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Ms. Pam Diez
Deputy Medicaid Director/Chief Financial Officer
Louisiana Department of Health
Bureau of Health Services Financing
628 North 4th Street
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March 13, 2017

Subject: Healthy Louisiana Program – Full Risk-Bearing Managed Care Organization Rate Development and Actuarial Certification for the Period February 1, 2017 through January 31, 2018

Dear Ms. Diez:

The Louisiana Department of Health (LDH) has contracted with Mercer Government Human Services Consulting (Mercer) to develop actuarially sound capitation rate ranges for the State of Louisiana's Healthy Louisiana (f/k/a Bayou Health) program for the period of February 1, 2017 through January 31, 2018.

The Healthy Louisiana program began February 1, 2012, and operated under two separate managed care paradigms for the first three years of the program. The Healthy Louisiana 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, Healthy Louisiana began operating as an at-risk capitated program only. Beginning December 1, 2015, the Healthy Louisiana Program began covering specialized behavioral health (SBH) services. At the same time, LDH carved in new populations who will receive SBH and non-emergency transportation (NEMT) services from the Healthy Louisiana managed care organizations (MCOs). This bifurcated the Healthy Louisiana program into two capitated sub-programs – the Physical Health (PH) program and the SBH program. The Healthy Louisiana PH program covers all services and populations previously included in Healthy Louisiana plus most SBH services that were previously covered by the Louisiana Behavioral Health Partnership (LBHP). The Healthy Louisiana SBH program covers most SBH services and NEMT services for the populations previously excluded from the Healthy Louisiana program. Healthy Louisiana SBH program enrollees continue to receive PH 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 the SBH program. Mercer developed a rate specific to each program for these populations. Beginning July 1, 2016, Healthy Louisiana began the Medicaid Expansion program [42 CFR 433.204 b(1)], which is an option for individuals who have a household income less than 138% of the federal poverty level (FPL) and are not eligible for any other Medicaid program or

Medicare. The individual must be aged 19 to 64 years old and meet citizenship requirements. The Expansion program covers both PH and SBH services. See Appendix C for a list of these services.

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, Healthy Louisiana Shared Savings claims experience, Healthy Louisiana 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:

- **Part A: Base Data Development**
- **Part B: Capitation Rate Development**
 - Subpart B.1: Projected Benefit Costs
 - Section 1: Non-Expansion Population
 - Subsection 1.a: PH Services
 - Subsection 1.b: SBH Services
 - Subsection 1.c: All Services Combined
 - Section 2: Expansion Population
 - Subpart B.2: Projected Non-Benefits Costs
- **Part C: Other Rate Development Considerations**
 - Subpart C.1: Family Planning Portion of Capitation Rate
- **Part D: Risk Mitigation and Related Contractual Provisions**
- **Part E: Certification of Final Rate Ranges**

Part A: Base Data Development

Overview

Capitation rate ranges for the Healthy Louisiana program were developed in accordance with rate-setting guidelines established by CMS. For rate range development for the Healthy Louisiana MCOs, Mercer used calendar year 2013 (CY 2013) and CY 2014 Medicaid FFS medical and pharmacy claims, Healthy Louisiana Shared Savings claims experience, Healthy

Louisiana Prepaid encounter data, and LBHP claims experience. All data was reported on an incurred basis and included payment dates through July 31, 2016. 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 LDH, the Healthy Louisiana plans, and the LBHP for consistency and reasonableness and determined the data was appropriate for the purpose of setting capitation rates for the MCO program. The data reliance attestation shown in Appendix S has been provided by LDH, 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 Healthy Louisiana benefit packages for rating year 2017 (RY17). 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 Healthy Louisiana program
- Opportunities for managed care efficiencies
- Administration and underwriting profit/risk/contingency loading

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

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

The resulting rate ranges for each individual rate cell were developed net of Graduate Medical Education (GME) payments to teaching hospitals provided in the Louisiana Medicaid State Plan. Appendix I-L shows the full rate development for the Non-Expansion population from the base data as shown in the data book released by LDH, dated November 8, 2016, and applies all the rate setting adjustments as described in this letter. Appendix M – O shows the full rate development for the Expansion population.

Healthy Louisiana Populations

PH Program

Covered Populations

In general, the Healthy Louisiana PH program includes individuals classified as Supplemental Security Income (SSI), Family & Children (F&C), 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 Healthy Louisiana 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 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 Healthy Louisiana PH program. Previously, under the Legacy Healthy Louisiana 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 LDH 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 Healthy Louisiana 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 Healthy Louisiana 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

Appendix B encompasses a comprehensive list of Healthy Louisiana’s covered and excluded Medicaid populations.

Specialized Behavioral Health Program

Covered Populations

The Healthy Louisiana 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 Healthy Louisiana 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 Healthy Louisiana 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 Healthy Louisiana PH program. If they choose not to voluntarily enroll into the Healthy Louisiana PH program, they will automatically have only their SBH and NEMT services covered by the Healthy Louisiana 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
- Louisiana Health Insurance Premium Payment (LaHIPP) program's recipients (these recipients will become eligible for Healthy Louisiana SBH program effective April 1, 2017)

Excluded Populations

The following individuals are excluded from participation in the Healthy Louisiana 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 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

Expansion Program

Beginning July 1, 2016, Healthy Louisiana began the Medicaid Expansion program [42 CFR 433.204 b(1)], which is an option for individuals who have a household income less than 138% of the FPL and are not eligible for any other Medicaid program or Medicare. The individual must be aged 19 to 64 years old and meet citizenship requirements.

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, LDH will pay a maternity kick payment to the MCOs for each delivery that takes place. Table 1A shows a list of the different PH rate cells for each eligibility category including the maternity kick payment. Tables 1B and 1C show the list of the different SBH and Expansion rate cells for each eligibility category.

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
F&C (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 and LaHIPP	
All Ages, Male & Female	
SBH — HCBS Waiver	
20 and Under, Male & Female	21+ Years, Male & Female
SBH — Other	
All Ages, Male & Female	

Table 1C: Expansion Rate Category Groupings

Expansion
Female Age 19–Age 24 Female Age 25–Age 39
Male Age 19–Age 24 Male Age 25–Age 39
Female Age 40–Age 49 Female Age 50–Age 64
Male Age 40–Age 49 Male Age 50–Age 64
SBH — Dual Eligible and LaHIPP, All Ages
SBH — CCM, All Ages
SBH — Other, All Ages
High Needs, All Ages

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 all three 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

Healthy Louisiana Services

Covered Services

Appendix C lists the services the Healthy Louisiana MCOs must provide to the members in the Healthy Louisiana PH and Expansion and Healthy Louisiana 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.

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)	\$16,022,348	\$486.59	\$646.94	-25%
Substance Use Disorder (SUD) Residential	SUD Residential IMD	\$5,077,701	\$71.17	\$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)	\$17,709,165	\$466.68	\$646.94	-28%
SUD Residential	SUD Residential IMD	\$6,455,879	\$78.85	\$145.51	-46%
Emergency Room	Crisis	\$374,183	\$57.36	\$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 LDH 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)

LDH implemented a new MSP 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 MSP 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 Healthy Louisiana for certain categories of aid (COA), an adjustment for MSP was needed only for the SBH program COAs whose PH services are covered under FFS. Appendix D summarizes the MSP adjustment.

Excluded Services

Healthy Louisiana 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 LDH'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 Healthy Louisiana Behavioral Health Integration Amendment issued by LDH.

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 July 31, 2016. PH claims and SBH claims for dates of service in CY 2013 and CY 2014 were deemed complete as they reflect 31 and 19 months of runout, respectively.

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 1.6% and 1.5% 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 \$9.2 million of additional ACT services for 2013. Table 4 displays the total ACT services added by COA.

Table 4: Total ACT Services Added by COA

COA Description	CY 2013
SSI	\$6,702,686
F&C	\$332,550
FCC	\$0
BCC	\$63,450
HCBS Waiver	\$79,248
CCM	\$0
SBH — CCM	\$0
SBH — Dual Eligible and LaHIPP	\$1,946,433
SBH — HCBS Waiver	\$79,248
SBH — Other	\$20,938
Total	\$9,224,553

Third-Party Liabilities

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

Fraud and Abuse Recoveries

LDH 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 40.0% and 60.0% to the CY 2013 and CY 2014 data, respectively, after accounting for historical rating adjustments described in Part A and Part B 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

Part B: Capitation Rate Development

Rating adjustments were developed and applied separately for PH, SBH, and Expansion 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, SBH, or Expansion services.

Subpart B.1: Projected Benefit Costs

Section 1: Non Expansion Population

Subsection 1.a: PH 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.

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 LDH (i.e., the January 1, 2017 fee schedule). The non-GME part of the per diems were used in this fee adjustment process to be consistent with LDH'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 5A: Inpatient Fee Change Impact

Time Period	Historical Cost	Adjustment Dollar Impact	Impact as % of	
			Historical Cost	All PH Services Cost
CY 2013	\$608,457,486	\$49,386,334	8.12%	1.97%
CY 2014	\$576,513,568	\$34,707,834	6.02%	1.37%

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, 2015 to December 31, 2015. The adjustment also included estimation of cost settlements and reflected the most up-to-date cost settlement percentages for each facility.

The total impact of the outpatient fee change is summarized below.

Table 5B: Outpatient Fee Change Impact

Time Period	Historical Cost	Adjustment Dollar Impact	Impact as % of	
			Historical Cost	All PH Services Cost
CY 2013	\$350,207,994	\$15,819,648	4.52%	0.63%
CY 2014	\$374,580,287	\$10,706,521	2.86%	0.42%

Physician Services

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 primary care physicians (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 5C: ACA PCP Fee Change Impact

Time Period	Historical Cost	Adjustment Dollar Impact	Impact as % of	
			Historical Cost	All PH Services Cost
CY 2013	\$233,736,059	-\$73,278,135	-31.35%	-2.93%
CY 2014	\$251,821,622	-\$76,970,658	-30.57%	-3.03%

Overall, as shown in Table 6, the combined effect of all the historical fee adjustments was a 0.32% decrease in CY 2013 base data and a 1.24% decrease in CY 2014.

Table 6: Summary of Fee Change Impact for All Claims

Time Period	Historical Cost	Adjustment Dollar Impact	Adjusted Cost	Percent Impact
CY 2013	\$2,502,160,270	-\$8,072,154	\$2,494,088,116	-0.32%
CY 2014	\$2,538,633,232	-\$31,556,303	\$2,507,076,929	-1.24%

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 3.0% of pharmacy costs.

PH Prospective Rating Adjustments

Rx Rebates

Mercer reviewed the CY 2015 financial data and derived a pharmacy rebates adjustment percentage of -3.3% that was applied to the projected pharmacy benefit costs. The overall per member per month (PMPM) impact to total benefit costs is -0.98%.

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 Healthy Louisiana 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 7 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 7 and is shown in Appendix A.

Table 7: EED Rate Reduction

Region Description	Reduction – Low Cost per Delivery	Reduction – High Cost per Delivery
Gulf	\$(4,738.58)	\$(4,900.34)
Capital	\$(4,186.38)	\$(4,329.21)
South Central	\$(4,297.43)	\$(4,444.04)
North	\$(4,191.59)	\$(4,334.52)
Total	\$(4,393.88)	\$(4,543.80)

Pediatric Day Health Care (PDHC) Program Change

Effective September 1, 2016, LDH issued three policy changes to PDHC services. These policy changes include changes in the eligibility criteria, per diem requirement, and re-evaluation period.

Eligibility Criteria

Medicaid recipients are required to meet all criteria on the PDHC prior authorization checklist to be eligible for PDHC services. Effective September 1, 2016, LDH issued a more restrictive prior authorization checklist that will reduce the number of PDHC recipients. The State sampled 78 children across 22 PDHCs and estimated 20.0% of PDHC recipients will no longer be eligible for PDHC services. Based on this estimate, Mercer applied a 20.0% reduction to all PDHC expenses. The result is a PMPM decrease of \$0.44.

Per Diem Requirement

Prior to September 1, 2016, PDHC providers billed an hourly rate for PDHC stays of up to 4 hours in a day and a per diem rate for stays between 4-12 hours. Effective September 1, 2016, the state fee schedule is changing to an hourly rate for stays up to 6 hours and a per diem rate for stays between 6-12 hours.

Mercer projected per diem recipients would utilize 69,953 days within a 12 month period under the requirements prior to September 1, 2016. Following the per diem requirement policy change, Mercer estimated 80.0%, or 55,963 days, would remain at the per diem rate of \$293.72. Conversely, Mercer estimated 20.0% of the days were for stays between 4-6 hours and would be billed at an hourly rate. Mercer estimated 6 hours would be billed at the hourly rate instead of the per diem, resulting in 83,944 additional hours billed at the hourly rate of \$42.01. The result is a PMPM decrease of \$0.04 which can be found in Table 8.

Table 8: PDHC Per Diem Requirement Change

	Projected PDHC Experience		
	PDHC Per Diem Experience	Hourly and Transportation	All PDHC Experience
	Units	69,953	51,542
Expenses	\$ 20,525,153	\$ 1,561,176	\$ 22,086,329

	Revised PDHC Experience			
	Revised Per Diem		Hourly and Transportation	Revised Total
	Per Diem	Hourly Rate		
Units	55,963	83,944	51,542	191,449
Unit Cost	\$ 293.72	\$ 42.01		
Revised Expenses	\$ 16,437,385	\$ 3,526,494	\$ 1,561,176	\$ 21,525,056

PDHC Expenses	\$	22,086,329
Revised PDHC Expenses	\$	21,525,056
Per Diem Requirement Impact	\$	(561,274)
PMPM Impact	\$	(0.04)

Re-evaluation Period

Effective September 1, 2016, the days between a PDHC recipient's re-evaluations changed from 120 days to 90 days. Mercer determined this policy change had no direct impact on the rates.

Appendix G summarizes the rate impact due to the PDHC policy changes. The overall combined impact of the PDHC policy changes is a 0.2% rate decrease.

Preventive Services

Effective July 1, 2016, LDH expanded the preventive services covered by the Healthy Louisiana. These services are included on the applicable published fee schedules on the Medicaid website www.lamedicaid.com. The impact of the change is an increase of \$1.12 in the projected benefit cost PMPM for the PH program. The change has no impact on the SBH program.

Contralateral Breast Reduction (CBR) Services

Effective February 1, 2017, the Healthy Louisiana program will cover breast reconstruction post mastectomy of the contralateral unaffected breast to achieve symmetry for patients diagnosed with breast cancer. The added CBR services will result in a 1.6% increase to the BCC rate cell, as shown in Table 9 below.

Table 9: CBR Services

Proj. BCC Member Months	11,246
Proj. Single Breast Mastectomies	359
Proj. Recipients Receiving CBR Services	147
	PMPM
1. Tattooing	\$ 1.02
2. New Contralateral Services	\$ 14.04
3. Additional Surgical Costs	\$ 6.50
CBR Adjustment	\$ 21.56
Statewide BCC Rate	\$ 1,322.44
CBR Adjustment	\$ 21.56
BCC Rate after CBR Adj.	\$ 1,344.00
Rating Adjustment	1.6%

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.

Historical trends were applied to CY 2013 prior to blending with CY 2014. Prospective trends were applied to the blended base data.

Trends, delineated by utilization, unit cost, PMPM, and by population are shown in Appendix E. Transportation and Other service category trends were developed as a PMPM trend due to distortions observed in the utilization and unit cost components of claim costs.

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 LDH's goal that the Healthy Louisiana 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. LDH 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 there are factors outside 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 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 2017 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 35.0% 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 2017 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 5.0% to 90.0% 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 2017, 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 35.0% targeted efficiency level was applied to reflect the State's value-focused purchasing strategy. At this targeted efficiency level, 35.0% 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 35.0% targeted efficiency level applied to the final adjustment identified.

The overall impact of the Inpatient, ED, and Pharmacy efficiency adjustments was a decrease of \$2.20 to the PH program.

Managed Care Savings Adjustment

For those populations and services that had previously been excluded from Healthy Louisiana, 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, durable medical equipment (DME) and NEMT costs for Shared Savings enrollees were adjusted as part of this rate setting, as these services were excluded from Healthy Louisiana 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 Healthy Louisiana 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 84.0%, compared to approximately 77.0% 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 10 details the savings breakdown by COA.

Table 10: GDR Savings Adjustment

COS Description	Savings from Improvement in GDR (w/Phase-in)					Total
	SSI	F&C*	BCC	LAP	HCBS Waiver** (FFS)	
	(%)	(%)	(%)	(%)	(%)	(%)
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. LDH makes payments to a maximum of \$10 million, annually. As payment of outlier liability is the responsibility of Healthy Louisiana MCOs, this additional \$10 million was built into the rates based on the distribution by rate cell observed in state fiscal year (SFY) 2017 payments. Outliers added an average cost of \$0.85 PMPM to the base data used in rate setting. Table 11 details the impact of outliers on the rates by rate cell.

Table 11: Outlier Claims to be Added into Healthy Louisiana from \$10 Million Pool

COA Description	Rate Cell Description	Projected MMs	Outlier PMPM	Outliers Total Adjustment
SSI	Newborn, 0-2 Months	1,777	\$1,979.92	\$3,518,746
SSI	Newborn, 3-11 Months	7,473	\$32.24	\$240,903
SSI	Child, 1-20 Years	438,102	\$0.25	\$111,403
Family and Children	Newborn, 0-2 Months	181,298	\$32.99	\$5,981,749
Family and Children	Newborn, 3-11 Months	408,855	\$0.26	\$106,631
Family and Children	Child, 1-20 Years	8,163,747	\$0.00	\$40,568
Total*		11,743,097	\$0.85	\$10,000,000

*Total includes MMs for all populations in Healthy Louisiana Physical Health.

Subsection 1.b: 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 0.4% 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 Healthy Louisiana rates was necessary.

PRTF Per Diem Adjustment

LDH 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, LDH 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 LDH. 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, LDH implemented a 5.0% rate increase to certain providers delivering community psychiatric services to individuals in the PSH program. Using the list of PSH providers from LDH, Mercer summarized historic cost and utilization data for community psychiatric services for these providers and calculated the impact of the 5.0% 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 0.4% and 0.5% increase to CY 2013 and CY 2014 SBH services, respectively.

1915(c) CSoC Regional Expansion

LDH 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 Healthy Louisiana rating group shifted to the CSoC program. The CSoC population will have select services covered by Healthy Louisiana, including PRTF, Therapeutic Group Home (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 June 2016. The growth by region is outlined in Table 12:

Table 12: CSoC Enrollment's Growth by Region

CSoC Enrollment	Average 2013	Average 2014	As of June 2016	Projected RY 2017 CSoC Recipients
Gulf	199	282	723	699
Capital	214	257	674	652
South Central	152	192	502	486
North	494	506	582	563
Statewide	1,058	1,236	2,481	2,400

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 Healthy Louisiana rating groups (\$610.23 and \$19.87, respectively for CY 2013; \$957.40 and \$25.09, respectively for CY 2014). Because of this differential, the movement of those higher needs children out of Healthy Louisiana 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 3.0% and 3.6% 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. LDH indicated it expects providers to continue to be paid at the higher reimbursement level under the Healthy Louisiana program. For this reason, Mercer determined it was necessary to adjust all unit costs to the CY 2014 adult unit cost.

Mercer analyzed 2014 encounter data by region and observed an increase in these services' average reimbursement rate to roughly \$71.00 per unit. Mercer calculated the program change impact based on reported service utilization in each region.

Overall, this represents a 1.1% and 0.9% increase to CY 2013 and CY 2014 SBH services, respectively.

Psychosocial Rehabilitation (PSR) Services

Effective July 1, 2016, the State implemented an initiative with the MCOs to reduce PSR spending through improved utilization management of child recipients. The State expects this initiative to reduce PSR spending by 11.7%. The overall impact due to the reduction in PSR services is a 0.2% and 0.3% rate decrease in CY 2013 and CY 2014, respectively.

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 1.5% and 29.5% were applied to adult and child rating groups, respectively. For NEMT Services, 16.0% historical trend was applied to the SBH Dual COA and 11.0% 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, LDH 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, PSR, 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 PSR 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. LDH 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 2015 and made an assumption about the number of members who utilized services in 2014 and 2015 that would have utilized more services had their authorizations started earlier in the year.

