	Fee Sched Adj	ACT 312 Adj	CY2013 PMPM After Adj	CY2014 MMs	CY2014 PMPM	Recoupment Adj (F&A)	Fee Sched Adj	ACT 312 Adj	CY2014 PMPM After Adj
Gulf	SSI	Newborn, 0-2 Months	604	\$ 23,417.19	-0.18%	-5.20%	0.02%	\$ 22,163.84	499	\$ 22,257.30	-0.13%	-4.21%		\$ 21,291.82
Gulf	SSI	Newborn, 3-11 Months	2,059	\$ 6,381.27	-0.15%	-3.46%	0.21%	\$ 6,164.01	2,016	\$ 5,604.10	-0.14%	-3.71%		\$ 5,292.40
Gulf	SSI	Child, 1-20 Years	146,014	\$ 326.79	-0.10%	1.04%	1.09%	\$ 333.50	140,382	\$ 351.04	-0.12%	-2.89%		\$ 340.48
Gulf	SSI	Adult, 21+ Years	285,997	\$ 712.04	-0.08%	1.23%	1.08%	\$ 728.01	268,331	\$ 751.84	-0.09%	-2.65%		\$ 731.31
Gulf	Family and Children	Newborn, 0-2 Months	47,078	\$ 1,194.92	-0.16%	-4.56%	0.04%	\$ 1,139.10	48,751	\$ 1,114.81	-0.17%	-6.13%		\$ 1,044.74
Gulf	Family and Children	Newborn, 3-11 Months	105,588	\$ 197.18	-0.15%	-5.72%	0.51%	\$ 186.57	108,391	\$ 212.61	-0.12%	-8.17%		\$ 195.01
Gulf	Family and Children	Child, 1-20 Years	2,076,182	\$ 87.75	-0.13%	-2.48%	0.93%	\$ 86.26	2,120,899	\$ 90.14	-0.10%	-5.77%		\$ 84.85
Gulf	Family and Children	Adult, 21+ Years	364,014	\$ 211.15	-0.10%	1.17%	0.92%	\$ 215.36	388,455	\$ 211.94	-0.10%	-2.15%		\$ 207.18
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	21,685	\$ 167.24	-0.11%	0.41%	1.33%	\$ 169.97	23,352	\$ 169.59	-0.10%	-4.02%		\$ 162.61
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	3,850	\$ 1,356.05	-0.10%	-0.83%	0.39%	\$ 1,348.66	3,937	\$ 1,245.33	-0.12%	-6.35%		\$ 1,164.84
Gulf	LaCHIP Affordable Plan	All Ages	10,504	\$ 121.33	-0.13%	-3.37%	0.97%	\$ 118.22	10,244	\$ 138.40	-0.12%	-4.83%		\$ 131.56
Gulf	HCBS Waiver	20 & Under, Male and Female	7,958	\$ 901.22	-0.12%	5.62%	0.90%	\$ 958.33	7,178	\$ 907.41	-0.17%	-0.86%		\$ 905.30
Gulf	HCBS Waiver	21+ Years, Male and Female	13,356	\$ 694.74	-0.14%	9.16%	1.47%	\$ 768.50	13,626	\$ 702.50	-0.15%	-0.28%		\$ 699.49
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	16,111	\$ 664.94	-0.15%	5.09%	0.85%	\$ 703.65	16,983	\$ 790.86	-0.21%	-0.07%		\$ 788.65
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Gulf	SBH - Other	SBH - Other, All Ages	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	10,575	\$ 5,740.32	-0.16%	-1.43%	0.00%	\$ 5,649.47	10,549	\$ 5,615.55	-0.15%	-1.83%		\$ 5,504.09
Capital	SSI	Newborn, 0-2 Months	438	\$ 17,483.68	-0.22%	3.60%	0.02%	\$ 18,077.29	384	\$ 17,219.17	-0.20%	-10.3%		\$ 17,007.68
Capital	SSI	Newborn, 3-11 Months	1,724	\$ 6,075.63	-0.15%	5.06%	0.22%	\$ 6,387.60	1,488	\$ 6,060.12	-0.22%	-0.52%		\$ 6,014.88
Capital	SSI	Child, 1-20 Years	107,730	\$ 369.62	-0.10%	3.95%	1.10%	\$ 388.07	104,301	\$ 395.72	-0.10%	-0.49%		\$ 393.37
Capital	Family and Children	Adult, 21+ Years	211,050	\$ 780.81	-0.07%	5.22%	1.16%	\$ 830.53	195,553	\$ 836.77	-0.08%	0.03%		\$ 836.41
Capital	Family and Children	Newborn, 0-2 Months	42,322	\$ 1,182.54	-0.20%	0.75%	0.05%	\$ 1,189.71	42,461	\$ 1,197.34	-0.21%	-3.08%		\$ 1,158.04
Capital	Family and Children	Newborn, 3-11 Months	95,526	\$ 203.22	-0.19%	-3.25%	0.56%	\$ 197.33	96,528	\$ 197.03	-0.13%	-6.76%		\$ 183.48
Capital	Family and Children	Child, 1-20 Years	1,865,622	\$ 94.50	-0.13%	0.24%	1.07%	\$ 95.61	1,914,036	\$ 98.37	-0.10%	-3.70%		\$ 94.63
Capital	Family and Children	Adult, 21+ Years	261,190	\$ 244.60	-0.10%	4.87%	1.50%	\$ 258.83	288,647	\$ 245.04	-0.10%	0.96%		\$ 247.14
Capital	Foster Care Children	Foster Care, All Ages Male & Female	31,354	\$ 171.34	-0.10%	3.93%	1.00%	\$ 180.39	33,498	\$ 173.00	-0.08%	-2.52%		\$ 168.51
Capital	Breast and Cervical Cancer	BCC, All Ages Female	4,073	\$ 1,016.80	-0.10%	7.42%	0.43%	\$ 1,095.87	3,825	\$ 1,156.30	-0.12%	1.70%		\$ 1,174.62
Capital	LaCHIP Affordable Plan	All Ages	11,368	\$ 119.18	-0.13%	0.82%	1.41%	\$ 121.68	10,876	\$ 180.15	-0.15%	-2.56%		\$ 175.28
Capital	HCBS Waiver	20 & Under, Male and Female	8,312	\$ 1,176.09	-0.10%	6.95%	0.66%	\$ 1,264.85	7,499	\$ 1,250.33	-0.13%	0.99%		\$ 1,261.13
Capital	Chisholm Class Members	21+ Years, Male and Female	12,207	\$ 674.30	-0.14%	14.02%	1.44%	\$ 778.83	12,294	\$ 715.49	-0.16%	1.55%		\$ 725.45
Capital	SBH - Chisholm Class Members	Chisholm, All Ages Male & Female	15,980	\$ 842.50	-0.13%	5.54%	0.83%	\$ 895.38	17,068	\$ 944.59	-0.18%	0.73%		\$ 949.81
Capital	SBH - Dual Eligible	SBH - Chisholm, All Ages Male & Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Capital	SBH - HCBS Waiver	SBH - Dual Eligible, All Ages	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Capital	SBH - Other	SBH - Other, All Ages	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	9,368	\$ 4,979.05	-0.18%	-0.02%	0.00%	\$ 4,968.98	9,280	\$ 4,861.92	-0.18%	-0.18%		\$ 4,844.19

Notes:

$$F = B * (1 + C) * (1 + D) * (1 + E)$$

$$L = H * (1 + I) * (1 + J)$$

$$M^1 = 40\% * CY13 + 60\% * CY14$$

$$W = (M * (1 + N) * (1 + O) * (1 + P) * ((1 + Q)^{.25(12)} * S)) + U * V$$

$$X = (M * (1 + N) * (1 + O) * (1 + P) * ((1 + R)^{.25(12)} * T)) + U * V$$

M¹ is calculated separately for PP, SS and FFS data types

Appendix H: Physical Health Projected Claims PMPM Development

Table 1: PH Historical Rating Adjustments

Region Name	COA Desc	Rate Cell Desc	A	B	C	D	E	F	G	H	I	J	K	L
			CY2013 MMs	CY2013 PMPM	Recoupment Adj (F&A)	Fee Sched Adj	ACT 312 Adj	CY2013 PMPM After Adj	CY2014 MMs	CY2014 PMPM	Recoupment Adj (F&A)	Fee Sched Adj	ACT 312 Adj	CY2014 PMPM After Adj
South Central	SSI	Newborn, 0-2 Months	504	\$ 13,205.19	-0.16%	1.05%	0.03%	\$ 13,327.83	466	\$ 16,560.58	-0.23%	-1.17%		\$ 16,327.93
South Central	SSI	Newborn, 3-11 Months	1,951	\$ 4,468.01	-0.13%	2.84%	0.42%	\$ 4,607.99	1,871	\$ 3,189.39	-0.16%	-0.34%		\$ 3,173.57
South Central	SSI	Child, 1-20 Years	109,883	\$ 370.39	-0.08%	2.87%	1.32%	\$ 385.72	108,433	\$ 365.62	-0.07%	-1.48%		\$ 359.96
South Central	SSI	Adult, 21+ Years	249,545	\$ 697.45	-0.07%	2.52%	1.12%	\$ 722.48	237,953	\$ 706.66	-0.08%	-1.29%		\$ 697.02
South Central	Family and Children	Newborn, 0-2 Months	46,805	\$ 1,274.33	-0.16%	-0.92%	0.05%	\$ 1,261.78	46,634	\$ 1,273.70	-0.17%	-2.69%		\$ 1,237.35
South Central	Family and Children	Newborn, 3-11 Months	105,452	\$ 213.23	-0.15%	-3.45%	0.59%	\$ 206.77	104,965	\$ 203.98	-0.12%	-7.08%		\$ 189.37
South Central	Family and Children	Child, 1-20 Years	2,041,990	\$ 99.89	-0.11%	-0.19%	1.12%	\$ 100.71	2,083,138	\$ 99.99	-0.08%	-4.45%		\$ 95.46
South Central	Family and Children	Adult, 21+ Years	271,825	\$ 230.41	-0.10%	2.94%	0.91%	\$ 239.09	299,789	\$ 224.94	-0.10%	-0.62%		\$ 223.33
South Central	Foster Care Children	Foster Care, All Ages Male & Female	39,937	\$ 183.55	-0.10%	3.24%	1.44%	\$ 192.04	44,797	\$ 176.30	-0.09%	-2.01%		\$ 171.62
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,936	\$ 1,674.64	-0.08%	1.24%	0.76%	\$ 1,665.30	2,747	\$ 1,364.04	-0.12%	-3.00%		\$ 1,321.55
South Central	LaCHIP Affordable Plan	All Ages	13,198	\$ 106.06	-0.14%	-2.40%	1.13%	\$ 104.53	12,678	\$ 109.96	-0.09%	-3.41%		\$ 106.13
South Central	HCBS Waiver	20+ Under, Male and Female	7,448	\$ 1,571.08	-0.08%	3.88%	0.67%	\$ 1,641.71	6,786	\$ 1,615.45	-0.11%	-0.12%		\$ 1,611.85
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	14,510	\$ 805.69	-0.14%	8.37%	1.39%	\$ 884.09	14,109	\$ 802.20	-0.15%	0.16%		\$ 802.29
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	16,884	\$ 902.09	-0.12%	3.74%	0.88%	\$ 942.92	18,278	\$ 855.91	-0.15%	0.45%		\$ 858.47
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
South Central	SBH - HCBS Waiver	SBH - 20+ Under, Male and Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
South Central	SBH - Other	SBH - Other, All Ages	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
South Central	Maternity Kidpayment	Maternity Kidpayment, All Ages	10,301	\$ 4,728.64	-0.16%	6.53%	0.00%	\$ 5,027.25	10,188	\$ 4,881.71	-0.15%	4.46%		\$ 5,091.47
North	SSI	Newborn, 0-2 Months	476	\$ 16,309.91	-0.21%	-2.36%	0.03%	\$ 15,886.36	442	\$ 13,302.32	-0.21%	-4.02%		\$ 12,740.78
North	SSI	Newborn, 3-11 Months	1,874	\$ 2,590.80	-0.12%	0.31%	0.51%	\$ 2,608.91	1,700	\$ 2,669.59	-0.15%	-3.13%		\$ 2,582.12
North	SSI	Child, 1-20 Years	120,806	\$ 327.07	-0.07%	1.10%	1.13%	\$ 334.17	119,014	\$ 341.54	-0.08%	-2.64%		\$ 332.25
North	SSI	Adult, 21+ Years	212,523	\$ 668.11	-0.08%	0.49%	1.03%	\$ 677.76	208,362	\$ 675.79	-0.09%	-3.27%		\$ 653.08
North	Family and Children	Newborn, 0-2 Months	35,826	\$ 1,311.96	-0.16%	-2.79%	0.04%	\$ 1,273.85	35,265	\$ 1,216.25	-0.16%	-4.15%		\$ 1,163.87
North	Family and Children	Newborn, 3-11 Months	81,279	\$ 209.64	-0.13%	-2.55%	0.54%	\$ 205.15	81,697	\$ 202.47	-0.11%	-5.77%		\$ 190.58
North	Family and Children	Child, 1-20 Years	1,599,053	\$ 85.52	-0.11%	-0.42%	0.93%	\$ 85.98	1,639,346	\$ 86.94	-0.09%	-3.79%		\$ 83.57
North	Family and Children	Adult, 21+ Years	206,386	\$ 216.53	-0.11%	1.23%	0.82%	\$ 220.73	239,631	\$ 214.29	-0.11%	-1.41%		\$ 211.03
North	Foster Care Children	Foster Care, All Ages Male & Female	22,040	\$ 190.21	-0.08%	5.40%	1.55%	\$ 203.42	24,828	\$ 177.29	-0.07%	-1.23%		\$ 174.98
North	Breast and Cervical Cancer	BCC, All Ages Female	2,439	\$ 1,663.11	-0.09%	-8.43%	1.03%	\$ 1,537.25	2,561	\$ 1,667.68	-0.12%	-12.61%		\$ 1,465.62
North	LaCHIP Affordable Plan	All Ages	7,217	\$ 131.24	-0.11%	-1.41%	0.96%	\$ 130.49	6,372	\$ 145.46	-0.11%	-2.06%		\$ 142.30
North	HCBS Waiver	20+ Under, Male and Female	4,875	\$ 1,509.52	-0.10%	2.67%	0.62%	\$ 1,557.91	4,318	\$ 1,749.16	-0.13%	-0.16%		\$ 1,744.01
North	HCBS Waiver	21+ Years, Male and Female	11,273	\$ 784.80	-0.15%	6.44%	1.40%	\$ 845.82	11,256	\$ 793.49	-0.16%	0.00%		\$ 792.23
North	Chisholm Class Members	Chisholm, All Ages Male & Female	16,974	\$ 670.56	-0.12%	2.83%	0.69%	\$ 693.43	16,846	\$ 717.70	-0.16%	-0.03%		\$ 716.32
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
North	SBH - HCBS Waiver	SBH - 20+ Under, Male and Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
North	SBH - Other	SBH - Other, All Ages	-	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%		-
North	Maternity Kidpayment	Maternity Kidpayment, All Ages	8,011	\$ 5,043.54	-0.15%	-0.51%	0.00%	\$ 5,010.21	7,696	\$ 4,969.24	-0.15%	-1.63%		\$ 4,880.85

Notes:

$$F = B * (1 + C) * (1 + D) * (1 + E)$$

$$L = H * (1 + I) * (1 + J)$$

$$M^1 = 40\% * CY13 + 60\% * CY14$$

$$W = (M * (1 + N) * (1 + O) * (1 + P) * ((1 + Q)^{.25(12)} * S)) + U * V$$

$$X = (M * (1 + N) * (1 + O) * (1 + P) * ((1 + R)^{.25(12)} * T)) + U * V$$

M¹ is calculated separately for PP, SS and FFS data types

Appendix H: Physical Health Projected Claims PMPM Development

Table 2: PH Prospective Rating Adjustments

Region Name	COA Desc	Rate Cell Desc	Prospective Adjustments										U	V	W	X
			F	L	M ¹	N	O	Q	R	S	T	Clinical & Rx Efficiencies				
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	Rx Adj	Act 399 Adj	Retro Adj	Low Trend	High Trend	MC Savings Factor - Low	MC Savings Factor - High		Outliers	Projected PMPM - Low	Projected PMPM - High
Gulf	SSI	Newborn, 0-2 Months	\$ 22,163.84	\$ 21,291.82	\$ 21,268.57	-0.01%	0.00%	0.00%	0.54%	1.74%	0.98	0.99	0.99	\$ 1,457.70	\$ 22,585.36	\$ 23,244.60
Gulf	SSI	Newborn, 3-11 Months	\$ 6,164.01	\$ 5,292.40	\$ 5,655.69	-0.12%	0.05%	0.00%	1.62%	2.81%	0.99	0.99	0.99	8.84	\$ 5,800.06	\$ 5,963.75
Gulf	SSI	Child, 1-20 Years	\$ 333.50	\$ 340.48	\$ 337.05	-0.52%	0.20%	0.00%	6.20%	7.73%	0.97	0.98	0.98	0.50	\$ 366.77	\$ 383.04
Gulf	SSI	Adult, 21+ Years	\$ 728.01	\$ 731.31	\$ 730.32	-0.34%	0.22%	0.53%	6.18%	7.63%	0.97	0.98	0.98	-	\$ 806.80	\$ 838.98
Gulf	Family and Children	Newborn, 0-2 Months	\$ 1,136.10	\$ 1,044.74	\$ 1,087.31	-0.02%	0.01%	0.00%	0.81%	2.32%	0.97	0.97	0.98	39.97	\$ 1,110.28	\$ 1,154.21
Gulf	Family and Children	Newborn, 3-11 Months	\$ 86.26	\$ 195.01	\$ 191.73	-0.26%	0.10%	0.00%	2.26%	4.36%	0.97	0.97	0.97	-	\$ 192.20	\$ 201.81
Gulf	Family and Children	Child, 1-20 Years	\$ 86.26	\$ 84.85	\$ 85.55	-0.18%	0.19%	0.00%	3.08%	5.15%	0.95	0.95	0.96	0.02	\$ 84.38	\$ 88.85
Gulf	Family and Children	Adult, 21+ Years	\$ 215.36	\$ 207.18	\$ 210.76	-0.35%	0.18%	0.00%	3.60%	5.73%	0.95	0.95	0.96	-	\$ 213.16	\$ 224.92
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	\$ 1,448.66	\$ 1,621.81	\$ 1,653.36	-0.74%	0.26%	0.00%	2.20%	4.04%	0.91	0.91	0.92	-	\$ 155.78	\$ 163.39
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,148.66	\$ 1,164.84	\$ 1,241.72	-0.13%	0.08%	0.00%	7.03%	8.88%	0.97	0.98	0.98	-	\$ 1,425.04	\$ 1,493.62
Gulf	LaCHIP Affordable Plan	All Ages	\$ 958.22	\$ 131.56	\$ 125.62	-0.62%	0.21%	0.37%	2.49%	4.51%	0.91	0.92	0.92	-	\$ 118.75	\$ 125.40
Gulf	HCBS Waiver	20 & Under, Male and Female	\$ 958.22	\$ 905.30	\$ 926.51	-0.57%	0.15%	0.00%	7.92%	10.13%	0.94	0.94	0.97	-	\$ 1,019.46	\$ 1,094.63
Gulf	Chisholm Class Members	21+ Years, Male and Female	\$ 769.50	\$ 699.49	\$ 727.09	-0.08%	0.28%	0.01%	5.65%	7.22%	0.90	0.93	0.93	-	\$ 731.96	\$ 775.17
Gulf	SBH - Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 703.65	\$ 788.65	\$ 754.65	-0.59%	0.15%	0.02%	2.75%	4.96%	0.93	0.96	0.96	-	\$ 738.55	\$ 797.45
Gulf	SBH - Dual Eligible	SBH - Chisholm, All Ages Male & Female	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	1.00	-	-	-
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	1.00	-	-	-
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	1.00	-	-	-
Gulf	SBH - Other	SBH - Other, All Ages	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	1.00	-	-	-
Gulf	Maternity Kidpayment	Maternity Kidpayment, All Ages	\$ 5,648.47	\$ 5,504.09	\$ 5,587.00	0.00%	0.00%	0.00%	0.00%	1.00%	1.00	1.00	1.00	-	\$ 5,587.00	\$ 5,688.39
Capital	SSI	Newborn, 0-2 Months	\$ 18,077.29	\$ 17,007.68	\$ 17,456.69	-0.01%	0.00%	0.00%	0.50%	1.71%	0.96	0.98	0.98	\$ 1,457.70	\$ 18,442.71	\$ 19,088.27
Capital	SSI	Newborn, 3-11 Months	\$ 3,387.60	\$ 6,014.88	\$ 6,109.22	-0.12%	0.04%	0.00%	2.48%	3.82%	0.99	0.99	0.99	8.84	\$ 6,364.11	\$ 6,563.86
Capital	SSI	Child, 1-20 Years	\$ 388.07	\$ 393.37	\$ 392.35	-0.57%	0.20%	0.00%	7.02%	8.67%	0.97	0.98	0.98	0.50	\$ 433.71	\$ 454.49
Capital	SSI	Adult, 21+ Years	\$ 830.53	\$ 836.41	\$ 834.81	-0.36%	0.22%	0.53%	6.35%	7.81%	0.97	0.98	0.98	-	\$ 925.00	\$ 962.17
Capital	Family and Children	Newborn, 0-2 Months	\$ 1,189.71	\$ 1,158.04	\$ 1,173.61	-0.03%	0.01%	0.00%	0.56%	2.01%	0.97	0.98	0.98	39.97	\$ 1,191.75	\$ 1,236.68
Capital	Family and Children	Newborn, 3-11 Months	\$ 197.33	\$ 183.48	\$ 188.89	-0.33%	0.11%	0.00%	2.20%	4.34%	0.96	0.96	0.97	-	\$ 187.94	\$ 197.70
Capital	Family and Children	Child, 1-20 Years	\$ 95.61	\$ 94.63	\$ 95.24	-0.56%	0.21%	0.00%	3.06%	5.08%	0.94	0.95	0.95	0.02	\$ 93.05	\$ 98.02
Capital	Family and Children	Adult, 21+ Years	\$ 258.83	\$ 247.14	\$ 251.79	-0.40%	0.18%	0.00%	3.64%	5.76%	0.95	0.96	0.96	-	\$ 254.90	\$ 268.91
Capital	Foster Care Children	Foster Care, All Ages Male & Female	\$ 180.39	\$ 168.51	\$ 173.41	-0.85%	0.29%	0.00%	2.17%	3.99%	0.91	0.92	0.92	-	\$ 161.90	\$ 169.51
Capital	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,095.87	\$ 1,174.62	\$ 1,142.20	-0.15%	0.07%	0.26%	7.71%	9.62%	0.98	0.99	0.99	-	\$ 1,336.75	\$ 1,399.04
Capital	LaCHIP Affordable Plan	All Ages	\$ 121.68	\$ 175.28	\$ 154.66	-0.65%	0.22%	0.37%	2.14%	3.92%	0.91	0.92	0.92	-	\$ 145.11	\$ 152.37
Capital	HCBS Waiver	20 & Under, Male and Female	\$ 1,264.85	\$ 1,291.13	\$ 1,262.62	-0.47%	0.12%	0.00%	8.01%	10.29%	0.96	0.96	0.96	-	\$ 1,416.59	\$ 1,519.96
Capital	Chisholm Class Members	21+ Years, Male and Female	\$ 778.83	\$ 725.45	\$ 746.81	-0.71%	0.26%	0.01%	5.62%	7.22%	0.91	0.93	0.93	-	\$ 753.30	\$ 799.79
Capital	SBH - Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 895.38	\$ 949.81	\$ 928.04	-0.58%	0.15%	0.02%	2.89%	5.13%	0.94	0.94	0.97	-	\$ 919.01	\$ 992.08
Capital	SBH - Dual Eligible	SBH - Chisholm, All Ages Male & Female	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	1.00	-	-	-
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	1.00	-	-	-
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	1.00	-	-	-
Capital	SBH - Other	SBH - Other, All Ages	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	1.00	-	-	-
Capital	Maternity Kidpayment	Maternity Kidpayment, All Ages	\$ 4,965.98	\$ 4,844.19	\$ 4,901.44	0.00%	0.00%	0.00%	0.00%	1.00%	1.00	1.00	1.00	-	\$ 4,901.44	\$ 5,008.31

Notes:

$$F = B * (1 + C) * (1 + D) * (1 + E)$$

$$L = H * (1 + I) * (1 + J)$$

$$M^1 = 40\% * CY13 + 60\% * CY14$$

$$W = (M * (1 + N) * (1 + O) * (1 + P) * ((1 + Q)^{.25(12)} * S)) + U * V$$

$$X = (M * (1 + N) * (1 + O) * (1 + P) * ((1 + R)^{.25(12)} * T)) + U * V$$

M¹ is calculated separately for PP, SS and FFS data types

Appendix H: Physical Health Projected Claims PMPM Development

Table 2: PH Prospective Rating Adjustments

Region Name	COA Desc	Rate Cell Desc	CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	N	U	Rx Adj	Act 399 Adj	Retro Adj	Low Trend	High Trend	MC Savings Factor -- Low	MC Savings Factor -- High	U	Clinical & Rx Efficiencies	Outliers	V	W	X
South Central	SSI	Newborn, 0-1 Months	\$ 13,327.83	\$ 16,327.93	\$ 15,061.56	-0.02%	0.00%	0.00%	0.01%	0.00%	0.60%	1.83%	0.98	0.99	\$	1.30	\$ 1,457.70	\$ 16,384.30	\$ 16,880.99	\$ 3,856.23
South Central	SSI	Newborn, 3-11 Months	\$ 4,607.99	\$ 3,173.57	\$ 3,688.13	-0.21%	0.08%	0.00%	0.00%	0.00%	0.82%	4.12%	0.98	0.99	\$	1.65	\$ 8.84	\$ 3,856.44	\$ 3,856.23	\$ 427.38
South Central	SSI	Child, 1-20 Years	\$ 385.72	\$ 359.96	\$ 370.13	-0.63%	0.25%	0.00%	0.25%	0.00%	6.96%	8.49%	0.98	0.98	\$	1.72	\$ 0.50	\$ 408.43	\$ 427.38	\$ 817.20
South Central	Family and Children	Adult, 21+ Years	\$ 722.48	\$ 697.02	\$ 707.92	-0.36%	0.21%	0.53%	0.21%	0.53%	6.31%	7.81%	0.97	0.98	\$	1.67	\$ 39.97	\$ 786.13	\$ 817.20	\$ 1,326.65
South Central	Family and Children	Newborn, 0-1 Months	\$ 1,231.35	\$ 1,237.35	\$ 1,251.05	-0.03%	0.11%	0.00%	0.11%	0.00%	0.67%	2.14%	0.98	0.99	\$	1.77	\$ 35.97	\$ 1,281.04	\$ 1,326.65	\$ 206.65
South Central	Family and Children	Newborn, 3-11 Months	\$ 206.77	\$ 189.37	\$ 196.95	-0.33%	0.11%	0.00%	0.11%	0.00%	2.27%	4.35%	0.96	0.97	\$	1.85	\$ 0.02	\$ 196.82	\$ 206.65	\$ 100.98
South Central	Family and Children	Child, 1-20 Years	\$ 100.71	\$ 95.46	\$ 97.83	-0.57%	0.22%	0.00%	0.22%	0.00%	3.13%	5.12%	0.94	0.95	\$	1.84	\$ 95.98	\$ 100.98	\$ 100.98	\$ 246.71
South Central	Family and Children	Adult, 21+ Years	\$ 239.09	\$ 223.33	\$ 230.06	-0.36%	0.17%	0.00%	0.17%	0.00%	3.64%	5.91%	0.95	0.96	\$	1.67	\$ 233.76	\$ 246.71	\$ 246.71	\$ 176.01
South Central	Foster Care Children	Foster Care, All Ages Male & Female	\$ 192.04	\$ 171.62	\$ 179.27	-0.21%	0.16%	0.00%	0.16%	0.00%	1.95%	3.70%	0.91	0.92	\$	1.73	\$ 169.15	\$ 176.01	\$ 176.01	\$ 1,785.02
South Central	Breast and Cervical Cancer	BCCA, All Ages Female	\$ 1,665.30	\$ 1,321.55	\$ 1,451.38	-0.21%	0.23%	2.61%	0.13%	2.61%	7.63%	9.40%	0.98	0.98	\$	1.68	\$ 105.55	\$ 1,691.65	\$ 1,785.02	\$ 1,785.02
South Central	LaCHAP Affordable Plan	All Ages	\$ 104.63	\$ 106.13	\$ 106.01	-0.63%	0.23%	0.37%	0.23%	0.37%	9.51%	4.52%	0.91	0.92	\$	1.85	\$ 100.03	\$ 105.55	\$ 105.55	\$ 105.55
South Central	HCBS Waiver	20 & Under, Male and Female	\$ 1,641.71	\$ 1,611.85	\$ 1,623.79	-0.49%	0.13%	0.00%	0.13%	0.00%	9.34%	17.78%	0.96	0.96	\$	1.78	\$ 1,878.02	\$ 2,013.17	\$ 2,013.17	\$ 2,013.17
South Central	HCBS Waiver	21+ Years, Male and Female	\$ 802.29	\$ 804.09	\$ 835.01	-1.06%	0.25%	0.01%	0.25%	0.01%	6.02%	7.68%	0.91	0.93	\$	1.78	\$ 849.20	\$ 901.07	\$ 901.07	\$ 901.07
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 942.92	\$ 898.47	\$ 892.25	-0.62%	0.16%	0.00%	0.16%	0.00%	3.03%	5.31%	0.94	0.94	\$	1.75	\$ 890.07	\$ 957.48	\$ 957.48	\$ 957.48
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
South Central	SBH - Other	SBH - Other, All Ages	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,027.25	\$ 5,091.47	\$ 5,080.31	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00	1.00	\$	1.00	\$ 5,080.31	\$ 5,191.07	\$ 5,191.07	\$ 5,191.07
North	SSI	Newborn, 0-2 Months	\$ 15,896.36	\$ 12,740.78	\$ 13,182.64	-0.01%	0.00%	0.00%	0.00%	0.00%	0.71%	1.96%	0.96	0.98	\$	1.25	\$ 1,457.70	\$ 14,354.50	\$ 14,354.50	\$ 14,354.50
North	SSI	Newborn, 3-11 Months	\$ 2,608.91	\$ 2,592.12	\$ 2,573.88	-0.25%	0.09%	0.00%	0.09%	0.00%	4.39%	5.92%	0.99	0.99	\$	1.74	\$ 8.84	\$ 2,781.95	\$ 2,883.72	\$ 2,883.72
North	SSI	Child, 1-20 Years	\$ 334.17	\$ 332.25	\$ 333.22	-0.51%	0.21%	0.00%	0.21%	0.00%	7.15%	8.78%	0.97	0.98	\$	1.70	\$ 1,750	\$ 369.15	\$ 369.15	\$ 369.15
North	Family and Children	Adult, 21+ Years	\$ 677.65	\$ 653.08	\$ 662.56	-0.31%	0.20%	0.53%	0.20%	0.53%	5.89%	7.56%	0.98	0.98	\$	1.68	\$ 730.39	\$ 758.65	\$ 758.65	\$ 758.65
North	Family and Children	Newborn, 0-2 Months	\$ 1,163.87	\$ 1,163.87	\$ 1,212.28	-0.02%	0.01%	0.00%	0.01%	0.00%	0.66%	2.11%	0.98	0.98	\$	1.71	\$ 39.97	\$ 1,238.21	\$ 1,238.21	\$ 1,238.21
North	Family and Children	Newborn, 3-11 Months	\$ 205.15	\$ 190.58	\$ 196.87	-0.26%	0.10%	0.00%	0.10%	0.00%	2.26%	4.35%	0.95	0.97	\$	1.81	\$ 197.37	\$ 207.15	\$ 207.15	\$ 207.15
North	Family and Children	Child, 1-20 Years	\$ 85.98	\$ 83.57	\$ 84.72	-0.43%	0.18%	0.00%	0.18%	0.00%	3.04%	5.14%	0.95	0.96	\$	1.82	\$ 84.03	\$ 88.43	\$ 88.43	\$ 88.43
North	Family and Children	Adult, 21+ Years	\$ 220.73	\$ 211.03	\$ 215.07	-0.33%	0.15%	0.00%	0.15%	0.00%	3.41%	5.58%	0.95	0.96	\$	1.87	\$ 218.07	\$ 230.08	\$ 230.08	\$ 230.08
North	Foster Care Children	Foster Care, All Ages Male & Female	\$ 174.96	\$ 168.68	\$ 168.68	-0.47%	0.25%	0.00%	0.25%	0.00%	2.21%	4.01%	0.97	0.98	\$	1.69	\$ 178.22	\$ 186.15	\$ 186.15	\$ 186.15
North	Breast and Cervical Cancer	BCCA, All Ages Female	\$ 1,537.25	\$ 1,455.62	\$ 1,503.17	-0.53%	0.19%	2.61%	0.19%	2.61%	8.01%	9.87%	0.93	0.93	\$	1.85	\$ 1,747.24	\$ 1,822.85	\$ 1,822.85	\$ 1,822.85
North	LaCHAP Affordable Plan	All Ages	\$ 130.49	\$ 132.48	\$ 132.48	-0.15%	0.18%	0.37%	0.18%	0.37%	2.64%	4.80%	0.93	0.94	\$	1.82	\$ 134.66	\$ 142.26	\$ 142.26	\$ 142.26
North	HCBS Waiver	20 & Under, Male and Female	\$ 1,567.91	\$ 1,474.01	\$ 1,669.57	-0.43%	0.11%	0.00%	0.11%	0.00%	9.18%	11.61%	0.96	0.96	\$	1.82	\$ 1,915.88	\$ 2,060.78	\$ 2,060.78	\$ 2,060.78
North	HCBS Waiver	21+ Years, Male and Female	\$ 845.82	\$ 792.23	\$ 813.67	-0.20%	0.26%	0.01%	0.26%	0.01%	5.23%	6.79%	0.91	0.93	\$	1.85	\$ 865.05	\$ 865.05	\$ 865.05	\$ 865.05
North	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 693.43	\$ 716.32	\$ 707.16	-0.50%	0.13%	0.02%	0.13%	0.02%	3.04%	5.47%	0.95	0.97	\$	1.79	\$ 709.71	\$ 767.00	\$ 767.00	\$ 767.00
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
North	SBH - Other	SBH - Other, All Ages	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$	1.00	\$ -	\$ -	\$ -	\$ -
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,010.21	\$ 4,880.85	\$ 4,936.65	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00	1.00	\$	1.00	\$ 4,936.65	\$ 5,044.24	\$ 5,044.24	\$ 5,044.24

Notes:

$$F = B \times (1 + C)^x (1 + D)^x (1 + E)^x$$

$$1 - H^*(1 + D)^x (1 + D)$$

$$m_1^2 = 100^2 + 200^2 = 200^2 + 200^2$$

M' = 40% * CY13 + 60% * CY14

$$W = (M * (1 + N) * (1 + O) * (1 + P) * ((1 + Q)^{25/12}) * S) + U + V$$

M^1 is calculated separately for PP, SS and FFS data types

Appendix I: Specialized Behavioral Health Projected Claims PMPM Development

Table 1a: SBH Historical Rating Adjustments (CY 2013)

Historical Adjustments												
Region Name	COA Desc	Rate Cell Desc	A	B	C	D	E	F	G	H	I	J
			CY2013 MMs	CY2013 PMPM	IP/OP Fee Adj	PRTF Adj	PSH Increase Adj	CSOC Adj	Medication Mgmt Adj	Historical Trend	Recoupment Adj (F&A)	CY2013 PMPM After Adj
Gulf	SSI	Newborn, 0-2 Months	604	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -
Gulf	SSI	Newborn, 3-11 Months	2,059	\$ 1.22	0.0%	0.0%	0.0%	0.0%	0.0%	32.0%	-0.1%	\$ 1.60
Gulf	SSI	Child, 1-20 Years	146,014	\$ 82.20	-0.2%	0.1%	0.1%	-9.2%	1.9%	32.0%	-0.1%	\$ 100.25
Gulf	SSI	Adult, 21+ Years	285,997	\$ 78.20	-0.6%	0.0%	0.2%	0.0%	-0.1%	3.0%	-0.1%	\$ 80.07
Gulf	Family and Children	Newborn, 0-2 Months	47,078	\$ 0.09	-0.8%	0.0%	0.0%	0.0%	0.0%	32.0%	0.0%	\$ 0.12
Gulf	Family and Children	Newborn, 3-11 Months	105,588	\$ 0.03	-3.8%	0.0%	0.0%	0.0%	0.0%	32.0%	-0.1%	\$ 0.03
Gulf	Family and Children	Child, 1-20 Years	2,076,182	\$ 13.72	0.0%	0.1%	0.0%	-3.8%	1.6%	32.0%	-0.1%	\$ 17.72
Gulf	Family and Children	Adult, 21+ Years	364,014	\$ 16.15	-0.2%	0.0%	0.0%	0.0%	0.0%	3.0%	-0.1%	\$ 16.63
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	21,685	\$ 101.64	0.0%	0.6%	0.1%	-10.0%	1.5%	32.0%	-0.1%	\$ 123.42
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	3,850	\$ 6.91	-0.8%	0.0%	0.0%	0.0%	-0.5%	3.0%	-0.2%	\$ 7.01
Gulf	LaCHIP Affordable Plan	All Ages	10,504	\$ 6.83	0.6%	0.0%	0.0%	0.0%	3.4%	32.0%	-0.2%	\$ 9.37
Gulf	HCBS Waiver	20 & Under, Male and Female	7,958	\$ 21.43	-0.9%	0.0%	0.0%	-10.0%	6.3%	32.0%	-0.1%	\$ 26.79
Gulf	HCBS Waiver	21+ Years, Male and Female	13,356	\$ 31.00	-1.2%	0.0%	0.2%	0.0%	0.8%	3.0%	-0.1%	\$ 31.78
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	16,111	\$ 52.90	-0.2%	0.0%	0.0%	-11.9%	3.9%	32.0%	-0.1%	\$ 63.78
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	16,354	\$ 57.50	-0.3%	0.0%	0.0%	-10.8%	3.6%	31.0%	-0.1%	\$ 69.26
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	304,778	\$ 16.76	5.3%	0.0%	0.4%	0.0%	0.5%	7.3%	-0.1%	\$ 19.08
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,958	\$ 26.42	-0.8%	0.0%	0.0%	-8.4%	5.1%	28.2%	-0.2%	\$ 32.31
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	13,356	\$ 42.89	-0.9%	0.0%	0.1%	0.0%	0.6%	5.2%	-0.3%	\$ 44.91
Gulf	SBH - Other	SBH - Other, All Ages	6,844	\$ 131.85	-1.1%	0.0%	0.0%	0.0%	0.0%	5.8%	-0.3%	\$ 137.77
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -
Capital	SSI	Newborn, 0-2 Months	438	\$ 7.44	0.0%	0.0%	5.0%	0.0%	0.0%	32.0%	-0.3%	\$ 10.28
Capital	SSI	Newborn, 3-11 Months	1,724	\$ 0.03	0.0%	0.0%	0.0%	0.0%	0.0%	32.0%	-0.3%	\$ 0.05
Capital	SSI	Child, 1-20 Years	107,730	\$ 60.84	0.2%	0.4%	0.0%	-13.6%	2.5%	32.0%	-0.1%	\$ 71.51
Capital	SSI	Adult, 21+ Years	211,050	\$ 68.16	0.7%	0.0%	0.0%	0.0%	0.0%	3.0%	-0.1%	\$ 70.64
Capital	Family and Children	Newborn, 0-2 Months	42,322	\$ 0.13	-0.2%	0.0%	0.0%	0.0%	0.0%	32.0%	0.0%	\$ 0.17
Capital	Family and Children	Newborn, 3-11 Months	95,526	\$ 0.14	0.0%	0.0%	0.0%	0.0%	0.0%	32.0%	-0.2%	\$ 0.19
Capital	Family and Children	Child, 1-20 Years	1,865,622	\$ 13.58	1.1%	0.2%	0.0%	-4.1%	3.0%	32.0%	-0.1%	\$ 17.89
Capital	Family and Children	Adult, 21+ Years	261,190	\$ 16.52	3.3%	0.1%	0.0%	0.0%	0.6%	3.0%	-0.1%	\$ 17.67
Capital	Foster Care Children	Foster Care, All Ages Male & Female	31,354	\$ 91.83	0.7%	1.1%	0.1%	-5.6%	2.4%	32.0%	-0.1%	\$ 119.38
Capital	Breast and Cervical Cancer	BCC, All Ages Female	4,073	\$ 7.09	-1.4%	0.0%	0.0%	0.0%	0.0%	3.0%	-0.1%	\$ 7.19
Capital	LaCHIP Affordable Plan	All Ages	11,368	\$ 8.26	6.7%	0.0%	0.0%	0.0%	7.5%	32.0%	-0.3%	\$ 12.46
Capital	HCBS Waiver	20 & Under, Male and Female	8,312	\$ 22.84	1.4%	0.0%	0.3%	-11.2%	5.2%	32.0%	-0.1%	\$ 28.61
Capital	HCBS Waiver	21+ Years, Male and Female	12,207	\$ 53.14	3.5%	0.0%	0.0%	0.0%	0.5%	3.0%	-0.1%	\$ 56.84
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	15,980	\$ 58.16	2.5%	0.7%	0.0%	-12.6%	3.6%	32.0%	-0.2%	\$ 71.68
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	16,137	\$ 63.55	3.1%	0.6%	0.0%	-11.6%	3.3%	30.3%	-0.2%	\$ 78.28
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	245,750	\$ 12.39	2.2%	0.0%	0.0%	-0.2%	0.4%	10.9%	-0.1%	\$ 14.07
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	8,312	\$ 28.93	1.1%	0.0%	0.3%	-9.2%	4.1%	27.8%	-0.2%	\$ 35.33
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,207	\$ 66.35	2.7%	0.0%	0.0%	0.0%	0.4%	4.6%	-0.2%	\$ 71.43
Capital	SBH - Other	SBH - Other, All Ages	8,284	\$ 115.30	0.7%	0.0%	0.0%	0.0%	0.1%	5.1%	-0.2%	\$ 121.85
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -

Notes:
 NEMT services are included for SBH Program
 $J = B * (1 + C) * (1 + D) * (1 + E) * (1 + F) * (1 + G) * (1 + H) * (1 + I)$
 $T = L * (1 + M) * (1 + N) * (1 + O) * (1 + P) * (1 + S)$
 $U = 40\% * J + 60\% * T$
 $AA = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (25/12)$
 $AB = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (25/12)$

Appendix I: Specialized Behavioral Health Projected Claims PMPM Development

Table 1a: SBH Historical Rating Adjustments (CY 2013)

Region Name	COA Desc	Rate Cell Desc	Historical Adjustments									
			A	B	C	D	E	F	G	H	I	J
			CY2013 MMs	CY2013 PMPM	IP/OP Fee Adj	PRTF Adj	PSH Increase Adj	CSOC Adj	Medication Mgmt Adj	Historical Trend	Recoupment Adj (F&A)	CY2013 PMPM After Adj
South Central	SSI	Newborn, 0-2 Months	504	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -
South Central	SSI	Newborn, 3-11 Months	1,951	\$ 2.88	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ 3.86
South Central	SSI	Child, 1-20 Years	109,883	\$ 66.55	-0.3%	0.4%	0.0%	-7.1%	1.7%	32.0%	-0.1%	\$ 82.57
South Central	SSI	Adult, 21+ Years	249,545	\$ 74.30	-0.7%	0.0%	0.1%	0.0%	0.5%	3.0%	-0.1%	\$ 76.39
South Central	Family and Children	Newborn, 0-2 Months	46,805	\$ 0.01	-7.4%	0.0%	0.0%	0.0%	0.0%	32.0%	-0.9%	\$ 0.01
South Central	Family and Children	Newborn, 3-11 Months	105,452	\$ 0.04	-0.9%	0.0%	0.0%	0.0%	0.0%	32.0%	0.0%	\$ 0.05
South Central	Family and Children	Child, 1-20 Years	2,041,990	\$ 11.41	-0.2%	0.2%	0.0%	-4.3%	1.0%	32.0%	-0.1%	\$ 14.55
South Central	Family and Children	Adult, 21+ Years	271,825	\$ 17.90	-0.9%	0.0%	0.0%	0.0%	1.3%	3.0%	-0.2%	\$ 18.49
South Central	Foster Care Children	Foster Care, All Ages Male & Female	39,937	\$ 104.75	-0.1%	1.8%	0.0%	-5.5%	0.5%	32.0%	0.0%	\$ 133.46
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,936	\$ 2.13	-0.3%	0.0%	0.3%	0.0%	1.2%	3.0%	0.0%	\$ 2.22
South Central	LaCHIP Affordable Plan	All Ages	13,198	\$ 5.87	-0.1%	0.0%	0.0%	0.0%	2.1%	32.0%	-0.1%	\$ 7.90
South Central	HCBS Waiver	20 & Under, Male and Female	7,448	\$ 31.15	-0.5%	0.0%	0.0%	0.0%	3.5%	32.0%	-0.2%	\$ 42.29
South Central	HCBS Waiver	21+ Years, Male and Female	14,510	\$ 42.91	-0.7%	0.0%	0.0%	0.0%	2.6%	3.0%	-0.2%	\$ 44.96
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	16,884	\$ 90.34	-0.3%	0.7%	0.0%	-12.8%	1.6%	32.0%	-0.1%	\$ 105.97
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,361	\$ 98.94	-0.2%	0.6%	0.0%	-11.6%	1.4%	30.0%	-0.1%	\$ 115.62
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	328,533	\$ 11.41	3.2%	0.0%	0.1%	0.0%	0.0%	8.9%	-0.2%	\$ 12.88
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,448	\$ 42.01	-0.4%	0.0%	0.0%	0.0%	2.6%	26.7%	-0.3%	\$ 54.29
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	14,510	\$ 64.34	-0.4%	0.0%	0.0%	0.0%	1.7%	5.6%	-0.3%	\$ 68.62
South Central	SBH - Other	SBH - Other, All Ages	10,261	\$ 199.32	-0.2%	0.0%	0.0%	0.0%	0.2%	4.8%	-0.2%	\$ 208.53
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -
North	SSI	Newborn, 0-2 Months	476	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -
North	SSI	Newborn, 3-11 Months	1,874	\$ 0.01	0.0%	0.0%	0.0%	0.0%	0.0%	32.0%	-0.4%	\$ 0.02
North	SSI	Child, 1-20 Years	120,806	\$ 105.86	-0.1%	0.7%	0.0%	-0.7%	0.5%	32.0%	0.0%	\$ 140.35
North	SSI	Adult, 21+ Years	212,523	\$ 51.67	-0.7%	0.1%	0.1%	0.0%	0.3%	3.0%	-0.1%	\$ 53.08
North	Family and Children	Newborn, 0-2 Months	35,826	\$ 0.02	-7.4%	0.0%	0.0%	0.0%	0.0%	32.0%	0.0%	\$ 0.02
North	Family and Children	Newborn, 3-11 Months	81,279	\$ 0.00	-4.1%	0.0%	0.0%	0.0%	0.0%	32.0%	-0.1%	\$ 0.01
North	Family and Children	Child, 1-20 Years	1,599,053	\$ 16.86	-0.1%	0.1%	0.0%	-0.3%	0.6%	32.0%	0.0%	\$ 22.30
North	Family and Children	Adult, 21+ Years	206,386	\$ 16.52	-0.8%	0.3%	0.0%	0.0%	0.3%	3.0%	-0.1%	\$ 16.98
North	Foster Care Children	Foster Care, All Ages Male & Female	22,040	\$ 277.60	-0.2%	2.6%	0.0%	-0.3%	0.2%	32.0%	0.0%	\$ 376.24
North	Breast and Cervical Cancer	BCC, All Ages Female	2,439	\$ 36.08	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	-0.1%	\$ 37.14
North	LaCHIP Affordable Plan	All Ages	7,217	\$ 7.98	-1.2%	0.0%	0.1%	-0.4%	1.2%	32.0%	0.0%	\$ 10.51
North	HCBS Waiver	20 & Under, Male and Female	4,875	\$ 61.06	-0.5%	0.6%	0.1%	-1.7%	2.2%	32.0%	-0.1%	\$ 81.10
North	HCBS Waiver	21+ Years, Male and Female	11,273	\$ 41.95	-0.8%	0.0%	0.0%	0.0%	1.4%	3.0%	-0.1%	\$ 43.36
North	Chisholm Class Members	Chisholm, All Ages Male & Female	16,974	\$ 81.41	0.1%	0.8%	0.0%	-1.4%	1.3%	32.0%	0.0%	\$ 108.48
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,290	\$ 84.30	0.1%	0.8%	0.0%	-1.3%	1.3%	31.3%	0.0%	\$ 111.73
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	258,049	\$ 11.14	1.9%	0.1%	0.1%	0.0%	0.3%	9.9%	-0.1%	\$ 12.52
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,875	\$ 68.24	-0.4%	0.5%	0.1%	-1.6%	2.0%	29.8%	-0.1%	\$ 89.03
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	11,273	\$ 62.36	-0.5%	0.0%	0.0%	0.0%	0.8%	5.6%	-0.2%	\$ 65.90
North	SBH - Other	SBH - Other, All Ages	9,400	\$ 116.74	-0.3%	0.0%	0.0%	0.0%	0.1%	5.7%	-0.3%	\$ 122.79
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -

Notes:

NEMT services are included for SBH Program

J = B * (1 + C) * (1 + D) * (1 + E) * (1 + F) * (1 + G) * (1 + H) * (1 + I)

T = L * (1 + M) * (1 + N) * (1 + O) * (1 + P) * (1 + S)

U = 40% * J + 60% * T

AA = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (1 + Z) * (1 + 12)

AB = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (1 + Z) * (1 + 12)

Appendix I: Specialized Behavioral Health Projected Claims PMPM Development

Table 1b: SBH Historical Adjustments (CY 2014)

Table 1b: SBH Historical Adjustments (CY 2014)														
Region Name	COA Desc	Rate Cell Desc	K		L		Historical Adjustments							T
			CY2014 MMs	CY2014 PMPM	IP/OP Fee Adj	M	N	PRTF Adj	PSH Increase Adj	P	Q	R	S	
Gulf	SSI	Newborn, 0-2 Months	499	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	
Gulf	SSI	Newborn, 3-11 Months	2,016	\$ 0.52	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	\$ 0.52	
Gulf	SSI	Child, 1-20 Years	140,382	\$ 106.62	-0.1%	0.3%	0.1%	-12.6%	0.0%	0.1%	-12.6%	-0.1%	\$ 93.36	
Gulf	SSI	Adult, 21+ Years	268,331	\$ 87.70	-0.5%	0.0%	0.4%	-0.1%	0.0%	0.4%	-0.1%	-0.2%	\$ 87.46	
Gulf	Family and Children	Newborn, 0-2 Months	48,751	\$ 0.02	-7.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	\$ 0.02	
Gulf	Family and Children	Newborn, 3-11 Months	108,391	\$ 0.09	-3.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	\$ 0.09	
Gulf	Family and Children	Child, 1-20 Years	2,120,899	\$ 19.23	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	-4.9%	-0.2%	\$ 18.30	
Gulf	Family and Children	Adult, 21+ Years	388,455	\$ 17.84	-0.3%	0.0%	0.2%	0.0%	0.0%	0.2%	0.0%	-0.2%	\$ 17.78	
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	23,352	\$ 134.67	0.3%	0.8%	0.1%	-10.7%	0.0%	0.1%	-10.7%	-0.1%	\$ 121.60	
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	3,937	\$ 7.88	-0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	\$ 7.81	
Gulf	LaCHIP Affordable Plan	All Ages	10,244	\$ 8.51	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	\$ 8.51	
Gulf	HCBBS Waiver	20 & Under, Male and Female	7,178	\$ 23.80	-0.6%	0.0%	0.1%	-9.0%	0.0%	0.1%	-9.0%	-0.2%	\$ 21.51	
Gulf	HCBBS Waiver	21+ Years, Male and Female	13,626	\$ 43.59	-1.1%	0.0%	0.2%	0.0%	0.0%	0.2%	0.0%	-0.2%	\$ 43.11	
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	16,983	\$ 62.39	-0.1%	0.4%	0.1%	-19.7%	0.0%	0.1%	-19.7%	-0.2%	\$ 50.18	
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,167	\$ 65.89	-0.1%	0.4%	0.1%	-18.5%	0.0%	0.1%	-18.5%	-0.2%	\$ 53.81	
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	299,337	\$ 19.00	7.6%	0.0%	0.7%	0.0%	0.0%	0.7%	0.0%	-0.2%	\$ 20.54	
Gulf	SBH - HCBBS Waiver	SBH - 20 & Under, Male and Female	7,178	\$ 26.19	-0.5%	0.0%	0.1%	-8.2%	0.0%	0.1%	-8.2%	-0.2%	\$ 23.90	
Gulf	SBH - HCBBS Waiver	SBH - 21+ Years, Male and Female	13,626	\$ 53.03	-0.9%	0.0%	0.2%	0.0%	0.0%	0.2%	0.0%	-0.3%	\$ 52.51	
Gulf	SBH - Other	SBH - Other, All Ages	7,536	\$ 158.01	-1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	\$ 155.65	
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	
Capital	SSI	Newborn, 0-2 Months	384	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	
Capital	SSI	Newborn, 3-11 Months	1,488	\$ 8.06	-0.5%	0.0%	0.0%	0.0%	0.0%	2.4%	0.0%	-0.2%	\$ 8.20	
Capital	SSI	Child, 1-20 Years	104,301	\$ 88.10	0.1%	0.6%	0.0%	-12.7%	0.0%	0.6%	0.0%	-0.2%	\$ 77.27	
Capital	SSI	Adult, 21+ Years	195,553	\$ 70.14	0.7%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	\$ 70.65	
Capital	Family and Children	Newborn, 0-2 Months	42,461	\$ 1.21	-0.1%	0.0%	0.0%	3.8%	0.0%	0.0%	0.0%	-0.3%	\$ 1.25	
Capital	Family and Children	Newborn, 3-11 Months	96,528	\$ 0.42	-1.0%	0.0%	0.0%	0.0%	0.0%	3.0%	0.0%	-0.3%	\$ 0.42	
Capital	Family and Children	Child, 1-20 Years	1,914,036	\$ 18.07	1.0%	0.1%	0.0%	-5.7%	0.0%	0.0%	0.0%	-0.3%	\$ 17.17	
Capital	Family and Children	Adult, 21+ Years	288,647	\$ 19.95	2.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	\$ 20.40	
Capital	Foster Care Children	Foster Care, All Ages Male & Female	33,498	\$ 160.86	1.0%	1.6%	0.0%	-1.1%	0.0%	0.0%	-1.1%	-0.1%	\$ 163.25	
Capital	Breast and Cervical Cancer	BCC, All Ages Female	3,825	\$ 16.58	-0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	\$ 16.50	
Capital	LaCHIP Affordable Plan	All Ages	10,876	\$ 15.96	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	\$ 16.27	
Capital	HCBBS Waiver	20 & Under, Male and Female	7,499	\$ 44.31	0.0%	1.9%	0.1%	-13.4%	0.0%	0.1%	-13.4%	-0.2%	\$ 39.07	
Capital	HCBBS Waiver	21+ Years, Male and Female	12,294	\$ 43.23	0.5%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	-0.2%	\$ 43.40	
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	17,068	\$ 68.04	2.3%	0.8%	0.0%	-18.9%	0.0%	0.8%	0.0%	-0.2%	\$ 56.83	
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,176	\$ 74.84	3.0%	0.7%	0.0%	-17.1%	0.0%	0.7%	-17.1%	-0.2%	\$ 64.27	
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	239,197	\$ 15.60	2.8%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	-0.1%	\$ 16.03	
Capital	SBH - HCBBS Waiver	SBH - 20 & Under, Male and Female	7,499	\$ 50.40	0.0%	1.6%	0.1%	-11.8%	0.0%	0.1%	-11.8%	-0.2%	\$ 45.14	
Capital	SBH - HCBBS Waiver	SBH - 21+ Years, Male and Female	12,294	\$ 59.67	0.4%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	-0.2%	\$ 59.79	
Capital	SBH - Other	SBH - Other, All Ages	8,412	\$ 96.37	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	\$ 96.67	
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	