Table 13: Impact to Adult Services of Elimination of Independent Assessment

Total 1915(i) proxy 2015 recipient count	58,689
Subset of recipients that are projected to receive an additional month of service	848
Average monthly cost of 1915(i) services (CY 2015)	\$570
Program Change PMPM	\$0.14
Adult SBH PMPM	\$28.75
Total Impact to Adult SBH Services	0.5%

- 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 14: 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 10.0% 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. Mercer assumed the same monthly increase from January 2016 to January 2017 would then continue from January 2017 to January 2018. 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 15: Impact to Adult Services of Expansion of Access to Services

September 2015 recipients	2,849
Projected January 2017 based on emerging data	5,754
Projected January 2018 users	8,632
Total new users in rating period	53,228
Average 2015 monthly cost by OLPs	\$174.02
Program change PMPM	\$2.72
Adult SBH PMPM	\$28.75
Total Impact to Adult SBH Services	9.5%

- 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 0.3% impact to the overall rate.

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 during trend development. For the Adult population, Mercer relied upon Financials, due to encounter data reporting issues in the MMIS system. Ultimately, SBH service category trends were developed as a PMPM trend for both Child and Adult Populations due to distortions observed in the utilization and unit cost components of claim costs.

Trends delineated by PMPM and by population are shown in Appendix E.

IMD

Mercer has not made an adjustment at this time for the impact of the IMD provisions under the managed care final rule. Per CMS's March 9, 2017 approval letter of the Bayou Health MCO Contract Amendments #5, LDH will have until the next rating period following LDH's receipt of the Amendment #5 approval letter to bring the contracts into compliance with the rules at 42 CFR 438.3(e)(2) at this provision relates to IMDs at 42 CFR 438.6(e).

Reinstatement of LaHIPP Program

Effective April 1, 2017, the LaHIPP program will be reinstated. Members that are enrolled in the LaHIPP program will receive PH services through FFS and will receive SBH and NEMT services through Healthy Louisiana. The LaHIPP members will be included in the SBH Dual and LaHIPP rate cell (f/k/a SBH Dual Eligible). As shown in the table below, the addition of the LaHIPP members results in a decrease of 0.7% to the SBH Dual Eligible and LaHIPP rate cell.

Table 16: Reinstatement of LaHIPP Program

COA Desc.	Rate Cell Desc.	LaHIPP		non-LaHIPP		Adjusted Data to Include LaHIPP		
		Projected MMs ¹	CY14 PMPM	Projected MMs ¹	CY14 PMPM	Projected MMs ¹	CY14 PMPM	% Adj.
SBH -- Chisholm Class Members	Chisholm, All Ages Male & Female	-	\$ -	54,449	\$ 93.70	54,449	\$ 93.70	0.0%
SBH -- Dual Eligible and LaHIPP	Dual Eligible and LaHIPP, All Ages	26,519	\$ 9.67	1,240,232	\$ 14.41	1,266,751	\$ 14.31	-0.7%
SBH -- HCBS Waiver	20 & Under, Male and Female	-	\$ -	23,926	\$ 38.49	23,926	\$ 38.49	0.0%
SBH -- HCBS Waiver	21+ Years, Male and Female	-	\$ -	47,163	\$ 56.51	47,163	\$ 56.51	0.0%
SBH -- Other	Other, All Ages	-	\$ -	37,833	\$ 129.12	37,833	\$ 129.12	0.0%

Notes:

1- Projected enrollment for February 2017- January 2018

Subsection 1.c: 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 Healthy Louisiana, 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 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 Healthy Louisiana 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 H.

Table 17 summarizes the overall adjustment by rate cell for retroactive eligibility.

Table 17: 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+	0.44%
F&C	0-2 Months	0.00%
F&C	3-11 Months	0.00%
F&C	Child 1-20	0.00%
F&C	Adult 21+	0.00%
FCC	FCC, All Ages	0.00%
BCC	BCC, All Ages	2.41%
LAP	LAP, All Ages	0.36%
HCBS	Child 0 – 20	0.00%
HCBS	Adult 21+	0.00%
CCM	CCM, All Ages	0.02%
SBH — CCM	SBH — Chisholm, All Ages Male & Female	0.00%
SBH — Duals	SBH — Dual Eligible and LaHIPP, All Ages	0.00%
SBH — HCBS	SBH — 20 & Under, Male and Female	0.00%
SBH — HCBS	SBH — 21+ Years, Male and Female	0.00%

COA Description	Rate Cell Description	Adjustment (%)
SBH — Other	SBH — Other, All Ages	0.00%
Maternity Kick Payment	Maternity Kick Payment	0.00%

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 PMPM payments to 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.

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 LDH. 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 reimbursement level applicable to the rate period. The SFY14 Medicaid payments were adjusted to reflect applicable fee changes and payments made outside of the claims system (outlier payments). The Medicaid payments were also trended to the rate period and the ratio between the projected Medicare and Medicaid payments was calculated. Mercer applied the ratio between the two payments to the base data at a hospital-specific level. Tables 18a and 18b below show the impact of FMP on the adjusted base cost of PH and SBH inpatient hospital services, respectively.

Table 18a: 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	\$608,457,486	\$49,386,334	\$657,843,819	\$419,493,300	63.77%
CY 2014	\$576,513,568	\$34,707,834	\$611,221,402	\$403,796,359	66.06%

Table 18b: 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	\$65,746,367	\$1,127,901	\$66,874,269	\$32,134,941	48.05%
CY 2014	\$61,519,187	\$1,361,249	\$62,880,436	\$26,367,582	41.93%

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 LDH were reported on hospital fiscal year bases, which varied by hospital from February 28, 2015 to December 31, 2015. 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 19a and 19b below show the impact of FMP on the adjusted base cost of PH and SBH outpatient hospital services, respectively.

Table 19a: 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	\$350,208,386	\$15,819,648	\$366,028,034	\$98,102,362	26.80%
CY 2014	\$374,580,343	\$10,706,521	\$385,286,864	\$110,325,411	28.63%

Table 19b: 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	\$6,855,807	(\$506,959)	\$6,348,848	\$1,031,976	16.25%
CY 2014	\$9,286,240	(\$431,066)	\$8,855,174	\$807,703	9.12%

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 LDH and updated periodically. For state-owned or operated entities, average commercial rate factors are updated annually. LDH provided state-owned conversion factors for RY 2017. For non-state owned or operated entities, the average commercial rate factors are

indexed to Medicare rates and updated every 3 years. LDH provided the latest available non-state factors, which were last updated as recently as December 2016. Tables 20a and 20b 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 20a: 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	\$90,668,502	\$0	\$90,668,502	\$98,829,416	109.00%
CY 2014	\$93,558,801	\$0	\$93,558,801	\$107,085,186	114.46%

Table 20b: 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	\$566,314	\$0	\$566,314	\$494,114	87.25%
CY 2014	\$708,841	\$0	\$708,841	\$583,063	82.26%

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 100.0% 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 LDH for RY 2017. 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. Table 21 below shows the impact of FMP on the adjusted base cost of PH ambulance services meeting the State Plan's criteria for FMP.

Table 21: 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	\$27,508,226	\$0	\$27,508,226	\$15,712,214	57.12%
CY 2014	\$30,470,748	\$0	\$30,470,748	\$19,977,704	65.56%

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 22.

Table 22: FMP PMPM Impact

COA Description	CY 2014 MMs	[A]	[B]	[C]	[D] = [A]+[B]+[C]
		Full Medicaid Pricing PMPM Impact			
		Hospital (IP/OP)	Ambulance	Physician	Total
SSI	1,401,940	\$138.11	\$12.34	\$26.40	\$176.85
F&C	9,536,740	\$20.38	\$1.62	\$6.27	\$28.26
FCC	126,351	\$12.21	\$2.02	\$4.81	\$19.05
BCC	12,913	\$430.37	\$5.12	\$50.80	\$486.28
LAP	40,075	\$9.74	\$0.61	\$4.31	\$14.65
HCBS Waiver	76,727	\$101.75	\$10.52	\$17.69	\$129.96
CCM	69,672	\$74.16	\$4.38	\$10.04	\$88.58
SBH – CCM	71,070	\$-	\$-	\$-	\$-
SBH – Dual Eligible and LaHIPP	1,122,365	\$0.39	\$-	\$0.06	\$0.45
SBH – HCBS Waiver	76,715	\$6.36	\$-	\$0.12	\$6.48
SBH – Other	35,633	\$33.95	\$-	\$0.26	\$34.22
Maternity Kick Payment	37,578	\$3,206.23	\$-	\$422.01	\$3,628.24
Total¹	12,570,201	\$42.25	\$2.72	\$9.25	\$54.21

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

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.

Section 2: Expansion Population

The rate development for the expansion enrollment relied upon base data and rate-setting adjustments used to develop the non-expansion Healthy Louisiana February 1, 2017 effective capitation rates. The expansion rate development relied primarily upon F&C experience and rate 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, as well as additional adjustments applied will be discussed in the *Expansion Data Adjustments* section below. For assumption comparison to 7/1/2016, please refer to Appendix P.

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 23. 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 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 and LaHIPP coverage; therefore, the rate from the existing Healthy Louisiana population for SBH-Dual Eligible and LaHIPP will be used in this scenario.

Table 23: Age Gender Factors

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

Expansion Data Adjustments

Removed and Revised Data Adjustments

All F&C Adult applicable rate adjustments from the Non-Expansion Healthy Louisiana February 1, 2017 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 24.

Table 24: Expansion Annual Trend Factors

COS Description	Expansion	
	Trend Low	Trend High
Inpatient Hospital	-2.0%	1.0%
Outpatient Hospital	3.3%	5.3%
Primary Care Physician	3.4%	5.2%
Specialty Care Physician	3.4%	5.2%
FQHC/RHC	3.4%	5.2%
EPSDT	3.4%	5.2%

COS Description	Expansion	
	Trend Low	Trend High
Certified Nurse Practitioners/Clinical Nurse	3.4%	5.2%
Lab/Radiology	0.0%	1.0%
Home Health	0.0%	1.0%
Emergency Transportation	18.0%	20.0%
Non-Emergency Transportation	18.0%	20.0%
Rehabilitation Services (OT, PT, ST)	0.0%	1.0%
DME	0.0%	1.0%
Clinic	3.4%	5.2%
Family Planning	3.4%	5.2%
Other	0.0%	1.0%
Prescribed drugs	6.1%	8.0%
Emergency Room	3.3%	5.3%
Basic Behavioral Health	3.4%	5.2%
Hospice	-2.0%	1.0%
Personal Care Services	0.0%	1.0%
Inpatient Services -- Mental Health	1.5%	3.5%
Emergency Room -- Mental Health	1.5%	3.5%
Professional/Other -- Mental Health	1.5%	3.5%

Additional Rate Adjustments

Several adjustments unique to the expansion population were developed to account for expected differences from our Non-Expansion Healthy Louisiana February 1, 2017 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 25.

Table 25: Expansion Assumption Factors

Region(s) Factor	Acuity	Pent-Up Demand		Adverse Selection		Reverse Managed Care
	Low / High	Gulf	All Other	Gulf	All Other	All
	1.175 / 1.256	1.070	1.076	1.002	1.003	1.039

Note: Only Acuity varies by low and high.

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 17.5% to 25.6%.

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. Pent-up demand is expected to be met following 12 months of continuous enrollment in the program. A separate factor for the Gulf region was necessary, because all of the GNOCHC population were auto-enrolled July 1, 2016. This population already has access to professional services, which results in a lower pent-up demand expectation. The GNOCHC population resides exclusively in the Gulf region. The weights and resulting factor are shown in Table 26.

Table 26: Pent-up Demand Factors

Gulf Region	6.95%
All Other Regions	7.57%

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 were auto-enrolled effective July 1, 2016. These populations are the Family Planning 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 over time. The final factors for Gulf and other regions are shown below in Table 27.

Table 27: Adverse Selection Factors

Gulf Region	1.002
All Other Regions	1.003

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. This effect is not expected for pharmacy, so it was set at zero. Reverse managed care effects are expected to wear off following 12 months of continuous enrollment in the program. Details of current managed care factors and reverse managed care factors by COS are shown in Table 28.

Table 28: Reverse Managed Care Factors by COS

COS	Managed Care (MC) Factor	Reverse MC Factor
Inpatient	-20.8%	9.9%
Outpatient	-16.6%	7.5%
Professional	-6.1%	2.4%
Other	-13.8%	6.0%
Transportation	-4.4%	1.7%
Pharmacy	-25.2%	0.0%
SBH – IP	-30.0%	16.1%
SBH – ER	-10.0%	4.2%
SBH – Prof/Other	20.0%	-6.3%
Model Total	-9.5%	3.93%

High-Needs Rate Development

Effective January 1, 2017 LDH is working with the Department of Corrections (DOC) on a pre-release enrollment program for the offender population that will now be covered by Medicaid under the New Adult Group through expansion. Part of this population will be considered “High Need” by the DOC based on a set of high-risk health criteria. For those identified as high needs, the MCO will conduct case management within 30 days prior to release. Given these extra requirements and the high-risk health criteria, a new rate cell was developed to handle this population.

The DOC provided available, relevant data, so that a sound actuarial rate could be determined. The pharmacy data, which covered periods July 2013 through March 2016 proved to be the best source to estimate this population, since other types of services were sparse. The pharmacy analysis showed that the top therapeutic categories of prescriptions filled by DOC patients remained consistent over the time studied. Based on the top therapeutic categories of prescriptions filled this population most closely resembled the SSI Adult 21+ rate cell. A rate adjustment of 2.800 was developed based upon this conclusion to produce a rate similar to the SSI Adult 21+ population. Additionally, an age/gender factor was developed to reflect the demographic difference between the base data and the population expected to be released during the rating period. The age/gender factor adjustment relied upon the same age/gender factors used by other expansion rate cells. The rate adjustments were applied to the expansion rate development as shown below.

Table 29: High-Needs Rate Buildup

Region	Rate Estimate (Midpoint)				
	[A] Expansion Projected Claims PMPM	[B] High Needs Factor	[C]=[A]*[B] High Needs Adjusted PMPM	[D] Age/Gender Factor	[E]=[C]*[D] Age/Gender Adjusted PMPM
Gulf	\$336.91	2.800	\$943.35	1.134	\$1,069.37
Capital	\$404.42	2.800	\$1,132.36	1.134	\$1,283.63
South Central	\$370.93	2.800	\$1,038.59	1.134	\$1,177.33
North	\$344.50	2.800	\$964.61	1.134	\$1,093.47
Statewide	\$360.44	2.800	\$1,009.22	1.134	\$1,144.04

Expansion FMP Development

The undersigned actuaries relied upon development of FMP from the Non-Expansion Healthy Louisiana February 1, 2017 rates to determine the inpatient, outpatient, physician, and ambulance FMP amounts. Using the February 1, 2017 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 30.

Table 30: FMP Estimates by Region

Region	FMP (excluding premium tax)			
	Hospital (IP/OP)	Ambulance	Physician	Total
Gulf	\$45.02	\$9.64	\$17.61	\$72.27
Capital	\$43.96	\$6.00	\$23.31	\$73.26
South Central	\$49.10	\$3.62	\$18.79	\$71.51
North	\$48.88	\$7.26	\$7.42	\$63.55

Subpart B.2: Projected Non-Benefit Costs

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 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; expected increase in staffing and operational expenses associated with the inclusion of SBH services and the new SBH program population; and consideration for enrollment growth. Final Administrative cost expectation is shown by program in table 31.

Table 31: Final Administrative Cost Expectation

Program	Low	High
Physical Health	\$ 26.68	\$ 28.79
<i>Maternity Kicks¹</i>	\$ 297.84	\$ 297.84
Specialized Behavioral Health	\$ 2.91	\$ 3.15
Expansion	\$ 26.49	\$ 26.49
High-Needs	\$ 29.21	\$ 29.21

1- Administrative expenses associated with Maternity Kick Payments are included in the Physical Health category but are shown as a line item for more detail.

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. 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.

In development of the PH Program rate cells, the variable administrative amount on each rate cell other than CCM was determined by using 2% of pharmacy claim costs plus 5.33% to 5.35% of all other medical costs. Due to additional reporting and management requirements on the CCM population, the CCM rate cell variable administrative amount was determined using 2% of pharmacy claim costs plus 6.67% to 6.71% of all other medical costs. Maternity kick payment administrative load was developed discretely and therefore not allocated using the fixed and variable model. For the SBH program, the variable administrative amount on each rate cell was determined using 5.05% to 5.07% of the covered claims expense.

In the expansion program, all rate cells have the same administrative expense PMPM load except the High Needs rate cell. The high needs rate cell has a 10% increased PMPM administrative expense over the other expansion rate cells due to additional case management requirements placed on the MCOs. Because of the limited number of rate cells, use of the fixed and variable approach is not necessary for this population.

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. The FMP PMPMs include provision for premium tax only.

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 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 2017.

Part C: Other Rate Development Considerations

Subpart C.1: Family Planning Portion of Capitation Rate

Mercer has analyzed the component of the rates associated with Family Planning services so that LDH may claim the enhanced federal match of 90.0% on these services. Specific details on codes used to identify family planning services can be found in Appendix R.

Appendix R contains the PMPMs associated with Family Planning that will be claimed at the enhanced match rate. Please note these Family Planning PMPMs do not include load for non-medical expenses.

Part D: Risk Mitigation and Related Contractual Provisions

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 Healthy Louisiana MCOs according to the relative risk of their enrolled members. Table 32 shows the rate cells that will be risk adjusted.

Table 32: Risk-Adjusted Rate Cells

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

Medicaid Expansion Minimum/Maximum Medical Loss Ratio (MLR)

LDH will put in place a risk mitigation arrangement (i.e. MLR) with the MCOs that provides motivation for the MCOs to appropriately manage expenses, yet provides financial protection against unmanageable losses. The risk mitigation arrangement provides impetus for the MCOs

to operate efficiently and generate net income, but also provides for the return of any excessive profit to the State/federal government

The State will include the MLR requirement in the contract. The MLR requirement will be 85.0% at a minimum and 95.0% at a maximum. Any deviation of actual medical expenditures outside of this 85.0% to 95.0% range will result in reconciliation with the affected health plan and will be applied on a contract basis. MLRs will be subject to review and audit by the State. The MLR calculation will be performed on the 18-month period from July 1, 2016 through December 31, 2017. MLR calculations and reconciliations will be performed after 12 months of run out to ensure the data used is complete.

In Mercer's professional opinion, the risk mitigation arrangement proposed by LDH is actuarially sound.

Part E: 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 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.

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March 13, 2017
Ms. Pam Diez
Louisiana Department of Health

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 us at +1 404 442 3358 or +1 404 442 3517.