Notes:
 NEMT services are included for SBH Program
 $J = B * (1 + C) * (1 + D) * (1 + E) * (1 + F) * (1 + G) * (1 + H) * (1 + I)$
 $T = L * (1 + M) * (1 + N) * (1 + O) * (1 + P) * (1 + S)$
 $U = 40\% * J + 60\% * T$
 $AA = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (1 + Z)$
 $AB = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (1 + Z) * (1 + Z)$

Appendix I: Specialized Behavioral Health Projected Claims PMPM Development

Table 1b: SBH Historical Adjustments (CY 2014)

Table 1b: SBH Historical Adjustments (CY 2014)														
Region Name	COA Desc	Rate Cell Desc	K		L	Historical Adjustments							S	T
			CY2014 NMs	CY2014 PMPM		M	N	O	P	Q	R			
						IP/OP Fee Adj	PRTF Adj	PSH Increase Adj	CSOC Adj	Medication Mgmt Adj	Historical Trend	Recoupment Adj (F&A)	CY2014 PMPM After Adj	
South Central	SSI	Newborn, 0-2 Months	466	\$ -		0.0%	0.0%	0.0%	0.0%			0.0%	\$ -	
South Central	SSI	Newborn, 3-11 Months	1,871	\$ 0.08		-0.1%	0.0%	0.0%	0.0%			-0.2%	\$ 0.08	
South Central	SSI	Child, 1-20 Years	108,433	\$ 83.01		-0.2%	0.6%	0.0%	-9.2%			-0.2%	\$ 75.57	
South Central	SSI	Adult, 21+ Years	237,953	\$ 69.44		-0.6%	0.1%	0.1%	-0.2%			-0.2%	\$ 68.89	
South Central	Family and Children	Newborn, 0-2 Months	46,634	\$ 0.71		-0.1%	0.0%	0.0%	0.0%			-0.2%	\$ 0.71	
South Central	Family and Children	Newborn, 3-11 Months	104,955	\$ 0.28		-0.2%	0.0%	0.0%	0.0%			-0.2%	\$ 0.28	
South Central	Family and Children	Child, 1-20 Years	2,083,138	\$ 14.71		-0.1%	0.2%	0.0%	-3.5%			-0.2%	\$ 14.19	
South Central	Family and Children	Adult, 21+ Years	299,789	\$ 19.82		-0.9%	0.1%	0.0%	-0.1%			-0.3%	\$ 19.58	
South Central	Foster Care Children	Foster Care, All Ages Male & Female	44,797	\$ 103.55		0.0%	1.1%	0.0%	-3.7%			-0.1%	\$ 100.73	
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,747	\$ 5.60		-0.3%	0.0%	0.0%	0.0%			-0.3%	\$ 5.57	
South Central	LaCHIP Affordable Plan	All Ages	12,678	\$ 7.15		-0.1%	0.0%	0.0%	0.0%			-0.4%	\$ 7.11	
South Central	HCBS Waiver	20 & Under, Male and Female	6,786	\$ 23.84		-0.2%	0.0%	0.1%	0.0%			-0.3%	\$ 23.75	
South Central	HCBS Waiver	21+ Years, Male and Female	14,109	\$ 41.78		-0.3%	0.1%	0.0%	0.1%			-0.3%	\$ 41.54	
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	18,278	\$ 114.05		0.0%	1.0%	0.0%	-4.8%			-0.2%	\$ 109.45	
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	18,709	\$ 122.06		0.0%	0.9%	0.0%	-4.4%			-0.2%	\$ 117.55	
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	323,040	\$ 11.73		5.3%	0.1%	0.1%	0.0%			-0.2%	\$ 12.36	
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	6,786	\$ 32.74		-0.1%	0.0%	0.1%	0.0%			-0.3%	\$ 32.62	
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	14,109	\$ 58.70		-0.2%	0.0%	0.0%	0.0%			-0.3%	\$ 58.41	
South Central	SBH - Other	SBH - Other, All Ages	10,727	\$ 174.95		-0.2%	0.0%	0.0%	0.0%			-0.2%	\$ 174.30	
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -		0.0%	0.0%	0.0%	0.0%			0.0%	\$ -	
North	SSI	Newborn, 0-2 Months	442	\$ -		0.0%	0.0%	0.0%	0.0%			0.0%	\$ -	
North	SSI	Newborn, 3-11 Months	1,700	\$ 0.09		-0.1%	0.0%	0.0%	0.0%			-0.2%	\$ 0.09	
North	SSI	Child, 1-20 Years	119,014	\$ 121.74		-0.2%	0.4%	0.0%	-0.6%			-0.1%	\$ 121.15	
North	SSI	Adult, 21+ Years	208,362	\$ 56.01		-1.2%	0.1%	0.1%	0.0%			-0.1%	\$ 55.41	
North	Family and Children	Newborn, 0-2 Months	35,265	\$ 0.01		0.0%	0.0%	0.0%	0.0%			0.0%	\$ 0.01	
North	Family and Children	Newborn, 3-11 Months	81,697	\$ 0.19		0.0%	0.0%	0.0%	0.0%			0.0%	\$ 0.19	
North	Family and Children	Child, 1-20 Years	1,639,346	\$ 24.48		-0.1%	0.1%	0.1%	-0.3%			-0.1%	\$ 24.40	
North	Family and Children	Adult, 21+ Years	239,631	\$ 18.86		-0.4%	0.3%	0.0%	0.0%			-0.1%	\$ 18.83	
North	Foster Care Children	Foster Care, All Ages Male & Female	24,828	\$ 257.07		0.0%	2.5%	0.1%	-0.3%			0.0%	\$ 262.89	
North	Breast and Cervical Cancer	BCC, All Ages Female	2,561	\$ 12.40		0.0%	0.0%	0.0%	0.0%			-0.1%	\$ 12.39	
North	LaCHIP Affordable Plan	All Ages	6,372	\$ 21.12		-0.2%	0.0%	0.1%	-0.3%			-0.1%	\$ 21.00	
North	HCBS Waiver	20 & Under, Male and Female	4,318	\$ 46.52		0.0%	0.0%	0.1%	-1.5%			-0.2%	\$ 45.77	
North	HCBS Waiver	21+ Years, Male and Female	11,256	\$ 40.47		-0.1%	0.0%	0.0%	0.0%			-0.3%	\$ 40.34	
North	Chisholm Class Members	Chisholm, All Ages Male & Female	16,846	\$ 106.55		0.0%	0.8%	0.0%	-1.6%			-0.1%	\$ 105.70	
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,129	\$ 108.48		0.0%	0.8%	0.1%	-1.6%			-0.1%	\$ 107.64	
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	256,152	\$ 13.89		4.2%	0.2%	0.2%	0.0%			-0.1%	\$ 14.50	
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,318	\$ 52.97		0.0%	0.0%	0.1%	-1.3%			-0.2%	\$ 52.20	
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	11,256	\$ 58.20		0.0%	0.0%	0.0%	0.0%			-0.3%	\$ 58.00	
North	SBH - Other	SBH - Other, All Ages	9,527	\$ 109.51		-0.1%	0.0%	0.0%	0.0%			-0.2%	\$ 109.22	
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -		0.0%	0.0%	0.0%	0.0%			0.0%	\$ -	

Notes:
 NEMT services are included for SBH Program
 $J = B * (1 + C) * (1 + D) * (1 + E) * (1 + F) * (1 + G) * (1 + H) * (1 + I)$
 $T = L * (1 + M) * (1 + N) * (1 + O) * (1 + P) * (1 + S)$
 $U = 40\% * J + 60\% * T$
 $AA = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (1 + Z) * (1 + 12)$
 $AB = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (1 + Z) * (1 + 12)$

Appendix I: Specialized Behavioral Health Projected Claims PMPM Development

Table 2: SBH Prospective Rating Adjustments

Region Name	COA Desc	Rate Cell Desc	Prospective Adjustments										Z	Y	AA	AB
			J	T	U	V	W	X	Y	Z	AA	AB				
Gulf	SSI	Newborn, 0-2 Months	CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	1915 Adj	Mixed Services Protocol Adj	Retro Adj	Low Trend	High Trend	Projected PMPM -- Low	Projected PMPM -- High				
Gulf	SSI	Newborn, 3-11 Months	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -				
Gulf	SSI	Child, 1-20 Months	\$ 1.60	\$ 0.52	\$ 0.95	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 1.62	\$ 1.75				
Gulf	SSI	Adult, 21+ Years	\$ 100.25	\$ 93.36	\$ 96.12	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 163.38	\$ 176.85				
Gulf	SSI	Adult, 21+ Years	\$ 80.07	\$ 87.46	\$ 84.51	3.4%	0.0%	0.0%	4.0%	6.0%	\$ 95.28	\$ 99.14				
Gulf	Family and Children	Newborn, 0-2 Months	\$ 0.12	\$ 0.02	\$ 0.06	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.10	\$ 0.11				
Gulf	Family and Children	Newborn, 3-11 Months	\$ 0.03	\$ 0.09	\$ 0.07	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.11	\$ 0.12				
Gulf	Family and Children	Child, 1-20 Months	\$ 17.72	\$ 18.30	\$ 18.07	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 30.71	\$ 33.25				
Gulf	Family and Children	Adult, 21+ Years	\$ 16.63	\$ 17.78	\$ 17.32	4.0%	0.0%	0.0%	4.0%	6.0%	\$ 19.55	\$ 20.35				
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	\$ 123.42	\$ 121.60	\$ 122.33	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 207.95	\$ 225.10				
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	\$ 7.01	\$ 7.81	\$ 7.49	7.4%	0.0%	0.0%	4.0%	6.0%	\$ 8.95	\$ 9.32				
Gulf	LaCHIP - Affordable Plan	All Ages	\$ 9.37	\$ 8.51	\$ 8.85	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 15.10	\$ 16.35				
Gulf	HCBBS Waiver	20 & Under, Male and Female	\$ 26.79	\$ 21.51	\$ 23.63	0.1%	0.0%	0.0%	29.0%	34.0%	\$ 40.18	\$ 43.49				
Gulf	HCBBS Waiver	21+ Years, Male and Female	\$ 31.78	\$ 43.11	\$ 38.58	3.5%	0.0%	0.0%	4.0%	6.0%	\$ 43.32	\$ 45.08				
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 63.78	\$ 50.18	\$ 55.62	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 94.56	\$ 102.36				
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 69.26	\$ 53.81	\$ 59.99	0.0%	-6.6%	0.0%	27.9%	32.7%	\$ 93.59	\$ 101.11				
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 19.08	\$ 20.54	\$ 19.96	1.9%	-1.0%	0.0%	7.4%	9.4%	\$ 23.38	\$ 24.29				
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 32.31	\$ 23.90	\$ 27.26	0.0%	-8.9%	0.0%	26.4%	31.0%	\$ 40.47	\$ 43.62				
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 44.91	\$ 52.51	\$ 49.47	2.8%	-7.3%	0.0%	5.4%	7.4%	\$ 52.66	\$ 54.76				
Gulf	SBH - Other	SBH - Other, All Ages	\$ 137.77	\$ 155.65	\$ 148.49	0.2%	-6.2%	0.0%	6.6%	8.6%	\$ 159.40	\$ 165.70				
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -				
Capital	SSI	Newborn, 0-2 Months	\$ 10.28	\$ -	\$ 4.11	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 6.99	\$ 7.57				
Capital	SSI	Newborn, 3-11 Months	\$ 0.05	\$ 8.20	\$ 4.94	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 8.39	\$ 9.08				
Capital	SSI	Child, 1-20 Years	\$ 71.51	\$ 77.27	\$ 74.97	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 127.44	\$ 137.94				
Capital	SSI	Adult, 21+ Years	\$ 70.64	\$ 70.65	\$ 70.64	2.6%	0.0%	0.0%	4.0%	6.0%	\$ 79.08	\$ 82.28				
Capital	Family and Children	Newborn, 0-2 Months	\$ 0.17	\$ 1.25	\$ 0.82	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 1.39	\$ 1.50				
Capital	Family and Children	Newborn, 3-11 Months	\$ 0.19	\$ 0.42	\$ 0.33	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.56	\$ 0.61				
Capital	Family and Children	Child, 1-20 Years	\$ 17.89	\$ 17.17	\$ 17.46	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 29.68	\$ 32.13				
Capital	Family and Children	Adult, 21+ Years	\$ 17.67	\$ 20.40	\$ 19.31	2.0%	0.0%	0.0%	4.0%	6.0%	\$ 21.37	\$ 22.23				
Capital	Foster Care Children	Foster Care, All Ages Male & Female	\$ 119.38	\$ 163.25	\$ 145.70	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 247.66	\$ 268.08				
Capital	Breast and Cervical Cancer	BCC, All Ages Female	\$ 7.19	\$ 16.50	\$ 12.78	2.5%	0.0%	0.0%	4.0%	6.0%	\$ 14.59	\$ 15.18				
Capital	LaCHIP - Affordable Plan	All Ages	\$ 12.46	\$ 16.27	\$ 14.74	0.0%	0.0%	0.0%	4.0%	6.0%	\$ 25.15	\$ 27.23				
Capital	HCBBS Waiver	20 & Under, Male and Female	\$ 28.61	\$ 39.07	\$ 34.88	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 59.29	\$ 64.18				
Capital	HCBBS Waiver	21+ Years, Male and Female	\$ 56.84	\$ 43.40	\$ 48.77	3.1%	0.0%	0.0%	4.0%	6.0%	\$ 54.56	\$ 56.77				
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 71.68	\$ 56.83	\$ 62.77	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 106.72	\$ 115.52				
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 78.28	\$ 64.27	\$ 69.87	0.0%	-6.9%	0.0%	27.5%	32.3%	\$ 107.97	\$ 116.58				
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 14.07	\$ 16.03	\$ 15.25	1.2%	-5.7%	0.0%	11.1%	13.1%	\$ 18.12	\$ 18.81				
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 35.33	\$ 45.14	\$ 41.22	0.0%	-5.4%	0.0%	26.1%	30.7%	\$ 63.26	\$ 68.14				
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 71.43	\$ 59.79	\$ 64.45	2.4%	-6.7%	0.0%	5.6%	7.6%	\$ 68.88	\$ 71.62				
Capital	SBH - Other	SBH - Other, All Ages	\$ 121.85	\$ 96.67	\$ 106.74	0.3%	-6.6%	0.0%	5.8%	7.8%	\$ 112.32	\$ 116.79				
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -				

Notes:
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 $J = B * (1 + C) * (1 + D) * (1 + E) * (1 + F) * (1 + G) * (1 + H) * (1 + I)$
 $T = L * (1 + M) * (1 + N) * (1 + O) * (1 + P) * (1 + S)$
 $U = 40\% * J + 60\% * T$
 $AA = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (25/12)$
 $AB = U * (1 + V) * (1 + W) * (1 + X) * (1 + Z) * (25/12)$

Appendix I: Specialized Behavioral Health Projected Claims PMPM Development

Table 2: SBH Prospective Rating Adjustments

Table 2: SBH Prospective Rating Adjustments													
Region Name	COA Desc	Rate Cell Desc	J			T		U			Prospective Adjustments		
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	V	W	X	Y	Z	AA	AB	
South Central	SSI	Newborn, 0-2 Months	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -	
South Central	SSI	Newborn, 3-11 Months	\$ 3.86	\$ 0.08	\$ 1.59	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 2.71	\$ 2.93	
South Central	SSI	Child, 1-20 Years	\$ 82.57	\$ 75.57	\$ 78.37	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 133.22	\$ 144.20	
South Central	SSI	Adult, 21+ Years	\$ 76.39	\$ 68.89	\$ 71.89	1.8%	0.0%	0.0%	4.0%	6.0%	\$ 79.82	\$ 83.05	
South Central	Family and Children	Newborn, 0-2 Months	\$ 0.01	\$ 0.71	\$ 0.43	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.74	\$ 0.80	
South Central	Family and Children	Newborn, 3-11 Months	\$ 0.05	\$ 0.28	\$ 0.19	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.32	\$ 0.34	
South Central	Family and Children	Child, 1-20 Years	\$ 14.55	\$ 14.19	\$ 14.33	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 24.36	\$ 26.37	
South Central	Family and Children	Adult, 21+ Years	\$ 18.49	\$ 19.58	\$ 19.14	1.9%	0.0%	0.0%	4.0%	6.0%	\$ 21.16	\$ 22.01	
South Central	Foster Care Children	Foster Care, All Ages Male & Female	\$ 133.46	\$ 100.73	\$ 113.82	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 193.48	\$ 209.43	
South Central	Breast and Cervical Cancer	BCC, All Ages Female	\$ 2.22	\$ 5.57	\$ 4.23	3.4%	0.0%	0.0%	4.0%	6.0%	\$ 4.87	\$ 5.06	
South Central	LaCHIP Affordable Plan	All Ages	\$ 7.90	\$ 7.11	\$ 7.43	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 12.67	\$ 13.72	
South Central	HCBS Waiver	20 & Under, Male and Female	\$ 42.29	\$ 23.75	\$ 31.17	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 52.98	\$ 57.35	
South Central	HCBS Waiver	21+ Years, Male and Female	\$ 44.96	\$ 41.54	\$ 42.91	1.5%	0.0%	0.0%	4.0%	6.0%	\$ 47.28	\$ 49.20	
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 105.97	\$ 109.45	\$ 108.05	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 183.71	\$ 198.86	
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 115.62	\$ 117.55	\$ 116.78	0.0%	-6.4%	0.0%	27.3%	32.1%	\$ 180.80	\$ 195.14	
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 12.88	\$ 12.36	\$ 12.57	1.1%	-1.6%	0.0%	9.4%	11.4%	\$ 15.08	\$ 15.66	
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 54.29	\$ 32.62	\$ 41.29	0.0%	-8.3%	0.0%	24.2%	28.5%	\$ 59.47	\$ 63.82	
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 68.62	\$ 58.41	\$ 62.49	1.0%	-8.0%	0.0%	6.1%	8.1%	\$ 65.70	\$ 68.30	
South Central	SBH - Other	SBH - Other, All Ages	\$ 208.53	\$ 174.30	\$ 187.99	0.3%	-6.2%	0.0%	6.1%	8.1%	\$ 200.14	\$ 208.08	
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -	
North	SSI	Newborn, 0-2 Months	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -	
North	SSI	Newborn, 3-11 Months	\$ 0.02	\$ 0.09	\$ 0.06	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.11	\$ 0.12	
North	SSI	Child, 1-20 Years	\$ 140.35	\$ 121.15	\$ 128.83	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 218.98	\$ 237.04	
North	SSI	Adult, 21+ Years	\$ 53.08	\$ 55.41	\$ 54.48	3.1%	0.0%	0.5%	4.0%	6.0%	\$ 61.25	\$ 63.73	
North	Family and Children	Newborn, 0-2 Months	\$ 0.02	\$ 0.01	\$ 0.01	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.02	\$ 0.02	
North	Family and Children	Newborn, 3-11 Months	\$ 0.01	\$ 0.19	\$ 0.12	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.20	\$ 0.22	
North	Family and Children	Child, 1-20 Years	\$ 22.30	\$ 24.40	\$ 23.56	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 40.05	\$ 43.35	
North	Family and Children	Adult, 21+ Years	\$ 16.98	\$ 18.83	\$ 18.09	3.5%	0.0%	0.0%	4.0%	6.0%	\$ 20.32	\$ 21.14	
North	Foster Care Children	Foster Care, All Ages Male & Female	\$ 376.24	\$ 262.89	\$ 308.23	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 523.93	\$ 567.13	
North	Breast and Cervical Cancer	BCC, All Ages Female	\$ 37.14	\$ 12.39	\$ 22.29	2.4%	0.0%	0.0%	4.0%	6.0%	\$ 25.41	\$ 26.44	
North	LaCHIP Affordable Plan	All Ages	\$ 10.51	\$ 21.00	\$ 16.81	0.0%	0.0%	0.0%	4.0%	6.0%	\$ 28.67	\$ 31.03	
North	HCBS Waiver	20 & Under, Male and Female	\$ 81.10	\$ 45.77	\$ 59.90	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 101.82	\$ 110.22	
North	HCBS Waiver	21+ Years, Male and Female	\$ 43.36	\$ 40.34	\$ 41.55	4.6%	0.0%	0.0%	4.0%	6.0%	\$ 47.14	\$ 49.05	
North	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 108.48	\$ 105.70	\$ 106.81	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 181.60	\$ 196.57	
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 111.73	\$ 107.64	\$ 109.28	0.0%	-0.2%	0.0%	28.5%	33.5%	\$ 183.95	\$ 198.96	
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 12.52	\$ 14.50	\$ 13.71	1.6%	-1.9%	0.0%	9.9%	11.9%	\$ 16.63	\$ 17.27	
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 89.03	\$ 52.20	\$ 66.93	0.0%	0.5%	0.0%	27.2%	31.9%	\$ 110.97	\$ 119.74	
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 65.90	\$ 58.00	\$ 61.16	3.1%	-3.0%	0.0%	6.0%	8.0%	\$ 69.02	\$ 71.76	
North	SBH - Other	SBH - Other, All Ages	\$ 122.79	\$ 109.22	\$ 114.64	0.2%	-2.2%	0.0%	6.5%	8.5%	\$ 128.01	\$ 133.07	
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -	

Notes:

NEMT services are included for SBH Program

$$J = B * (1 + C) * (1 + D) * (1 + E) * (1 + F) * (1 + G) * (1 + H) * (1 + I)$$

$$T = L * (1 + M) * (1 + N) * (1 + O) * (1 + P) * (1 + S)$$

$$U = 40\% * J + 60\% * T$$

$$AA = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (1 + Z) * (1 + 12)$$

$$AB = U * (1 + V) * (1 + W) * (1 + X) * (1 + Y) * (1 + Z) * (1 + 12)$$

Appendix J: NEMT Projected Claims PMPM Development (For SBH Program Only)

Table 1: Historical Rating Adjustments

Region Name	COA Desc	Rate Cell Desc	A	B	C	D	E	F	G	H	I	J
			CY2013 MMs	CY2013 PMPM	Historical Trend	Recoupment Adj (F&A)	CY2013 PMPM After Adj	CY2014 MMs	CY2014 PMPM	Historical Trend	Recoupment Adj (F&A)	CY2014 PMPM After Adj
Gulf	SSI	Newborn, 0-2 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	SSI	Newborn, 3-11 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	SSI	Child, 1-20 Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	SSI	Adult, 21+ Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	Family and Children	Newborn, 0-2 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	Family and Children	Newborn, 3-11 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	Family and Children	Child, 1-20 Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	Family and Children	Adult, 21+ Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	LaCHIP Affordable Plan	All Ages	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	HCBS Waiver	20 & Under, Male and Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	HCBS Waiver	21+ Years, Male and Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	16,354	2.84	11.00%	-0.43%	\$ 3.13	17,167	\$ 3.79		-0.27%	\$ 3.78
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	304,778	5.59	16.00%	-0.20%	\$ 6.47	299,337	\$ 5.66		-0.14%	\$ 5.66
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,958	4.99	11.00%	-0.53%	\$ 5.51	7,178	\$ 2.39		-0.31%	\$ 2.38
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	13,356	11.89	11.00%	-0.54%	\$ 13.13	13,626	\$ 9.44		-0.34%	\$ 9.40
Gulf	SBH - Other	SBH - Other, All Ages	6,844	46.91	11.00%	-0.59%	\$ 51.77	7,536	\$ 63.31		-0.40%	\$ 63.06
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	SSI	Newborn, 0-2 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	SSI	Newborn, 3-11 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	SSI	Child, 1-20 Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	SSI	Adult, 21+ Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	Family and Children	Newborn, 0-2 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	Family and Children	Newborn, 3-11 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	Family and Children	Child, 1-20 Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	Family and Children	Adult, 21+ Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	Foster Care Children	Foster Care, All Ages Male & Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	Breast and Cervical Cancer	BCC, All Ages Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	LaCHIP Affordable Plan	All Ages	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	HCBS Waiver	20 & Under, Male and Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	HCBS Waiver	21+ Years, Male and Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	16,137	5.28	11.00%	-0.44%	\$ 5.83	17,176	\$ 5.15		-0.25%	\$ 5.14
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	245,750	7.57	16.00%	-0.20%	\$ 8.76	239,197	\$ 9.51		-0.12%	\$ 9.49
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	8,312	6.09	11.00%	-0.47%	\$ 6.72	7,499	\$ 6.09		-0.33%	\$ 6.07
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,207	13.21	11.00%	-0.50%	\$ 14.59	12,294	\$ 16.44		-0.29%	\$ 16.39
Capital	SBH - Other	SBH - Other, All Ages	8,284	30.86	11.00%	-0.58%	\$ 34.05	8,412	\$ 25.21		-0.40%	\$ 25.11
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	-	0.00%	0.00%	\$	-	-		0.00%	\$

Notes:

$$E = B * (1 + C) * (1 + D)$$

$$J = G * (1 + I)$$

$$K = 40\% * E + 60\% * J$$

$$O = K * ((1 + M)^{25/12})$$

$$P = K * ((1 + N)^{25/12})$$

Appendix J: NEMT Projected Claims PMPM Development (For SBH Program Only)

Table 1: Historical Rating Adjustments

Region Name	COA Desc	Rate Cell Desc	A	B	C	D	E	F	G	H	I	J
			CY2013 MMs	CY2013 PMPM	Historical Trend	Recoupment Adj (F&A)	CY2013 PMPM After Adj	CY2014 MMs	CY2014 PMPM	Historical Trend	Recoupment Adj (F&A)	CY2014 PMPM After Adj
South Central	SSI	Newborn, 0-2 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	SSI	Newborn, 3-11 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	SSI	Child, 1-20 Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	SSI	Adult, 21+ Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	Family and Children	Newborn, 0-2 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	Family and Children	Newborn, 3-11 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	Family and Children	Child, 1-20 Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	Family and Children	Adult, 21+ Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	Foster Care Children	Foster Care, All Ages Male & Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	Breast and Cervical Cancer	BCC, All Ages Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	LaCHIP Affordable Plan	All Ages	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	HCBS Waiver	20 & Under, Male and Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	HCBS Waiver	21+ Years, Male and Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,361	9.80	11.00%	-0.38%	\$ 10.83	18,709	\$ 10.13		-0.22%	\$ 10.11
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	328,533	5.20	16.00%	-0.31%	\$ 6.02	323,040	\$ 6.01		-0.17%	\$ 6.00
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,448	10.86	11.00%	-0.52%	\$ 11.99	6,786	\$ 8.90		-0.34%	\$ 8.87
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	14,510	21.44	11.00%	-0.55%	\$ 23.66	14,109	\$ 16.93		-0.36%	\$ 16.87
South Central	SBH - Other	SBH - Other, All Ages	10,261	45.56	11.00%	-0.59%	\$ 50.27	10,727	\$ 68.84		-0.40%	\$ 68.56
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	SSI	Newborn, 0-2 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	SSI	Newborn, 3-11 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	SSI	Child, 1-20 Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	SSI	Adult, 21+ Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	Family and Children	Newborn, 0-2 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	Family and Children	Newborn, 3-11 Months	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	Family and Children	Child, 1-20 Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	Family and Children	Adult, 21+ Years	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	Foster Care Children	Foster Care, All Ages Male & Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	Breast and Cervical Cancer	BCC, All Ages Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	LaCHIP Affordable Plan	All Ages	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	HCBS Waiver	20 & Under, Male and Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	HCBS Waiver	21+ Years, Male and Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	Chisholm Class Members	Chisholm, All Ages Male & Female	-	-	0.00%	0.00%	\$	-	-		0.00%	\$
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,290	2.67	11.00%	-0.28%	\$ 2.96	17,129	\$ 2.97		-0.17%	\$ 2.97
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	288,049	5.90	16.00%	-0.22%	\$ 6.83	286,152	\$ 7.30		-0.13%	\$ 7.29
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,875	7.18	11.00%	-0.47%	\$ 7.93	4,318	\$ 6.45		-0.33%	\$ 6.43
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	11,273	20.41	11.00%	-0.51%	\$ 22.54	11,256	\$ 17.72		-0.34%	\$ 17.66
North	SBH - Other	SBH - Other, All Ages	9,400	39.73	11.00%	-0.58%	\$ 43.84	9,527	\$ 46.43		-0.40%	\$ 46.25
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	-	0.00%	0.00%	\$	-	-		0.00%	\$

Notes:

$$E = B * (1 + C) * (1 + D)$$

$$J = G * (1 + I)$$

$$K = 40\% * E + 60\% * J$$

$$O = K * ((1 + M)^{25/12})$$

$$P = K * ((1 + N)^{25/12})$$

Appendix J: NEMT Projected Claims PMPM Development (For SBH Program Only)

Table 2: Prospective Rating Adjustments

Region Name	COA Desc	Rate Cell Desc	E	J	K	L	M	N	O	P
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	Prospective Adj	Low Trend	High Trend	Projected PMPM -- Low	Projected PMPM -- High
Gulf	SSI	Newborn, 0-2 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	SSI	Newborn, 3-11 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	SSI	Child, 1-20 Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	SSI	Adult, 21+ Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	Family and Children	Newborn, 0-2 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	Family and Children	Newborn, 3-11 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	Family and Children	Child, 1-20 Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	Family and Children	Adult, 21+ Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	LaCHIP Affordable Plan	All Ages	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	HCBS Waiver	20 & Under, Male and Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	HCBS Waiver	21+ Years, Male and Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 3.13	\$ 3.78	\$ 3.52		11.00%	11.00%	\$ 4.38	\$ 4.38
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 6.47	\$ 5.66	\$ 5.98		16.00%	16.00%	\$ 8.15	\$ 8.15
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 5.51	\$ 2.38	\$ 3.63		11.00%	11.00%	\$ 4.52	\$ 4.52
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 13.13	\$ 9.40	\$ 10.89		11.00%	11.00%	\$ 13.54	\$ 13.54
Gulf	SBH - Other	SBH - Other, All Ages	\$ 51.77	\$ 63.06	\$ 58.54		11.00%	11.00%	\$ 72.76	\$ 72.76
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	SSI	Newborn, 0-2 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	SSI	Newborn, 3-11 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	SSI	Child, 1-20 Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	SSI	Adult, 21+ Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	Family and Children	Newborn, 0-2 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	Family and Children	Newborn, 3-11 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	Family and Children	Child, 1-20 Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	Family and Children	Adult, 21+ Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	Foster Care Children	Foster Care, All Ages Male & Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	Breast and Cervical Cancer	BCC, All Ages Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	LaCHIP Affordable Plan	All Ages	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	HCBS Waiver	20 & Under, Male and Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	HCBS Waiver	21+ Years, Male and Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 5.83	\$ 5.14	\$ 5.42		11.00%	11.00%	\$ 6.73	\$ 6.73
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 8.76	\$ 9.49	\$ 9.20		16.00%	16.00%	\$ 12.53	\$ 12.53
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 6.72	\$ 6.07	\$ 6.33		11.00%	11.00%	\$ 7.87	\$ 7.87
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 14.59	\$ 16.39	\$ 15.67		11.00%	11.00%	\$ 19.48	\$ 19.48
Capital	SBH - Other	SBH - Other, All Ages	\$ 34.05	\$ 25.11	\$ 28.69		11.00%	11.00%	\$ 35.66	\$ 35.66
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -

Notes:
E = B * (1 + C) * (1 + D)
J = G * (1 + I)
K = 40% * E + 60% * J
O = K * ((1 + M)^{25/12})
P = K * ((1 + N)^{25/12})

Appendix J: NEMT Projected Claims PMPM Development (For SBH Program Only)

Table 2: Prospective Rating Adjustments

Region Name	COA Desc	Rate Cell Desc	E	J	K	L	M	N	O	P
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	Prospective Adj	Low Trend	High Trend	Projected PMPM -- Low	Projected PMPM -- High
South Central	SSI	Newborn, 0-2 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	SSI	Newborn, 3-11 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	SSI	Child, 1-20 Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	SSI	Adult, 21+ Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	Family and Children	Newborn, 0-2 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	Family and Children	Newborn, 3-11 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	Family and Children	Child, 1-20 Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	Family and Children	Adult, 21+ Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	Foster Care Children	Foster Care, All Ages Male & Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	Breast and Cervical Cancer	BCC, All Ages Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	LaCHIP Affordable Plan	All Ages	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	HCBS Waiver	20 & Under, Male and Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	HCBS Waiver	21+ Years, Male and Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 10.83	\$ 10.11	\$ 10.40		11.00%	11.00%	\$ 12.93	\$ 12.93
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 6.02	\$ 6.00	\$ 6.00		16.00%	16.00%	\$ 8.18	\$ 8.18
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 11.99	\$ 8.87	\$ 10.12		11.00%	11.00%	\$ 12.57	\$ 12.57
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 23.66	\$ 16.87	\$ 19.58		11.00%	11.00%	\$ 24.34	\$ 24.34
South Central	SBH - Other	SBH - Other, All Ages	\$ 50.27	\$ 68.56	\$ 61.24		11.00%	11.00%	\$ 76.12	\$ 76.12
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	SSI	Newborn, 0-2 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	SSI	Newborn, 3-11 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	SSI	Child, 1-20 Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	SSI	Adult, 21+ Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	Family and Children	Newborn, 0-2 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	Family and Children	Newborn, 3-11 Months	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	Family and Children	Child, 1-20 Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	Family and Children	Adult, 21+ Years	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	Foster Care Children	Foster Care, All Ages Male & Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	Breast and Cervical Cancer	BCC, All Ages Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	LaCHIP Affordable Plan	All Ages	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	HCBS Waiver	20 & Under, Male and Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	HCBS Waiver	21+ Years, Male and Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 2.96	\$ 2.97	\$ 2.96		11.00%	11.00%	\$ 3.68	\$ 3.68
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 6.83	\$ 7.29	\$ 7.11		16.00%	16.00%	\$ 9.68	\$ 9.68
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 7.93	\$ 6.43	\$ 7.03		11.00%	11.00%	\$ 8.74	\$ 8.74
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 22.54	\$ 17.66	\$ 19.61		11.00%	11.00%	\$ 24.38	\$ 24.38
North	SBH - Other	SBH - Other, All Ages	\$ 43.84	\$ 46.25	\$ 45.29		11.00%	11.00%	\$ 56.29	\$ 56.29
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -		0.00%	0.00%	\$ -	\$ -

Notes:

$$E = B * (1 + C) * (1 + D)$$

$$J = G * (1 + I)$$

$$K = 40\% * E + 60\% * J$$

$$O = K * ((1 + M)^{25/12})$$

$$P = K * ((1 + N)^{25/12})$$

Appendix K: Combined Rate Development

Table 1: Final Projected Claims PMPM Development

Region Name	COA Desc	Rate Cell Desc	A				PH (Appendix H)				Projected Claims PMPM				Final Projected Claims PMPM ²				
			B		C		D		E		F		G		H		I		J
			CY2014 MMs		Low PMPM	High PMPM	Low PMPM	High PMPM	Low PMPM	High PMPM	Low PMPM	High PMPM	Low PMPM	High PMPM	Credibility ¹	Low PMPM	High PMPM		
Gulf	SSI	Newborn, 0-2 Months	499	\$ 22,585.36	\$ 23,244.60	\$	\$	-	\$	-	\$	\$	\$ 23,244.60	0%	\$ 18,056.38	\$ 18,636.79			
Gulf	SSI	Newborn, 3-11 Months	2,016	\$ 5,800.06	\$ 5,963.75	\$	\$	1.62	\$	1.75	\$	\$ 5,965.50	0%	\$ 4,682.47	\$ 4,829.35				
Gulf	SSI	Child, 1-20 Years	140,382	\$ 366.77	\$ 383.04	\$	\$	163.38	\$	176.85	\$	\$ 598.89	100%	\$ 530.15	\$ 559.89				
Gulf	SSI	Adult, 21+ Years	268,331	\$ 806.80	\$ 838.98	\$	\$	95.28	\$	99.14	\$	\$ 938.12	100%	\$ 902.09	\$ 938.12				
Gulf	Family and Children	Newborn, 0-2 Months	48,751	\$ 1,110.28	\$ 1,154.21	\$	\$	0.10	\$	0.11	\$	\$ 1,154.32	100%	\$ 1,110.38	\$ 1,154.32				
Gulf	Family and Children	Newborn, 3-11 Months	108,391	\$ 192.20	\$ 201.81	\$	\$	0.11	\$	0.12	\$	\$ 201.93	100%	\$ 192.32	\$ 201.93				
Gulf	Family and Children	Child, 1-20 Years	2,120,899	\$ 84.38	\$ 88.85	\$	\$	30.71	\$	33.25	\$	\$ 122.10	100%	\$ 115.10	\$ 122.10				
Gulf	Family and Children	Adult, 21+ Years	388,455	\$ 213.16	\$ 224.92	\$	\$	19.55	\$	20.35	\$	\$ 245.26	100%	\$ 232.72	\$ 245.26				
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	23,352	\$ 155.78	\$ 163.39	\$	\$	207.95	\$	225.10	\$	\$ 388.49	0%	\$ 441.56	\$ 472.02				
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	3,937	\$ 1,425.04	\$ 1,493.62	\$	\$	8.95	\$	9.32	\$	\$ 1,502.94	0%	\$ 1,531.34	\$ 1,600.99				
Gulf	LaCHIP Affordable Plan	All Ages	10,244	\$ 118.75	\$ 125.40	\$	\$	15.10	\$	16.35	\$	\$ 141.75	0%	\$ 141.71	\$ 149.91				
Gulf	HCBS Waiver	20 & Under, Male and Female	7,178	\$ 1,019.46	\$ 1,094.63	\$	\$	40.18	\$	43.49	\$	\$ 1,138.12	0%	\$ 1,570.53	\$ 1,686.28				
Gulf	HCBS Waiver	21+ Years, Male and Female	13,626	\$ 731.96	\$ 775.17	\$	\$	43.32	\$	45.08	\$	\$ 820.25	0%	\$ 835.64	\$ 885.32				
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	16,983	\$ 738.55	\$ 797.45	\$	\$	94.56	\$	102.36	\$	\$ 898.81	0%	\$ 958.40	\$ 1,034.39				
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,167	\$ -	\$ -	\$	\$	93.59	\$	101.11	\$	\$ 101.11	0%	\$ 142.41	\$ 153.85				
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	299,337	\$ -	\$ -	\$	\$	24.29	\$	23.38	\$	\$ 24.29	100%	\$ 23.38	\$ 24.29				
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,178	\$ -	\$ -	\$	\$	40.47	\$	43.62	\$	\$ 43.62	0%	\$ 63.91	\$ 68.82				
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	13,626	\$ -	\$ -	\$	\$	52.66	\$	54.76	\$	\$ 54.76	0%	\$ 63.72	\$ 66.26				
Gulf	SBH - Other	SBH - Other, All Ages	7,536	\$ -	\$ -	\$	\$	159.40	\$	165.70	\$	\$ 159.40	0%	\$ 152.27	\$ 158.30				
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	10,549	\$ 5,567.00	\$ 5,688.39	\$	\$	-	\$	-	\$	\$ 5,567.00	100%	\$ 5,567.00	\$ 5,688.39				
Capital	SSI	Newborn, 0-2 Months	384	\$ 18,442.71	\$ 19,098.27	\$	\$	6.99	\$	7.57	\$	\$ 18,449.70	0%	\$ 18,056.38	\$ 18,636.79				
Capital	SSI	Newborn, 3-11 Months	1,488	\$ 6,364.11	\$ 6,563.86	\$	\$	8.39	\$	9.08	\$	\$ 6,372.50	0%	\$ 4,682.47	\$ 4,829.35				
Capital	SSI	Child, 1-20 Years	104,301	\$ 433.71	\$ 454.49	\$	\$	127.44	\$	137.94	\$	\$ 561.15	100%	\$ 561.15	\$ 592.43				
Capital	Family and Children	Adult, 21+ Years	195,553	\$ 925.00	\$ 962.17	\$	\$	79.08	\$	82.98	\$	\$ 1,004.08	100%	\$ 1,004.08	\$ 1,044.45				
Capital	Family and Children	Newborn, 0-2 Months	42,461	\$ 1,191.75	\$ 1,236.68	\$	\$	1.39	\$	1.51	\$	\$ 1,193.14	100%	\$ 1,193.14	\$ 1,238.19				
Capital	Family and Children	Newborn, 3-11 Months	96,528	\$ 187.94	\$ 197.70	\$	\$	0.56	\$	0.61	\$	\$ 188.50	100%	\$ 188.50	\$ 198.31				
Capital	Family and Children	Child, 1-20 Years	1,914,036	\$ 93.05	\$ 98.02	\$	\$	29.68	\$	32.13	\$	\$ 122.74	100%	\$ 122.74	\$ 130.15				
Capital	Family and Children	Adult, 21+ Years	288,647	\$ 254.90	\$ 268.91	\$	\$	21.37	\$	22.23	\$	\$ 276.27	100%	\$ 276.27	\$ 291.14				
Capital	Foster Care Children	Foster Care, All Ages Male & Female	33,498	\$ 161.90	\$ 169.51	\$	\$	247.66	\$	268.08	\$	\$ 409.57	0%	\$ 441.56	\$ 472.02				
Capital	Breast and Cervical Cancer	BCC, All Ages Female	3,825	\$ 1,336.75	\$ 1,399.04	\$	\$	15.19	\$	15.73	\$	\$ 1,351.33	0%	\$ 1,531.34	\$ 1,600.99				
Capital	LaCHIP Affordable Plan	All Ages	10,876	\$ 145.11	\$ 152.37	\$	\$	24.55	\$	25.23	\$	\$ 170.27	0%	\$ 141.71	\$ 149.91				
Capital	HCBS Waiver	20 & Under, Male and Female	7,489	\$ 1,416.59	\$ 1,519.96	\$	\$	59.29	\$	64.18	\$	\$ 1,475.88	0%	\$ 1,570.53	\$ 1,686.28				
Capital	HCBS Waiver	21+ Years, Male and Female	12,294	\$ 753.30	\$ 799.79	\$	\$	54.56	\$	56.77	\$	\$ 807.87	0%	\$ 835.64	\$ 885.32				
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	17,068	\$ 919.01	\$ 992.08	\$	\$	106.72	\$	115.52	\$	\$ 1,025.73	0%	\$ 958.40	\$ 1,034.39				
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,176	\$ -	\$ -	\$	\$	107.97	\$	115.58	\$	\$ 107.97	0%	\$ 142.41	\$ 153.85				
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	239,197	\$ -	\$ -	\$	\$	18.12	\$	18.81	\$	\$ 18.12	100%	\$ 18.12	\$ 18.81				
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,489	\$ -	\$ -	\$	\$	63.26	\$	68.14	\$	\$ 63.26	0%	\$ 63.91	\$ 68.82				
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,294	\$ -	\$ -	\$	\$	68.88	\$	71.62	\$	\$ 68.88	0%	\$ 63.72	\$ 66.26				
Capital	SBH - Other	SBH - Other, All Ages	8,412	\$ -	\$ -	\$	\$	112.32	\$	116.79	\$	\$ 112.32	0%	\$ 152.27	\$ 158.30				
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	9,280	\$ 4,901.44	\$ 5,008.31	\$	\$	-	\$	-	\$	\$ 4,901.44	100%	\$ 4,901.44	\$ 5,008.31				

Notes:

1- Rate Cells with a 0% are set on a statewide basis.

2- Claims PMPM adjusted for statewide rate cells.

3- FMP amounts include premium tax.

F = B + D

G = C + E

Q = (I * (1 + M) + K) / (1 - O - P)

R = (J * (1 + N) + L) / (1 - O - P)

V = S + T + U

W = Q + V

X = R + V

Appendix K: Combined Rate Development

Table 1: Final Projected Claims PMPM Development

Projected Claims PMPM										Final Projected Claims PMPM ²				
PH (Appendix H)				SBH (Appendices I)		PH & SBH Combined		Credibility ¹	H	I	J			
A		B		C		D						E		F
Region Name	COA Desc	Rate Cell Desc	CY2014 MMs		Low PMPM	High PMPM	Low PMPM	High PMPM	Low PMPM	High PMPM	Low PMPM	High PMPM	Low PMPM	High PMPM
South Central	SSI	Newborn, 0-2 Months	466	\$ 16,364.30	\$ 16,880.89	\$ -	\$ -	\$ 16,364.30	\$ 16,880.89	0%	\$ 18,056.38	\$ 18,636.79		
South Central	SSI	Newborn, 3-11 Months	1,871	\$ 3,856.44	\$ 3,983.23	2.71	2.93	\$ 3,856.44	\$ 3,983.17	0%	\$ 4,682.47	\$ 4,829.35		
South Central	SSI	Child, 1-20 Years	108,433	\$ 408.43	\$ 427.38	133.22	144.20	\$ 408.43	\$ 427.38	100%	\$ 541.65	\$ 571.59		
South Central	SSI	Adult, 21+ Years	237,953	\$ 786.13	\$ 817.20	79.82	83.05	\$ 786.13	\$ 817.20	100%	\$ 865.95	\$ 900.26		
South Central	Family and Children	Newborn, 0-2 Months	46,634	\$ 1,281.04	\$ 1,326.65	0.74	0.80	\$ 1,281.78	\$ 1,327.45	100%	\$ 1,281.78	\$ 1,327.45		
South Central	Family and Children	Newborn, 3-11 Months	104,955	\$ 196.82	\$ 206.65	0.32	0.34	\$ 197.14	\$ 206.99	100%	\$ 197.14	\$ 206.99		
South Central	Family and Children	Child, 1-20 Years	2,083,138	\$ 95.98	\$ 100.98	24.36	26.37	\$ 120.34	\$ 127.35	100%	\$ 120.34	\$ 127.35		
South Central	Family and Children	Adult, 21+ Years	299,789	\$ 233.76	\$ 246.71	21.16	22.01	\$ 254.92	\$ 268.72	100%	\$ 254.92	\$ 268.72		
South Central	Foster Care Children	Foster Care, All Ages Male & Female	44,797	\$ 168.14	\$ 176.01	193.48	209.43	\$ 161.62	\$ 385.44	0%	\$ 441.56	\$ 472.02		
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,747	\$ 1,691.65	\$ 1,765.02	4.87	5.06	\$ 1,696.52	\$ 1,770.08	0%	\$ 1,531.34	\$ 1,600.99		
South Central	LaCHIP Affordable Plan	All Ages	12,678	\$ 100.03	\$ 105.55	12.67	13.72	\$ 112.71	\$ 119.27	0%	\$ 141.71	\$ 149.91		
South Central	HCBS Waiver	20 & Under, Male and Female	6,786	\$ 1,878.02	\$ 2,013.17	52.98	57.35	\$ 1,931.00	\$ 2,070.52	0%	\$ 1,570.53	\$ 1,686.28		
South Central	HCBS Waiver	21+ Years, Male and Female	14,109	\$ 849.20	\$ 901.07	47.28	49.20	\$ 896.48	\$ 950.27	0%	\$ 835.64	\$ 886.32		
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	18,278	\$ 890.07	\$ 957.48	183.71	198.86	\$ 1,073.78	\$ 1,156.34	0%	\$ 958.40	\$ 1,034.39		
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	18,709	\$ -	\$ -	180.80	195.14	\$ 180.80	\$ 195.14	0%	\$ 142.41	\$ 153.85		
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	323,040	\$ -	\$ -	15.08	15.66	\$ 15.08	\$ 15.66	100%	\$ 15.08	\$ 15.66		
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	6,786	\$ -	\$ -	59.47	63.82	\$ 59.47	\$ 63.82	0%	\$ 63.91	\$ 68.82		
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	14,109	\$ -	\$ -	65.70	68.30	\$ 65.70	\$ 68.30	0%	\$ 63.72	\$ 66.26		
South Central	SBH - Other	SBH - Other, All Ages	10,727	\$ -	\$ -	200.14	208.08	\$ 200.14	\$ 208.08	0%	\$ 152.27	\$ 158.30		
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	10,188	\$ 5,080.31	\$ 5,191.07	-	-	\$ 5,080.31	\$ 5,191.07	100%	\$ 5,080.31	\$ 5,191.07		
North	SSI	Newborn, 0-2 Months	442	\$ 14,364.50	\$ 14,878.51	-	-	\$ 14,364.50	\$ 14,878.51	0%	\$ 18,056.38	\$ 18,636.79		
North	SSI	Newborn, 3-11 Months	1,700	\$ 2,781.95	\$ 2,883.72	0.11	0.12	\$ 2,782.06	\$ 2,883.84	0%	\$ 4,682.47	\$ 4,829.35		
North	SSI	Child, 1-20 Years	119,014	\$ 369.15	\$ 386.08	218.98	237.04	\$ 369.15	\$ 386.12	100%	\$ 588.13	\$ 623.12		
North	SSI	Adult, 21+ Years	208,362	\$ 730.39	\$ 768.65	61.25	63.73	\$ 791.64	\$ 828.38	100%	\$ 791.64	\$ 822.38		
North	Family and Children	Newborn, 0-2 Months	35,265	\$ 1,238.21	\$ 1,283.84	0.02	0.02	\$ 1,238.23	\$ 1,283.87	100%	\$ 1,238.23	\$ 1,283.87		
North	Family and Children	Newborn, 3-11 Months	81,697	\$ 197.37	\$ 207.15	0.20	0.22	\$ 197.56	\$ 207.37	100%	\$ 197.56	\$ 207.37		
North	Family and Children	Child, 1-20 Years	1,639,346	\$ 84.03	\$ 88.43	40.05	43.35	\$ 124.07	\$ 131.77	100%	\$ 124.07	\$ 131.77		
North	Family and Children	Adult, 21+ Years	239,631	\$ 218.07	\$ 230.08	20.32	21.14	\$ 238.39	\$ 251.22	100%	\$ 238.39	\$ 251.22		
North	Foster Care Children	Foster Care, All Ages Male & Female	24,828	\$ 178.22	\$ 186.15	523.93	567.13	\$ 702.15	\$ 753.27	0%	\$ 441.56	\$ 472.02		
North	Breast and Cervical Cancer	BCC, All Ages Female	2,561	\$ 1,747.24	\$ 1,822.85	25.41	26.44	\$ 1,772.66	\$ 1,849.29	0%	\$ 1,531.34	\$ 1,600.99		
North	LaCHIP Affordable Plan	All Ages	6,372	\$ 134.66	\$ 142.26	28.67	31.03	\$ 163.33	\$ 173.29	0%	\$ 141.71	\$ 149.91		
North	HCBS Waiver	20 & Under, Male and Female	4,318	\$ 1,915.88	\$ 2,060.78	101.82	110.22	\$ 2,017.71	\$ 2,171.00	0%	\$ 1,570.53	\$ 1,686.28		
North	HCBS Waiver	21+ Years, Male and Female	11,256	\$ 815.61	\$ 865.05	47.14	49.05	\$ 862.75	\$ 914.11	0%	\$ 835.64	\$ 886.32		
North	Chisholm Class Members	Chisholm, All Ages Male & Female	16,846	\$ 709.71	\$ 767.00	181.60	196.57	\$ 891.31	\$ 963.57	0%	\$ 958.40	\$ 1,034.39		
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,129	\$ -	\$ -	183.95	198.96	\$ 183.95	\$ 198.96	0%	\$ 142.41	\$ 153.85		
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	256,152	\$ -	\$ -	16.63	17.27	\$ 16.63	\$ 17.27	100%	\$ 16.63	\$ 17.27		
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,318	\$ -	\$ -	110.97	119.74	\$ 110.97	\$ 119.74	0%	\$ 63.91	\$ 68.82		
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	11,256	\$ -	\$ -	69.02	71.76	\$ 69.02	\$ 71.76	0%	\$ 63.72	\$ 66.26		
North	SBH - Other	SBH - Other, All Ages	9,527	\$ -	\$ -	128.01	133.07	\$ 128.01	\$ 133.07	0%	\$ 152.27	\$ 158.30		
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	7,696	\$ 4,936.65	\$ 5,044.24	-	-	\$ 4,936.65	\$ 5,044.24	100%	\$ 4,936.65	\$ 5,044.24		

Notes:

1- Rate Cells with a 0% are set on a statewide basis.