Sincerely,

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

Jaredd Simons, ASA, MAAA
Principal

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

Erik Axelsen, ASA, MAAA
Senior Associate Actuary

Appendix A: Healthy Louisiana Capitation Rate Range

Region	Region Description	Category of Aid Description	Rate Cell Description	Projected Member Months or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery
01	Gulf	SSI	0 - 2 Months	535	\$ 27,236.73	\$ 28,997.83
01	Gulf	SSI	3 - 11 Months	2,252	\$ 7,422.09	\$ 7,901.06
01	Gulf	SSI	Child 1 - 20 Years	126,641	\$ 789.68	\$ 855.02
01	Gulf	SSI	Adult 21+ Years	269,067	\$ 1,306.08	\$ 1,386.45
01	Gulf	Family & Children	0 - 2 Months	54,622	\$ 1,647.97	\$ 1,764.97
01	Gulf	Family & Children	3 - 11 Months	123,181	\$ 272.14	\$ 289.00
01	Gulf	Family & Children	Child 1 - 20 Years	2,245,262	\$ 169.26	\$ 182.28
01	Gulf	Family & Children	Adult 21+ Years	428,360	\$ 340.10	\$ 359.21
01	Gulf	Foster Care Children	All Ages Male & Female	27,100	\$ 617.37	\$ 679.63
01	Gulf	BCC	BCC, All Ages	3,182	\$ 2,322.45	\$ 2,451.29
01	Gulf	LAP	LAP, All Ages	7,322	\$ 198.40	\$ 213.06
01	Gulf	HCBS	Child 1 - 20 Years	1,032	\$ 2,487.96	\$ 2,721.12
01	Gulf	HCBS	Adult 21+ Years	3,452	\$ 1,072.47	\$ 1,149.37
01	Gulf	CCM	CCM, All Ages	5,921	\$ 1,291.18	\$ 1,421.85
01	Gulf	SBH - CCM	SBH - CCM, All Ages	13,493	\$ 200.90	\$ 225.45
01	Gulf	SBH - Duals	SBH - Dual Eligible, All Ages	334,492	\$ 26.10	\$ 27.69
01	Gulf	SBH - HCBS	SBH - Child 1 - 20 Years	6,270	\$ 92.76	\$ 103.19
01	Gulf	SBH - HCBS	SBH - Adult 21+ Years	12,515	\$ 80.23	\$ 84.77
01	Gulf	SBH - Other	SBH - All Ages	7,511	\$ 193.58	\$ 203.44
01	Gulf	Maternity Kick Payment	Maternity Kick Payment	24,689	\$ 11,368.59	\$ 11,595.14
01	Gulf	EED Kick Payment	EED Kick Payment	NA	\$ 6,630.01	\$ 6,694.80
01	Gulf	Medicaid Expansion	Female Age 19 - Age 24	214,220	\$ 315.62	\$ 343.32
01	Gulf	Medicaid Expansion	Male Age 19 - Age 24	128,952	\$ 276.87	\$ 299.47
01	Gulf	Medicaid Expansion	Female Age 25 - Age 39	409,875	\$ 416.82	\$ 457.84
01	Gulf	Medicaid Expansion	Male Age 25 - Age 39	222,753	\$ 381.83	\$ 418.24
01	Gulf	Medicaid Expansion	Female Age 40 - Age 49	173,849	\$ 589.99	\$ 653.80
01	Gulf	Medicaid Expansion	Male Age 40 - Age 49	113,238	\$ 580.30	\$ 642.84
01	Gulf	Medicaid Expansion	Female Age 50 - Age 64	239,557	\$ 685.00	\$ 761.31
01	Gulf	Medicaid Expansion	Male Age 50 - Age 64	169,280	\$ 768.80	\$ 856.14
01	Gulf	Medicaid Expansion	SBH - Dual Eligible, All Ages	NA	\$ 26.10	\$ 27.69
01	Gulf	Medicaid Expansion	SBH - Other, All Ages	NA	\$ 193.58	\$ 203.44
01	Gulf	Medicaid Expansion	SBH - Chisholm, All Ages	NA	\$ 200.90	\$ 225.45
01	Gulf	Medicaid Expansion	High Needs	NA	\$ 1,330.42	\$ 1,473.17
01	Gulf	Medicaid Expansion	Maternity Kick Payment	NA	\$ 11,368.59	\$ 11,595.14
01	Gulf	Medicaid Expansion	EED Kick Payment	NA	\$ 6,630.01	\$ 6,694.80
02	Capital	SSI	0 - 2 Months	404	\$ 27,236.73	\$ 28,997.83
02	Capital	SSI	3 - 11 Months	1,699	\$ 7,422.09	\$ 7,901.06
02	Capital	SSI	Child 1 - 20 Years	94,505	\$ 801.44	\$ 869.56
02	Capital	SSI	Adult 21+ Years	193,211	\$ 1,355.39	\$ 1,444.55
02	Capital	Family & Children	0 - 2 Months	41,215	\$ 1,719.01	\$ 1,842.53
02	Capital	Family & Children	3 - 11 Months	92,946	\$ 265.48	\$ 282.23
02	Capital	Family & Children	Child 1 - 20 Years	1,977,877	\$ 176.88	\$ 190.56
02	Capital	Family & Children	Adult 21+ Years	333,033	\$ 396.64	\$ 419.03
02	Capital	Foster Care Children	All Ages Male & Female	37,283	\$ 617.37	\$ 679.63
02	Capital	BCC	BCC, All Ages	3,317	\$ 2,322.45	\$ 2,451.29
02	Capital	LAP	LAP, All Ages	9,557	\$ 198.40	\$ 213.06
02	Capital	HCBS	Child 1 - 20 Years	1,056	\$ 2,487.96	\$ 2,721.12
02	Capital	HCBS	Adult 21+ Years	2,629	\$ 1,072.47	\$ 1,149.37
02	Capital	CCM	CCM, All Ages	4,717	\$ 1,291.18	\$ 1,421.85
02	Capital	SBH - CCM	SBH - CCM, All Ages	13,970	\$ 200.90	\$ 225.45
02	Capital	SBH - Duals	SBH - Dual Eligible, All Ages	266,563	\$ 20.95	\$ 22.23
02	Capital	SBH - HCBS	SBH - Child 1 - 20 Years	7,085	\$ 92.76	\$ 103.19
02	Capital	SBH - HCBS	SBH - Adult 21+ Years	12,038	\$ 80.23	\$ 84.77
02	Capital	SBH - Other	SBH - All Ages	8,728	\$ 193.58	\$ 203.44
02	Capital	Maternity Kick Payment	Maternity Kick Payment	16,577	\$ 9,215.36	\$ 9,415.41
02	Capital	EED Kick Payment	EED Kick Payment	NA	\$ 5,028.99	\$ 5,086.20
02	Capital	Medicaid Expansion	Female Age 19 - Age 24	154,522	\$ 358.94	\$ 392.15
02	Capital	Medicaid Expansion	Male Age 19 - Age 24	73,825	\$ 312.41	\$ 339.51
02	Capital	Medicaid Expansion	Female Age 25 - Age 39	290,091	\$ 480.45	\$ 529.64
02	Capital	Medicaid Expansion	Male Age 25 - Age 39	107,105	\$ 438.44	\$ 482.10
02	Capital	Medicaid Expansion	Female Age 40 - Age 49	104,853	\$ 688.38	\$ 764.89
02	Capital	Medicaid Expansion	Male Age 40 - Age 49	53,114	\$ 676.75	\$ 751.73
02	Capital	Medicaid Expansion	Female Age 50 - Age 64	117,149	\$ 802.45	\$ 893.96
02	Capital	Medicaid Expansion	Male Age 50 - Age 64	76,876	\$ 903.08	\$ 1,007.80
02	Capital	Medicaid Expansion	SBH - Dual Eligible, All Ages	NA	\$ 20.95	\$ 22.23
02	Capital	Medicaid Expansion	SBH - Other, All Ages	NA	\$ 193.58	\$ 203.44
02	Capital	Medicaid Expansion	SBH - Chisholm, All Ages	NA	\$ 200.90	\$ 225.45
02	Capital	Medicaid Expansion	High Needs	NA	\$ 1,550.80	\$ 1,721.93
02	Capital	Medicaid Expansion	Maternity Kick Payment	NA	\$ 9,215.36	\$ 9,415.41
02	Capital	Medicaid Expansion	EED Kick Payment	NA	\$ 5,028.99	\$ 5,086.20

Appendix A: Healthy Louisiana Capitation Rate Range

Region	Region Description	Category of Aid Description	Rate Cell Description	Projected Member Months or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery
03	South Central	SSI	0 - 2 Months	461	\$ 27,236.73	\$ 28,997.83
03	South Central	SSI	3 - 11 Months	1,938	\$ 7,422.09	\$ 7,901.06
03	South Central	SSI	Child 1 - 20 Years	101,556	\$ 761.93	\$ 826.58
03	South Central	SSI	Adult 21+ Years	236,857	\$ 1,209.20	\$ 1,284.40
03	South Central	Family & Children	0 - 2 Months	47,015	\$ 2,089.34	\$ 2,219.71
03	South Central	Family & Children	3 - 11 Months	106,027	\$ 282.32	\$ 299.45
03	South Central	Family & Children	Child 1 - 20 Years	2,217,634	\$ 171.22	\$ 183.95
03	South Central	Family & Children	Adult 21+ Years	363,449	\$ 366.23	\$ 386.72
03	South Central	Foster Care Children	All Ages Male & Female	49,875	\$ 617.37	\$ 679.63
03	South Central	BCC	BCC, All Ages	2,199	\$ 2,322.45	\$ 2,451.29
03	South Central	LAP	LAP, All Ages	10,454	\$ 198.40	\$ 213.06
03	South Central	HCBS	Child 1 - 20 Years	1,142	\$ 2,487.96	\$ 2,721.12
03	South Central	HCBS	Adult 21+ Years	3,354	\$ 1,072.47	\$ 1,149.37
03	South Central	CCM	CCM, All Ages	6,069	\$ 1,291.18	\$ 1,421.85
03	South Central	SBH - CCM	SBH - CCM, All Ages	14,070	\$ 200.90	\$ 225.45
03	South Central	SBH - Duals	SBH - Dual Eligible, All Ages	354,544	\$ 17.95	\$ 19.04
03	South Central	SBH - HCBS	SBH - Child 1 - 20 Years	6,496	\$ 92.76	\$ 103.19
03	South Central	SBH - HCBS	SBH - Adult 21+ Years	12,741	\$ 80.23	\$ 84.77
03	South Central	SBH - Other	SBH - All Ages	11,211	\$ 193.58	\$ 203.44
03	South Central	Maternity Kick Payment	Maternity Kick Payment	19,098	\$ 9,109.94	\$ 9,315.27
03	South Central	EED Kick Payment	EED Kick Payment	NA	\$ 4,812.50	\$ 4,871.23
03	South Central	Medicaid Expansion	Female Age 19 - Age 24	177,463	\$ 336.16	\$ 366.58
03	South Central	Medicaid Expansion	Male Age 19 - Age 24	86,054	\$ 293.48	\$ 318.30
03	South Central	Medicaid Expansion	Female Age 25 - Age 39	334,675	\$ 447.63	\$ 492.67
03	South Central	Medicaid Expansion	Male Age 25 - Age 39	126,372	\$ 409.09	\$ 449.07
03	South Central	Medicaid Expansion	Female Age 40 - Age 49	122,971	\$ 638.35	\$ 708.41
03	South Central	Medicaid Expansion	Male Age 40 - Age 49	62,902	\$ 627.69	\$ 696.34
03	South Central	Medicaid Expansion	Female Age 50 - Age 64	139,135	\$ 743.00	\$ 826.78
03	South Central	Medicaid Expansion	Male Age 50 - Age 64	91,541	\$ 835.30	\$ 931.19
03	South Central	Medicaid Expansion	SBH - Dual Eligible, All Ages	NA	\$ 17.95	\$ 19.04
03	South Central	Medicaid Expansion	SBH - Other, All Ages	NA	\$ 193.58	\$ 203.44
03	South Central	Medicaid Expansion	SBH - Chisholm, All Ages	NA	\$ 200.90	\$ 225.45
03	South Central	Medicaid Expansion	High Needs	NA	\$ 1,437.90	\$ 1,594.58
03	South Central	Medicaid Expansion	Maternity Kick Payment	NA	\$ 9,109.94	\$ 9,315.27
03	South Central	Medicaid Expansion	EED Kick Payment	NA	\$ 4,812.50	\$ 4,871.23
04	North	SSI	0 - 2 Months	377	\$ 27,236.73	\$ 28,997.83
04	North	SSI	3 - 11 Months	1,585	\$ 7,422.09	\$ 7,901.06
04	North	SSI	Child 1 - 20 Years	115,401	\$ 848.72	\$ 924.70
04	North	SSI	Adult 21+ Years	209,758	\$ 1,118.14	\$ 1,187.14
04	North	Family & Children	0 - 2 Months	38,446	\$ 2,032.44	\$ 2,161.95
04	North	Family & Children	3 - 11 Months	86,701	\$ 279.90	\$ 297.23
04	North	Family & Children	Child 1 - 20 Years	1,722,974	\$ 175.00	\$ 189.40
04	North	Family & Children	Adult 21+ Years	281,131	\$ 336.30	\$ 355.65
04	North	Foster Care Children	All Ages Male & Female	31,596	\$ 617.37	\$ 679.63
04	North	BCC	BCC, All Ages	2,469	\$ 2,322.45	\$ 2,451.29
04	North	LAP	LAP, All Ages	5,233	\$ 198.40	\$ 213.06
04	North	HCBS	Child 1 - 20 Years	1,044	\$ 2,487.96	\$ 2,721.12
04	North	HCBS	Adult 21+ Years	2,911	\$ 1,072.47	\$ 1,149.37
04	North	CCM	CCM, All Ages	4,066	\$ 1,291.18	\$ 1,421.85
04	North	SBH - CCM	SBH - CCM, All Ages	12,916	\$ 200.90	\$ 225.45
04	North	SBH - Duals	SBH - Dual Eligible, All Ages	284,633	\$ 20.05	\$ 21.26
04	North	SBH - HCBS	SBH - Child 1 - 20 Years	4,076	\$ 92.76	\$ 103.19
04	North	SBH - HCBS	SBH - Adult 21+ Years	9,869	\$ 80.23	\$ 84.77
04	North	SBH - Other	SBH - All Ages	10,383	\$ 193.58	\$ 203.44
04	North	Maternity Kick Payment	Maternity Kick Payment	15,959	\$ 10,063.87	\$ 10,264.05
04	North	EED Kick Payment	EED Kick Payment	NA	\$ 5,872.28	\$ 5,929.53
04	North	Medicaid Expansion	Female Age 19 - Age 24	154,800	\$ 311.11	\$ 339.59
04	North	Medicaid Expansion	Male Age 19 - Age 24	74,039	\$ 271.49	\$ 294.73
04	North	Medicaid Expansion	Female Age 25 - Age 39	290,860	\$ 414.58	\$ 456.76
04	North	Medicaid Expansion	Male Age 25 - Age 39	107,490	\$ 378.81	\$ 416.24
04	North	Medicaid Expansion	Female Age 40 - Age 49	105,361	\$ 591.63	\$ 657.23
04	North	Medicaid Expansion	Male Age 40 - Age 49	53,333	\$ 581.72	\$ 646.02
04	North	Medicaid Expansion	Female Age 50 - Age 64	117,773	\$ 688.76	\$ 767.22
04	North	Medicaid Expansion	Male Age 50 - Age 64	77,256	\$ 774.44	\$ 864.24
04	North	Medicaid Expansion	SBH - Dual Eligible, All Ages	NA	\$ 20.05	\$ 21.26
04	North	Medicaid Expansion	SBH - Other, All Ages	NA	\$ 193.58	\$ 203.44
04	North	Medicaid Expansion	SBH - Chisholm, All Ages	NA	\$ 200.90	\$ 225.45
04	North	Medicaid Expansion	High Needs	NA	\$ 1,328.66	\$ 1,475.38
04	North	Medicaid Expansion	Maternity Kick Payment	NA	\$ 10,063.87	\$ 10,264.05
04	North	Medicaid Expansion	EED Kick Payment	NA	\$ 5,872.28	\$ 5,929.53

Appendix B: Healthy Louisiana Eligibility Designation

COA/Eligibility Category Name	Mandatory	Voluntary Opt-In	SBH & NEMT	Excluded
SSI (ABD)				
Acute Care 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)	~			
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	~			
LaCHIP Phase 1	~			
OYD — V Category Child	~			
Regular Foster Care Child	~			
YAP (Young Adult Program)	~			

Appendix B: Healthy Louisiana Eligibility Designation

COA/Eligibility Category Name	Mandatory	Voluntary Opt-In	SBH & NEMT	Excluded
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			~	
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**			~	
Medicaid Expansion				
Adult Group	~			
Adult Group - High Need	~			
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				~

Appendix B: Healthy Louisiana Eligibility Designation

COA/Eligibility Category Name	Mandatory	Voluntary Opt-In	SBH & NEMT	Excluded
LBHP — Adult 1915(i)				~
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				~

Notes

* 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 the State's fiscal agent. Dually eligible individuals are represented by Dual Status code 02, 04, and 08.

Appendix C: Healthy Louisiana Covered Services

Table 1: PH and Expansion Programs

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
FQHC/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 (OT, PT, ST 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 Healthy Louisiana 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 Healthy Louisiana program and now are included.

Appendix D: PMPM Impact of Behavioral Health Mixed Services Protocol (MSP)

COA Description	CY14 MMs	Blended PMPM	MSP PMPM	MSP Adjustment
SBH - Chisholm Class Members	71,070	\$ 87.30	\$ (4.15)	-4.76%
SBH - Dual Eligible	1,122,365	\$ 14.99	\$ (0.35)	-2.32%
SBH -HCBS Waiver	76,715	\$ 53.62	\$ (3.43)	-6.40%
SBH -Other	35,633	\$ 139.65	\$ (7.48)	-5.36%
Total SBH Only COAs	1,305,783	\$ 24.59	\$ (0.93)	-3.79%

Appendix E: Trends by utilization, unit cost and PMPM

Table 1: Historical Trend PH Services

SSI/HCBS/BCC COS Group	Child		
	UC	Util	PMPM
Inpatient	0.0%	-8.0%	-8.0%
Outpatient	0.0%	0.0%	0.0%
Physician	0.0%	0.0%	0.0%
Transportation			10.0%
Other	19.0%	9.0%	29.7%
Rx	-2.0%	4.3%	2.2%

F&C/FCC/LAP/CCM COS Group	Child		
	UC	Util	PMPM
Inpatient	0.0%	-5.0%	-5.0%
Outpatient	0.0%	0.0%	0.0%
Physician	0.0%	0.0%	0.0%
Transportation			10.0%
Other	7.5%	2.0%	9.7%
Rx	5.0%	-2.0%	2.9%

Adult		
UC	Util	PMPM
0.0%	-5.0%	-5.0%
0.0%	1.0%	1.0%
0.0%	0.0%	0.0%
		10.0%
-4.0%	3.5%	-0.6%
12.0%	-4.0%	7.5%

Adult		
UC	Util	PMPM
0.0%	-6.0%	-6.0%
0.0%	-2.5%	-2.5%
0.0%	0.0%	0.0%
		4.0%
-4.8%	0.0%	-4.8%
6.5%	-6.0%	0.1%

Table 2: Historical Trend SBH Services

SBH Services	
Age Group	PMPM
Child	29.5%
Adult	1.5%

NEMT Services	
COA Group	PMPM
Dual	16.0%
Non-Dual	11.0%

Appendix E: Trends by utilization, unit cost and PMPM

Table 3: PH Covered Services Prospective Trends

COS Group	SSI/HCBS - CHILD					
	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient	0.0%	1.0%	-2.0%	0.0%	-2.0%	1.0%
Outpatient	7.0%	8.0%	1.5%	2.0%	8.6%	10.2%
Physician	0.0%	1.0%	1.5%	2.0%	1.5%	3.0%
Transportation					18.0%	20.0%
Other					25.0%	28.0%
Maternity Kickpayment						

COS Group	F&C/FCC/LAP/CCM - CHILD					
	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient	0.0%	1.0%	-2.0%	0.0%	-2.0%	1.0%
Outpatient	3.5%	4.5%	0.0%	1.0%	3.5%	5.5%
Physician	0.0%	1.0%	0.0%	1.0%	0.0%	2.0%
Transportation					18.0%	20.0%
Other					5.0%	8.0%
Maternity Kickpayment						

COS Group	Maternity Kickpayment					
	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient						
Outpatient						
Physician						
Transportation						
Other						
Maternity Kickpayment	0.0%	1.0%	0.0%	0.0%	0.0%	1.0%

COS Group	SSI/BCC/HCBS - ADULT					
	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient	0.0%	1.0%	-2.0%	0.0%	-2.0%	1.0%
Outpatient	5.5%	6.5%	3.0%	4.0%	8.7%	10.8%
Physician	0.0%	1.0%	1.5%	2.0%	1.5%	3.0%
Transportation					18.0%	20.0%
Other					0.0%	1.0%
Maternity Kickpayment						

COS Group	F&C ADULT					
	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient	0.0%	1.0%	-2.0%	0.0%	-2.0%	1.0%
Outpatient	3.0%	4.0%	0.0%	0.5%	3.0%	4.5%
Physician	0.0%	1.0%	3.5%	4.5%	3.5%	5.5%
Transportation					18.0%	20.0%
Other					0.0%	1.0%
Maternity Kickpayment						

COA	Rx			
	Child		Adult	
	Low	High	Low	High
SSI	8.0%	10.2%	7.1%	9.3%
Family and Children	4.6%	6.0%	6.0%	7.9%
Foster Care Children	3.0%	4.2%		
Breast and Cervical Cancer			7.6%	10.0%
LaCHIP Affordable Plan	4.7%	5.9%		
HCBS Waiver	2.7%	4.2%	2.7%	4.2%
Chisholm Class Members	7.1%	9.1%		