2- Claims PMPM adjusted for statewide rate cells.

3- FMP amounts include premium tax.

F = B + D

G = C + E

Q = (I * (1 + M) + K) / (1 - O - P)

R = (J * (1 + N) + L) / (1 - O - P)

V = S + T + U

W = Q + V

X = R + V

Appendix K: Combined Rate Development

Table 2a: Loaded Rate Development

Region Name	COA Desc	Rate Cell Desc	Final Projected Claims PMPM		Retention Load					Loaded Rates	
			I	J	K	L	M	N	O	P	R
			Low PMPM	High PMPM	Fixed Admin Load - Low (PMPM)	Fixed Admin Load - High (PMPM)	Variable Admin Load - Low (%)	Variable Admin Load - High (%)	UW Gain @ 2%	Premium Tax @ 2.25%	
Gulf	SSI	Newborn, 0-2 Months	\$ 18,056.38	\$ 18,636.79	\$ 13.01	\$ 13.67	5.63%	5.62%	2.00%	2.25%	\$ 19,933.38
Gulf	SSI	Newborn, 3-11 Months	\$ 4,682.47	\$ 4,829.35	\$ 13.01	\$ 13.67	5.23%	5.22%	2.00%	2.25%	\$ 5,159.48
Gulf	SSI	Child, 1-20 Years	\$ 530.15	\$ 559.89	\$ 13.01	\$ 13.67	4.70%	4.71%	2.00%	2.25%	\$ 593.27
Gulf	Family and Children	Adult, 21+ Years	\$ 902.09	\$ 938.12	\$ 13.01	\$ 13.67	4.30%	4.30%	2.00%	2.25%	\$ 996.18
Gulf	Family and Children	Newborn, 0-2 Months	\$ 1,110.38	\$ 1,154.32	\$ 13.01	\$ 13.67	5.01%	5.00%	2.00%	2.25%	\$ 1,238.30
Gulf	Family and Children	Newborn, 3-11 Months	\$ 201.93	\$ 201.93	\$ 13.01	\$ 13.67	5.07%	5.07%	2.00%	2.25%	\$ 224.63
Gulf	Family and Children	Child, 1-20 Years	\$ 115.10	\$ 122.10	\$ 13.01	\$ 13.67	4.83%	4.83%	2.00%	2.25%	\$ 139.59
Gulf	Family and Children	Adult, 21+ Years	\$ 232.72	\$ 245.26	\$ 13.01	\$ 13.67	4.64%	4.65%	2.00%	2.25%	\$ 267.92
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	\$ 4,311.56	\$ 4,720.02	\$ 13.01	\$ 13.67	5.03%	5.05%	2.00%	2.25%	\$ 4,979.2
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,531.34	\$ 1,600.99	\$ 13.01	\$ 13.67	4.85%	4.86%	2.00%	2.25%	\$ 1,690.46
Gulf	LaCHIP Affordable Plan	All Ages	\$ 141.71	\$ 149.91	\$ 13.01	\$ 13.67	4.60%	4.60%	2.00%	2.25%	\$ 168.40
Gulf	HCBS Waiver	20 & Under, Male and Female	\$ 1,570.53	\$ 1,666.28	\$ 13.01	\$ 13.67	4.95%	4.98%	2.00%	2.25%	\$ 1,734.98
Gulf	HCBS Waiver	21+ Years, Male and Female	\$ 835.64	\$ 885.32	\$ 13.01	\$ 13.67	3.98%	4.04%	2.00%	2.25%	\$ 921.06
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 958.40	\$ 1,034.39	\$ 13.01	\$ 13.67	4.82%	4.87%	2.00%	2.25%	\$ 1,062.82
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 142.41	\$ 153.85	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 157.40
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 23.38	\$ 24.29	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 27.15
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 63.91	\$ 68.82	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 71.50
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 63.72	\$ 66.26	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 71.29
Gulf	SBH - Other	SBH - Other, All Ages	\$ 152.27	\$ 158.30	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 168.19
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,567.00	\$ 5,688.39	\$ -	\$ -	5.66%	5.65%	2.00%	2.25%	\$ 6,143.22
Capital	SSI	Newborn, 0-2 Months	\$ 18,056.38	\$ 18,636.79	\$ 13.01	\$ 13.67	5.63%	5.62%	2.00%	2.25%	\$ 19,933.38
Capital	SSI	Newborn, 3-11 Months	\$ 4,682.47	\$ 4,829.35	\$ 13.01	\$ 13.67	5.23%	5.22%	2.00%	2.25%	\$ 5,159.48
Capital	SSI	Child, 1-20 Years	\$ 561.15	\$ 592.43	\$ 13.01	\$ 13.67	4.60%	4.61%	2.00%	2.25%	\$ 626.59
Capital	SSI	Adult, 21+ Years	\$ 1,004.08	\$ 1,044.45	\$ 13.01	\$ 13.67	4.24%	4.25%	2.00%	2.25%	\$ 1,106.75
Capital	Family and Children	Newborn, 0-2 Months	\$ 1,193.14	\$ 1,238.19	\$ 13.01	\$ 13.67	5.61%	5.60%	2.00%	2.25%	\$ 1,329.56
Capital	Family and Children	Newborn, 3-11 Months	\$ 188.50	\$ 198.31	\$ 13.01	\$ 13.67	5.03%	5.03%	2.00%	2.25%	\$ 220.36
Capital	Family and Children	Child, 1-20 Years	\$ 122.74	\$ 130.15	\$ 13.01	\$ 13.67	4.70%	4.71%	2.00%	2.25%	\$ 147.80
Capital	Family and Children	Adult, 21+ Years	\$ 276.27	\$ 291.14	\$ 13.01	\$ 13.67	4.62%	4.63%	2.00%	2.25%	\$ 315.44
Capital	Foster Care Children	Foster Care, All Ages Male & Female	\$ 441.56	\$ 472.02	\$ 13.01	\$ 13.67	5.03%	5.05%	2.00%	2.25%	\$ 497.92
Capital	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,531.34	\$ 1,600.99	\$ 13.01	\$ 13.67	4.85%	4.86%	2.00%	2.25%	\$ 1,690.46
Capital	LaCHIP Affordable Plan	All Ages	\$ 141.71	\$ 149.91	\$ 13.01	\$ 13.67	4.60%	4.60%	2.00%	2.25%	\$ 168.40
Capital	HCBS Waiver	20 & Under, Male and Female	\$ 1,570.53	\$ 1,666.28	\$ 13.01	\$ 13.67	4.95%	4.98%	2.00%	2.25%	\$ 1,734.98
Capital	HCBS Waiver	21+ Years, Male and Female	\$ 835.64	\$ 885.32	\$ 13.01	\$ 13.67	3.98%	4.04%	2.00%	2.25%	\$ 921.06
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 958.40	\$ 1,034.39	\$ 13.01	\$ 13.67	4.82%	4.87%	2.00%	2.25%	\$ 1,062.82
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 142.41	\$ 153.85	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 157.40
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 18.12	\$ 18.81	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 21.40
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 63.91	\$ 68.82	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 71.50
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 63.72	\$ 66.26	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 71.29
Capital	SBH - Other	SBH - Other, All Ages	\$ 152.27	\$ 158.30	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 168.19
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 4,901.44	\$ 5,008.31	\$ -	\$ -	5.66%	5.65%	2.00%	2.25%	\$ 5,408.77

Notes:

1- Rate Cells with a 0% are set on a statewide basis.

2- Claims PMPM adjusted for statewide rate cells.

3- FMP amounts include premium tax.

F = B + D

G = C + E

Q = (I * (1 + M) + K) / (1 - O - P)

R = (J * (1 + N) + L) / (1 - O - P)

V = S + T + U

W = Q + V

X = R + V

Appendix K: Combined Rate Development

Table 2a: Loaded Rate Development

Region Name	COA Desc	Rate Cell Desc	Final Projected Claims PMPM		Retention Load					Loaded Rates	
			I	J	K	L	M	N	O	P	R
			Low PMPM	High PMPM	Fixed Admin Load - Low (PMPM)	Fixed Admin Load - High (PMPM)	Variable Admin Load - Low (%)	Variable Admin Load - High (%)	UW Gain @ 2%	Premium Tax @ 2.25%	
South Central	SSI	Newborn, 0-2 Months	\$ 18,056.38	\$ 18,636.79	\$ 13.01	\$ 13.67	5.63%	5.62%	2.00%	2.25%	\$ 19,933.38
South Central	SSI	Newborn, 3-11 Months	\$ 4,682.47	\$ 4,829.35	\$ 13.01	\$ 13.67	5.23%	5.22%	2.00%	2.25%	\$ 5,159.48
South Central	SSI	Child, 1-20 Years	\$ 541.65	\$ 571.59	\$ 13.01	\$ 13.67	4.35%	4.37%	2.00%	2.25%	\$ 603.91
South Central	Family and Children	Adult, 21+ Years	\$ 865.95	\$ 900.26	\$ 13.01	\$ 13.67	4.30%	4.31%	2.00%	2.25%	\$ 956.89
South Central	Family and Children	Newborn, 0-2 Months	\$ 1,281.78	\$ 1,327.45	\$ 13.01	\$ 13.67	5.61%	5.60%	2.00%	2.25%	\$ 1,478.29
South Central	Family and Children	Newborn, 3-11 Months	\$ 197.14	\$ 206.99	\$ 13.01	\$ 13.67	5.00%	5.00%	2.00%	2.25%	\$ 229.78
South Central	Family and Children	Child, 1-20 Years	\$ 120.34	\$ 127.35	\$ 13.01	\$ 13.67	4.60%	4.61%	2.00%	2.25%	\$ 145.05
South Central	Family and Children	Adult, 21+ Years	\$ 254.92	\$ 268.72	\$ 13.01	\$ 13.67	4.69%	4.70%	2.00%	2.25%	\$ 292.30
South Central	Foster Care Children	Foster Care, All Ages Male & Female	\$ 441.56	\$ 472.02	\$ 13.01	\$ 13.67	5.03%	5.05%	2.00%	2.25%	\$ 497.92
South Central	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,531.34	\$ 1,600.99	\$ 13.01	\$ 13.67	4.85%	4.86%	2.00%	2.25%	\$ 1,690.46
South Central	LaCHIP Affordable Plan	All Ages	\$ 141.71	\$ 149.91	\$ 13.01	\$ 13.67	4.60%	4.60%	2.00%	2.25%	\$ 168.40
South Central	HCBS Waiver	20 & Under, Male and Female	\$ 1,570.53	\$ 1,666.28	\$ 13.01	\$ 13.67	4.95%	4.98%	2.00%	2.25%	\$ 1,734.98
South Central	HCBS Waiver	21+ Years, Male and Female	\$ 835.64	\$ 885.32	\$ 13.01	\$ 13.67	3.98%	4.04%	2.00%	2.25%	\$ 921.06
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 958.40	\$ 1,034.39	\$ 13.01	\$ 13.67	4.82%	4.87%	2.00%	2.25%	\$ 1,062.82
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 142.41	\$ 153.85	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 157.40
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 15.08	\$ 15.66	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 18.06
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 63.91	\$ 68.82	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 71.50
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 63.72	\$ 66.26	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 71.29
South Central	SBH - Other	SBH - Other, All Ages	\$ 152.27	\$ 158.30	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 168.19
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,080.31	\$ 5,191.07	\$ -	\$ -	5.66%	5.65%	2.00%	2.25%	\$ 5,606.16
North	SSI	Newborn, 0-2 Months	\$ 18,056.38	\$ 18,636.79	\$ 13.01	\$ 13.67	5.63%	5.62%	2.00%	2.25%	\$ 19,933.38
North	SSI	Newborn, 3-11 Months	\$ 4,682.47	\$ 4,829.35	\$ 13.01	\$ 13.67	5.23%	5.22%	2.00%	2.25%	\$ 5,159.48
North	SSI	Child, 1-20 Years	\$ 588.13	\$ 623.12	\$ 13.01	\$ 13.67	4.76%	4.77%	2.00%	2.25%	\$ 657.05
North	SSI	Adult, 21+ Years	\$ 791.64	\$ 822.38	\$ 13.01	\$ 13.67	4.36%	4.37%	2.00%	2.25%	\$ 876.44
North	Family and Children	Newborn, 0-2 Months	\$ 1,238.23	\$ 1,283.87	\$ 13.01	\$ 13.67	5.62%	5.61%	2.00%	2.25%	\$ 1,379.42
North	Family and Children	Newborn, 3-11 Months	\$ 197.56	\$ 207.37	\$ 13.01	\$ 13.67	5.07%	5.07%	2.00%	2.25%	\$ 230.38
North	Family and Children	Child, 1-20 Years	\$ 124.07	\$ 131.77	\$ 13.01	\$ 13.67	4.93%	4.94%	2.00%	2.25%	\$ 149.56
North	Family and Children	Adult, 21+ Years	\$ 238.39	\$ 251.92	\$ 13.01	\$ 13.67	4.77%	4.78%	2.00%	2.25%	\$ 274.45
North	Foster Care Children	Foster Care, All Ages Male & Female	\$ 441.56	\$ 472.02	\$ 13.01	\$ 13.67	5.03%	5.05%	2.00%	2.25%	\$ 497.92
North	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,531.34	\$ 1,600.99	\$ 13.01	\$ 13.67	4.85%	4.86%	2.00%	2.25%	\$ 1,690.46
North	LaCHIP Affordable Plan	All Ages	\$ 141.71	\$ 149.91	\$ 13.01	\$ 13.67	4.60%	4.60%	2.00%	2.25%	\$ 168.40
North	HCBS Waiver	20 & Under, Male and Female	\$ 1,570.53	\$ 1,666.28	\$ 13.01	\$ 13.67	4.95%	4.98%	2.00%	2.25%	\$ 1,734.98
North	HCBS Waiver	21+ Years, Male and Female	\$ 835.64	\$ 885.32	\$ 13.01	\$ 13.67	3.98%	4.04%	2.00%	2.25%	\$ 921.06
North	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 958.40	\$ 1,034.39	\$ 13.01	\$ 13.67	4.82%	4.87%	2.00%	2.25%	\$ 1,062.82
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 142.41	\$ 153.85	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 157.40
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 16.63	\$ 17.27	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 19.76
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 63.91	\$ 68.82	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 71.50
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 63.72	\$ 66.26	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 71.29
North	SBH - Other	SBH - Other, All Ages	\$ 152.27	\$ 158.30	\$ 1.50	\$ 1.58	4.77%	4.78%	2.00%	2.25%	\$ 168.19
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 4,936.65	\$ 5,044.24	\$ -	\$ -	5.66%	5.65%	2.00%	2.25%	\$ 5,447.63

Notes:

1- Rate Cells with a 0% are set on a statewide basis.

2- Claims PMPM adjusted for statewide rate cells.

3- FMP amounts include premium tax.

F = B + D

G = C + E

Q = (I * (1 + M) + K) / (1 - O - P)

R = (J * (1 + N) + L) / (1 - O - P)

V = S + T + U

W = Q + V

X = R + V

Appendix K: Combined Rate Development

Table 2b: Loaded Rates, inclusive of FMP

Region Name		COA Desc	Rate Cell Desc	Loaded Rates		Full Medicaid Pricing ³					2/1/2016 Rates w/ FMP	
				Q	R	S	T	U	V	W	X	
				Low	High	Hospital (P/OP) FMP PMPM	Ambulance FMP PMPM	Physician FMP PMPM	Total FMP PMPM	Low	High	
Gulf	SSI		Newborn, 0-2 Months	\$ 19,933.38	\$ 20,572.95	\$ 7,254.60	\$ 21.21	\$ 545.17	\$ 7,820.99	\$ 27,754.36	\$ 28,393.93	
Gulf	SSI		Newborn, 3-11 Months	\$ 5,159.48	\$ 5,321.09	\$ 1,999.21	\$ 8.37	\$ 83.10	\$ 2,090.68	\$ 7,250.16	\$ 7,411.77	
Gulf	SSI		Child, 1-20 Years	\$ 593.27	\$ 626.54	\$ 94.18	\$ 3.25	\$ 9.81	\$ 107.24	\$ 700.51	\$ 733.78	
Gulf	SSI		Adult, 21+ Years	\$ 996.18	\$ 1,036.19	\$ 1,036.19	\$ 12.93	\$ 25.49	\$ 244.75	\$ 1,240.93	\$ 1,280.94	
Gulf	Family and Children		Newborn, 0-2 Months	\$ 1,238.30	\$ 1,287.37	\$ 432.99	\$ 4.83	\$ 29.37	\$ 467.18	\$ 1,705.49	\$ 1,754.55	
Gulf	Family and Children		Newborn, 3-11 Months	\$ 224.63	\$ 235.86	\$ 39.96	\$ 1.12	\$ 6.83	\$ 47.91	\$ 272.54	\$ 283.77	
Gulf	Family and Children		Child, 1-20 Years	\$ 139.59	\$ 147.96	\$ 12.67	\$ 0.77	\$ 3.38	\$ 16.82	\$ 156.41	\$ 164.78	
Gulf	Family and Children		Adult, 21+ Years	\$ 267.92	\$ 282.35	\$ 42.98	\$ 3.72	\$ 8.78	\$ 55.48	\$ 323.40	\$ 337.82	
Gulf	Foster Care Children		Foster Care, All Ages Male & Female	\$ 497.92	\$ 532.14	\$ 14.70	\$ 1.27	\$ 4.18	\$ 20.15	\$ 518.08	\$ 552.29	
Gulf	Breast and Cervical Cancer		BCC, All Ages Female	\$ 1,690.46	\$ 1,767.57	\$ 523.68	\$ 3.23	\$ 45.47	\$ 572.38	\$ 2,262.84	\$ 2,339.95	
Gulf	LaCHIP Affordable Plan		All Ages	\$ 168.40	\$ 178.05	\$ 12.42	\$ 0.41	\$ 3.70	\$ 16.54	\$ 184.94	\$ 194.58	
Gulf	HCBS Waiver		20 & Under, Male and Female	\$ 1,734.98	\$ 1,863.06	\$ 85.72	\$ 3.29	\$ 11.38	\$ 100.39	\$ 1,835.37	\$ 1,963.45	
Gulf	HCBS Waiver		21+ Years, Male and Female	\$ 921.06	\$ 976.26	\$ 120.91	\$ 8.85	\$ 15.49	\$ 145.26	\$ 1,066.32	\$ 1,121.51	
Gulf	Chisholm Class Members		SBH - Chisholm, All Ages Male & Female	\$ 1,062.82	\$ 1,147.14	\$ 74.98	\$ 2.80	\$ 8.71	\$ 86.49	\$ 1,149.31	\$ 1,233.62	
Gulf	SBH - Chisholm Class Members		SBH - Chisholm, All Ages Male & Female	\$ 157.40	\$ 170.00	\$ -	\$ -	\$ -	\$ -	\$ 157.40	\$ 170.00	
Gulf	SBH - Dual Eligible		SBH - 20 & Under, All Ages	\$ 27.15	\$ 28.23	\$ 0.71	\$ -	\$ 0.20	\$ 0.92	\$ 28.06	\$ 29.15	
Gulf	SBH - HCBS Waiver		SBH - 20 & Under, Male and Female	\$ 71.50	\$ 76.95	\$ 6.12	\$ -	\$ 0.10	\$ 6.22	\$ 77.72	\$ 83.18	
Gulf	SBH - HCBS Waiver		SBH - 21+ Years, Male and Female	\$ 71.29	\$ 74.15	\$ 13.33	\$ -	\$ 0.08	\$ 13.41	\$ 84.70	\$ 87.56	
Gulf	SBH - Other		SBH - Other, All Ages	\$ 168.19	\$ 174.88	\$ 62.60	\$ -	\$ 0.29	\$ 62.89	\$ 231.08	\$ 237.77	
Gulf	Maternity Kickpayment		Maternity Kickpayment, All Ages	\$ 6,143.22	\$ 6,276.75	\$ 3,520.74	\$ -	\$ 517.26	\$ 4,038.00	\$ 10,181.22	\$ 10,314.75	
Capital	SSI		Newborn, 0-2 Months	\$ 19,933.38	\$ 20,572.95	\$ 7,254.60	\$ 21.21	\$ 545.17	\$ 7,820.99	\$ 27,754.36	\$ 28,393.93	
Capital	SSI		Newborn, 3-11 Months	\$ 5,159.48	\$ 5,321.09	\$ 1,999.21	\$ 8.37	\$ 83.10	\$ 2,090.68	\$ 7,250.16	\$ 7,411.77	
Capital	SSI		Child, 1-20 Years	\$ 626.59	\$ 661.52	\$ 59.58	\$ 1.85	\$ 12.93	\$ 74.36	\$ 700.95	\$ 735.88	
Capital	SSI		Adult, 21+ Years	\$ 1,106.75	\$ 1,151.46	\$ 143.86	\$ 9.04	\$ 35.76	\$ 188.65	\$ 1,295.40	\$ 1,340.11	
Capital	Family and Children		Newborn, 0-2 Months	\$ 1,329.56	\$ 1,379.83	\$ 586.47	\$ 2.06	\$ 32.13	\$ 620.66	\$ 1,950.22	\$ 2,000.49	
Capital	Family and Children		Newborn, 3-11 Months	\$ 220.36	\$ 231.80	\$ 37.13	\$ 0.88	\$ 9.98	\$ 48.00	\$ 268.36	\$ 279.79	
Capital	Family and Children		Child, 1-20 Years	\$ 147.80	\$ 156.61	\$ 10.95	\$ 0.57	\$ 5.03	\$ 16.55	\$ 164.35	\$ 173.17	
Capital	Family and Children		Adult, 21+ Years	\$ 315.44	\$ 332.41	\$ 44.27	\$ 3.20	\$ 16.77	\$ 64.25	\$ 379.69	\$ 396.66	
Capital	Foster Care Children		Foster Care, All Ages Male & Female	\$ 497.92	\$ 532.14	\$ 14.70	\$ 1.27	\$ 4.18	\$ 20.15	\$ 518.08	\$ 552.29	
Capital	Breast and Cervical Cancer		BCC, All Ages Female	\$ 1,690.46	\$ 1,767.57	\$ 523.68	\$ 3.23	\$ 45.47	\$ 572.38	\$ 2,262.84	\$ 2,339.95	
Capital	LaCHIP Affordable Plan		All Ages	\$ 168.40	\$ 178.05	\$ 12.42	\$ 0.41	\$ 3.70	\$ 16.54	\$ 184.94	\$ 194.58	
Capital	HCBS Waiver		20 & Under, Male and Female	\$ 1,734.98	\$ 1,863.06	\$ 85.72	\$ 3.29	\$ 11.38	\$ 100.39	\$ 1,835.37	\$ 1,963.45	
Capital	HCBS Waiver		21+ Years, Male and Female	\$ 921.06	\$ 976.26	\$ 120.91	\$ 8.85	\$ 15.49	\$ 145.26	\$ 1,066.32	\$ 1,121.51	
Capital	Chisholm Class Members		SBH - Chisholm, All Ages Male & Female	\$ 1,062.82	\$ 1,147.14	\$ 74.98	\$ 2.80	\$ 8.71	\$ 86.49	\$ 1,149.31	\$ 1,233.62	
Capital	SBH - Chisholm Class Members		SBH - Chisholm, All Ages Male & Female	\$ 157.40	\$ 170.00	\$ -	\$ -	\$ -	\$ -	\$ 157.40	\$ 170.00	
Capital	SBH - Dual Eligible		SBH - 20 & Under, All Ages	\$ 21.40	\$ 22.23	\$ 0.38	\$ -	\$ 0.03	\$ 0.41	\$ 21.80	\$ 22.64	
Capital	SBH - HCBS Waiver		SBH - 20 & Under, Male and Female	\$ 71.50	\$ 76.95	\$ 6.12	\$ -	\$ 0.10	\$ 6.22	\$ 77.72	\$ 83.18	
Capital	SBH - HCBS Waiver		SBH - 21+ Years, Male and Female	\$ 71.29	\$ 74.15	\$ 13.33	\$ -	\$ 0.08	\$ 13.41	\$ 84.70	\$ 87.56	
Capital	SBH - Other		SBH - Other, All Ages	\$ 168.19	\$ 174.88	\$ 62.60	\$ -	\$ 0.29	\$ 62.89	\$ 231.08	\$ 237.77	
Capital	Maternity Kickpayment		Maternity Kickpayment, All Ages	\$ 5,408.77	\$ 5,576.33	\$ 3,679.16	\$ -	\$ 620.95	\$ 4,000.11	\$ 9,708.88	\$ 9,826.44	

Notes:

1- Rate Cells with a 0% are set on a statewide basis.

2- Claims PMPM adjusted for statewide rate cells.

3- FMP amounts include premium tax.

F = B + D

G = C + E

Q = (I * (1 + M) + K) / (1 - O - P)

R = (J * (1 + N) + L) / (1 - O - P)

V = S + T + U

W = Q + V

X = R + V

Appendix K: Combined Rate Development

Table 2b: Loaded Rates, inclusive of FMP

Region Name		COA Desc	Rate Cell Desc	Loaded Rates		Full Medicaid Pricing ³						2/1/2016 Rates w/ FMP	
				Q	R	S	T	U	V	W	X		
				Low	High	Hospital (P/OP) FMP PMPM	Ambulance FMP PMPM	Physician FMP PMPM	Total FMP PMPM	Low	High		
South Central	SSI		Newborn, 0-2 Months	\$ 19,933.38	\$ 20,572.95	\$ 7,254.60	\$ 21.21	\$ 545.17	\$ 7,820.99	\$ 27,754.36	\$ 28,393.93		
South Central	SSI		Newborn, 3-11 Months	\$ 5,159.48	\$ 5,321.09	\$ 1,999.21	\$ 8.37	\$ 83.10	\$ 2,090.68	\$ 7,250.16	\$ 7,411.77		
South Central	SSI		Child, 1-20 Years	\$ 603.91	\$ 637.34	\$ 66.86	\$ 1.25	\$ 10.38	\$ 78.49	\$ 682.40	\$ 715.83		
South Central	SSI		Adult, 21+ Years	\$ 956.89	\$ 995.00	\$ 172.77	\$ 4.86	\$ 28.10	\$ 205.74	\$ 1,162.63	\$ 1,200.74		
South Central	Family and Children		Newborn, 0-2 Months	\$ 1,427.33	\$ 1,478.29	\$ 616.98	\$ 1.80	\$ 19.60	\$ 638.38	\$ 2,065.71	\$ 2,116.67		
South Central	Family and Children		Newborn, 3-11 Months	\$ 229.78	\$ 241.27	\$ 36.68	\$ 0.61	\$ 9.74	\$ 47.02	\$ 276.80	\$ 288.29		
South Central	Family and Children		Child, 1-20 Years	\$ 145.05	\$ 153.42	\$ 9.96	\$ 0.34	\$ 4.99	\$ 15.30	\$ 160.35	\$ 168.72		
South Central	Family and Children		Adult, 21+ Years	\$ 292.30	\$ 308.11	\$ 38.54	\$ 1.83	\$ 16.37	\$ 56.75	\$ 349.04	\$ 364.86		
South Central	Foster Care Children		Foster Care, All Ages Male & Female	\$ 497.92	\$ 532.14	\$ 14.70	\$ 1.27	\$ 4.18	\$ 20.15	\$ 518.08	\$ 552.29		
South Central	Breast and Cervical Cancer		BCC, All Ages Female	\$ 1,690.46	\$ 1,767.57	\$ 523.68	\$ 3.23	\$ 45.47	\$ 572.38	\$ 2,262.84	\$ 2,339.95		
South Central	LaCHIP Affordable Plan		All Ages	\$ 168.40	\$ 178.05	\$ 12.42	\$ 0.41	\$ 3.70	\$ 16.54	\$ 184.94	\$ 194.58		
South Central	HCBS Waiver		20 & Under, Male and Female	\$ 1,734.98	\$ 1,863.06	\$ 85.72	\$ 3.29	\$ 11.38	\$ 100.39	\$ 1,835.37	\$ 1,963.45		
South Central	HCBS Waiver		21+ Years, Male and Female	\$ 921.06	\$ 976.26	\$ 120.91	\$ 8.85	\$ 15.49	\$ 145.26	\$ 1,066.32	\$ 1,121.51		
South Central	Chisholm Class Members		Chisholm, All Ages Male & Female	\$ 1,062.82	\$ 1,147.14	\$ 74.98	\$ 2.80	\$ 8.71	\$ 86.49	\$ 1,149.31	\$ 1,233.62		
South Central	SBH - Chisholm Class Members		SBH - Chisholm, All Ages Male & Female	\$ 157.40	\$ 170.00	\$ -	\$ -	\$ -	\$ -	\$ 157.40	\$ 170.00		
South Central	SBH - Dual Eligible		SBH - Dual Eligible, All Ages	\$ 18.06	\$ 18.78	\$ 1.06	\$ -	\$ 0.00	\$ 1.06	\$ 19.12	\$ 19.84		
South Central	SBH - HCBS Waiver		SBH - 20 & Under, Male and Female	\$ 71.50	\$ 76.95	\$ 6.12	\$ -	\$ 0.10	\$ 6.22	\$ 77.72	\$ 83.18		
South Central	SBH - HCBS Waiver		SBH - 21+ Years, Male and Female	\$ 71.29	\$ 74.15	\$ 13.33	\$ -	\$ 0.08	\$ 13.41	\$ 84.70	\$ 87.56		
South Central	SBH - Other		SBH - Other, All Ages	\$ 168.19	\$ 174.88	\$ 62.60	\$ -	\$ 0.29	\$ 62.89	\$ 231.08	\$ 237.77		
South Central	Maternity Kickpayment		Maternity Kickpayment, All Ages	\$ 5,606.16	\$ 5,728.00	\$ 2,581.38	\$ -	\$ 207.00	\$ 2,788.38	\$ 8,394.53	\$ 8,516.38		
North	SSI		Newborn, 0-2 Months	\$ 19,933.38	\$ 20,572.95	\$ 7,254.60	\$ 21.21	\$ 545.17	\$ 7,820.99	\$ 27,754.36	\$ 28,393.93		
North	SSI		Newborn, 3-11 Months	\$ 5,159.48	\$ 5,321.09	\$ 1,999.21	\$ 8.37	\$ 83.10	\$ 2,090.68	\$ 7,250.16	\$ 7,411.77		
North	SSI		Child, 1-20 Years	\$ 603.91	\$ 637.34	\$ 66.86	\$ 1.25	\$ 10.38	\$ 78.49	\$ 682.40	\$ 715.83		
North	SSI		Adult, 21+ Years	\$ 956.89	\$ 995.00	\$ 172.77	\$ 4.86	\$ 28.10	\$ 205.74	\$ 1,162.63	\$ 1,200.74		
North	Family and Children		Newborn, 0-2 Months	\$ 1,427.33	\$ 1,478.29	\$ 616.98	\$ 1.80	\$ 19.60	\$ 638.38	\$ 2,065.71	\$ 2,116.67		
North	Family and Children		Newborn, 3-11 Months	\$ 229.78	\$ 241.27	\$ 36.68	\$ 0.61	\$ 9.74	\$ 47.02	\$ 276.80	\$ 288.29		
North	Family and Children		Child, 1-20 Years	\$ 145.05	\$ 153.42	\$ 9.96	\$ 0.34	\$ 4.99	\$ 15.30	\$ 160.35	\$ 168.72		
North	Family and Children		Adult, 21+ Years	\$ 292.30	\$ 308.11	\$ 38.54	\$ 1.83	\$ 16.37	\$ 56.75	\$ 349.04	\$ 364.86		
North	Foster Care Children		Foster Care, All Ages Male & Female	\$ 497.92	\$ 532.14	\$ 14.70	\$ 1.27	\$ 4.18	\$ 20.15	\$ 518.08	\$ 552.29		
North	Breast and Cervical Cancer		BCC, All Ages Female	\$ 1,690.46	\$ 1,767.57	\$ 523.68	\$ 3.23	\$ 45.47	\$ 572.38	\$ 2,262.84	\$ 2,339.95		
North	LaCHIP Affordable Plan		All Ages	\$ 168.40	\$ 178.05	\$ 12.42	\$ 0.41	\$ 3.70	\$ 16.54	\$ 184.94	\$ 194.58		
North	HCBS Waiver		20 & Under, Male and Female	\$ 1,734.98	\$ 1,863.06	\$ 85.72	\$ 3.29	\$ 11.38	\$ 100.39	\$ 1,835.37	\$ 1,963.45		
North	HCBS Waiver		21+ Years, Male and Female	\$ 921.06	\$ 976.26	\$ 120.91	\$ 8.85	\$ 15.49	\$ 145.26	\$ 1,066.32	\$ 1,121.51		
North	Chisholm Class Members		Chisholm, All Ages Male & Female	\$ 1,062.82	\$ 1,147.14	\$ 74.98	\$ 2.80	\$ 8.71	\$ 86.49	\$ 1,149.31	\$ 1,233.62		
North	SBH - Chisholm Class Members		SBH - Chisholm, All Ages Male & Female	\$ 157.40	\$ 170.00	\$ -	\$ -	\$ -	\$ -	\$ 157.40	\$ 170.00		
North	SBH - Dual Eligible		SBH - Dual Eligible, All Ages	\$ 19.76	\$ 20.54	\$ 0.75	\$ -	\$ 0.01	\$ 0.76	\$ 20.52	\$ 21.30		
North	SBH - HCBS Waiver		SBH - 20 & Under, Male and Female	\$ 71.50	\$ 76.95	\$ 6.12	\$ -	\$ 0.10	\$ 6.22	\$ 77.72	\$ 83.18		
North	SBH - HCBS Waiver		SBH - 21+ Years, Male and Female	\$ 71.29	\$ 74.15	\$ 13.33	\$ -	\$ 0.08	\$ 13.41	\$ 84.70	\$ 87.56		
North	SBH - Other		SBH - Other, All Ages	\$ 168.19	\$ 174.88	\$ 62.60	\$ -	\$ 0.29	\$ 62.89	\$ 231.08	\$ 237.77		
North	Maternity Kickpayment		Maternity Kickpayment, All Ages	\$ 5,447.63	\$ 5,565.97	\$ 3,380.68	\$ -	\$ 166.21	\$ 3,546.89	\$ 8,994.52	\$ 9,112.86		

Notes:

1- Rate Cells with a 0% are set on a statewide basis.

2- Claims PMPM adjusted for statewide rate cells.

3- FMP amounts include premium tax.

F = B + D

G = C + E

Q = (I * (1 + M) + K) / (1 - O - P)

R = (J * (1 + N) + L) / (1 - O - P)

V = S + T + U

W = Q + V

X = R + V

Appendix L: Data Reliance Letter

Bobby Jindal
GOVERNOR



Kathy H. Kliebert
SECRETARY

State of Louisiana

Department of Health and Hospitals
Bureau of Health Services Financing

September 15, 2015

VIA ELECTRONIC MAIL ONLY

Mr. Jared Simons, ASA, MAAA
Senior Associate Actuary
Mercer Government Human Services
3560 Lenox Road, Suite 2400
Atlanta, GA 30326

Subject: Capitation Rate Certification for the Bayou Health Program – Implementation
Year (February 1, 2016 through January 31, 2017)

Dear Jared:

I, Jen Steele, Medicaid Deputy Director, for the State of Louisiana's Department of Health and Hospitals (DHH), hereby affirm that the data prepared and submitted to Mercer Government Human Services Consulting (Mercer) for the purpose of certifying the February 1, 2016 through January 31, 2017 Bayou Health Rates were prepared under my direction, and to the best of my knowledge and belief, are accurate, complete, and consistent with the data used to develop the capitation rates. This data includes calendar years 2013 and 2014 fee-for-service (FFS) data files, managed care organization submitted encounter data, pre-paid inpatient health plans-submitted encounter data, and supplemental information on payments made outside of Louisiana's Medicaid Management Information Systems.

Mercer relied on DHH and its fiscal agent for the collection and processing of the FFS data, encounter data, and other information used in setting these capitation rates. Mercer did not audit the data, but did assess the data for reasonableness as documented in the rate certification letter.



Signature

9/15/15

Date

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Dallas Regional Office
1301 Young Street, Suite 833
Dallas, Texas 75202



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

April 7, 2016

Our Reference: SPA LA 16-0005

Ms. Jen Steele, Interim State Medicaid Director
Department of Health and Hospitals
628 North 4th St.
Post Office Box 91030
Baton Rouge, LA 70821-9030

Attention: Darlene Budgewater

Dear Ms. Steele:

We have reviewed the State's proposed amendment to the Louisiana State Plan submitted under Transmittal Number 16-0005 dated March 31, 2016. This state plan amendment defines the new Alternative Benefit Plan (ABP) for the new adult expansion group.

Based on the information submitted, we have approved the amendment for incorporation into the official Louisiana State Plan with an effective date change of July 1, 2016. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

All requirements pertaining to ABPs must be met including but not limited to: benefits, payment rates, reimbursement methodologies, cost-sharing state plan pages, and managed care delivery systems (waivers and contracts). Amendments to the State's approved Medicaid program (SPAs, waivers, contracts) may require corresponding amendments to the ABP if the change to the benefit in the approved state plan will be mirrored in the ABP.

If you have any questions, please contact Cheryl Rupley at (214) 767-6278 or by email at Cheryl.Rupley@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Bill Brooks". The signature is written in a cursive, slightly stylized font.

Bill Brooks
Associate Regional Administrator

Medicaid Alternative Benefit Plan: Summary Page (CMS 179)

State/Territory
name:

Louisiana

Transmittal Number:

Please enter the Transmittal Number (TN) in the format ST-YY-0000 where ST= the state abbreviation, YY = the last two digits of the submission year, and 0000 = a four digit number with leading zeros. The dashes must also be entered.

LA-16-0005

Proposed Effective Date

07/01/2016 (mm/dd/yyyy)

Federal Statute/Regulation Citation

1902(a)(10)(A)(i)(VIII)

Federal Budget Impact

	Federal Fiscal Year	Amount
First Year	2016	\$ 0.00
Second Year	2017	\$ 0.00

Subject of Amendment

This proposed SPA adopts provisions to expand Medicaid coverage to the new adult group through the implementation of an Alternative Benefit Plan.

Governor's Office Review

- ☐ Governor's office reported no comment
- ☐ Comments of Governor's office received
- Describe:

- ☐ No reply received within 45 days of submittal
- ☒ Other, as specified
- Describe:

The Governor's Office does not review State Plan material.

Signature of State Agency Official

Submitted By:
Darlene Adams
Last Revision Date:
Mar 31, 2016
Submit Date:
Mar 31, 2016

Date Received by CMS: 3/31/2016
Date Approved by CMS: 4/7/2016
Signature of Approving Official:
Typed Name and Title:

Bill Brooks

Bill Brooks
Associate Regional Administrator
Division of Medicaid & Children's Health



Alternative Benefit Plan

State Name:

Attachment 3.1-L-

OMB Control Number: 0938-1148

Transmittal Number: LA - 16 - 0005

OMB Expiration date: 10/31/2014

Alternative Benefit Plan Populations

ABP1

Identify and define the population that will participate in the Alternative Benefit Plan.

Alternative Benefit Plan Population Name:

Identify eligibility groups that are included in the Alternative Benefit Plan's population, and which may contain individuals that meet any targeting criteria used to further define the population.

Eligibility Groups Included in the Alternative Benefit Plan Population:

	Eligibility Group:	Enrollment is mandatory or voluntary?	
+	Adult Group	Mandatory	X

Enrollment is available for all individuals in these eligibility group(s).

Geographic Area

The Alternative Benefit Plan population will include individuals from the entire state/territory.

Any other information the state/territory wishes to provide about the population (optional)

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140415

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Transmittal Number: 16-0005 Date Approved: 4/7/16 Date Effective: 7/1/16
Superseded Transmittal Number: New page



Alternative Benefit Plan

State Name:

Attachment 3.1-L-

OMB Control Number: 0938-1148

Transmittal Number: LA - 16 - 0005

OMB Expiration date: 10/31/2014

Voluntary Benefit Package Selection Assurances - Eligibility Group under Section 1902(a)(10)(A)(i)(VIII) of the Act

ABP2a

The state/territory has fully aligned its benefits in the Alternative Benefit Plan using Essential Health Benefits and subject to 1937 requirements with its Alternative Benefit Plan that is the state's approved Medicaid state plan that is not subject to 1937 requirements. Therefore the state/territory is deemed to have met the requirements for voluntary choice of benefit package for individuals exempt from mandatory participation in a section 1937 Alternative Benefit Plan.

Yes

Explain how the state has fully aligned its benefits in the Alternative Benefit Plan using Essential Health Benefits and subject to 1937 requirements with its Alternative Benefit Plan that is the state's approved Medicaid state plan that is not subject to 1937 requirements.

Louisiana Medicaid has fully aligned the benefits in the ABP with its approved Medicaid State Plan by using duplication, substitution and including remaining Medicaid State Plan services as other Section 1937 covered benefits while still meeting the requirements of all Essential Health Benefits.

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140415

State: Louisiana
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Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Transmittal Number: 16-0005 Date Approved: 4/7/16 Date Effective: 7/1/16
Superseded Transmittal Number: New page



Alternative Benefit Plan

State Name: Louisiana

Attachment 3.1-L- ☐

OMB Control Number: 0938-1148

Transmittal Number: LA - 16 - 0005

OMB Expiration date: 10/31/2014

Selection of Benchmark Benefit Package or Benchmark-Equivalent Benefit Package

ABP3

Select one of the following:

- ☐ The state/territory is amending one existing benefit package for the population defined in Section 1.
- ☒ The state/territory is creating a single new benefit package for the population defined in Section 1.

Name of benefit package: Bayou Health

Selection of the Section 1937 Coverage Option

The state/territory selects as its Section 1937 Coverage option the following type of Benchmark Benefit Package or Benchmark-Equivalent Benefit Package under this Alternative Benefit Plan (check one):

- ☒ Benchmark Benefit Package.
- ☐ Benchmark-Equivalent Benefit Package.

The state/territory will provide the following Benchmark Benefit Package (check one that applies):

- ☐ The Standard Blue Cross/Blue Shield Preferred Provider Option offered through the Federal Employee Health Benefit Program (FEHBP).
- ☐ State employee coverage that is offered and generally available to state employees (State Employee Coverage):
- ☐ A commercial HMO with the largest insured commercial, non-Medicaid enrollment in the state/territory (Commercial HMO):
- ☒ Secretary-Approved Coverage.
 - ☒ The state/territory offers benefits based on the approved state plan.
 - ☐ The state/territory offers an array of benefits from the section 1937 coverage option and/or base benchmark plan benefit packages, or the approved state plan, or from a combination of these benefit packages.
 - ☒ The state/territory offers the benefits provided in the approved state plan.
 - ☐ Benefits include all those provided in the approved state plan plus additional benefits.
 - ☐ Benefits are the same as provided in the approved state plan but in a different amount, duration and/or scope.
 - ☐ The state/territory offers only a partial list of benefits provided in the approved state plan.
 - ☐ The state/territory offers a partial list of benefits provided in the approved state plan plus additional benefits.

Please briefly identify the benefits, the source of benefits and any limitations:

ABP benefits and limitations are commensurate with the State Plan.

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Selection of Base Benchmark Plan

Transmittal Number: 16-0005

Date Approved: 4/7/16

Date Effective: 7/1/16

Superseded Transmittal Number: New page



Alternative Benefit Plan

The state/territory must select a Base Benchmark Plan as the basis for providing Essential Health Benefits in its Benchmark or Benchmark-Equivalent Package.

The Base Benchmark Plan is the same as the Section 1937 Coverage option.

Indicate which Benchmark Plan described at 45 CFR 156.100(a) the state/territory will use as its Base Benchmark Plan:

- ☐ Largest plan by enrollment of the three largest small group insurance products in the state's small group market.
- ☐ Any of the largest three state employee health benefit plans by enrollment.
- ☒ Any of the largest three national FEHBP plan options open to Federal employees in all geographies by enrollment.
- ☐ Largest insured commercial non-Medicaid HMO.

Plan name:

Other Information Related to Selection of the Section 1937 Coverage Option and the Base Benchmark Plan (optional):

1. The State assures that all services in the base benchmark have been accounted for throughout the benefit chart found in ABP5.
2. The State assures that accuracy of all information in ABP5 depicting amount, duration and scope parameters of services authorized in the currently approved Medicaid State Plan.

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140415

State: Louisiana
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Transmittal Number: LA 16-0005

Transmittal Number: 16-0005 Date Approved: 4/7/16 Date Effective: 7/1/16
Superseded Transmittal Number: New page



Alternative Benefit Plan

State Name:

Attachment 3.1-L-

OMB Control Number: 0938-1148

Transmittal Number: LA - 16 - 0005

OMB Expiration date: 10/31/2014

Alternative Benefit Plan Cost-Sharing

ABP4

☒ Any cost sharing described in Attachment 4.18-A applies to the Alternative Benefit Plan.

Attachment 4.18-A may be revised to include cost sharing for ABP services that are not otherwise described in the state plan. Any such cost sharing must comply with Section 1916 of the Social Security Act.

The Alternative Benefit Plan for individuals with income over 100% FPL includes cost-sharing other than that described in Attachment 4.18-A.

Other Information Related to Cost Sharing Requirements (optional):

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140415

State: Louisiana
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Superseded Transmittal Number: New page



Alternative Benefit Plan

State Name:

Attachment 3.1-L-

OMB Control Number: 0938-1148

Transmittal Number: LA - 16 - 0005

OMB Expiration date: 10/31/2014

Benefits Description

ABP5

The state/territory proposes a "Benchmark-Equivalent" benefit package.

Benefits Included in Alternative Benefit Plan

Enter the specific name of the base benchmark plan selected:

Enter the specific name of the section 1937 coverage option selected, if other than Secretary-Approved. Otherwise, enter "Secretary-Approved."

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
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Transmittal Number: LA 16-0005

Transmittal Number: 16-0005 Date Approved: 4/7/16 Date Effective: 7/1/16
Superseded Transmittal Number: New page



Alternative Benefit Plan

☒ 1. Essential Health Benefit: Ambulatory patient services

Collapse All ☐

Benefit Provided:

Outpatient Hospital Services

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

Transmittal Number: LA 16-0005

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Family Planning Services & Supplies

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Services include all approved pharmaceutical supplies and devices to prevent conception, including all methods of contraception approved by the FDA.

Benefit Provided:

Physician's Services

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Services must be within scope of practice of medicine, optometry, osteopathy as defined by State law or under personal supervision of person licensed under State law to practice medicine or osteopathy.

Transmittal Number: 16-0005

Date Approved: 4/7/16

Date Effective: 7/1/16

Superseded Transmittal Number: New page



Alternative Benefit Plan

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

Transmittal Number: LA 16-0005

Benefit Provided:

Medical & Surgical Services by a Dentist

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

none

Duration Limit:

None

Scope Limit:

dental services provided on inpatient basis must be PA'd. Reimbursement limited to those services involving diseases or conditions of the head and neck commonly accepted as being within the scope of the practitioner's training and expertise.

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Other Licensed Practitioners - Podiatrists

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

limited to Health Care Procedural Codes they are licensed to perform under State law and covered Medicaid as Physician's services

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Home Health - Intermittent and Part-time Nursing

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Transmittal Number: 16-0005

Date Approved: 4/7/16

Date Effective: 7/1/16

Superseded Transmittal Number: New page



Alternative Benefit Plan

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Other Licensed Practitioners - Physician Assistant

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

none

Scope Limit:

Service coverage determined by individual licensure, scope of practice, and delegation by supervising physician.

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Other Licensed Practitioner - Clinical Nurse Spec.

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Service coverage determined by individual licensure, scope of practice, and terms of the physician collaboration agreement.

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Other Licensed Practitioners - CRNA

Source:

State Plan 1905(a)

Remove

Transmittal Number: 16-0005

Date Approved: 4/7/16

Date Effective: 7/1/16

Superseded Transmittal Number: New page



Alternative Benefit

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

Transmittal Number: LA 16-0005

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Services limited to anesthesia services provided in accordance with State law reimbursable to CRNA's.

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Clinic Services - Dialysis

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

There are no limits for covered services that meet medical necessity

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Clinic Services: Radiation Therapy

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

No limits for covered services that meet medical necessity

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Transmittal Number: 16-0005

Date Approved: 4/7/16

Date Effective: 7/1/16

Superseded Transmittal Number: New page



Alternative Benefit Plan

Benefit Provided:

Clinic Svs: Ambulatory Surgical Center

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

Transmittal Number: LA 16-0005

Amount Limit:

None

Duration Limit:

None

Scope Limit:

services must be medically necessary, non-emergent, and not requiring an overnight stay.

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Certified Pediatric or Family Nurse Practitioner

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Service coverage determined by individual licensure, scope of practice, and terms of physician collaboration agreement.

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Hospice

Source:

State Plan 1905(a)

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

Respite care, continuous home care are limited

Duration Limit:

none

Scope Limit:

A prognosis of terminal illness is required. Services are for the palliation or management of terminal illness and related conditions.

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Alternative Benefit Plan

State: Louisiana

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Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Core services include medical social services, counseling services, dietary counseling including training the family/caregivers in preparation and provision of meals, bereavement counseling for the terminally ill patient and family, both pre and post-death up to 1 year, pastoral care including clergy, and any other counseling services as determined by the hospice.

Home health aide and homemaker are available if in the Plan of Care.

Physical therapy, occupational therapy, and speech-language pathology services are available if in the Plan of Care.

Short-term inpatient care in a participating hospice inpatient unit may be provided if services meet the written plan of care.

General inpatient care is provided for procedures necessary for pain control or acute chronic symptom management which cannot be provided in other settings.

Medical appliances, supplies, drugs and biologicals, for the relief of pain and symptom control related to the individual's terminal illness are covered. Appliances include covered DME as well as other self-help and personal comfort items related to the palliation or management of the recipient's terminal illness and related conditions. Equipment is provided by the hospice for use in the home while he or she is under hospice care.

Any other covered item or service that is necessary for the palliation and management of the terminal illness and related conditions and is on the Plan of Care.

Inpatient Respite limited to 5 days per election period (initial 90 day, subsequent 90 day; unlimited 60 day periods). These election periods may be used consecutively or at different times during the recipient's lifespan.

Inpatient care is available to the recipient for the purpose of pain control or acute or chronic symptom management which cannot be managed in other settings.

Routine home care is available for a recipient who is at home and is not receiving continuous home care.

Continuous home nursing care is furnished during brief periods of medical crisis to maintain the recipient at home. This service is primarily nursing care to achieve palliation or management of acute medical symptoms. Services are provided by a Registered Nurse or licensed practical nurse for more than half of the period of care.

Children are included in the hospice benefit and must receive curative care concurrently for the terminal condition at the same time as receiving hospice. Recipients under the age of 21 must receive daily visits when in the home and must have all care coordinated.

During the time of hospice election, the recipient must be provided services comparable to other services s/he received through Medicaid prior to electing hospice, including pharmaceutical and biological services and durable medical equipment.

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Date Approved: 4/7/16

Date Effective: 7/1/16

Superseded Transmittal Number: New page



Alternative Benefit Plan

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Benefit Provided:

OLP - Audiologist

Source:

State Plan 1905(a)

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

none

Duration Limit:

none

Scope Limit:

diagnostic, preventive or corrective services for persons with speech, hearing and language disorders

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

PA is required only when this service is delivered as an outpatient hospital service.

Benefit Provided:

Non-Emergency Medical Transportation

Source:

State Plan 1905(a)

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

To and from medical provider for covered service

Duration Limit:

None

Scope Limit:

Least expensive transportation suitable to meet beneficiary's medical needs

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Transportation generally requires a two (2) day notice in order to arrange transportation; however, Louisiana Medicaid will attempt to arrange NEMT even if two days' notice is not given.

All other avenues of providing transportation appropriate to meet the beneficiary's needs have been explored and have been found unavailable - this includes family, friends, community resources, transportation by the parish Medicaid office or other State or Federally funded transportation resources.