Appendix E: Trends by utilization, unit cost and PMPM

Table 4: SBH Covered Services Prospective Trends

2-1-17 Trend Selection			
SBH Services -- PMPM Trend			
Age Group	Low	High	Midpoint
Child	29.00%	34.00%	31.50%
Adult	1.50%	3.50%	2.50%

NEMT Services -- PMPM Trend			
COA	Low	High	Midpoint
Dual	6.00%	8.00%	7.00%
Non-Dual	0.00%	2.00%	1.00%

Table 5: Expansion Covered Services Prospective Trends

COS Group	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Inpatient					-2.00%	1.00%
Outpatient					3.40%	5.17%
Physician					3.36%	5.28%
Transportation					18.00%	20.00%
Other					0.00%	1.00%
Maternity Kickpayment						

Expansion - Mental Health						
COS Group	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Mental Health Services					1.50%	3.50%

Expansion - Rx						
COS Group	Unit Cost		Utilization		PMPM	
	Low	High	Low	High	Low	High
Rx					6.12%	8.02%

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	-12.5%	-10.0%	1.0%	5.0%	-11.6%	-5.5%	Varies by COA, please see Table 2					
OP Hospital	-10.0%	-7.5%	1.0%	3.0%	-9.1%	-4.7%	-20.0%	-15.0%	1.0%	3.0%	-19.2%	-12.5%
PCP	2.5%	5.0%	5.0%	7.0%	7.6%	12.4%	5.0%	10.0%	5.0%	7.0%	10.3%	17.7%
Specialty Care Physician	-12.5%	-10.0%	0.0%	2.0%	-12.5%	-8.2%	-25.0%	-20.0%	0.0%	2.0%	-25.0%	-18.4%
FQHC/Rural Health Clinic	0.0%	2.5%	0.0%	2.0%	0.0%	4.5%	0.0%	5.0%	0.0%	2.0%	0.0%	7.1%
EPSDT	0.0%	0.0%	5.0%	7.0%	5.0%	7.0%	5.0%	10.0%	5.0%	7.0%	10.3%	17.7%
CNP/CN	2.5%	5.0%	5.0%	7.0%	7.6%	12.4%	5.0%	10.0%	5.0%	7.0%	10.3%	17.7%
Lab/Radiology	-10.0%	-5.0%	0.0%	2.0%	-10.0%	-3.1%	-20.0%	-10.0%	0.0%	2.0%	-20.0%	-8.2%
Home Health	0.0%	0.0%	0.0%	2.0%	0.0%	2.0%	0.0%	5.0%	0.0%	2.0%	0.0%	7.1%
Emergency Transportation	-5.0%	-2.5%	0.0%	2.0%	-5.0%	-0.6%	-10.0%	-5.0%	0.0%	2.0%	-10.0%	-3.1%
NEMT ¹	0.0%	2.5%	0.0%	2.0%	0.0%	4.5%	0.0%	5.0%	0.0%	2.0%	0.0%	7.1%
Rehabilitation Services (OT, PT, ST)	-5.0%	-2.5%	0.0%	2.0%	-5.0%	-0.6%	-10.0%	-5.0%	0.0%	2.0%	-10.0%	-3.1%
Durable Medical Equipment (DME) ¹	-10.0%	-7.5%	0.0%	2.0%	-10.0%	-5.6%	-20.0%	-15.0%	0.0%	2.0%	-20.0%	-13.3%
Clinic	-10.0%	-7.5%	0.0%	2.0%	-10.0%	-5.6%	-20.0%	-15.0%	0.0%	2.0%	-20.0%	-13.3%
Family Planning	0.0%	2.5%	0.0%	2.0%	0.0%	4.5%	0.0%	5.0%	0.0%	2.0%	0.0%	7.1%
Other	0.0%	2.5%	0.0%	2.0%	0.0%	4.5%	0.0%	5.0%	0.0%	2.0%	0.0%	7.1%
Prescribed Drugs	-10.4%	-10.4%	0.0%	0.0%	-10.4%	-10.4%	Varies by COA, please see Table 3					
Emergency Room	-12.5%	-10.0%	5.0%	7.0%	-8.1%	-3.7%	-25.0%	-20.0%	5.0%	7.0%	-21.3%	-14.4%
Basic Behavioral Health	0.0%	0.0%	0.0%	2.0%	0.0%	2.0%	0.0%	5.0%	0.0%	2.0%	0.0%	7.1%
Hospice	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Varies by COA, please see Table 4					
Personal Care Services ²					-10.0%	-5.0%					-10.0%	-5.0%

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	-25.0%	-20.0%	1.0%	5.0%	-24.3%	-16.0%
Family and Children	-30.0%	-25.0%	1.0%	5.0%	-29.3%	-21.3%

Table 3: Prescribed Drugs Managed Care Savings Assumptions by COA

2 - Prescribed Drugs	Utilization		Unit Cost		PMPM	
	Low	High	Low	High	Low	High
SSI	-20.8%	-20.8%	-5.6%	-5.6%	-25.2%	-25.2%
Family and Children	-23.1%	-23.1%	-2.6%	-2.6%	-25.1%	-25.1%
Foster Care Children	-18.5%	-18.5%	-1.5%	-1.5%	-19.8%	-19.8%
Breast and Cervical Cancer	-12.4%	-12.4%	-8.7%	-8.7%	-20.1%	-20.1%
LaCHIP Affordable Plan	-20.8%	-20.8%	-5.6%	-5.6%	-25.2%	-25.2%

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	-25.0%	-20.0%	1.0%	5.0%	-24.3%	-16.0%
Family and Children	-30.0%	-25.0%	1.0%	5.0%	-29.3%	-21.3%

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: 2-1-2017 Rate Updates: PDHC Program Changes

COA Description	Rate Cell Desc	MMs CY14 MMs	2-1-2017 Rate Impact				E = A + D Projected Jul 2017 PDHC PMPM
			A Projected Feb 2017 PDHC PMPM ¹	B Criteria Eligibility Change	C Per Diem Requirement Change	D = B + C Total PDHC Program Change	
SSI	Newborn, 0-2 Months	1826	\$ 5.80	\$ (1.16)	\$ (0.12)	\$ (1.28)	\$ 4.52
SSI	Newborn, 3-11 Months	7235	\$ 211.48	\$ (42.30)	\$ (4.30)	\$ (46.59)	\$ 164.88
SSI	Child, 1-20 Years	475024	\$ 34.16	\$ (6.83)	\$ (0.69)	\$ (7.53)	\$ 26.63
SSI	Adult, 21+ Years	917855	\$ -	\$ -	\$ -	\$ -	\$ -
Family and Children	Newborn, 0-2 Months	173169	\$ 0.55	\$ (0.11)	\$ (0.01)	\$ (0.12)	\$ 0.43
Family and Children	Newborn, 3-11 Months	391531	\$ 1.95	\$ (0.39)	\$ (0.04)	\$ (0.43)	\$ 1.52
Family and Children	Child, 1-20 Years	7756633	\$ 0.60	\$ (0.12)	\$ (0.01)	\$ (0.13)	\$ 0.47
Family and Children	Adult, 21+ Years	1215407	\$ -	\$ -	\$ -	\$ -	\$ -
Foster Care Children	Foster Care, All Ages M & F	126351	\$ 5.13	\$ (1.03)	\$ (0.10)	\$ (1.13)	\$ 4.00
Breast and Cervical Cancer	BCC, All Ages Female	12913	\$ -	\$ -	\$ -	\$ -	\$ -
LaCHIP Affordable Plan	All Ages	40075	\$ 0.72	\$ (0.14)	\$ (0.01)	\$ (0.16)	\$ 0.57
HCBS	20 & Under, M & F	25754	\$ 33.38	\$ (6.68)	\$ (0.68)	\$ (7.36)	\$ 26.03
HCBS	21+ Years, M & F	50973	\$ -	\$ -	\$ -	\$ -	\$ -
Chisholm Class Members	Chisholm, All Ages M & F	69672	\$ 39.75	\$ (7.95)	\$ (0.81)	\$ (8.76)	\$ 30.99
SBH- Chisholm Class Members	SBH - Chisholm, All Ages M & F	71070	\$ -	\$ -	\$ -	\$ -	\$ -
SBH- Dual Eligible	SBH - Dual Eligible, All Ages	1122365	\$ -	\$ -	\$ -	\$ -	\$ -
SBH- HCBS Waiver	SBH - 20 & Under, M & F	25754	\$ -	\$ -	\$ -	\$ -	\$ -
SBH- HCBS Waiver	SBH - 21+ Years, M & F	50961	\$ -	\$ -	\$ -	\$ -	\$ -
SBH- Other	SBH - Other, All Ages	35633	\$ -	\$ -	\$ -	\$ -	\$ -
Maternity Kickpayment	Maternity Kickpayment, All Ages	37578	\$ -	\$ -	\$ -	\$ -	\$ -
Aggregate		12,570,201	\$ 2.20	\$ (0.44)	\$ (0.04)	\$ (0.48)	\$ 1.71

Notes:

1- Mercer does not set rates at the category of service level; the projected PMPMs are rate estimates only.

Appendix H: Retroactive Eligibility

Table 1: Monthly Duration Calculation Example -- SSI Population

Unique Recipient Count		First Month of Enrollment in Healthy Louisiana in 2014											
Retroactive Eligibility Months	January	February	March	April	May	June	July	August	September	October	November	December	Overall CY14
1	30	122	81	106	97	120	96	115	106	143	140	86	1,242
2	16	68	79	67	59	95	76	81	81	125	81	59	887
3	13	46	52	42	47	56	55	67	69	58	83	40	628
4	10	63	48	48	51	75	68	77	74	90	104	46	754
5	10	67	54	67	59	69	68	121	92	88	86	68	849
6	7	54	44	50	54	71	63	107	174	93	92	46	855
7	11	30	41	74	49	51	36	74	80	95	76	43	660
8	3	26	18	39	43	39	25	47	63	66	99	26	494
9	6	13	7	14	19	34	28	79	68	39	52	31	390
10	1	8	7	14	21	32	14	60	69	63	34	30	353
11	1	37	38	50	47	56	42	59	70	56	45	42	543
12	18	7	15	11	20	17	11	25	9	11	20	7	171
Grand Total: [A]	126	541	484	582	566	715	582	912	955	927	912	524	7,826
Retro Member Months: [B]	625	2,413	2,283	2,971	3,004	3,664	2,841	5,187	5,519	4,847	4,816	2,758	40,928
Avg. Retro Duration: [C] = [B] / [A]	5.0	4.5	4.7	5.1	5.3	5.1	4.9	5.7	5.8	5.2	5.3	5.3	5.2

Table 2a: Retroactive Member Months by COA

		First Month of Enrollment in Healthy Louisiana in 2014											
COA Description	January	February	March	April	May	June	July	August	September	October	November	December	Overall CY14
SSI	625	2,413	2,283	2,971	3,004	3,664	2,841	5,187	5,519	4,847	4,816	2,758	40,928
F&C	3,807	9,552	6,716	12,476	17,454	14,621	16,358	20,482	17,503	36,820	16,439	8,818	181,046
FCC	3	25	15	64	44	52	57	92	83	102	37	39	613
BCC	3	66	40	46	24	36	54	27	47	32	69	38	482
LAP	-	4	2	1	2	3	3	11	16	12	11	1	66
HCBS	-	-	-	-	-	-	-	1	2	8	-	11	22
CCM	-	4	-	8	-	6	15	6	4	10	4	5	62
Grand Total	4,438	12,064	9,056	15,566	20,528	18,382	19,328	25,806	23,174	41,831	21,376	11,670	223,219

Appendix H: Retroactive Eligibility

Table 2b: Unique Recipient Count by COA

COA Description	First Month of Enrollment in Healthy Louisiana in 2014												Overall CY14
	January	February	March	April	May	June	July	August	September	October	November	December	
SSI	126	541	484	582	566	715	582	912	955	927	912	524	7,826
F&C	1,896	4,323	2,659	4,352	5,906	5,727	5,562	6,904	6,130	10,750	7,041	3,950	65,200
FCC	2	13	12	32	19	25	25	46	31	53	22	26	306
BCC	1	24	13	21	10	13	21	15	16	16	27	14	191
LAP	-	2	2	1	2	3	3	6	9	7	7	1	43
HCBS	-	-	-	-	-	-	-	1	1	4	-	2	8
CCM	-	2	-	2	-	2	3	4	2	4	1	1	21
Grand Total	2,025	4,905	3,170	4,990	6,503	6,485	6,196	7,888	7,144	11,761	8,010	4,518	73,595

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

COA Description	First Month of Enrollment in Healthy Louisiana 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	5.2	5.3	5.3	5.2
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	2.8	3.1	2.2	2.4	2.8	2.6	1.8	2.9	2.0	2.6	2.7	2.5
LAP	0.0	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	2.0	2.0	0.0	5.5	2.8
CCM	0.0	2.0	0.0	4.0	0.0	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 H: Retroactive Eligibility

Table 2d: Retroactive Eligibility Adjustment Development

		A		B	C			D	E	F				G	H	I
		Base Data from Data Book				Retroactive Eligibility -- CY14 Experience			Adjustment Factors Development							
COA Description	Rate Cell Description	CY14 MMs	CY14 PMPMs		Recipient Count	Average Duration	PMPMs			MMs	PMPMs	Observed Retro Adj. Factor	Final Retro Adj. Factor			
SSI	Newborn, 0-2 Months	1,826	16,866							1,826	\$ 16,866.30	1.000	1.000			
SSI	Newborn, 3-11 Months	7,235	\$ 4,366.46							7,235	\$ 4,366.46	1.000	1.000			
SSI	Child, 1-20 Years	475,024	\$ 458.97		888	5.2	\$ 192.65			479,684	\$ 456.38	0.994	1.000			
SSI	Adult, 21+ Years	917,855	\$ 810.68		6,881	5.2	\$ 905.42			953,967	\$ 814.26	1.004	1.004			
F&C	Newborn, 0-2 Months	173,169	\$ 1,185.54							173,169	\$ 1,185.54	1.000	1.000			
F&C	Newborn, 3-11 Months	391,531	\$ 203.20							391,531	\$ 203.20	1.000	1.000			
F&C	Child, 1-20 Years	7,756,633	\$ 112.35		35,837	2.8	\$ 46.46			7,855,847	\$ 111.52	0.993	1.000			
F&C	Adult, 21+ Years	1,215,407	\$ 241.50		29,602	2.8	\$ 205.02			1,297,360	\$ 239.19	0.990	1.000			
FCC	FCC, All Ages Male & Female	126,351	\$ 323.00		307	2.0	\$ 160.61			126,964	\$ 322.21	0.998	1.000			
BCC	BCC, All Ages Female	12,913	\$ 1,329.11		195	2.5	\$ 2,195.09			13,408	\$ 1,361.09	1.024	1.024			
LAP	All Ages	40,075	\$ 154.09		43	1.5	\$ 494.87			40,141	\$ 154.65	1.004	1.004			
HCBS Waiver	20 & Under, Male and Female	25,754	\$ 1,408.64		4	2.5	\$ 1,103.88			25,764	\$ 1,408.52	1.000	1.000			
HCBS Waiver	21+ Years, Male and Female	50,973	\$ 802.43		4	2.5	\$ 996.68			50,983	\$ 802.47	1.000	1.000			
CCM	CCM, All Ages Male & Female	69,672	\$ 909.90		21	3.0	\$ 1,141.74			69,734	\$ 910.11	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 I: Physical Health Projected Claims PMPM Development

Table 1: PH Historical Rating Adjustments

Region Name	COA Description	Rate Cell Description	Historical Adjustments							Historical Adjustments					
			A	B	C	D	E	F	G	H	I	J	K	L	M
			CY2013 MMs	CY2013 PMPM	Recoupment Adj (F&A)	ACT 312 Adj	Fee Sched Adj	Historical Trend	CY2013 PMPM After Adj	CY2014 MMs	CY2014 PMPM	Recoupment Adj (F&A)	ACT 312 Adj	Fee Sched Adj	CY2014 PMPM After Adj
Gulf	SSI	Newborn, 0-2 Months	608	\$ 23,069.68	-0.18%	0.02%	-0.09%	-6.59%	\$ 21,494.64	512	\$ 20,330.46	-0.14%		0.60%	\$ 20,423.90
Gulf	SSI	Newborn, 3-11 Months	2,075	\$ 6,328.51	-0.15%	0.21%	0.62%	-5.42%	\$ 6,026.02	2,061	\$ 5,837.94	-0.12%		1.71%	\$ 5,930.42
Gulf	SSI	Child, 1-20 Years	146,471	\$ 324.68	-0.10%	1.11%	-0.72%	1.01%	\$ 328.88	141,570	\$ 347.92	-0.12%		-1.30%	\$ 342.98
Gulf	SSI	Adult, 21+ Years	286,423	\$ 711.74	-0.08%	1.09%	0.00%	1.91%	\$ 732.65	271,617	\$ 749.83	-0.08%		-0.98%	\$ 741.87
Gulf	Family and Children	Newborn, 0-2 Months	47,080	\$ 1,189.53	-0.16%	0.05%	-0.63%	-3.23%	\$ 1,142.54	48,763	\$ 1,110.30	-0.17%		-1.72%	\$ 1,089.31
Gulf	Family and Children	Newborn, 3-11 Months	105,570	\$ 196.52	-0.15%	0.51%	-7.44%	-0.13%	\$ 182.33	108,412	\$ 210.03	-0.11%		-6.52%	\$ 196.11
Gulf	Family and Children	Child, 1-20 Years	2,076,304	\$ 87.62	-0.13%	0.94%	-5.16%	0.91%	\$ 84.53	2,120,547	\$ 89.98	-0.10%		-5.10%	\$ 85.30
Gulf	Family and Children	Adult, 21+ Years	364,038	\$ 210.83	-0.11%	0.93%	-0.56%	-1.74%	\$ 207.71	387,916	\$ 210.66	-0.10%		-1.07%	\$ 208.21
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	21,665	\$ 165.29	-0.11%	1.32%	-3.26%	1.47%	\$ 164.22	23,292	\$ 167.04	-0.10%		-2.96%	\$ 161.94
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	3,841	\$ 1,353.90	-0.10%	0.40%	2.11%	0.85%	\$ 1,398.32	3,893	\$ 1,236.50	-0.12%		-0.76%	\$ 1,225.69
Gulf	LaCHIP Affordable Plan	All Ages	10,504	\$ 121.05	-0.13%	0.98%	-3.62%	1.11%	\$ 118.96	10,236	\$ 138.04	-0.12%		-3.76%	\$ 132.70
Gulf	HCBS Waiver	20 & Under, Male and Female	7,958	\$ 901.78	-0.12%	0.80%	1.07%	10.50%	\$ 1,013.91	7,178	\$ 972.67	-0.18%		0.40%	\$ 974.76
Gulf	HCBS Waiver	21+ Years, Male and Female	13,244	\$ 693.47	-0.14%	1.47%	1.03%	3.03%	\$ 731.43	13,514	\$ 704.17	-0.14%		0.93%	\$ 709.66
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	16,137	\$ 665.93	-0.15%	0.85%	1.76%	3.42%	\$ 705.77	17,073	\$ 775.39	-0.20%		1.29%	\$ 783.82
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	-	\$ -	0.00%	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%		0.00%	\$ -
Gulf	SBH -HCBS Waiver	SBH - 20 & Under, Male and Female	-	\$ -	0.00%	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%		0.00%	\$ -
Gulf	SBH -Other	SBH - Other, All Ages	-	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	-	\$ -	0.00%		0.00%	\$ -
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	10,570	\$ 5,729.32	-0.16%	0.00%	2.86%	0.00%	\$ 5,883.94	10,524	\$ 5,577.05	-0.15%		2.44%	\$ 5,704.68
Capital	SSI	Newborn, 0-2 Months	440	\$ 18,208.60	-0.21%	0.02%	7.72%	-6.44%	\$ 18,316.16	388	\$ 16,561.88	-0.19%		2.39%	\$ 16,923.94
Capital	SSI	Newborn, 3-11 Months	1,731	\$ 5,822.03	-0.15%	0.23%	7.29%	-2.75%	\$ 6,079.87	1,542	\$ 5,838.95	-0.22%		2.69%	\$ 5,983.01
Capital	SSI	Child, 1-20 Years	107,806	\$ 366.73	-0.10%	1.11%	1.81%	3.16%	\$ 389.06	104,735	\$ 395.35	-0.10%		0.10%	\$ 395.36
Capital	SSI	Adult, 21+ Years	211,153	\$ 784.42	-0.07%	1.17%	3.51%	2.19%	\$ 838.85	196,914	\$ 838.58	-0.07%		0.95%	\$ 845.90
Capital	Family and Children	Newborn, 0-2 Months	42,327	\$ 1,180.69	-0.20%	0.05%	4.55%	-3.54%	\$ 1,188.96	42,487	\$ 1,170.67	-0.21%		0.63%	\$ 1,175.61
Capital	Family and Children	Newborn, 3-11 Months	95,524	\$ 204.21	-0.19%	0.56%	-4.22%	-0.20%	\$ 195.92	96,481	\$ 195.79	-0.13%		-5.86%	\$ 184.09
Capital	Family and Children	Child, 1-20 Years	1,865,610	\$ 94.45	-0.13%	1.08%	-2.47%	1.13%	\$ 94.04	1,913,908	\$ 98.27	-0.10%		-3.39%	\$ 94.84
Capital	Family and Children	Adult, 21+ Years	261,197	\$ 245.11	-0.10%	1.01%	3.31%	-1.64%	\$ 251.32	288,502	\$ 245.60	-0.10%		1.59%	\$ 249.26
Capital	Foster Care Children	Foster Care, All Ages Male & Female	31,317	\$ 170.82	-0.10%	1.50%	-1.18%	1.67%	\$ 174.03	33,453	\$ 172.19	-0.08%		-2.23%	\$ 168.21
Capital	Breast and Cervical Cancer	BCC, All Ages Female	4,053	\$ 1,017.59	-0.10%	0.43%	5.61%	1.08%	\$ 1,089.81	3,772	\$ 1,138.22	-0.12%		2.52%	\$ 1,165.60
Capital	LaCHIP Affordable Plan	All Ages	11,338	\$ 119.61	-0.13%	1.42%	-1.19%	1.46%	\$ 121.44	10,840	\$ 181.39	-0.15%		-2.05%	\$ 177.41
Capital	HCBS Waiver	20 & Under, Male and Female	8,312	\$ 1,172.55	-0.10%	0.66%	2.36%	11.02%	\$ 1,339.88	7,498	\$ 1,330.35	-0.14%		1.44%	\$ 1,347.66
Capital	HCBS Waiver	21+ Years, Male and Female	12,119	\$ 675.55	-0.14%	1.44%	4.06%	2.90%	\$ 732.68	12,195	\$ 725.02	-0.16%		2.24%	\$ 740.11
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	16,052	\$ 840.95	-0.13%	0.82%	2.04%	3.71%	\$ 896.16	17,175	\$ 906.27	-0.17%		1.26%	\$ 916.15
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	-	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	-	\$ -	0.00%		0.00%	\$ -
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	-	\$ -	0.00%	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%		0.00%	\$ -
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	-	\$ -	0.00%	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%		0.00%	\$ -
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	9,370	\$ 4,974.10	-0.19%	0.00%	3.93%	0.00%	\$ 5,160.15	9,234	\$ 4,870.34	-0.18%		3.86%	\$ 5,049.37