Add

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Alternative Benefit Plan

☒ 2. Essential Health Benefit: Emergency services

Collapse All ☐

Benefit Provided:

Outpatient Hospital services - emergency care

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Ambulance

Source:

State Plan 1905(a)

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

none

Duration Limit:

none

Scope Limit:

Services are available for unforeseen circumstances which apparently demand immediate attention at hospital to prevent serious impairment or loss of life.

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Prior Authorization is required only for air ambulance

Add

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

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Transmittal Number: 16-0005

Date Approved: 4/7/16

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Superseded Transmittal Number: New page



Alternative Benefit Plan

☒ 3. Essential Health Benefit: Hospitalization

Collapse All ☐

Benefit Provided:

Inpatient Hospital Services

Source:

State Plan 1905(a)

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Excludes care which can be provided at home, an ICF/DD or Skilled Nursing facility; or which the primary purpose is for convalescent care, rest or cosmetic care; or diagnostic/ surgical procedures when such can be performed on outpatient basis.

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Some services require prior authorization such as Outpatient surgery performed Inpatient, Organ Transplants, Cochlear Implants (under age 21), Intrathecal Baclofen Therapy, and Out-of-State Non-Emergency Hospitalization.

Services include any essential medical care that in the judgment of the attending physician or by a dentist is needed for the treatment of illness or injury which can be provided safely and adequately only in a hospital and includes basic services the hospital is expected to provide.

Add

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

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Date Approved: 4/7/16

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Alternative Benefit Plan

☒ 4. Essential Health Benefit: Maternity and newborn care

Collapse All ☐

Benefit Provided:

Inpatient Hospital (Maternity)

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Elective deliveries under 39 weeks are not covered

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
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Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Physician Services (Maternity)

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Elective deliveries under 39 weeks are not covered

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Nurse Midwife Services

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Limited by individual licensure, scope of practice, and terms of the physician collaborative agreement.

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Date Approved: 4/7/16

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Superseded Transmittal Number: New page



Alternative Benefit Plan

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Service coverage determined by individual licensure, scope of practice and terms of physician collaborative agreement.

Add

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

Transmittal Number: LA 16-0005

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Date Approved: 4/7/16

Date Effective: 7/1/16

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Alternative Benefit Plan

Transmittal Number: 16-0005

Date Approved: 4/7/16

Date Effective: 7/1/16

Superseded Transmittal Number: New page

- ☒ 5. Essential Health Benefit: Mental health and substance use disorder services including behavioral health treatment

Collapse All ☐

Benefit Provided:

Inpatient Hospital Service - MH-SUD

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Services cannot be delivered in an IMD

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Outpatient Hospital Services - MH/SUD

Source:

State Plan 1905(a)

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Services which require prior authorization include psych testing, and electroconvulsive treatment.

Benefit Provided:

Physician Services - MH/SUD

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

State: Louisiana

Date Received: 3/31/16

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Alternative Benefit Plan

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

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Date Received: 3/31/16
Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Benefit Provided:

Rehabilitation Services - SU Addiction

Source:

State Plan 1905(a)

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

requires annual redetermination of trmt plan

Scope Limit:

Services cannot be delivered in an IMD

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Services include individual or group therapy, may include outpatient and residential services . Only Intensive Outpatient and Residential services require Prior Authorization.

Benefit Provided:

Other Licensed Practitioners - LMHP svs. MH/SUD

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Benefit Provided:

Rehabilitation Services - Mental Health

Source:

State Plan 1905(a)

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

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Date Effective: 7/1/16

Superseded Transmittal Number: New page



Alternative Benefit Plan

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Services are Prior Authorized except Crisis Intervention.

Add

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

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Date Approved: 4/7/16

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Alternative Benefit Plan

6. Essential Health Benefit: Prescription drugs

Benefit Provided:

Coverage is at least the greater of one drug in each U.S. Pharmacopeia (USP) category and class or the same number of prescription drugs in each category and class as the base benchmark.

Prescription Drug Limits (Check all that apply.): Authorization: Provider Qualifications:

☒ Limit on days supply

Yes

State licensed

☒ Limit on number of prescriptions

☐ Limit on brand drugs

☐ Other coverage limits

☒ Preferred drug list

Coverage that exceeds the minimum requirements or other:

The State of Louisiana's ABP prescription drug benefit plan is the same as under the approved Medicaid state plan for Prescribed Drugs.

The State has procedures in place that allow an enrollee to gain access to clinically appropriate drugs in excess of the four (4) prescription limit per month, when the prescriber attests that the prescription is medically necessary and provides a diagnosis code.

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

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Date Approved: 4/7/16

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Superseded Transmittal Number: New page



Alternative Benefit Plan

☒ 7. Essential Health Benefit: Rehabilitative and habilitative services and devices

Collapse All ☐

Benefit Provided:

PT, OT, ST, Audiology - Outpatient hospital

Source:

State Plan 1905(a)

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

This benefit is provided for rehabilitative and habilitative services.

Benefit Provided:

Home Health - PT, OT, Speech and Audiology

Source:

State Plan 1905(a)

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Physical therapy: treatment of patient's illness or injury, or restoration and maintenance of function

Occupational Therapy: treatment to improve or restore a function which has been impaired by illness or injury or improve the individual's ability to perform the tasks required for independent functioning when the functioning has been permanently lost or reduced by illness or injury.

speech and audiology - services necessary for the diagnosis and treatment of speech and language disorders that result in communication disabilities, and for the diagnosis and treatment of swallowing disorders (dysphagia), regardless of a communication disability.

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Benefit Provided:

Prosthetic Devices

Source:

State Plan 1905(a)

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Transmittal Number: 16-0005

Date Approved: 4/7/16

Date Effective: 7/1/16

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Alternative Benefit Plan

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Amount Limit:

None

Duration Limit:

None

Scope Limit:

least costly most effective treatment

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Prosthetic supplies and equipment are not rented or purchased for an individual in a hospital; upon discharge, if the item is included in the plan, the items are provided in the outpatient setting. Prosthetic equipment and appliances are considered for rental, purchase or repair when the item is medically necessary by a recipient who has a serious impairment to enhance well-being, prevent further impairment, or increase self-care or reduce care provided by others, the item is not available through another agency at no cost, is covered by Medicaid, and is primarily medical in nature and not a convenience item.

Benefit Provided:

Home Health: Med Supplies, Equipment & Appliances

Source:

State Plan 1905(a)

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

least costly most effective treatment; suitable for use in the home which does not include a hospital or nursing facility

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Includes purchase, rental and repair. Supplies and equipment are not rented or purchased in a hospital; upon discharge, if included in the plan they will be provided in the outpatient setting. Medical supplies, equipment and appliances are considered for rental, purchase or repair when the item is medically necessary by a recipient who has a serious impairment to enhance well-being, prevent further impairment, or increase self-care or reduce care provided by others, the item is not available through another agency at no cost, is covered by Medicaid, and is primarily medical in nature and not a convenience item.

Benefit Provided:

Home Health Aide

Source:

State Plan 1905(a)

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Services cannot be provided in a hospital or nursing facility.

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Date Approved: 4/7/16

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Alternative Benefit Plan

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

These are direct care services provided under the supervision of a registered nurse in compliance with the standards of nursing practice governing delegation, which include assistance with the activities of daily living such as mobility, transferring, walking, grooming, bathing, dressing or undressing, eating, or toileting.

Add

State: Louisiana
Date Received: 3/31/16
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Alternative Benefit Plan

☒ 8. Essential Health Benefit: Laboratory services

Collapse All ☐

Benefit Provided:

Other Lab and X-Ray Services

Source:

State Plan 1905(a)

Remove

Authorization:

None

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

none

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Add

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

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Alternative Benefit Plan

☒ 9. Essential Health Benefit: Preventive and wellness services and chronic disease management

Collapse All ☐

The state/territory must provide, at a minimum, a broad range of preventive services including: “A” and “B” services recommended by the United States Preventive Services Task Force; Advisory Committee for Immunization Practices (ACIP) recommended vaccines; preventive care and screening for infants, children and adults recommended by HRSA’s Bright Futures program/project; and additional preventive services for women recommended by the Institute of Medicine (IOM).

Benefit Provided:	Source:	Remove
Preventive Services	State Plan 1905(a)	
Authorization:	Provider Qualifications:	
None	Medicaid State Plan	
Amount Limit:	Duration Limit:	
None	None	
Scope Limit:		
None		
Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:		
Includes a broad range of preventive services including "A" and "B" services recommended by the US Preventive Services Task Force, Advisory Committee for Immunization Practices (ACIP) recommended vaccines, preventive care and screening for infants, children and adolescents recommended by HRSA's Bright Futures program/project and additional preventive services for women recommended by the Institute of Medicine (IOM).		

Benefit Provided:	Source:	Remove
Tobacco cessation	State Plan 1905(a)	
Authorization:	Provider Qualifications:	
None	Medicaid State Plan	
Amount Limit:	Duration Limit:	
none	none	
Scope Limit:		
none		
Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:		
services include over-the-counter and prescription medications for which the individual has a prescription, and toll-free referral assistance		

Add

State: Louisiana
Date Received: 3/31/16
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Transmittal Number: LA 16-0005

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Alternative Benefit Plan

☒ 10. Essential Health Benefit: Pediatric services including oral and vision care

Collapse All ☐

Benefit Provided:

Medicaid State Plan EPSDT Benefits

Source:

State Plan 1905(a)

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

up to age 21

Scope Limit:

None

Other information regarding this benefit, including the specific name of the source plan if it is not the base benchmark plan:

Authorization may be required for services in excess of limits and for services not available to adults. The State will provide other health care described in Section 1905(a) of the Social Security Act that is found to be medically necessary to correct or ameliorate defects as well as physical and mental illnesses and conditions discovered by the screening service even when such health care is not otherwise covered under the State Plan.

Add

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

Transmittal Number: LA 16-0005

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Date Approved: 4/7/16

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Alternative Benefit Plan

☐ 11. Other Covered Benefits from Base Benchmark

Collapse All ☐

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Date Received: 3/31/16
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Alternative Benefit Plan

State: Louisiana
Date Received: 3/31/16
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Date Effective: 7/1/16
Transmittal Number: LA 16-0005

☒ 12. Base Benchmark Benefits Not Covered due to Substitution or Duplication

Collapse All ☐

Base Benchmark Benefit that was Substituted:

Allergy Care

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the Louisiana Medicaid State Plan as Physician's services in EHB 1: Ambulatory patient services

Base Benchmark Benefit that was Substituted:

Anesthesia

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the Louisiana Medicaid State Plan as Physician Services, and Other Licensed Practitioners: CRNA in EHB 1: Ambulatory patient services.

Base Benchmark Benefit that was Substituted:

Diagnostic and Treatment Services

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan as Physicians' Services, Physicians' Assistants, and Certified Pediatric or Family Nurse Practitioner Services in EHB 1: Ambulatory Patient Services

Base Benchmark Benefit that was Substituted:

Educational Classes and Programs-Tobacco Cessation

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Tobacco cessation covered under the La. Medicaid State Plan in EHB 9: Preventive and wellness services and chronic disease management; and EHB 6: Pharmacy.

Base Benchmark Benefit that was Substituted:

Family Planning

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan as Family Planning Services and Supplies in EHB 1: Ambulatory patient services. The La. Medicaid State Plan coverage for Family Planning is at least as rich as the base benchmark.

Base Benchmark Benefit that was Substituted:

Foot care

Source:

Base Benchmark

Remove

Transmittal Number: 16-0005

Date Approved: 4/7/16

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Superseded Transmittal Number: New page



Alternative Benefit Plan

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
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Transmittal Number: LA

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Other Licensed Practitioners - Podiatrists' services and Physician Services in EHB 1: Ambulatory patient services. The base benchmark benefit for Foot care is routine foot care only when an individual is under active treatment for a metabolic or peripheral vascular disease, such as diabetes. The La. Medicaid State Plan coverage for OLP Podiatrists services is at least as rich as the base benchmark coverage for Foot Care.

Base Benchmark Benefit that was Substituted:

Home Health Services

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Home Health - Intermittent and Part-Time Nursing Services (7.a) in EHB 1: Ambulatory patient services. The La. Medicaid State Medicaid plan is more generous than the base benchmark which only covers home nursing for 2 hours per day up to 25 visits per calendar year. The La. Medicaid State Plan for Home Health services is at least as rich, or richer than the base benchmark.

Base Benchmark Benefit that was Substituted:

Oral and Maxillofacial Surgery

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Medical and Surgical Services by a Dentist in EHB 1: Ambulatory patient services.

Base Benchmark Benefit that was Substituted:

Outpatient Hospital or Ambulatory Surgical Center

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Outpatient Hospital Services and Clinic Services: Ambulatory Surgery Centers in EHB 1: Ambulatory patient services.

Base Benchmark Benefit that was Substituted:

Surgical Procedures

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Physicians' Services in EHB 1: Ambulatory patient services

Base Benchmark Benefit that was Substituted:

Treatment Therapies

Source:

Base Benchmark

Remove

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Alternative Benefit Plan

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Superseded Transmittal Number:

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Outpatient Hospital Services, Clinic Services: Dialysis and Clinic Services: Radiation in EHB 1: Ambulatory patient services.

Base Benchmark Benefit that was Substituted:

Alternative Treatments - Acupuncture

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Substitution: Non-Emergency Medical Transportation under La. Medicaid State Plan covered under the La. Medicaid State Plan and found in EHB 1.

Base Benchmark Benefit that was Substituted:

Chiropractic

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Substitution: Non-Emergency Medical Transportation covered under the La. Medicaid State Plan and found in EHB 1. (The base benchmark covers only 1 office visit per calendar year and one set of X-rays per calendar year.)

Base Benchmark Benefit that was Substituted:

Infertility Services

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan under multiple benefits as Physician Services in EHB 1: Ambulatory patient services; Prescribed drugs in EHB 6: Pharmacy services; and EHB 3: Inpatient Hospital Services. Base benchmark coverage is limited to diagnosis and coverage of non-ART treatment of infertility. The La. Medicaid State Plan for Infertility Services is at least as rich as the base benchmark.

Base Benchmark Benefit that was Substituted:

Manipulative Treatment

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Substitution: Non-Emergency Medical Transportation services covered under the La. Medicaid State Plan and found in EHB 1. (Base benchmark is limited to 20 visits per year.)

Base Benchmark Benefit that was Substituted:

Accidental Injury

Source:

Base Benchmark

Remove

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Date Effective: 7/1/16

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Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan as Outpatient Hospital Services - Emergency in EHB 2 and Inpatient Hospital Services in EHB 3.

Base Benchmark Benefit that was Substituted:

Medical Emergency

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan Outpatient Hospital Services - Emergency in EHB 2.

Base Benchmark Benefit that was Substituted:

Ambulance

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as ambulance in EHB 2: Emergency Services

Base Benchmark Benefit that was Substituted:

Reconstructive Services

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Inpatient Hospital services in EHB 3: Hospitalization. (Neither base benchmark nor La. Medicaid cover cosmetic surgery)

Base Benchmark Benefit that was Substituted:

Organ/Tissue Transplants

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: covered under the La. Medicaid State Plan as Inpatient Hospital Services in EHB 3: Hospitalization.

Base Benchmark Benefit that was Substituted:

Inpatient Hospital Services

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Inpatient Hospital Services in EHB 3: Hospitalization

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Base Benchmark Benefit that was Substituted:

Maternity Care

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: covered under the La. Medicaid State Plan as Inpatient Hospital Services (Maternity); Physician Services- Maternity, Other Licensed Practitioners - Nurse Midwife, Nurse Midwife Services, all in EHB 4: Maternity and Newborn Care.

Base Benchmark Benefit that was Substituted:

Professional Services

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Outpatient Hospital Services -MH/SUD, Physicians' Services - MH/SUD, Other Licensed Practitioners - LMHP, and rehabilitation services - addiction SUD, all in EHB 5: Mental Health/Substance Use. The La. Medicaid State Plan is at least as rich as the base benchmark.

Base Benchmark Benefit that was Substituted:

Inpatient Hospital or Other Covered Facility

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: covered under La. Medicaid State Plan as Inpatient Hospital Services EHB 5: Mental Health/Substance Use.

Base Benchmark Benefit that was Substituted:

Outpatient Hospital or Other Covered Facility

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan as Outpatient Hospital Services in EHB 5: MH/SUD.

Base Benchmark Benefit that was Substituted:

Durable Medical Equipment

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Home Health Services Medical Supplies, Equipment and Appliances in EHB 7: Rehabilitative and Habilitative Services and Devices. The La. Medicaid State Plan is at least as rich as, if not richer than the base benchmark.

Base Benchmark Benefit that was Substituted:

Medical Supplies

Source:

Base Benchmark

Remove

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Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Home Health Services Medical Supplies, Equipment and Appliances in EHB 7: Rehabilitative and Habilitative Services and Devices. The La. Medicaid State Plan is at least as rich as, if not richer than the base benchmark.

Base Benchmark Benefit that was Substituted:

Orthopedic and Prosthetic Devices

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan as Prosthetic Devices EHB 7: Rehabilitative and Habilitative Services and Devices. The La. Medicaid State Plan is at least as rich as, if not richer than the base benchmark.

Base Benchmark Benefit that was Substituted:

Physical, Occupational, Speech, Cognitive Therapy

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan as Physical Therapy, Occupational Therapy, Speech Pathology and Audiology services provided under Outpatient hospital services in EHB 7: Rehabilitative and habilitative services. Audiology also provided under Physician services in EHB 1. Services in La. Medicaid have no limits on amount or scope. Coverage under Louisiana Medicaid is richer than the base benchmark benefit which has a combined limit of 50 visits per person per calendar year.

Base Benchmark Benefit that was Substituted:

Lab, X-Ray, and Other Diagnostic Tests

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan as Other Laboratory and X-ray Services in EHB 8: Laboratory Services.

Base Benchmark Benefit that was Substituted:

Preventive Care Services for Children and Adults

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Preventive Services in EHB 9: Preventive and Wellness Services and Chronic Disease Management; and EPSDT in EHB 10: Pediatric Services including Oral and Vision Care

Base Benchmark Benefit that was Substituted:

Covered Medication and Supplies

Source:

Base Benchmark

Remove

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Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Prescribed Drugs in EHB 6: Prescription Drugs.

Base Benchmark Benefit that was Substituted:

Hearing Services (Testing, Treatment, Supplies)

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under La. Medicaid State Plan as Outpatient Hospital Services and Audiology services in EHB 1: Ambulatory Patient Services; and Home Health - Audiology in EHB 7: Rehabilitative and Habilitative Services. Base benchmark only covers tests related to illness and injury but not for routine hearing tests for adults. The La. Medicaid State Plan coverage for hearing services is at least as rich as the base benefit.

Base Benchmark Benefit that was Substituted:

Cardiac rehabilitation

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Substitution: Home Health Aide Services from Louisiana Medicaid State Plan in EHB 7: Rehabilitative and Habilitative Services and Devices. There are no limitations to home health aide visits.

Base Benchmark Benefit that was Substituted:

Pulmonary Rehabilitation

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Substitution: Home Health Aide Services from Louisiana Medicaid State Plan in EHB 7: Rehabilitative and Habilitative Services and Devices. There are no limitations to home health aide visits.

Base Benchmark Benefit that was Substituted:

Wigs due to chemotherapy hair loss

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Substitution: Home Health Aide Services from Louisiana Medicaid State Plan in EHB 7: Rehabilitative and Habilitative Services and Devices. There are no limitations to home health aide visits.

Base Benchmark Benefit that was Substituted:

Hospice

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: covered under Louisiana Medicaid State Plan as Hospice Care in EHB 1: Ambulatory patient

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services. La. Medicaid State Plan coverage for hospice is at least as rich, if not richer than the benchmark. La. Medicaid provides routine home care, continuous home care (nursing) during periods of medical crisis, as necessary. Homemaker and home health aide services are available. Benchmark limits home service to 7 consecutive days and 30 consecutive days in facility. Base benchmark allows for 7 days in inpatient hospice facility to provide caregiver respite. Base benchmark does not provide homemaker services, bereavement care, pre- and post death, or pastoral care.

Base Benchmark Benefit that was Substituted:

Intensive Outpatient Services - Mental Health

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the Louisiana Medicaid State Plan as Rehabilitation Services - Mental Health in EHB 5: Mental Health and substance use disorder services including behavior health treatment.

Base Benchmark Benefit that was Substituted:

Partial Hospitalization - Mental Health

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the Louisiana Medicaid State Plan as Rehabilitation Services - Mental Health in EHB 5: Mental Health and substance use disorder services including behavior health treatment.

Base Benchmark Benefit that was Substituted:

Educational Classes & Programs-Diabetic Education

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Physician Services, Outpatient Hospital Services in EHB 1: Ambulatory patient services.

Base Benchmark Benefit that was Substituted:

Hearing Aids

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Substitution: Home Health Aide Services from Louisiana Medicaid State Plan in EHB 7: Rehabilitative and Habilitative Services and Devices. There are no limitations to home health aide visits. Hearing Aids in the benchmark are limited to \$1250 per ear every 36 months.

Base Benchmark Benefit that was Substituted:

Intensive Outpatient Treatment - SUD

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Rehab Services - Addiction Substance Use Disorder EHB 5.

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Base Benchmark Benefit that was Substituted:

Partial Hospitalization - SUD

Source:

Base Benchmark

Remove

Explain the substitution or duplication, including indicating the substituted benefit(s) or the duplicate section 1937 benchmark benefit(s) included above under Essential Health Benefits:

Duplication: Covered under the La. Medicaid State Plan as Rehab Services - Addiction Substance Use Disorder EHB 5.

Add

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Alternative Benefit Plan

☒ 13. Other Base Benchmark Benefits Not Covered Collapse All ☐

Base Benchmark Benefit not Included in the Alternative Benefit Plan:

Routine Adult Vision Services

Source:

Base Benchmark

Remove

Explain why the state/territory chose not to include this benefit:

Routine, non-pediatric eye exam services are an excepted benefit pursuant to 45 CFR 156.115(d)

Base Benchmark Benefit not Included in the Alternative Benefit Plan:

Routine Adult Dental Benefit

Source:

Base Benchmark

Remove

Explain why the state/territory chose not to include this benefit:

Routine, non-pediatric dental services are an excepted benefit pursuant to 45 CFR 156.115(d)

Add

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☒ 14. Other 1937 Covered Benefits that are not Essential Health Benefits

Collapse All ☐

Other 1937 Benefit Provided:

Telemedicine

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

none

Duration Limit:

none

Scope Limit:

None

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Other:

Prior Authorization not required.

Other 1937 Benefit Provided:

FQHC/RHC Services

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Physician, P.A., Nurse Practitioner, Nurse Midwife, Clinical Social Worker, Clinical Psychologist, Dentist and services incidental thereto; and other ambulatory services.

Other:

Prior Authorization not required.

Other 1937 Benefit Provided:

Other Licensed Practitioners - Optometrist

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

none

Duration Limit:

none

Scope Limit:

Services may be provided to the same extent and according to same standards as physician services who perform eye services

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Other:

Prior Authorization not required.

Other 1937 Benefit Provided:

Extended Services for Pregnant Women

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

once per pregnancy or once per 270 days

Duration Limit:

none

Scope Limit:

screening and intervention services limited to pregnant women

Other:

Screening and Intervention services that are medically necessary for pregnant women for the use of alcohol, tobacco, drugs, or domestic violence. If miscarriage or fetal death occurs within 270 days, a screening/intervention will be allowed for subsequent pregnancy.

Other 1937 Benefit Provided:

Skilled Nursing Facility Services

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Services cannot be provided in an IMD. Coverage is limited to services provided in facilities certified by under Title XIX.

Other:

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Other 1937 Benefit Provided:

Intermediate Care Facility/IDD Services

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

none

Duration Limit:

none



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Scope Limit:

Services cannot be provided in an IMD. Services do not include vocational or developmental evaluations, or voice evaluations or voice therapy unless the recipient is under the age of 21.

Other:

Coverage is limited to services provided in Title XIX certified ICF facilities and with any licensing requirements required by the State.

Other 1937 Benefit Provided:

Medical and Remedial Care and Svs - Dentures

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

1 complete or partial per 8 year period

Duration Limit:

none

Scope Limit:

Services limited to 1 complete or partial denture per arch in an 8 year period. A combination of 2 complete or partial denture relines per arch or 1 complete or partial denture and 1 reline per arch is allowed in an 8 year period.

Other:

Other 1937 Benefit Provided:

Tuberculosis Control Center Clinic

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

limited to persons infected with Tuberculosis.

Other:

Prior Authorization not required.

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Other 1937 Benefit Provided:

Prenatal Health Care Center Clinics

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

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Alternative Benefit Plan

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

none

Duration Limit:

pregnancy and 1 post-partum visit

Scope Limit:

prenatal care, unlimited once medical establishment of pregnancy established. Includes including risk assessments for high risk pregnancies; 1 post partum visit

Other:

medical establishment of pregnancy required

Other 1937 Benefit Provided:

Sexually Transmitted Disease Control Clinic

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

none

Duration Limit:

none

Scope Limit:

none

Other:

no PA required

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Other 1937 Benefit Provided:

OLP - Pharmacists/Medication Administration

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Administration of influenza vaccine

Other:

Prior Authorization is not required.

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Other 1937 Benefit Provided:

PACE

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

Restricted to persons age 55 and above, meeting Nursing Facility Level of Care and geographically located.

Other:

Requires meeting Nursing Facility level of care and living in certain Zip Codes within State; meeting income and resource restrictions

Other 1937 Benefit Provided:

Out-of-State Non-Emergency Hospitalizations

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

None

Scope Limit:

None

Other:

Louisiana Medicaid provides out-of-state non-emergency hospitalization for Medicaid enrollees.

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Other 1937 Benefit Provided:

Free Standing Birthing Centers

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

stays less than 24 hrs

Scope Limit:

None

Other:

Prior Authorization is not required. The Free Standing Birthing Center shall be located within a ground

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travel time distance from a general acute care hospital with which the FSBC has a contractual relationship which includes a transfer agreement which allows for a caesarian delivery to begin within 30 minutes of the decision to that such a delivery is necessary.

Other 1937 Benefit Provided:

Personal Care Services

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

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Amount Limit:

cannot exceed 32 hrs. per week

Duration Limit:

none

Scope Limit:

Individual cannot be an inpatient, resident of hospital, nursing facility, ICF/DD or IMD

Other:

Services which enable an individual whose needs would otherwise require placement in an acute or long term care facility to remain safely in his/her home. Services include assistance with activities of daily living and the instrumental activities of daily living.

Other 1937 Benefit Provided:

Directly Observed Therapy-Tuberculosis

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Prior Authorization

Provider Qualifications:

Medicaid State Plan

Amount Limit:

None

Duration Limit:

until disease arrested

Scope Limit:

Direct observation by health care professional to assure medication taken. follows medicinal administration schedule which is typically 1x per day for first 14 days, and then 2 x per week until arrested, typically between 6 mo. and 1 year

Other:

Service is limited to persons who are infected with Tuberculosis meet program requirements. Patient must also be "non-compliant" such that health care professional deems completion of treatment regimen necessary.