Appendix I: Physical Health Projected Claims PMPM Development

Table 1: PH Historical Rating Adjustments

Region Name	COA Description	Rate Cell Description	Historical Adjustments						Historical Adjustments						
			A	B	C	D	E	F	G	H	I	J	K	L	M
			CY2013 MMs	CY2013 PMPM	Recoupment Adj (F&A)	ACT 312 Adj	Fee Sched Adj	Historical Trend	CY2013 PMPM After Adj	CY2014 MMs	CY2014 PMPM	Recoupment Adj (F&A)	ACT 312 Adj	Fee Sched Adj	CY2014 PMPM After Adj
South Central	SSI	Newborn, 0-2 Months	503	\$ 13,184.98	-0.16%	0.03%	5.93%	-6.01%	\$ 13,112.04	471	\$ 16,637.79	-0.23%		4.06%	\$ 17,272.87
South Central	SSI	Newborn, 3-11 Months	1,956	\$ 4,272.95	-0.14%	0.44%	6.01%	-4.15%	\$ 4,354.56	1,896	\$ 3,166.09	-0.13%		3.89%	\$ 3,284.95
South Central	SSI	Child, 1-20 Years	109,971	\$ 369.00	-0.08%	1.32%	-0.17%	2.25%	\$ 381.34	108,865	\$ 362.25	-0.07%		-0.77%	\$ 359.21
South Central	SSI	Adult, 21+ Years	249,869	\$ 698.17	-0.07%	1.12%	0.71%	2.26%	\$ 726.55	239,595	\$ 706.79	-0.08%		-0.03%	\$ 705.99
South Central	Family and Children	Newborn, 0-2 Months	46,824	\$ 1,275.02	-0.16%	0.05%	2.90%	-3.38%	\$ 1,266.34	46,646	\$ 1,253.77	-0.17%		1.70%	\$ 1,272.96
South Central	Family and Children	Newborn, 3-11 Months	105,454	\$ 212.88	-0.15%	0.59%	-5.43%	-0.11%	\$ 201.96	104,943	\$ 203.14	-0.12%		-5.91%	\$ 190.90
South Central	Family and Children	Child, 1-20 Years	2,041,992	\$ 99.69	-0.11%	1.13%	-3.94%	1.21%	\$ 97.91	2,083,177	\$ 99.95	-0.08%		-4.06%	\$ 95.82
South Central	Family and Children	Adult, 21+ Years	271,787	\$ 230.03	-0.10%	0.92%	0.45%	-1.60%	\$ 229.22	299,533	\$ 224.45	-0.10%		0.09%	\$ 224.45
South Central	Foster Care Children	Foster Care, All Ages Male & Female	39,962	\$ 183.47	-0.10%	1.45%	-2.12%	1.33%	\$ 184.42	44,822	\$ 175.24	-0.09%		-1.29%	\$ 172.82
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,936	\$ 1,680.90	-0.08%	0.77%	-4.62%	1.89%	\$ 1,644.93	2,713	\$ 1,378.77	-0.12%		-4.46%	\$ 1,315.77
South Central	LaCHIP Affordable Plan	All Ages	13,180	\$ 105.15	-0.14%	1.15%	-4.06%	1.32%	\$ 103.24	12,630	\$ 110.52	-0.09%		-3.44%	\$ 106.63
South Central	HCBS Waiver	20 & Under, Male and Female	7,448	\$ 1,570.97	-0.08%	0.67%	0.12%	15.09%	\$ 1,821.03	6,778	\$ 1,612.69	-0.11%		0.25%	\$ 1,614.99
South Central	HCBS Waiver	21+ Years, Male and Female	14,467	\$ 807.32	-0.14%	1.40%	0.80%	3.18%	\$ 850.18	14,081	\$ 808.13	-0.14%		1.01%	\$ 815.10
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	17,012	\$ 905.07	-0.12%	0.87%	0.67%	3.70%	\$ 951.96	18,517	\$ 891.18	-0.16%		0.86%	\$ 897.46
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	-	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	-	\$ -	0.00%		0.00%	\$ -
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	-	\$ -	0.00%	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%		0.00%	\$ -
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	-	\$ -	0.00%	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%		0.00%	\$ -
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	10,299	\$ 4,716.29	-0.16%	0.00%	10.25%	0.00%	\$ 5,191.62	10,161	\$ 4,856.10	-0.15%		8.15%	\$ 5,243.96
North	SSI	Newborn, 0-2 Months	477	\$ 16,249.67	-0.21%	0.03%	2.64%	-6.08%	\$ 15,635.85	455	\$ 13,464.32	-0.21%		0.96%	\$ 13,563.84
North	SSI	Newborn, 3-11 Months	1,874	\$ 2,553.38	-0.12%	0.52%	1.86%	-0.17%	\$ 2,606.73	1,736	\$ 2,615.08	-0.15%		-0.45%	\$ 2,599.39
North	SSI	Child, 1-20 Years	120,963	\$ 325.18	-0.08%	1.13%	-1.40%	2.76%	\$ 332.97	119,854	\$ 340.66	-0.08%		-2.24%	\$ 332.76
North	SSI	Adult, 21+ Years	212,643	\$ 667.12	-0.08%	1.04%	-1.47%	1.74%	\$ 675.13	209,729	\$ 672.88	-0.09%		-2.48%	\$ 655.61
North	Family and Children	Newborn, 0-2 Months	35,832	\$ 1,315.47	-0.16%	0.05%	1.53%	-3.50%	\$ 1,287.34	35,273	\$ 1,214.89	-0.16%		0.37%	\$ 1,217.38
North	Family and Children	Newborn, 3-11 Months	81,270	\$ 210.79	-0.13%	0.54%	-4.06%	-0.40%	\$ 202.26	81,695	\$ 201.80	-0.11%		-5.05%	\$ 191.39
North	Family and Children	Child, 1-20 Years	1,599,060	\$ 85.43	-0.11%	0.93%	-3.71%	0.92%	\$ 83.71	1,639,001	\$ 86.64	-0.09%		-4.11%	\$ 83.00
North	Family and Children	Adult, 21+ Years	206,387	\$ 216.24	-0.11%	0.82%	-1.08%	-1.76%	\$ 211.63	239,456	\$ 213.58	-0.11%		-1.61%	\$ 209.91
North	Foster Care Children	Foster Care, All Ages Male & Female	22,020	\$ 179.51	-0.09%	1.47%	-1.14%	1.35%	\$ 182.34	24,784	\$ 168.85	-0.07%		-1.55%	\$ 166.12
North	Breast and Cervical Cancer	BCC, All Ages Female	2,439	\$ 1,664.90	-0.09%	1.04%	-14.08%	2.95%	\$ 1,486.60	2,535	\$ 1,647.79	-0.12%		-16.85%	\$ 1,368.54
North	LaCHIP Affordable Plan	All Ages	7,217	\$ 131.36	-0.11%	0.96%	-2.69%	1.69%	\$ 131.10	6,369	\$ 145.25	-0.11%		-2.60%	\$ 141.32
North	HCBS Waiver	20 & Under, Male and Female	4,873	\$ 1,509.07	-0.10%	0.62%	0.61%	14.02%	\$ 1,740.24	4,300	\$ 1,755.77	-0.13%		0.35%	\$ 1,759.53
North	HCBS Waiver	21+ Years, Male and Female	11,241	\$ 785.15	-0.15%	1.40%	1.93%	2.77%	\$ 832.81	11,183	\$ 797.87	-0.16%		0.96%	\$ 804.26
North	Chisholm Class Members	Chisholm, All Ages Male & Female	16,995	\$ 669.54	-0.12%	0.68%	0.85%	4.13%	\$ 707.00	16,907	\$ 709.41	-0.16%		0.38%	\$ 711.02
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	-	\$ -	0.00%	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%		0.00%	\$ -
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	-	\$ -	0.00%	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%		0.00%	\$ -
North	SBH - Other	SBH - Other, All Ages	-	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	-	\$ -	0.00%		0.00%	\$ -
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	7,998	\$ 5,024.19	-0.15%	0.00%	3.24%	0.00%	\$ 5,178.97	7,659	\$ 4,957.54	-0.15%		2.06%	\$ 5,052.27

Notes:

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

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

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

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

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

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

Appendix I: Physical Health Projected Claims PMPM Development

Table 2: PH Prospective Rating Adjustments

Region Name	COA Description	Rate Cell Description	Prospective Adjustments																
			G	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	Rx Adj	Retro Adj	Act 399 Adj	CBR Adj	PDHC Adj	Low Trend	High Trend	MC Savings Factor -- Low	MC Savings Factor -- High	Clinical & Rx Efficiencies	Preventive Services	Outliers	Projected PMPM -- Low	Projected PMPM -- High
Gulf	SSI	Newborn, 0-2 Months	\$ 21,494.64	\$ 20,423.90	\$ 20,466.35	-0.03%	0.00%	0.00%	0.00%	0.00%	-0.97%	1.76%	0.98	0.99	\$ (1.85)	\$ -	\$ 1,979.92	\$ 21,460.17	\$ 23,298.96
Gulf	SSI	Newborn, 3-11 Months	\$ 6,026.02	\$ 5,930.42	\$ 5,981.40	-0.26%	0.00%	0.04%	0.00%	-0.19%	0.36%	3.09%	0.99	1.00	\$ (2.34)	\$ -	\$ 32.24	\$ 6,003.07	\$ 6,541.72
Gulf	SSI	Child, 1-20 Years	\$ 328.88	\$ 342.98	\$ 336.85	-1.21%	0.00%	0.19%	0.00%	-0.74%	6.66%	8.91%	0.97	0.98	\$ (2.34)	\$ 0.61	\$ 0.25	\$ 388.50	\$ 420.35
Gulf	SSI	Adult, 21+ Years	\$ 732.65	\$ 741.87	\$ 738.52	-1.29%	0.44%	0.21%	0.00%	0.00%	4.79%	7.01%	0.97	0.98	\$ (2.15)	\$ 3.62	\$ -	\$ 826.42	\$ 890.99
Gulf	Family and Children	Newborn, 0-2 Months	\$ 1,142.54	\$ 1,089.31	\$ 1,115.80	-0.05%	0.00%	0.01%	0.00%	-0.01%	-0.81%	1.91%	0.97	0.98	\$ (2.33)	\$ -	\$ 32.99	\$ 1,084.91	\$ 1,186.95
Gulf	Family and Children	Newborn, 3-11 Months	\$ 182.33	\$ 196.11	\$ 190.73	-0.60%	0.00%	0.10%	0.00%	-0.15%	1.46%	3.58%	0.97	0.97	\$ (2.45)	\$ -	\$ 0.26	\$ 189.30	\$ 203.20
Gulf	Family and Children	Child, 1-20 Years	\$ 84.53	\$ 85.30	\$ 85.14	-1.14%	0.00%	0.18%	0.00%	-0.12%	2.76%	4.65%	0.95	0.96	\$ (2.47)	\$ 0.30	\$ 0.00	\$ 84.64	\$ 90.49
Gulf	Family and Children	Adult, 21+ Years	\$ 207.71	\$ 208.21	\$ 208.31	-1.06%	0.00%	0.17%	0.00%	0.00%	3.82%	5.68%	0.95	0.96	\$ (2.25)	\$ 3.62	\$ -	\$ 221.08	\$ 235.82
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	\$ 164.22	\$ 161.94	\$ 162.65	-1.55%	0.00%	0.25%	0.00%	-0.48%	2.56%	4.31%	0.92	0.92	\$ (2.33)	\$ 0.52	\$ -	\$ 156.29	\$ 166.40
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,398.32	\$ 1,225.69	\$ 1,297.49	-0.45%	2.41%	0.07%	1.63%	0.00%	5.96%	8.04%	0.97	0.98	\$ (2.13)	\$ 3.23	\$ -	\$ 1,566.51	\$ 1,681.30
Gulf	LaCHIP Affordable Plan	All Ages	\$ 118.96	\$ 132.70	\$ 126.58	-1.26%	0.36%	0.20%	0.00%	-0.09%	2.68%	4.54%	0.91	0.92	\$ (2.45)	\$ 0.32	\$ -	\$ 121.76	\$ 130.51
Gulf	HCBS Waiver	20 & Under, Male and Female	\$ 1,013.91	\$ 974.76	\$ 990.42	-0.79%	0.00%	0.13%	0.00%	-0.24%	12.11%	14.46%	0.94	0.97	\$ -	\$ 1.02	\$ -	\$ 1,317.40	\$ 1,449.72
Gulf	HCBS Waiver	21+ Years, Male and Female	\$ 731.43	\$ 709.66	\$ 718.37	-1.66%	0.00%	0.27%	0.00%	0.00%	2.68%	4.47%	0.91	0.93	\$ -	\$ 3.62	\$ -	\$ 700.18	\$ 758.41
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 705.77	\$ 783.82	\$ 752.60	-0.90%	0.02%	0.14%	0.00%	-0.79%	3.74%	6.16%	0.93	0.96	\$ -	\$ 0.49	\$ -	\$ 771.36	\$ 854.32
Gulf	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	\$ -	\$ -	\$ -	\$ -	\$ -
Gulf	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	\$ -	\$ -	\$ -	\$ -	\$ -
Gulf	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	\$ -	\$ -	\$ -	\$ -	\$ -
Gulf	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	\$ -	\$ -	\$ -	\$ -	\$ -
Gulf	SBH - Other	SBH - Other, All Ages	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$ -	\$ -	\$ -	\$ -	\$ -
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,883.94	\$ 5,704.68	\$ 5,781.13	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00	1.00	\$ -	\$ 48.81	\$ -	\$ 5,829.94	\$ 6,015.05
Capital	SSI	Newborn, 0-2 Months	\$ 18,316.16	\$ 16,923.94	\$ 17,510.76	-0.02%	0.00%	0.00%	0.00%	0.00%	-1.01%	1.70%	0.96	0.98	\$ (1.77)	\$ -	\$ 1,979.92	\$ 18,324.03	\$ 19,972.54
Capital	SSI	Newborn, 3-11 Months	\$ 6,079.87	\$ 5,983.01	\$ 5,968.94	-0.26%	0.00%	0.04%	0.00%	-0.79%	2.66%	5.40%	0.99	0.99	\$ (2.35)	\$ -	\$ 32.24	\$ 6,370.43	\$ 6,933.61
Capital	SSI	Child, 1-20 Years	\$ 389.06	\$ 395.36	\$ 394.02	-1.22%	0.00%	0.20%	0.00%	-1.48%	8.52%	10.83%	0.97	0.98	\$ (2.35)	\$ 0.59	\$ 0.25	\$ 476.51	\$ 516.29
Capital	SSI	Adult, 21+ Years	\$ 838.85	\$ 845.90	\$ 843.63	-1.32%	0.44%	0.21%	0.00%	0.00%	4.97%	7.18%	0.97	0.98	\$ (2.18)	\$ 3.62	\$ -	\$ 948.87	\$ 1,022.39
Capital	Family and Children	Newborn, 0-2 Months	\$ 1,188.96	\$ 1,175.61	\$ 1,183.92	-0.06%	0.00%	0.01%	0.00%	-0.01%	-1.09%	1.64%	0.97	0.98	\$ (2.38)	\$ -	\$ 32.99	\$ 1,141.70	\$ 1,249.27
Capital	Family and Children	Newborn, 3-11 Months	\$ 195.92	\$ 184.09	\$ 188.70	-0.65%	0.00%	0.10%	0.00%	-0.23%	1.60%	3.70%	0.96	0.97	\$ (2.53)	\$ -	\$ 0.26	\$ 186.77	\$ 200.50
Capital	Family and Children	Child, 1-20 Years	\$ 94.04	\$ 94.84	\$ 94.76	-1.26%	0.00%	0.20%	0.00%	-0.13%	2.85%	4.71%	0.94	0.95	\$ (2.51)	\$ 0.32	\$ 0.00	\$ 93.56	\$ 100.08
Capital	Family and Children	Adult, 21+ Years	\$ 251.32	\$ 249.26	\$ 250.05	-1.09%	0.00%	0.17%	0.00%	0.00%	3.90%	5.74%	0.95	0.96	\$ (2.27)	\$ 3.62	\$ -	\$ 265.33	\$ 282.91
Capital	Foster Care Children	Foster Care, All Ages Male & Female	\$ 174.03	\$ 168.21	\$ 170.67	-1.74%	0.00%	0.28%	0.00%	-0.55%	2.66%	4.32%	0.91	0.92	\$ (2.30)	\$ 0.52	\$ -	\$ 162.71	\$ 172.58
Capital	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,089.81	\$ 1,165.60	\$ 1,133.88	-0.45%	2.41%	0.07%	1.63%	0.00%	5.68%	7.69%	0.98	0.99	\$ (2.26)	\$ 3.23	\$ -	\$ 1,366.86	\$ 1,460.43
Capital	LaCHIP Affordable Plan	All Ages	\$ 121.44	\$ 177.41	\$ 155.84	-1.33%	0.36%	0.21%	0.00%	-0.05%	2.31%	4.22%	0.91	0.92	\$ (2.49)	\$ 0.32	\$ -	\$ 148.00	\$ 158.87
Capital	HCBS Waiver	20 & Under, Male and Female	\$ 1,339.88	\$ 1,347.66	\$ 1,344.55	-0.65%	0.00%	0.10%	0.00%	-0.25%	12.60%	15.01%	0.96	0.99	\$ -	\$ 1.02	\$ -	\$ 1,851.93	\$ 2,033.71
Capital	HCBS Waiver	21+ Years, Male and Female	\$ 732.68	\$ 740.11	\$ 737.14	-1.54%	0.00%	0.25%	0.00%	0.00%	2.75%	4.58%	0.91	0.94	\$ -	\$ 3.62	\$ -	\$ 722.28	\$ 784.63
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 896.16	\$ 916.15	\$ 908.15	-0.90%	0.02%	0.14%	0.00%	-0.94%	4.04%	6.49%	0.94	0.97	\$ -	\$ 0.49	\$ -	\$ 946.72	\$ 1,047.98
Capital	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	\$ -	\$ -	\$ -	\$ -	\$ -
Capital	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	\$ -	\$ -	\$ -	\$ -	\$ -
Capital	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	\$ -	\$ -	\$ -	\$ -	\$ -
Capital	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	\$ -	\$ -	\$ -	\$ -	\$ -
Capital	SBH - Other	SBH - Other, All Ages	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00	1.00	\$ -	\$ -	\$ -	\$ -	\$ -
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,160.15	\$ 5,049.37	\$ 5,101.75	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00	1.00	\$ -	\$ 48.81	\$ -	\$ 5,150.56	\$ 5,314.01