Other 1937 Benefit Provided:

Nursing Facility Services

Source:

Section 1937 Coverage Option Benchmark Benefit Package

Remove

Authorization:

Other

Provider Qualifications:

Other

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Amount Limit:

None

Duration Limit:

None

Scope Limit:

24 hour care for rehabilitative, restorative and skill nursing care for recipients needing assistance with activities of daily living.

Other:

Only Medicaid-certified nursing facilities may admit recipients

Requires an order from a licensed physician for admission

Pre-admission screenings and resident reviews (Level I and Level II PASRR) are conducted to determine whether the applicant/recipient has a diagnosis of serious mental illness or intellectual disability and to determine whether the applicant/resident requires nursing facility services and/or specialized services for his/her mental condition.

Additionally, a Level of Care determination must be conducted for any recipient seeking admittance to determine if he/she meets the nursing facility Level of Care.

Services include assistance with Activities of Daily Living such as bathing, dressing, transferring, toileting, and eating, specialized services if determined through a Level II PASRR, as well as skilled nursing

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☐

15. Additional Covered Benefits (This category of benefits is not applicable to the adult group under section 1902(a)(10)(A)(i)(VIII) of the Act.)

Collapse All ☐

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

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Alternative Benefit Plan

State Name:

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OMB Expiration date: 10/31/2014

Benefits Assurances

ABP7

EPSDT Assurances

If the target population includes persons under 21, please complete the following assurances regarding EPSDT. Otherwise, skip to the Prescription Drug Coverage Assurances below.

The alternative benefit plan includes beneficiaries under 21 years of age.

☒ The state/territory assures that the notice to an individual includes a description of the method for ensuring access to EPSDT services (42 CFR 440.345).

☒ The state/territory assures EPSDT services will be provided to individuals under 21 years of age who are covered under the state/territory plan under section 1902(a)(10)(A) of the Act.

Indicate whether EPSDT services will be provided only through an Alternative Benefit Plan or whether the state/territory will provide additional benefits to ensure EPSDT services:

☒ Through an Alternative Benefit Plan.

☐ Through an Alternative Benefit Plan with additional benefits to ensure EPSDT services as defined in 1905(r).

Other Information regarding how EPSDT benefits will be provided to participants under 21 years of age (optional):

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Prescription Drug Coverage Assurances

☒ The state/territory assures that it meets the minimum requirements for prescription drug coverage in section 1937 of the Act and implementing regulations at 42 CFR 440.347. Coverage is at least the greater of one drug in each United States Pharmacopeia (USP) category and class or the same number of prescription drugs in each category and class as the base benchmark.

☒ The state/territory assures that procedures are in place to allow a beneficiary to request and gain access to clinically appropriate prescription drugs when not covered.

☒ The state/territory assures that when it pays for outpatient prescription drugs covered under an Alternative Benefit Plan, it meets the requirements of section 1927 of the Act and implementing regulations at 42 CFR 440.345, except for those requirements that are directly contrary to amount, duration and scope of coverage permitted under section 1937 of the Act.

☒ The state/territory assures that when conducting prior authorization of prescription drugs under an Alternative Benefit Plan, it complies with prior authorization program requirements in section 1927(d)(5) of the Act.

Other Benefit Assurances

☒ The state/territory assures that substituted benefits are actuarially equivalent to the benefits they replaced from the base benchmark plan, and that the state/territory has actuarial certification for substituted benefits available for CMS inspection if requested by CMS.

☒ The state/territory assures that individuals will have access to services in Rural Health Clinics (RHC) and Federally Qualified Health Centers (FQHC) as defined in subparagraphs (B) and (C) of section 1905(a)(2) of the Social Security Act.

Transmittal Number: 16-0005

Date Approved: 4/7/16

Date Effective: 7/1/16

Superseded Transmittal Number: New page



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- ☒ The state/territory assures that payment for RHC and FQHC services is made in accordance with the requirements of section 1902(bb) of the Social Security Act.
- ☒ The state/territory assures that it will comply with the requirement of section 1937(b)(5) of the Act by providing, effective January 1, 2014, to all Alternative Benefit Plan participants at least Essential Health Benefits as described in section 1302(b) of the Patient Protection and Affordable Care Act.
- ☒ The state/territory assures that it will comply with the mental health and substance use disorder parity requirements of section 1937(b)(6) of the Act by ensuring that the financial requirements and treatment limitations applicable to mental health or substance use disorder benefits comply with the requirements of section 2705(a) of the Public Health Service Act in the same manner as such requirements apply to a group health plan.
- ☒ The state/territory assures that it will comply with section 1937(b)(7) of the Act by ensuring that benefits provided to Alternative Benefit Plan participants include, for any individual described in section 1905(a)(4)(C), medical assistance for family planning services and supplies in accordance with such section.
- ☒ The state/territory assures transportation (emergency and non-emergency) for individuals enrolled in an Alternative Benefit Plan in accordance with 42 CFR 431.53.
- ☒ The state/territory assures, in accordance with 45 CFR 156.115(a)(4) and 45 CFR 147.130, that it will provide as Essential Health Benefits a broad range of preventive services including: "A" and "B" services recommended by the United States Preventive Services Task Force; Advisory Committee for Immunization Practices (ACIP) recommended vaccines; preventive care and screening for infants, children and adults recommended by HRSA's Bright Futures program/project; and additional preventive services for women recommended by the Institute of Medicine (IOM).

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140415

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Transmittal Number: 16-0005 Date Approved: 4/7/16 Date Effective: 7/1/16
Superseded Transmittal Number: New page



Alternative Benefit Plan

State Name:

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OMB Control Number: 0938-1148

Transmittal Number: LA - 16 - 0005

OMB Expiration date: 10/31/2014

Service Delivery Systems

ABP8

Provide detail on the type of delivery system(s) the state/territory will use for the Alternative Benefit Plan's benchmark benefit package or benchmark-equivalent benefit package, including any variation by the participants' geographic area.

Type of service delivery system(s) the state/territory will use for this Alternative Benefit Plan(s).

Select one or more service delivery systems:

☒ Managed care.

☒ Managed Care Organizations (MCO).

☐ Prepaid Inpatient Health Plans (PIHP).

☒ Prepaid Ambulatory Health Plans (PAHP).

☐ Primary Care Case Management (PCCM).

☒ Fee-for-service.

☐ Other service delivery system.

State: Louisiana

Date Received: 3/31/16

Date Approved: 4/7/16

Date Effective: 7/1/16

Transmittal Number: LA 16-0005

Managed Care Options

Managed Care Assurance

- ☒ The state/territory certifies that it will comply with all applicable Medicaid laws and regulations, including but not limited to sections 1903(m), 1905(t), and 1932 of the Act and 42 CFR Part 438, in providing managed care services through this Alternative Benefit Plan. This includes the requirement for CMS approval of contracts and rates pursuant to 42 CFR 438.6.

Managed Care Implementation

Please describe the implementation plan for the Alternative Benefit Plan under managed care including member, stakeholder, and provider outreach efforts.

Members who will be given the opportunity during completion of the Medicaid application to select from among five MCOs. Members who are being automatically transitioned from Family Planning State Plan services (Take Charge Plus Program) or the Greater New Orleans Community Health Connection (GNOCHC) Section 1115 Demonstration Waiver will be auto-assigned to an MCO by the State's conflict-free Enrollment Broker. All members will have 90 days from initial MCO assignment to select a different MCO, and choice counseling in selecting the Plan that best fits the member's needs is available through the Enrollment Broker and website www.bayouhealth.com.

MCO: Managed Care Organization

The managed care delivery system is the same as an already approved managed care program.

The managed care program is operating under (select one):

☐ Section 1915(a) voluntary managed care program.

☐ Section 1915(b) managed care waiver.

☒ Section 1932(a) mandatory managed care state plan amendment.

☐ Section 1115 demonstration.

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☐ Section 1937 Alternative (Benchmark) Benefit Plan state plan amendment.

Identify the date the managed care program was approved by CMS:

Describe program below:

Louisiana Medicaid's managed care program, called Bayou Health, is comprised of five managed care organizations who are responsible for overseeing the delivery of comprehensive, integrated physical and behavioral health (basic and specialized) services statewide for Medicaid enrollees utilizing a risk bearing model.

Additional Information: MCO (Optional)

Provide any additional details regarding this service delivery system (optional):

PAHP: Prepaid Ambulatory Health Plan

The managed care delivery system is the same as an already approved managed care program.

The managed care program is operating under (select one):

☐ Section 1915(a) voluntary managed care program.

☒ Section 1915(b) managed care waiver.

☐ Section 1115 demonstration.

☐ Section 1937 Alternative (Benchmark) Benefit Plan state plan amendment.

Identify the date the managed care program was approved by CMS:

Describe program below:

Single statewide dental benefit manager for dental services and adult denture benefits.

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Additional Information: PAHP (Optional)

Provide any additional details regarding this service delivery system (optional):

Fee-For-Service Options

Indicate whether the state/territory offers traditional fee-for-service and/or services managed under an administrative services organization:

☒ Traditional state-managed fee-for-service

☐ Services managed under an administrative services organization (ASO) arrangement

Please describe this fee-for-service delivery system, including any bundled payment arrangements, pay for performance, fee-for-service care management models/non-risk, contractual incentives as well as the population served via this delivery system.

Louisiana Medicaid State Plan Services that are excluded from MCO benefits and services, and that continue to be traditional state-managed fee-for-service services. They are Applied Behavior Analysis-Based Therapy (limited to 19 and 20 year olds), nursing facility care (ages 21-64) and Long-Term Personal Care Services (Age 21-64)

Additional Information: Fee-For-Service (Optional)

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Provide any additional details regarding this service delivery system (optional):

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V.20140417

State: Louisiana
Date Received: 3/31/16
Date Approved: 4/7/16
Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Transmittal Number: 16-0005 Date Approved: 4/7/16 Date Effective: 7/1/16
Superseded Transmittal Number: New page



Alternative Benefit Plan

State Name:

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OMB Control Number: 0938-1148

Transmittal Number: LA - 16 - 0005

OMB Expiration date: 10/31/2014

Employer Sponsored Insurance and Payment of Premiums

ABP9

The state/territory provides the Alternative Benefit Plan through the payment of employer sponsored insurance for participants with such coverage, with additional benefits and services provided through a Benchmark or Benchmark-Equivalent Benefit Package.

The state/territory otherwise provides for payment of premiums.

Other Information Regarding Employer Sponsored Insurance or Payment of Premiums:

PRA Disclosure Statement

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V.20140415

State: Louisiana
Date Approved: 4/7/16
Date Effective: 7/1/16
Date Received: 3/31/16
Transmittal Number: LA 16-0005

Transmittal Number: 16-0005 Date Approved: 4/7/16 Date Effective: 7/1/16
Superseded Transmittal Number: New page



Alternative Benefit Plan

State Name:

Attachment 3.1-L-

OMB Control Number: 0938-1148

Transmittal Number: LA - 16 - 0005

OMB Expiration date: 10/31/2014

Payment Methodology

ABP11

Alternative Benefit Plans - Payment Methodologies

- ☒ The state/territory provides assurance that, for each benefit provided under an Alternative Benefit Plan that is not provided through managed care, it will use the payment methodology in its approved state plan or hereby submits state plan amendment Attachment 4.19a, 4.19b or 4.19d, as appropriate, describing the payment methodology for the benefit.

An attachment is submitted.

PRA Disclosure Statement

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V.20140415

State: Louisiana
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Date Effective: 7/1/16
Transmittal Number: LA 16-0005

Transmittal Number: 16-0005 Date Approved: 4/7/16 Date Effective: 7/1/16
Superseded Transmittal Number: New page



Subcontract Requirements Checklist for MCOs

Plan Name:

Subcontractor Name:

Summary of services to be provided:

	Checklist Item	Location (Include Name of Document, Page Number, and Section Number/Letter)	DHH Feedback
1	Contain language that the subcontractor shall adhere to all requirements set forth for MCO subcontractors in the contract between DHH and the MCO and the department issued guides and either physically incorporating these documents as appendices to the subcontract or include language in the subcontract that the MCO shall furnish these documents to the subcontractor upon request.		
2	Include a signature page that contains a MCO and subcontractor name with titles that are typed or legibly written, subcontractor company name, and dated signature of all appropriate parties (applicable for renewals as well).		
3	Specify the effective dates of the subcontract agreement.		
4	Specify that the subcontract and its appendices contain all the terms and conditions agreed upon by the both parties.		
5	Require that no modification or change of any provision of the subcontract shall be made unless such modification is incorporated and attached as a written amendment to the subcontract and signed by the parties.		
6	Specify procedures and criteria for any alterations, variations, modifications, waivers, extensions of the subcontract termination date, or early termination of the subcontract and that such change shall only be valid when reduced to writing, duly signed and attached to the original of the subcontract.		
7	Specify that the MCO and subcontractor recognize that in the event of termination of the contract between the MCO and DHH for any of the reasons described in the contract, the MCO shall immediately make available to DHH or its designated representative, in a usable form, any and all records, whether medical or financial, related to the MCO's and subcontractor's activities undertaken pursuant to the subcontract agreement. The provision of such records shall be at no expense to DHH.		

	Checklist Item	Location (Include Name of Document, Page Number, and Section Number/Letter)	DHH Feedback
8	Ensure the subcontractor shall not, without prior approval of the MCO, enter into any subcontract or other agreement for any of the work contemplated under the subcontract without approval of the MCO.		
9	Require that if any requirement in the subcontract is determined by DHH to conflict with the contract between DHH and the MCO, such requirement shall be null and void and all other provisions shall remain in full force and effect.		
10	Identify the population covered by the subcontract.		
11	Specify that the services provided under the subcontract must be in accordance with the Louisiana Medicaid State Plan and require that the subcontractor provide these services to members through the last day that the subcontract is in effect.		
12	Require that the subcontractor be currently licensed and/or certified under applicable state and federal statutes and regulations and shall maintain throughout the term of the subcontract all necessary licenses, certifications, registrations and permits as are required to provide the health care services and/or other related activities delegated by the MCO.		
13	Specify the amount, duration and scope of benefits and services that are provided by the subcontractor.		
14	Provide that emergency services be coordinated without the requirement of prior authorization of any kind.		
15	Require that if the subcontractor performs laboratory services, the subcontractor must meet all applicable state requirements and 42 CFR §§ 493.1 and 493.3, and any other federal requirements.		
16	Require that an adequate record system be maintained for recording services, charges, dates and all other commonly required information elements for services rendered to MCO members pursuant to the subcontract (including but not limited to such records as are necessary for the evaluation of the quality, appropriateness, and timeliness of services performed under the contract between DHH and the MCO). MCO members and their representatives shall be given access to and can request copies of the members' medical records, to the extent and in the manner provided by LRS 40:1299.96 and 45 CFR 164.524 as amended and subject to reasonable charges.		
17	Include record retention requirements as specified in the contract between DHH and the MCO.		

	Checklist Item	Location (Include Name of Document, Page Number, and Section Number/Letter)	DHH Feedback
18	Shall make all program and financial records and service delivery sites open to the representative or any designees of the above. HHS, DHH, GAO, the State Auditor's Office, the Office of the Attorney General, and/or the designees of any of the above shall have timely and reasonable access and the right to examine and make copies, excerpts or transcripts from all books, documents, papers, and records which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions, contact and conduct private interviews with MCO clients, employees, and contractors, and do on-site reviews of all matters relating to service delivery as specified by the Contract. The rights of access in this subsection are not limited to the required retention period, but shall last as long as records are retained. The MCO shall provide originals and/or copies (at no charge) of all records and information requested. Requests for information shall be compiled in the form and the language requested.		
19	Require the subcontractor to submit to the MCO a disclosure of ownership in accordance with RFP Section 15.1.10. The completed disclosure of ownership must be submitted with the checklist.		
20	Whether announced or unannounced, provide for the participation and cooperation in any internal and external quality assessment review, utilization management, and grievance procedures established by the MCO and/or DHH or its designee.		
21	Specify that the subcontractor shall monitor and report the quality of services delivered under the subcontract and initiate a plan of correction where necessary to improve quality of care, in accordance with that level of care which is recognized as acceptable professional practice in the respective community in which the MCO /subcontractor practices and/or the standards established by DHH or its designee.		
22	Require that the subcontractor comply with any corrective action plan initiated by the MCO and/or required by DHH.		
23	Specify any monetary penalties, sanctions or reductions in payment that the MCO may assess on the subcontractor for specific failures to comply with subcontractual and/or credentialing requirements. This shall include, but may not be limited to a subcontractor's failure or refusal to respond to the MCO's request for information, the request to provide medical records, credentialing information, etc.; at the MCO's discretion or a directive by DHH, the MCO shall impose at a minimum, financial consequences against the subcontractor as appropriate.		
24	Provide for submission of all reports and clinical information to the MCO for reporting purposes required by DHH.		

	Checklist Item	Location (Include Name of Document, Page Number, and Section Number/Letter)	DHH Feedback
25	Require safeguarding of information about MCO members according to applicable state and federal laws and regulations and as described in contract between DHH and the MCO.		
26	Make full disclosure of the method and amount of compensation or other consideration to be received from the MCO.		
27	Provide that the subcontractor comply with DHH's claims processing requirements as outlined in the RFP.		
28	Provide that the subcontractor adhere to DHH's timely filing guidelines as outlined in the RFP.		
29	Provide that, if a subcontractor discovers an error or a conflict with a previously adjudicated encounter claim, MCO shall be required to adjust or void the encounter claim within fourteen (14) calendar days of notification by DHH or if circumstances exist that prevent contractor from meeting this time frame a specified date shall be approved by DHH.		
30	Specify that the subcontractor shall accept the final payment made by the MCO as payment-in-full for core benefits and services provided and shall not solicit or accept any surety or guarantee of payment from DHH or the member(s). Member shall include the patient, parent(s), guardian, spouse or any other legally or potentially legally, responsible person of the member being served.		
31	Specify that at all times during the term of the subcontract, the subcontractor shall indemnify and hold DHH harmless from all claims, losses, or suits relating to activities undertaken pursuant to the contract between DHH and the MCO, unless the subcontractor is a state agency. For subcontractors that are not state agencies, the indemnification may be accomplished by incorporating such language from the contract between DHH and the MCO in its entirety in the subcontractor's agreement or by use of other language developed by the MCO and approved by DHH. For state agencies, the liability protection may be accomplished by incorporating language developed by the state agency and approved by DHH.		
32	Require the subcontractor to secure all necessary liability, malpractice, and workers' compensation insurance coverage as is necessary to adequately protect the MCO's members and the MCO under the subcontract. The subcontractor shall provide such insurance coverage upon execution and at all times during the subcontract and shall furnish the MCO with written verification of the existence of such coverage.		
33	Specify that the subcontractor agrees to recognize and abide by all state and federal laws, rules and regulations and guidelines applicable to the provision of services.		

	Checklist Item	Location (Include Name of Document, Page Number, and Section Number/Letter)	DHH Feedback
34	Provide that the agreement incorporates by reference all applicable federal and state laws, rules or regulations, and revisions of such laws, rules, or regulations shall automatically be incorporated into the subcontract as they become effective.		
35	Provide that the MCO and subcontractor shall be responsible for resolving any disputes that may arise between the two (2) parties, and that no dispute shall disrupt or interfere with the provisions of services to the MCO member.		
36	Include a conflict of interest clause as stated in the contract between DHH and the MCO.		
37	Specify that the subcontractor must adhere to the Quality Assessment Performance Improvement (QAPI) and Utilization Management (UM) requirements as outlined the contract between DHH and the MCO. The QAPI and UM requirements shall be included as part of the subcontract between the MCO and the subcontractor.		
38	Provide that all subcontractors shall give MCO immediate notification in writing by certified mail of any litigation, investigation, complaint, claim or transaction that may reasonably be considered to have a material impact on the subcontractor's ability to perform the services included in its contract with the MCO.		
39	Provide that in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et. seq.) and its implementing regulation at 45 CFR Part 80 (2001, as amended), the subcontractor must take adequate steps to ensure that persons with limited English skills receive free of charge the language assistance necessary to afford them meaningful and equal access to the benefits and services provided under the subcontract.		
40	Contain no provision which restricts a subcontractor from subcontracting with another MCO or other managed care entity.		
41	Require that, when the MCO has entered into an alternative reimbursement arrangement with subcontractor, all encounter data must comply with the same standards of completeness and accuracy as required for proper adjudication of claims by the MCO.		
42	Require that the services to be provided under this subcontract shall be performed entirely within the boundaries of the United States, which includes the 50 states, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa. In addition, the subcontractor will not hire any individual to perform any services under this Contract if that individual is required to have a work visa approved by the U.S. Department of Homeland Security and such individual has not met this requirement.		

	Checklist Item	Location	DHH Feedback
		(Include Name of Document, Page Number, and Section Number/Letter)	
43	<p>Contain the following language:</p> <p>The subcontractor and the subcontractor’s providers assign to the State of Louisiana any and all rights or claims it currently has or may acquire under any state or federal antitrust laws and that are attributable to any product units purchased or reimbursed through any state program or payment mechanism, including but not limited to product units purchased or reimbursed under the state’s managed Medicaid program, currently known as Bayou Health. For purposes of this assignment clause, the “subcontractor” shall include any direct or indirect owner to whom the right or claim to be assigned actually belongs, including any and all parents, branches, departments or subsidiaries.</p>		

Appendix UU

Physical Health Provider Network - Geographic and Capacity standards

Primary Care	Provider:Patients	Rural	Urban	Monitoring
Family/General Practice	1:2500	30 miles	10 miles	Quarterly GeoAccess Reports, Weekly Provider Registry
Pediatrics	1:2500			
Internal Medicine (count only those agreeing to accept full PCP responsibilities)	1:2500			
OB/GYN (count only those agreeing to accept full PCP responsibilities)	1:2500			
FQHCs	1:2500			
RHCs	1:2500			
Nurse Practioners	1:1000			
Hospitals	Provider:Patients	Rural	Urban	Monitoring
Acute Inpatient Hospitals		30 miles	10 miles	Quarterly GeoAccess Reports, Weekly Provider Registry
Ancillary				
Ambulance Services		30 miles	20 miles	Quarterly GeoAccess Reports, Weekly Provider Registry
Dialysis Centers		30 miles	10 miles	
Durable Medical Equipment				
Home Health				
Infusion Therapy				
Lab/X-Ray		30 miles	20 miles	
Non-Emergency Medical Transportation				
Orthotics/Prosthetics				Quarterly GeoAccess Reports, Weekly Provider Registry
Pharmacies		30 miles	10 miles	
Specialists				
Allergy/Immunology	1:100,000	60 miles for 75% of members 90 miles for 100% of members		Quarterly GeoAccess Reports, Weekly Provider Registry
Anesthesiology				
Audiology				
Cardiology	1:20,000			
Chiropractic				
Dermatology	1:40,000			
Emergency Medical				
Endocrinology and Metabolism	1:25,000			
Gastroenterology	1:30,000			
Hematology/Oncology	1:80,000			
Hospice				
Infectious Diseases				
Neonatology				
Nephrology	1:50,000			
Neurology	1:35,000			
Nuclear Medicine				
OB/GYN				
Occupational Therapy				
Ophthalmology	1:20,000			
Optician/Optometry				
Orthopedics	1:15,000			
Otorhinolaryngology/Otolaryngology	1:30,000			
Pathology				
Pediatric Allergy				
Pediatric Cardiology				
Pediatric Critical Care Medicine				
Pediatric Emergency Medicine				
Pediatric Endocrinology				
Pediatric Gastroenterology				
Pediatric Hematology - Oncology				
Pediatric Infectious Disease				
Pediatric Nephrology				
Pediatric Pulmonology				
Pediatric Rheumatology				
Pediatric Sports Medicine				
Pediatric Surgery				
Personal Care Services				
Physical Therapy				
Podiatry				
Pulmonary Medicine				
Radiology - Diagnostic				
Radiology -Therapeutic				
Rheumatology				
Speech Therapy				
Surgery - Cardiovascular				
Surgery - Colon and Rectal				
Surgery - General				
Surgery - Neurological				
Surgery - Pediatric				
Surgery - Plastic				
Surgery - Thoracic				
Urology	1:30,000			
Travel distance shall not exceed 90 miles for all members				

Appendix UU			
Behavioral Health Provider Network - Geographic and Capacity standards			
			Monitoring
Psychiatrists	Rural	Urban	Quarterly GeoAccess Reports, Network Development Plan, Weekly Provider Registry
Psychiatrists	30 miles	15 miles	
Behavioral Health Specialists	30 miles	15 miles	
Advanced Practice Registered Nurse (Behavioral Health Specialty)	The network standard is applied to this category of providers collectively. However, DHH requires reporting and monitoring for each individual specialist type shown here.		
Clinical Nurse Specialist (Behavioral Health Specialty)			
Licensed Addiction Counselor			
Licensed Clinical Social Worker			
Licensed Marriage and Family Therapist			
Licensed Professional Counselor			
Medical Psychologist			
Physician Assistant(Behavioral Health Specialty)			
Psychologist-Clinical			
Psychologist-Counseling			
Psychologist-Developmental			
Psychologist-General (Non-Declared)			
Psychologist-Other			
Psychologist-School			
Psychiatric Residential Treatment Facilities (PRTFs)	Travel distance to a PRTF shall not exceed 200 miles for 90% of members		
Psychiatric Residential Treatment Facility			
Psychiatric Residential Treatment Facility Addiction			
Psychiatric Residential Treatment Facility Hospital Based			
Psychiatric Residential Treatment Facility Other Specialization			
Substance Use Residential Treatment Facilities	Adolescents	Adults	
ASAM Level III.3/5 Clinically Managed High Intensity	60 miles		30 miles
ASAM Level III.7 Medically Monitored Intensive	n/a		60 miles
ASAM Level III.7D Medically Monitored Re	n/a		60 miles
Other Facilities	n/a	n/a	
Crisis Receiving Center	The network development plan must include an assessment of coverage for access to these services including distance, population density, and provider availability variables. All gaps in coverage must be identified and addressed in the Network Development Plan		
Repite Care Services Agency/Center Based Respite			
Assertive Community Treatment Team			
Mental Health Clinic (Legacy MHC)			
Behavioral Health Rehab Provider Agency			
Mental Health Rehabilitation Agency			
Multi-Systemic Therapy Agency			
Therapeutic Group Home			
Mental Health Clinic (Legacy MHC)			
Hospital, Distinct Part Psychiatric Unit			
Hospital, Free Standing Psychiatric Unit			
Federally Qualified Health Clinics (with Behavioral Health Specialty)			
Substance Abuse and Alcohol Abuse Center (Outpatient)			