Appendix I: Physical Health Projected Claims PMPM Development

Table 2: PH Prospective Rating Adjustments

Region Name	COA Description	Rate Cell Description	Prospective Adjustments																
			G	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	Rx Adj	Retro Adj	Act 399 Adj	CBR Adj	PDHC Adj	Low Trend	High Trend	MC Savings Factor -- Low	MC Savings Factor -- High	Clinical & Rx Efficiencies	Preventive Services	Outliers	Projected PMPM -- Low	Projected PMPM -- High
South Central	SSI	Newborn, 0-2 Months	\$ 13,112.04	\$ 17,272.87	\$ 15,496.59	-0.03%	0.00%	0.00%	0.00%	0.00%	-0.88%	1.81%	0.98	0.99	\$ (1.73)	\$ -	\$ 1,979.92	\$ 16,705.45	\$ 18,108.02
South Central	SSI	Newborn, 3-11 Months	\$ 4,354.56	\$ 3,284.95	\$ 3,657.18	-0.51%	0.00%	0.08%	0.00%	-0.47%	2.35%	5.00%	0.99	0.99	\$ (2.20)	\$ -	\$ 32.24	\$ 3,870.71	\$ 4,212.31
South Central	SSI	Child, 1-20 Years	\$ 381.34	\$ 359.21	\$ 367.81	-1.52%	0.00%	0.24%	0.00%	-0.89%	7.66%	9.89%	0.97	0.98	\$ (2.30)	\$ 0.62	\$ 0.25	\$ 435.29	\$ 471.49
South Central	SSI	Adult, 21+ Years	\$ 726.55	\$ 705.99	\$ 714.71	-1.29%	0.44%	0.21%	0.00%	0.00%	5.01%	7.21%	0.98	0.99	\$ (2.21)	\$ 3.62	\$ -	\$ 807.69	\$ 868.82
South Central	Family and Children	Newborn, 0-2 Months	\$ 1,266.34	\$ 1,272.96	\$ 1,274.61	-0.05%	0.00%	0.01%	0.00%	-0.01%	-1.02%	1.72%	0.98	0.99	\$ (2.36)	\$ -	\$ 32.99	\$ 1,240.09	\$ 1,353.80
South Central	Family and Children	Newborn, 3-11 Months	\$ 201.96	\$ 190.90	\$ 196.06	-0.67%	0.00%	0.11%	0.00%	-0.21%	1.57%	3.66%	0.96	0.97	\$ (2.48)	\$ -	\$ 0.26	\$ 194.43	\$ 208.54
South Central	Family and Children	Child, 1-20 Years	\$ 97.91	\$ 95.82	\$ 96.95	-1.31%	0.00%	0.21%	0.00%	-0.12%	2.86%	4.70%	0.94	0.95	\$ (2.46)	\$ 0.33	\$ 0.00	\$ 96.03	\$ 102.60
South Central	Family and Children	Adult, 21+ Years	\$ 229.22	\$ 224.45	\$ 226.80	-1.02%	0.00%	0.16%	0.00%	0.00%	3.92%	5.77%	0.95	0.96	\$ (2.24)	\$ 3.62	\$ -	\$ 242.14	\$ 258.05
South Central	Foster Care Children	Foster Care, All Ages Male & Female	\$ 184.42	\$ 172.82	\$ 176.95	-1.58%	0.00%	0.25%	0.00%	-0.43%	2.17%	3.93%	0.91	0.92	\$ (2.31)	\$ 0.52	\$ -	\$ 167.99	\$ 178.89
South Central	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,644.93	\$ 1,315.77	\$ 1,437.51	-0.82%	2.41%	0.13%	1.63%	0.00%	5.87%	7.97%	0.98	0.99	\$ (2.22)	\$ 3.23	\$ -	\$ 1,733.31	\$ 1,856.18
South Central	LaCHIP Affordable Plan	All Ages	\$ 103.24	\$ 106.63	\$ 105.78	-1.41%	0.36%	0.23%	0.00%	-0.06%	2.89%	4.65%	0.91	0.92	\$ (2.48)	\$ 0.32	\$ -	\$ 101.78	\$ 108.75
South Central	HCBS Waiver	20 & Under, Male and Female	\$ 1,821.03	\$ 1,614.99	\$ 1,697.40	-0.70%	0.00%	0.11%	0.00%	-0.33%	15.45%	17.95%	0.97	0.99	\$ -	\$ 1.02	\$ -	\$ 2,540.20	\$ 2,779.94
South Central	HCBS Waiver	21+ Years, Male and Female	\$ 850.18	\$ 815.10	\$ 829.13	-1.64%	0.00%	0.26%	0.00%	0.00%	2.93%	4.69%	0.91	0.93	\$ -	\$ 3.62	\$ -	\$ 816.41	\$ 883.39
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 951.96	\$ 897.46	\$ 919.26	-0.92%	0.02%	0.15%	0.00%	-0.93%	4.09%	6.53%	0.94	0.97	\$ -	\$ 0.49	\$ -	\$ 961.69	\$ 1,061.58
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	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,191.62	\$ 5,243.96	\$ 5,238.38	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00	1.00	\$ -	\$ 48.81	\$ -	\$ 5,287.19	\$ 5,454.96
North	SSI	Newborn, 0-2 Months	\$ 15,635.85	\$ 13,563.84	\$ 13,582.09	-0.02%	0.00%	0.00%	0.00%	-0.01%	-0.71%	1.98%	0.96	0.98	\$ (1.66)	\$ -	\$ 1,979.92	\$ 14,749.08	\$ 16,043.16
North	SSI	Newborn, 3-11 Months	\$ 2,606.73	\$ 2,599.39	\$ 2,579.30	-0.53%	0.00%	0.08%	0.00%	-1.17%	5.48%	8.05%	0.99	0.99	\$ (2.31)	\$ -	\$ 32.24	\$ 2,984.88	\$ 3,229.86
North	SSI	Child, 1-20 Years	\$ 332.97	\$ 332.76	\$ 333.26	-1.27%	0.00%	0.20%	0.00%	-1.55%	8.71%	11.03%	0.97	0.98	\$ (2.26)	\$ 0.62	\$ 0.25	\$ 404.59	\$ 437.73
North	SSI	Adult, 21+ Years	\$ 675.13	\$ 655.61	\$ 662.81	-1.21%	0.44%	0.19%	0.00%	0.00%	4.46%	6.69%	0.98	0.99	\$ (2.23)	\$ 3.62	\$ -	\$ 737.80	\$ 794.39
North	Family and Children	Newborn, 0-2 Months	\$ 1,287.34	\$ 1,217.38	\$ 1,249.75	-0.05%	0.00%	0.01%	0.00%	-0.01%	-1.09%	1.65%	0.98	0.98	\$ (2.29)	\$ -	\$ 32.99	\$ 1,209.84	\$ 1,322.90
North	Family and Children	Newborn, 3-11 Months	\$ 202.26	\$ 191.39	\$ 196.23	-0.61%	0.00%	0.10%	0.00%	-0.18%	1.41%	3.54%	0.97	0.97	\$ (2.42)	\$ -	\$ 0.26	\$ 194.42	\$ 208.73
North	Family and Children	Child, 1-20 Years	\$ 83.71	\$ 83.00	\$ 83.53	-1.09%	0.00%	0.17%	0.00%	-0.14%	2.60%	4.51%	0.95	0.96	\$ (2.43)	\$ 0.32	\$ 0.00	\$ 83.10	\$ 88.79
North	Family and Children	Adult, 21+ Years	\$ 211.63	\$ 209.91	\$ 210.75	-0.95%	0.00%	0.15%	0.00%	0.00%	3.61%	5.49%	0.95	0.96	\$ (2.23)	\$ 3.62	\$ -	\$ 223.76	\$ 238.66
North	Foster Care Children	Foster Care, All Ages Male & Female	\$ 182.34	\$ 166.12	\$ 172.83	-1.62%	0.00%	0.26%	0.00%	-0.94%	2.39%	4.13%	0.93	0.94	\$ (2.26)	\$ 0.52	\$ -	\$ 167.11	\$ 177.35
North	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,486.60	\$ 1,368.54	\$ 1,425.68	-1.25%	2.41%	0.20%	1.63%	0.00%	6.17%	8.30%	0.97	0.98	\$ (2.20)	\$ 3.23	\$ -	\$ 1,714.49	\$ 1,840.37
North	LaCHIP Affordable Plan	All Ages	\$ 131.10	\$ 141.32	\$ 139.07	-1.11%	0.36%	0.18%	0.00%	-0.31%	2.95%	4.93%	0.93	0.94	\$ (2.44)	\$ 0.32	\$ -	\$ 137.34	\$ 147.38
North	HCBS Waiver	20 & Under, Male and Female	\$ 1,740.24	\$ 1,759.53	\$ 1,751.81	-0.64%	0.00%	0.10%	0.00%	-0.32%	15.08%	17.59%	0.96	0.99	\$ -	\$ 1.02	\$ -	\$ 2,580.34	\$ 2,834.82
North	HCBS Waiver	21+ Years, Male and Female	\$ 832.81	\$ 804.26	\$ 815.68	-1.59%	0.00%	0.25%	0.00%	0.00%	2.71%	4.56%	0.91	0.94	\$ -	\$ 3.62	\$ -	\$ 798.58	\$ 867.78
North	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 707.00	\$ 711.02	\$ 709.42	-0.76%	0.02%	0.12%	0.00%	-1.14%	4.10%	6.60%	0.95	0.97	\$ -	\$ 0.49	\$ -	\$ 746.57	\$ 826.29
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	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -	\$ -
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,178.97	\$ 5,052.27	\$ 5,108.16	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00	1.00	\$ -	\$ 48.81	\$ -	\$ 5,156.97	\$ 5,320.53

Notes:
M = 40% * F + 60% * L
W = (M * (1 + N) * (1 + O) * (1 + P) * (1 + Q) * (1 + R) * ((1 + S) ^ 37/12) * U) + W + X + Y
X = (M * (1 + N) * (1 + O) * (1 + P) * (1 + Q) * (1 + R) * ((1 + T) ^ 37/12) * V) + W + X + Y

Appendix J: Specialized Behavioral Health Projected Claims PMPM Development

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

Region Name	COA Description	Rate Cell Description	Historical Adjustments										
			A	B	C	D	E	F	G	H	I	J	K
			CY2013 MMs	CY2013 PMPM	Recoupment Adj (F&A)	Medication Mgmt Adj	IP/OP Fee Adj	PSH Increase Adj	CSOC Adj	PRTF Adj	PSR Reduction	Historical Trend	CY2013 PMPM After Adj
South Central	SSI	Newborn, 0-2 Months	503	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -
South Central	SSI	Newborn, 3-11 Months	1,956	\$ 2.87	-0.1%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	29.5%	\$ 3.78
South Central	SSI	Child, 1-20 Years	109,971	\$ 66.15	-0.1%	1.0%	-0.2%	0.0%	-7.9%	0.9%	-3.1%	29.5%	\$ 77.71
South Central	SSI	Adult, 21+ Years	249,869	\$ 74.00	-0.1%	0.5%	-0.7%	0.1%	0.0%	0.1%	0.0%	1.5%	\$ 75.02
South Central	Family and Children	Newborn, 0-2 Months	46,824	\$ 0.01	-0.9%	0.0%	-7.9%	0.0%	0.0%	0.0%	0.0%	29.5%	\$ 0.01
South Central	Family and Children	Newborn, 3-11 Months	105,454	\$ 0.04	0.0%	0.0%	-0.9%	0.0%	0.0%	0.0%	0.0%	29.5%	\$ 0.05
South Central	Family and Children	Child, 1-20 Years	2,041,992	\$ 11.39	-0.1%	1.0%	-0.1%	0.0%	-4.8%	0.4%	-3.3%	29.5%	\$ 13.75
South Central	Family and Children	Adult, 21+ Years	271,787	\$ 17.90	-0.2%	1.3%	-0.6%	0.0%	0.0%	0.0%	0.0%	1.5%	\$ 18.26
South Central	Foster Care Children	Foster Care, All Ages Male & Female	39,962	\$ 106.28	0.0%	0.5%	0.1%	0.0%	-5.9%	3.7%	-1.6%	29.5%	\$ 132.67
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,936	\$ 2.13	0.0%	1.2%	-1.0%	0.3%	0.0%	0.0%	0.0%	1.5%	\$ 2.17
South Central	LaCHIP Affordable Plan	All Ages	13,180	\$ 5.87	-0.1%	2.1%	-0.1%	0.0%	0.0%	0.0%	-3.5%	29.5%	\$ 7.47
South Central	HCBS Waiver	20 & Under, Male and Female	7,448	\$ 31.11	-0.2%	3.5%	-0.4%	0.0%	0.0%	0.0%	-2.5%	29.5%	\$ 40.42
South Central	HCBS Waiver	21+ Years, Male and Female	14,467	\$ 42.33	-0.2%	2.6%	-0.5%	0.0%	0.0%	0.0%	0.0%	1.5%	\$ 43.76
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	17,012	\$ 89.66	-0.1%	1.6%	0.0%	0.0%	-14.2%	1.4%	-2.5%	29.5%	\$ 99.83
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,566	\$ 97.81	-0.1%	1.4%	0.0%	0.0%	-12.6%	1.2%	-2.3%	27.4%	\$ 109.04
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	329,216	\$ 11.48	-0.2%	0.5%	2.4%	0.1%	0.0%	0.1%	0.0%	7.8%	\$ 12.74
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,448	\$ 41.97	-0.3%	2.6%	0.0%	0.0%	0.0%	0.0%	-1.9%	24.7%	\$ 52.41
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	14,467	\$ 63.87	-0.3%	1.7%	-0.4%	0.0%	0.0%	0.0%	0.0%	4.7%	\$ 67.55
South Central	SBH - Other	SBH - Other, All Ages	10,168	\$ 201.14	-0.2%	0.2%	-0.2%	0.0%	0.0%	0.0%	0.0%	3.7%	\$ 207.99
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -
North	SSI	Newborn, 0-2 Months	477	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -
North	SSI	Newborn, 3-11 Months	1,874	\$ 0.01	-0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	29.5%	\$ 0.02
North	SSI	Child, 1-20 Years	120,963	\$ 104.68	0.0%	0.5%	0.0%	0.0%	-1.3%	1.4%	-3.4%	29.5%	\$ 131.72
North	SSI	Adult, 21+ Years	212,643	\$ 51.59	-0.1%	0.3%	-0.3%	0.1%	0.0%	0.2%	0.0%	1.5%	\$ 52.51
North	Family and Children	Newborn, 0-2 Months	35,832	\$ 0.02	0.0%	0.0%	-3.0%	0.0%	0.0%	0.0%	0.0%	29.5%	\$ 0.02
North	Family and Children	Newborn, 3-11 Months	81,270	\$ 0.00	-0.1%	0.0%	-1.7%	0.0%	0.0%	0.0%	0.0%	29.5%	\$ 0.01
North	Family and Children	Child, 1-20 Years	1,599,060	\$ 16.83	0.0%	0.6%	0.1%	0.0%	-0.7%	0.1%	-3.6%	29.5%	\$ 21.04
North	Family and Children	Adult, 21+ Years	206,387	\$ 16.54	-0.1%	0.3%	0.1%	0.0%	0.0%	0.6%	0.0%	1.5%	\$ 16.93
North	Foster Care Children	Foster Care, All Ages Male & Female	22,020	\$ 271.62	0.0%	0.2%	0.3%	0.0%	-0.5%	5.3%	-0.8%	29.5%	\$ 367.26
North	Breast and Cervical Cancer	BCC, All Ages Female	2,439	\$ 36.03	-0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	1.5%	\$ 36.57
North	LaCHIP Affordable Plan	All Ages	7,217	\$ 7.97	0.0%	1.2%	-0.7%	0.1%	-0.7%	0.0%	-1.9%	29.5%	\$ 10.12
North	HCBS Waiver	20 & Under, Male and Female	4,873	\$ 61.14	-0.1%	2.2%	-0.2%	0.1%	-3.3%	1.2%	-3.2%	29.5%	\$ 76.49
North	HCBS Waiver	21+ Years, Male and Female	11,241	\$ 42.43	-0.1%	1.2%	-0.3%	0.0%	0.0%	0.0%	0.0%	1.5%	\$ 43.41
North	Chisholm Class Members	Chisholm, All Ages Male & Female	16,995	\$ 78.74	0.0%	1.4%	0.4%	0.1%	-2.8%	1.5%	-3.0%	29.5%	\$ 99.41
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,335	\$ 81.54	0.0%	1.4%	0.4%	0.0%	-2.6%	1.4%	-2.9%	28.9%	\$ 102.60
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	258,659	\$ 11.15	-0.1%	0.3%	3.0%	0.1%	0.0%	0.2%	0.0%	8.9%	\$ 12.56
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,873	\$ 68.32	-0.1%	2.0%	-0.2%	0.1%	-3.0%	1.0%	-2.9%	27.5%	\$ 84.43
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	11,235	\$ 62.93	-0.2%	0.8%	-0.2%	0.0%	0.0%	0.0%	0.0%	4.6%	\$ 66.05
North	SBH - Other	SBH - Other, All Ages	9,328	\$ 116.54	-0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	-0.1%	4.7%	\$ 121.69
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -

Notes:

Inclusive of SBH and NEMT services

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

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

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

$$AA = U * (1 + V) * (1 + W) * (1 + X) * ((1 + Y)^{25/12})$$

$$AB = U * (1 + V) * (1 + W) * (1 + X) * ((1 + Z)^{25/12})$$

Appendix J: Specialized Behavioral Health Projected Claims PMPM Development

Table 1b: SBH Historical Adjustments (CY 2014)

Region Name	COA Desc	Rate Cell Desc	L CY2014 MMs	M CY2014 PMPM	Historical Adjustments								U Historical Trend	V CY2014 PMPM After Adj
					N Recoupment Adj (F&A)	O Medication Mgmt Adj	P IP/OP Fee Adj	Q PSH Increase Adj	R CSOC Adj	S PRTF Adj	T PSR Reduction			
South Central	SSI	Newborn, 0-2 Months	471	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		\$ -	
South Central	SSI	Newborn, 3-11 Months	1,896	\$ 0.08	-0.2%	0.0%	-0.2%	0.0%	0.0%	0.0%	0.0%		\$ 0.08	
South Central	SSI	Child, 1-20 Years	108,865	\$ 81.12	-0.2%	1.0%	-0.2%	0.0%	-10.3%	1.2%	-3.2%		\$ 71.64	
South Central	SSI	Adult, 21+ Years	239,595	\$ 68.25	-0.2%	0.0%	-0.6%	0.1%	-0.2%	0.2%	0.0%		\$ 67.81	
South Central	Family and Children	Newborn, 0-2 Months	46,646	\$ 0.70	-0.2%	0.3%	-0.1%	0.0%	0.0%	0.0%	0.0%		\$ 0.70	
South Central	Family and Children	Newborn, 3-11 Months	104,943	\$ 0.28	-0.2%	0.0%	-0.2%	0.0%	0.0%	0.0%	0.0%		\$ 0.28	
South Central	Family and Children	Child, 1-20 Years	2,083,177	\$ 14.36	-0.2%	1.0%	0.0%	0.0%	-4.0%	0.4%	-3.6%		\$ 13.46	
South Central	Family and Children	Adult, 21+ Years	299,533	\$ 19.40	-0.2%	0.8%	-0.3%	0.0%	-0.1%	0.1%	0.0%		\$ 19.45	
South Central	Foster Care Children	Foster Care, All Ages Male & Female	44,822	\$ 102.25	-0.1%	0.5%	0.2%	0.0%	-4.5%	2.1%	-2.3%		\$ 98.07	
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,713	\$ 5.59	-0.3%	0.1%	-0.3%	0.0%	0.0%	0.0%	0.0%		\$ 5.56	
South Central	LaCHIP Affordable Plan	All Ages	12,630	\$ 6.98	-0.4%	3.1%	-0.2%	0.0%	0.0%	0.0%	-3.1%		\$ 6.93	
South Central	HCBS Waiver	20 & Under, Male and Female	6,778	\$ 23.25	-0.3%	3.4%	-0.2%	0.1%	0.0%	0.0%	-3.8%		\$ 23.04	
South Central	HCBS Waiver	21+ Years, Male and Female	14,081	\$ 40.97	-0.3%	1.5%	-0.3%	0.0%	0.0%	0.1%	0.0%		\$ 41.40	
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	18,517	\$ 113.14	-0.2%	1.1%	0.1%	0.0%	-5.7%	2.0%	-2.2%		\$ 107.46	
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	19,105	\$ 120.93	-0.2%	1.0%	0.1%	0.0%	-5.2%	1.8%	-2.0%		\$ 115.41	
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	324,261	\$ 11.61	-0.2%	0.9%	4.0%	0.1%	0.0%	0.2%	0.0%		\$ 12.20	
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	6,778	\$ 32.13	-0.3%	2.4%	-0.1%	0.1%	0.0%	0.0%	-2.8%		\$ 31.89	
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	14,081	\$ 57.85	-0.3%	1.1%	-0.2%	0.0%	0.0%	0.1%	0.0%		\$ 58.22	
South Central	SBH - Other	SBH - Other, All Ages	10,516	\$ 173.88	-0.2%	0.1%	-0.2%	0.0%	0.0%	0.0%	0.0%		\$ 173.38	
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	455	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		\$ -	
North	SSI	Newborn, 3-11 Months	1,736	\$ 0.09	-0.2%	0.0%	-0.2%	0.0%	0.0%	0.0%	0.0%		\$ 0.09	
North	SSI	Child, 1-20 Years	119,854	\$ 119.55	-0.1%	0.5%	-0.2%	0.0%	-1.5%	0.8%	-3.8%		\$ 114.42	
North	SSI	Adult, 21+ Years	209,729	\$ 54.41	-0.1%	-0.3%	-0.5%	0.1%	0.0%	0.3%	0.0%		\$ 54.08	
North	Family and Children	Newborn, 0-2 Months	35,273	\$ 0.01	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		\$ 0.01	
North	Family and Children	Newborn, 3-11 Months	81,695	\$ 0.19	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		\$ 0.19	
North	Family and Children	Child, 1-20 Years	1,639,001	\$ 23.80	-0.1%	0.5%	0.1%	0.1%	-0.8%	0.2%	-3.9%		\$ 22.87	
North	Family and Children	Adult, 21+ Years	239,456	\$ 18.39	-0.1%	-0.3%	0.2%	0.0%	0.0%	0.5%	0.0%		\$ 18.45	
North	Foster Care Children	Foster Care, All Ages Male & Female	24,784	\$ 249.62	0.0%	0.2%	0.2%	0.1%	-0.8%	5.0%	-1.0%		\$ 258.52	
North	Breast and Cervical Cancer	BCC, All Ages Female	2,535	\$ 12.25	-0.1%	-1.1%	0.1%	0.0%	0.0%	0.0%	0.0%		\$ 12.12	
North	LaCHIP Affordable Plan	All Ages	6,369	\$ 20.62	-0.1%	1.6%	0.6%	0.1%	-0.8%	0.0%	-1.9%		\$ 20.50	
North	HCBS Waiver	20 & Under, Male and Female	4,300	\$ 44.59	-0.2%	3.3%	0.1%	0.1%	-3.9%	0.0%	-3.8%		\$ 42.58	
North	HCBS Waiver	21+ Years, Male and Female	11,183	\$ 40.20	-0.3%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%		\$ 40.16	
North	Chisholm Class Members	Chisholm, All Ages Male & Female	16,907	\$ 104.01	-0.1%	1.1%	0.3%	0.0%	-4.0%	1.6%	-3.1%		\$ 99.68	
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	17,261	\$ 105.97	-0.1%	1.1%	0.3%	0.1%	-3.8%	1.6%	-3.1%		\$ 101.69	
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	257,226	\$ 13.80	-0.1%	0.2%	5.0%	0.2%	0.0%	0.3%	0.0%		\$ 14.57	
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,300	\$ 51.04	-0.2%	2.8%	0.1%	0.1%	-3.4%	0.0%	-3.4%		\$ 49.01	
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	11,183	\$ 57.97	-0.3%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%		\$ 57.88	
North	SBH - Other	SBH - Other, All Ages	9,429	\$ 110.24	-0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%		\$ 109.91	
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		\$ -	

Notes:

Inclusive of SBH and NEMT services

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

Appendix J: Specialized Behavioral Health Projected Claims PMPM Development

Table 2: SBH Prospective Rating Adjustments

Region Name	COA Description	Rate Cell Description	Prospective Adjustments											Projected PMPM -- Low	Projected PMPM -- High
			K	V	W	X	Y	Z	AA	AB	AC	AD	AE		
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	Retro Adj	Mixed Services Protocol Adj	1915i Adj	LaHIPP Adj	Low Trend	High Trend				
South Central	SSI	Newborn, 0-2 Months	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -		
South Central	SSI	Newborn, 3-11 Months	\$ 3.78	\$ 0.08	\$ 1.56	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 3.41	\$ 3.84		
South Central	SSI	Child, 1-20 Years	\$ 77.71	\$ 71.64	\$ 74.07	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 162.43	\$ 182.64		
South Central	SSI	Adult, 21+ Years	\$ 75.02	\$ 67.81	\$ 70.70	0.4%	0.0%	5.5%	0.0%	1.5%	3.5%	\$ 78.43	\$ 83.30		
South Central	Family and Children	Newborn, 0-2 Months	\$ 0.01	\$ 0.70	\$ 0.42	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.93	\$ 1.04		
South Central	Family and Children	Newborn, 3-11 Months	\$ 0.05	\$ 0.28	\$ 0.19	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.41	\$ 0.46		
South Central	Family and Children	Child, 1-20 Years	\$ 13.75	\$ 13.46	\$ 13.57	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 29.77	\$ 33.47		
South Central	Family and Children	Adult, 21+ Years	\$ 18.26	\$ 19.45	\$ 18.98	0.0%	0.0%	6.0%	0.0%	1.5%	3.5%	\$ 21.06	\$ 22.37		
South Central	Foster Care Children	Foster Care, All Ages Male & Female	\$ 132.67	\$ 98.07	\$ 111.91	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 245.42	\$ 275.95		
South Central	Breast and Cervical Cancer	BCC, All Ages Female	\$ 2.17	\$ 5.56	\$ 4.20	2.4%	0.0%	12.6%	0.0%	1.5%	3.5%	\$ 5.08	\$ 5.39		
South Central	LaCHIP Affordable Plan	All Ages	\$ 7.47	\$ 6.93	\$ 7.15	0.4%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 15.73	\$ 17.69		
South Central	HCBS Waiver	20 & Under, Male and Female	\$ 40.42	\$ 23.04	\$ 29.99	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 65.76	\$ 73.95		
South Central	HCBS Waiver	21+ Years, Male and Female	\$ 43.76	\$ 41.40	\$ 42.35	0.0%	0.0%	5.2%	0.0%	1.5%	3.5%	\$ 46.66	\$ 49.55		
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 99.83	\$ 107.46	\$ 104.41	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 228.99	\$ 257.48		
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 109.04	\$ 115.41	\$ 112.86	0.0%	-6.4%	0.0%	0.0%	26.7%	31.6%	\$ 219.29	\$ 245.94		
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 12.74	\$ 12.20	\$ 12.42	0.0%	-1.7%	2.7%	-0.7%	3.7%	5.7%	\$ 13.92	\$ 14.77		
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 52.41	\$ 31.89	\$ 40.10	0.0%	-8.3%	0.0%	0.0%	22.4%	26.8%	\$ 68.54	\$ 76.45		
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 67.55	\$ 58.22	\$ 61.95	0.0%	-7.9%	3.5%	0.0%	1.0%	3.0%	\$ 60.88	\$ 64.68		
South Central	SBH - Other	SBH - Other, All Ages	\$ 207.99	\$ 173.38	\$ 187.22	0.0%	-6.1%	0.9%	0.0%	1.0%	3.0%	\$ 182.89	\$ 194.29		
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -	0.0%	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%	0.0%	\$ -	\$ -		
North	SSI	Newborn, 3-11 Months	\$ 0.02	\$ 0.09	\$ 0.06	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.13	\$ 0.15		
North	SSI	Child, 1-20 Years	\$ 131.72	\$ 114.42	\$ 121.34	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 266.07	\$ 299.17		
North	SSI	Adult, 21+ Years	\$ 52.51	\$ 54.08	\$ 53.45	0.4%	0.0%	9.9%	0.0%	1.5%	3.5%	\$ 61.79	\$ 65.62		
North	Family and Children	Newborn, 0-2 Months	\$ 0.02	\$ 0.01	\$ 0.01	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.03	\$ 0.03		
North	Family and Children	Newborn, 3-11 Months	\$ 0.01	\$ 0.19	\$ 0.11	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 0.25	\$ 0.28		
North	Family and Children	Child, 1-20 Years	\$ 21.04	\$ 22.87	\$ 22.14	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 48.54	\$ 54.58		
North	Family and Children	Adult, 21+ Years	\$ 16.93	\$ 18.45	\$ 17.84	0.0%	0.0%	11.6%	0.0%	1.5%	3.5%	\$ 20.85	\$ 22.14		
North	Foster Care Children	Foster Care, All Ages Male & Female	\$ 367.26	\$ 258.52	\$ 302.01	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 662.24	\$ 744.62		
North	Breast and Cervical Cancer	BCC, All Ages Female	\$ 36.57	\$ 12.12	\$ 21.90	2.4%	0.0%	7.7%	0.0%	1.5%	3.5%	\$ 25.28	\$ 26.85		
North	LaCHIP Affordable Plan	All Ages	\$ 10.12	\$ 20.50	\$ 16.35	0.4%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 35.98	\$ 40.46		
North	HCBS Waiver	20 & Under, Male and Female	\$ 76.49	\$ 42.58	\$ 56.14	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 123.11	\$ 138.42		
North	HCBS Waiver	21+ Years, Male and Female	\$ 43.41	\$ 40.16	\$ 41.46	0.0%	0.0%	15.2%	0.0%	1.5%	3.5%	\$ 49.99	\$ 53.09		
North	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 99.41	\$ 99.68	\$ 99.57	0.0%	0.0%	0.0%	0.0%	29.0%	34.0%	\$ 218.40	\$ 245.56		
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 102.60	\$ 101.69	\$ 102.05	0.0%	-0.2%	0.0%	0.0%	28.3%	33.3%	\$ 219.81	\$ 246.97		
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 12.56	\$ 14.57	\$ 13.77	0.0%	-1.9%	5.2%	-0.7%	3.8%	5.8%	\$ 15.81	\$ 16.77		
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 84.43	\$ 49.01	\$ 63.18	0.0%	0.4%	0.0%	0.0%	26.4%	31.2%	\$ 130.71	\$ 146.54		
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 66.05	\$ 57.88	\$ 61.15	0.0%	-3.0%	10.2%	0.0%	1.1%	3.1%	\$ 67.53	\$ 71.74		
North	SBH - Other	SBH - Other, All Ages	\$ 121.69	\$ 109.91	\$ 114.62	0.0%	-2.2%	0.6%	0.0%	0.9%	2.9%	\$ 115.97	\$ 123.20		
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	\$ -	\$ -		

Notes:

Inclusive of SBH and NEMT services

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

Table 1: Historical Rating Adjustments

Region Name	COA Description	Rate Cell Description	A	B	C	D	E	F	G	H	I	J
			CY2013 MMs	CY2013 PMPM	Recoupment Adj (F&A)	Historical Trend	CY2013 PMPM After Adj	CY2014 MMs	CY2014 PMPM	Recoupment Adj (F&A)	Historical Trend	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	16,432	\$ 3.06	-0.44%	11.00%	\$ 3.38	17,340	\$ 4.17	-0.28%		\$ 4.16
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	305,720	\$ 5.57	-0.20%	16.00%	\$ 6.45	300,839	\$ 5.62	-0.14%		\$ 5.61
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,958	\$ 4.99	-0.53%	11.00%	\$ 5.51	7,178	\$ 2.38	-0.31%		\$ 2.37
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	13,232	\$ 12.02	-0.54%	11.00%	\$ 13.28	13,502	\$ 9.46	-0.34%		\$ 9.43
Gulf	SBH - Other	SBH - Other, All Ages	6,782	\$ 46.69	-0.59%	11.00%	\$ 51.52	7,421	\$ 62.15	-0.39%		\$ 61.91
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	16,256	\$ 5.31	-0.44%	11.00%	\$ 5.87	17,364	\$ 5.08	-0.25%		\$ 5.07
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	246,290	\$ 7.55	-0.20%	16.00%	\$ 8.74	240,039	\$ 9.39	-0.12%		\$ 9.38
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	8,312	\$ 6.09	-0.47%	11.00%	\$ 6.72	7,498	\$ 6.07	-0.32%		\$ 6.06
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,119	\$ 13.31	-0.50%	11.00%	\$ 14.70	12,195	\$ 16.57	-0.29%		\$ 16.53
Capital	SBH - Other	SBH - Other, All Ages	8,210	\$ 30.98	-0.59%	11.00%	\$ 34.19	8,267	\$ 25.41	-0.39%		\$ 25.31
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.00%	0.00%	\$ -	-	\$ -	0.00%		\$ -

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

Table 1: Historical Rating Adjustments

Region Name	COA Description	Rate Cell Description	A	B	C	D	E	F	G	H	I	J
			CY2013 MMs	CY2013 PMPM	Recoupment Adj (F&A)	Historical Trend	CY2013 PMPM After Adj	CY2014 MMs	CY2014 PMPM	Recoupment Adj (F&A)	Historical Trend	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	17,566	\$ 9.68	-0.38%	11.00%	\$ 10.71	19,105	\$ 9.98	-0.22%		\$ 9.96
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	329,216	\$ 5.17	-0.31%	16.00%	\$ 5.98	324,261	\$ 5.96	-0.17%		\$ 5.95
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,448	\$ 10.86	-0.52%	11.00%	\$ 11.99	6,778	\$ 8.88	-0.34%		\$ 8.85
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	14,467	\$ 21.55	-0.56%	11.00%	\$ 23.78	14,081	\$ 16.88	-0.35%		\$ 16.82
South Central	SBH - Other	SBH - Other, All Ages	10,168	\$ 45.97	-0.59%	11.00%	\$ 50.73	10,516	\$ 69.22	-0.39%		\$ 68.95
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	17,335	\$ 2.60	-0.27%	11.00%	\$ 2.88	17,261	\$ 2.95	-0.17%		\$ 2.94
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	258,659	\$ 5.89	-0.22%	16.00%	\$ 6.81	257,226	\$ 7.23	-0.13%		\$ 7.22
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,873	\$ 7.18	-0.47%	11.00%	\$ 7.94	4,300	\$ 6.45	-0.32%		\$ 6.43
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	11,235	\$ 20.48	-0.52%	11.00%	\$ 22.62	11,183	\$ 17.78	-0.33%		\$ 17.72
North	SBH - Other	SBH - Other, All Ages	9,328	\$ 39.85	-0.59%	11.00%	\$ 43.98	9,429	\$ 46.79	-0.39%		\$ 46.60
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	-	\$ -	0.00%	0.00%	\$ -	-	\$ -	0.00%		\$ -

Notes:

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

J = G * (1 + I)

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

Table 2: Prospective Rating Adjustments

Region Name	COA Description	Rate Cell Description	E	J	K	L	M	N	O	P
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	LaHIPP	Low Trend	High Trend	Projected PMPM -- Low	Projected PMPM -- High
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	\$ 3.38	\$ 4.16	\$ 3.85	0.00%	0.00%	2.00%	\$ 3.85	\$ 4.09
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 6.45	\$ 5.61	\$ 5.94	-0.69%	6.00%	8.00%	\$ 7.07	\$ 7.48
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 5.51	\$ 2.37	\$ 3.63	0.00%	0.00%	2.00%	\$ 3.63	\$ 3.86
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 13.28	\$ 9.43	\$ 10.97	0.00%	0.00%	2.00%	\$ 10.97	\$ 11.66
Gulf	SBH - Other	SBH - Other, All Ages	\$ 51.52	\$ 61.91	\$ 57.75	0.00%	0.00%	2.00%	\$ 57.75	\$ 61.39
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	\$ 5.87	\$ 5.07	\$ 5.39	0.00%	0.00%	2.00%	\$ 5.39	\$ 5.73
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 8.74	\$ 9.38	\$ 9.12	-0.69%	6.00%	8.00%	\$ 10.84	\$ 11.49
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 6.72	\$ 6.06	\$ 6.32	0.00%	0.00%	2.00%	\$ 6.32	\$ 6.72
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 14.70	\$ 16.53	\$ 15.79	0.00%	0.00%	2.00%	\$ 15.79	\$ 16.79
Capital	SBH - Other	SBH - Other, All Ages	\$ 34.19	\$ 25.31	\$ 28.86	0.00%	0.00%	2.00%	\$ 28.86	\$ 30.68
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	\$ -	\$ -

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

Table 2: Prospective Rating Adjustments

Region Name	COA Description	Rate Cell Description	E	J	K	L	M	N	O	P
			CY2013 PMPM After Historical Adj	CY2014 PMPM After Historical Adj	Blended PMPM	LaHIPP	Low Trend	High Trend	Projected PMPM -- Low	Projected PMPM -- High
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	\$ 10.71	\$ 9.96	\$ 10.26	0.00%	0.00%	2.00%	\$ 10.26	\$ 10.91
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 5.98	\$ 5.95	\$ 5.96	-0.69%	6.00%	8.00%	\$ 7.08	\$ 7.50
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 11.99	\$ 8.85	\$ 10.11	0.00%	0.00%	2.00%	\$ 10.11	\$ 10.74
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 23.78	\$ 16.82	\$ 19.61	0.00%	0.00%	2.00%	\$ 19.61	\$ 20.84
South Central	SBH - Other	SBH - Other, All Ages	\$ 50.73	\$ 68.95	\$ 61.66	0.00%	0.00%	2.00%	\$ 61.66	\$ 65.54
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	\$ 2.88	\$ 2.94	\$ 2.92	0.00%	0.00%	2.00%	\$ 2.92	\$ 3.10
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 6.81	\$ 7.22	\$ 7.06	-0.69%	6.00%	8.00%	\$ 8.39	\$ 8.89
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 7.94	\$ 6.43	\$ 7.03	0.00%	0.00%	2.00%	\$ 7.03	\$ 7.48
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 22.62	\$ 17.72	\$ 19.68	0.00%	0.00%	2.00%	\$ 19.68	\$ 20.92
North	SBH - Other	SBH - Other, All Ages	\$ 43.98	\$ 46.60	\$ 45.55	0.00%	0.00%	2.00%	\$ 45.55	\$ 48.42
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%	\$ -	\$ -

Notes:

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

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

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

Appendix L: Non-Expansion Combined Rate Development

Table 1: Final Projected Claims PMPM Development

Region Name	COA Description	Rate Cell Description	A Projected MMs	Projected Claims PMPM						Final Projected Claims PMPM ²		
				PH (Appendix H)		SBH (Appendices I)		PH & SBH Combined		H Credibility ¹	I Low PMPM	J High PMPM
				B Low PMPM	C High PMPM	D Low PMPM	E High PMPM	F Low PMPM	G High PMPM			
Gulf	SSI	Newborn, 0-2 Months	535	\$ 21,460.17	\$ 23,298.96	\$ -	\$ -	\$ 21,460.17	\$ 23,298.96	0%	\$ 17,896.96	\$ 19,447.30
Gulf	SSI	Newborn, 3-11 Months	2,252	\$ 6,003.07	\$ 6,541.72	\$ 2.01	\$ 2.27	\$ 6,005.08	\$ 6,543.98	0%	\$ 4,802.04	\$ 5,224.27
Gulf	SSI	Child, 1-20 Years	126,641	\$ 388.50	\$ 420.35	\$ 201.20	\$ 226.23	\$ 589.70	\$ 646.57	100%	\$ 589.70	\$ 646.57
Gulf	SSI	Adult, 21+ Years	269,067	\$ 826.42	\$ 890.99	\$ 96.70	\$ 102.70	\$ 923.12	\$ 993.68	100%	\$ 923.12	\$ 993.68
Gulf	Family and Children	Newborn, 0-2 Months	54,622	\$ 1,084.91	\$ 1,186.95	\$ 0.13	\$ 0.14	\$ 1,085.04	\$ 1,187.09	100%	\$ 1,085.04	\$ 1,187.09
Gulf	Family and Children	Newborn, 3-11 Months	123,181	\$ 189.30	\$ 203.20	\$ 0.14	\$ 0.16	\$ 189.44	\$ 203.36	100%	\$ 189.44	\$ 203.36
Gulf	Family and Children	Child, 1-20 Years	2,245,262	\$ 84.64	\$ 90.49	\$ 37.46	\$ 42.12	\$ 122.10	\$ 132.62	100%	\$ 122.10	\$ 132.62
Gulf	Family and Children	Adult, 21+ Years	428,360	\$ 221.08	\$ 235.82	\$ 20.16	\$ 21.40	\$ 241.24	\$ 257.22	100%	\$ 241.24	\$ 257.22
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	27,100	\$ 156.29	\$ 166.40	\$ 267.09	\$ 300.31	\$ 423.37	\$ 466.71	0%	\$ 514.08	\$ 567.96
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	3,182	\$ 1,566.51	\$ 1,681.30	\$ 9.89	\$ 10.50	\$ 1,576.40	\$ 1,691.80	0%	\$ 1,585.59	\$ 1,698.88
Gulf	LaCHIP Affordable Plan	All Ages	7,322	\$ 121.76	\$ 130.51	\$ 19.09	\$ 21.47	\$ 140.85	\$ 151.98	0%	\$ 149.30	\$ 161.29
Gulf	HCBS Waiver	20 & Under, Male and Female	1,032	\$ 1,317.40	\$ 1,449.72	\$ 51.28	\$ 57.66	\$ 1,368.69	\$ 1,507.39	0%	\$ 2,079.78	\$ 2,284.38
Gulf	HCBS Waiver	21+ Years, Male and Female	3,452	\$ 700.18	\$ 758.41	\$ 44.74	\$ 47.52	\$ 744.92	\$ 805.93	0%	\$ 809.53	\$ 876.69
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	5,921	\$ 771.36	\$ 854.32	\$ 119.57	\$ 134.44	\$ 890.93	\$ 988.76	0%	\$ 1,035.92	\$ 1,149.09
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	13,493	\$ -	\$ -	\$ 119.48	\$ 134.11	\$ 119.48	\$ 134.11	0%	\$ 175.51	\$ 196.99
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	334,492	\$ -	\$ -	\$ 21.11	\$ 22.40	\$ 21.11	\$ 22.40	100%	\$ 21.11	\$ 22.40
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	6,270	\$ -	\$ -	\$ 49.70	\$ 55.66	\$ 49.70	\$ 55.66	0%	\$ 76.08	\$ 85.14
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,515	\$ -	\$ -	\$ 51.82	\$ 55.04	\$ 51.82	\$ 55.04	0%	\$ 62.29	\$ 66.17
Gulf	SBH - Other	SBH - Other, All Ages	7,511	\$ -	\$ -	\$ 141.15	\$ 149.96	\$ 141.15	\$ 149.96	0%	\$ 137.18	\$ 145.73
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	24,689	\$ 5,829.94	\$ 6,015.05	\$ -	\$ -	\$ 5,829.94	\$ 6,015.05	100%	\$ 5,829.94	\$ 6,015.05
Capital	SSI	Newborn, 0-2 Months	404	\$ 18,324.03	\$ 19,972.54	\$ 8.79	\$ 9.89	\$ 18,332.83	\$ 19,982.43	0%	\$ 17,896.96	\$ 19,447.30
Capital	SSI	Newborn, 3-11 Months	1,699	\$ 6,370.43	\$ 6,933.61	\$ 10.20	\$ 11.47	\$ 6,380.63	\$ 6,945.08	0%	\$ 4,802.04	\$ 5,224.27
Capital	SSI	Child, 1-20 Years	94,505	\$ 476.51	\$ 516.29	\$ 157.70	\$ 177.32	\$ 634.21	\$ 693.61	100%	\$ 634.21	\$ 693.61
Capital	SSI	Adult, 21+ Years	193,211	\$ 948.87	\$ 1,022.39	\$ 79.32	\$ 84.24	\$ 1,028.19	\$ 1,106.63	100%	\$ 1,028.19	\$ 1,106.63
Capital	Family and Children	Newborn, 0-2 Months	41,215	\$ 1,141.70	\$ 1,249.27	\$ 1.75	\$ 1.96	\$ 1,143.44	\$ 1,251.23	100%	\$ 1,143.44	\$ 1,251.23
Capital	Family and Children	Newborn, 3-11 Months	92,946	\$ 186.77	\$ 200.50	\$ 0.71	\$ 0.80	\$ 187.48	\$ 201.30	100%	\$ 187.48	\$ 201.30
Capital	Family and Children	Child, 1-20 Years	1,977,877	\$ 93.56	\$ 100.08	\$ 36.82	\$ 41.40	\$ 130.38	\$ 141.48	100%	\$ 130.38	\$ 141.48
Capital	Family and Children	Adult, 21+ Years	333,033	\$ 265.33	\$ 282.91	\$ 21.25	\$ 22.57	\$ 286.58	\$ 305.48	100%	\$ 286.58	\$ 305.48
Capital	Foster Care Children	Foster Care, All Ages Male & Female	37,283	\$ 162.71	\$ 172.58	\$ 315.86	\$ 355.16	\$ 478.57	\$ 527.74	0%	\$ 514.08	\$ 567.96
Capital	Breast and Cervical Cancer	BCC, All Ages Female	3,317	\$ 1,366.86	\$ 1,460.43	\$ 14.71	\$ 15.63	\$ 1,381.58	\$ 1,476.05	0%	\$ 1,585.59	\$ 1,698.88
Capital	LaCHIP Affordable Plan	All Ages	9,557	\$ 148.00	\$ 158.87	\$ 32.20	\$ 36.20	\$ 180.20	\$ 195.07	0%	\$ 149.30	\$ 161.29
Capital	HCBS Waiver	20 & Under, Male and Female	1,056	\$ 1,851.93	\$ 2,033.71	\$ 75.27	\$ 84.63	\$ 1,927.20	\$ 2,118.35	0%	\$ 2,079.78	\$ 2,284.38
Capital	HCBS Waiver	21+ Years, Male and Female	2,629	\$ 722.28	\$ 784.63	\$ 61.22	\$ 65.01	\$ 783.49	\$ 849.65	0%	\$ 809.53	\$ 876.69
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	4,717	\$ 946.72	\$ 1,047.98	\$ 136.32	\$ 153.28	\$ 1,083.04	\$ 1,201.26	0%	\$ 1,035.92	\$ 1,149.09
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	13,970	\$ -	\$ -	\$ 139.25	\$ 156.24	\$ 139.25	\$ 156.24	0%	\$ 175.51	\$ 196.99
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	266,563	\$ -	\$ -	\$ 16.83	\$ 17.85	\$ 16.83	\$ 17.85	100%	\$ 16.83	\$ 17.85
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,085	\$ -	\$ -	\$ 76.83	\$ 85.99	\$ 76.83	\$ 85.99	0%	\$ 76.08	\$ 85.14
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,038	\$ -	\$ -	\$ 70.70	\$ 75.10	\$ 70.70	\$ 75.10	0%	\$ 62.29	\$ 66.17
Capital	SBH - Other	SBH - Other, All Ages	8,728	\$ -	\$ -	\$ 99.67	\$ 105.87	\$ 99.67	\$ 105.87	0%	\$ 137.18	\$ 145.73
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	16,577	\$ 5,150.56	\$ 5,314.01	\$ -	\$ -	\$ 5,150.56	\$ 5,314.01	100%	\$ 5,150.56	\$ 5,314.01

Appendix L: Non-Expansion Combined Rate Development

Table 1: Final Projected Claims PMPM Development

Region Name	COA Description	Rate Cell Description	A Projected MMs	Projected Claims PMPM						Final Projected Claims PMPM ²		
				PH (Appendix H)		SBH (Appendices I)		PH & SBH Combined		H Credibility ¹	I & J	
				B Low PMPM	C High PMPM	D Low PMPM	E High PMPM	F Low PMPM	G High PMPM		Low PMPM	High PMPM
South Central	SSI	Newborn, 0-2 Months	461	\$ 16,705.45	\$ 18,108.02	\$ -	\$ -	\$ 16,705.45	\$ 18,108.02	0%	\$ 17,896.96	\$ 19,447.30
South Central	SSI	Newborn, 3-11 Months	1,938	\$ 3,870.71	\$ 4,212.31	\$ 3.41	\$ 3.84	\$ 3,874.12	\$ 4,216.15	0%	\$ 4,802.04	\$ 5,224.27
South Central	SSI	Child, 1-20 Years	101,556	\$ 435.29	\$ 471.49	\$ 162.43	\$ 182.64	\$ 597.72	\$ 654.12	100%	\$ 597.72	\$ 654.12
South Central	SSI	Adult, 21+ Years	236,857	\$ 807.69	\$ 868.82	\$ 78.43	\$ 83.30	\$ 886.13	\$ 952.12	100%	\$ 886.13	\$ 952.12
South Central	Family and Children	Newborn, 0-2 Months	47,015	\$ 1,240.09	\$ 1,353.80	\$ 0.93	\$ 1.04	\$ 1,241.02	\$ 1,354.84	100%	\$ 1,241.02	\$ 1,354.84
South Central	Family and Children	Newborn, 3-11 Months	106,027	\$ 194.43	\$ 208.54	\$ 0.41	\$ 0.46	\$ 194.84	\$ 209.01	100%	\$ 194.84	\$ 209.01
South Central	Family and Children	Child, 1-20 Years	2,217,634	\$ 96.03	\$ 102.60	\$ 29.77	\$ 33.47	\$ 125.79	\$ 136.07	100%	\$ 125.79	\$ 136.07
South Central	Family and Children	Adult, 21+ Years	363,449	\$ 242.14	\$ 258.05	\$ 21.06	\$ 22.37	\$ 263.20	\$ 280.42	100%	\$ 263.20	\$ 280.42
South Central	Foster Care Children	Foster Care, All Ages Male & Female	49,875	\$ 167.99	\$ 178.89	\$ 245.42	\$ 275.95	\$ 413.40	\$ 454.84	0%	\$ 514.08	\$ 567.96
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,199	\$ 1,733.31	\$ 1,856.18	\$ 5.08	\$ 5.39	\$ 1,738.38	\$ 1,861.57	0%	\$ 1,585.59	\$ 1,698.88
South Central	LaCHIP Affordable Plan	All Ages	10,454	\$ 101.78	\$ 108.75	\$ 15.73	\$ 17.69	\$ 117.52	\$ 126.44	0%	\$ 149.30	\$ 161.29
South Central	HCBS Waiver	20 & Under, Male and Female	1,142	\$ 2,540.20	\$ 2,779.94	\$ 65.76	\$ 73.95	\$ 2,605.97	\$ 2,853.89	0%	\$ 2,079.78	\$ 2,284.38
South Central	HCBS Waiver	21+ Years, Male and Female	3,354	\$ 816.41	\$ 883.39	\$ 46.66	\$ 49.55	\$ 863.07	\$ 932.94	0%	\$ 809.53	\$ 876.69
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	6,069	\$ 961.69	\$ 1,061.58	\$ 228.99	\$ 257.48	\$ 1,190.69	\$ 1,319.06	0%	\$ 1,035.92	\$ 1,149.09
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	14,070	\$ -	\$ -	\$ 219.29	\$ 245.94	\$ 219.29	\$ 245.94	0%	\$ 175.51	\$ 196.99
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	354,544	\$ -	\$ -	\$ 13.92	\$ 14.77	\$ 13.92	\$ 14.77	100%	\$ 13.92	\$ 14.77
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	6,496	\$ -	\$ -	\$ 68.54	\$ 76.45	\$ 68.54	\$ 76.45	0%	\$ 76.08	\$ 85.14
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,741	\$ -	\$ -	\$ 60.88	\$ 64.68	\$ 60.88	\$ 64.68	0%	\$ 62.29	\$ 66.17
South Central	SBH - Other	SBH - Other, All Ages	11,211	\$ -	\$ -	\$ 182.89	\$ 194.29	\$ 182.89	\$ 194.29	0%	\$ 137.18	\$ 145.73
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	19,098	\$ 5,287.19	\$ 5,454.96	\$ -	\$ -	\$ 5,287.19	\$ 5,454.96	100%	\$ 5,287.19	\$ 5,454.96
North	SSI	Newborn, 0-2 Months	377	\$ 14,749.08	\$ 16,043.16	\$ -	\$ -	\$ 14,749.08	\$ 16,043.16	0%	\$ 17,896.96	\$ 19,447.30
North	SSI	Newborn, 3-11 Months	1,585	\$ 2,984.88	\$ 3,229.86	\$ 0.13	\$ 0.15	\$ 2,985.02	\$ 3,230.01	0%	\$ 4,802.04	\$ 5,224.27
North	SSI	Child, 1-20 Years	115,401	\$ 404.59	\$ 437.73	\$ 266.07	\$ 299.17	\$ 670.66	\$ 736.90	100%	\$ 670.66	\$ 736.90
North	SSI	Adult, 21+ Years	209,758	\$ 737.80	\$ 794.39	\$ 61.79	\$ 65.62	\$ 799.58	\$ 860.01	100%	\$ 799.58	\$ 860.01
North	Family and Children	Newborn, 0-2 Months	38,446	\$ 1,209.84	\$ 1,322.90	\$ 0.03	\$ 0.03	\$ 1,209.87	\$ 1,322.92	100%	\$ 1,209.87	\$ 1,322.92
North	Family and Children	Newborn, 3-11 Months	86,701	\$ 194.42	\$ 208.73	\$ 0.25	\$ 0.28	\$ 194.67	\$ 209.01	100%	\$ 194.67	\$ 209.01
North	Family and Children	Child, 1-20 Years	1,722,974	\$ 83.10	\$ 88.79	\$ 48.54	\$ 54.58	\$ 131.64	\$ 143.37	100%	\$ 131.64	\$ 143.37
North	Family and Children	Adult, 21+ Years	281,131	\$ 223.76	\$ 238.66	\$ 20.85	\$ 22.14	\$ 244.62	\$ 260.80	100%	\$ 244.62	\$ 260.80
North	Foster Care Children	Foster Care, All Ages Male & Female	31,596	\$ 167.11	\$ 177.35	\$ 662.24	\$ 744.62	\$ 829.34	\$ 921.96	0%	\$ 514.08	\$ 567.96
North	Breast and Cervical Cancer	BCC, All Ages Female	2,469	\$ 1,714.49	\$ 1,840.37	\$ 25.28	\$ 26.85	\$ 1,739.77	\$ 1,867.21	0%	\$ 1,585.59	\$ 1,698.88
North	LaCHIP Affordable Plan	All Ages	5,233	\$ 137.34	\$ 147.38	\$ 35.98	\$ 40.46	\$ 173.32	\$ 187.84	0%	\$ 149.30	\$ 161.29
North	HCBS Waiver	20 & Under, Male and Female	1,044	\$ 2,580.34	\$ 2,834.82	\$ 123.11	\$ 138.42	\$ 2,703.45	\$ 2,973.25	0%	\$ 2,079.78	\$ 2,284.38
North	HCBS Waiver	21+ Years, Male and Female	2,911	\$ 798.58	\$ 867.78	\$ 49.99	\$ 53.09	\$ 848.58	\$ 920.87	0%	\$ 809.53	\$ 876.69
North	Chisholm Class Members	Chisholm, All Ages Male & Female	4,066	\$ 746.57	\$ 826.29	\$ 218.40	\$ 245.56	\$ 964.96	\$ 1,071.85	0%	\$ 1,035.92	\$ 1,149.09
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	12,916	\$ -	\$ -	\$ 219.81	\$ 246.97	\$ 219.81	\$ 246.97	0%	\$ 175.51	\$ 196.99
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	284,633	\$ -	\$ -	\$ 15.81	\$ 16.77	\$ 15.81	\$ 16.77	100%	\$ 15.81	\$ 16.77
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,076	\$ -	\$ -	\$ 130.71	\$ 146.54	\$ 130.71	\$ 146.54	0%	\$ 76.08	\$ 85.14
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	9,869	\$ -	\$ -	\$ 67.53	\$ 71.74	\$ 67.53	\$ 71.74	0%	\$ 62.29	\$ 66.17
North	SBH - Other	SBH - Other, All Ages	10,383	\$ -	\$ -	\$ 115.97	\$ 123.20	\$ 115.97	\$ 123.20	0%	\$ 137.18	\$ 145.73
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	15,959	\$ 5,156.97	\$ 5,320.53	\$ -	\$ -	\$ 5,156.97	\$ 5,320.53	100%	\$ 5,156.97	\$ 5,320.53

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: Non-Expansion Combined Rate Development

Table 2a: Loaded Rate Development

Region Name	COA Description	Rate Cell Description	Final Projected Claims PMPM										Loaded Rates											
			A		I		J		K		L		M		N		O		P		Q		R	
			Projected MMs	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 @ 5.5%	Low	High											
Gulf	SSI	Newborn, 0-2 Months	535	\$ 17,896.96	\$ 19,447.30	\$ 13.34	\$ 14.40	5.33%	5.30%	2.00%	5.50%	\$ 20,393.15	\$ 22,154.25											
Gulf	SSI	Newborn, 3-11 Months	2,252	\$ 4,802.04	\$ 5,224.27	\$ 13.34	\$ 14.40	4.96%	4.94%	2.00%	5.50%	\$ 5,463.41	\$ 5,942.38											
Gulf	SSI	Child, 1-20 Years	126,641	\$ 589.70	\$ 646.57	\$ 13.34	\$ 14.40	4.55%	4.53%	2.00%	5.50%	\$ 680.91	\$ 746.25											
Gulf	SSI	Adult, 21+ Years	269,067	\$ 923.12	\$ 993.68	\$ 13.34	\$ 14.40	4.13%	4.11%	2.00%	5.50%	\$ 1,053.61	\$ 1,133.98											
Gulf	Family and Children	Newborn, 0-2 Months	54,622	\$ 1,085.04	\$ 1,187.09	\$ 13.34	\$ 14.40	5.31%	5.28%	2.00%	5.50%	\$ 1,249.68	\$ 1,366.68											
Gulf	Family and Children	Newborn, 3-11 Months	123,181	\$ 189.44	\$ 203.36	\$ 13.34	\$ 14.40	4.40%	4.78%	2.00%	5.50%	\$ 229.06	\$ 245.92											
Gulf	Family and Children	Child, 1-20 Years	2,245,262	\$ 122.10	\$ 132.62	\$ 13.34	\$ 14.40	4.62%	4.61%	2.00%	5.50%	\$ 152.53	\$ 165.55											
Gulf	Family and Children	Adult, 21+ Years	428,360	\$ 241.24	\$ 257.22	\$ 13.34	\$ 14.40	4.41%	4.39%	2.00%	5.50%	\$ 286.73	\$ 305.84											
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	27,100	\$ 514.08	\$ 567.96	\$ 13.34	\$ 14.40	4.86%	4.87%	2.00%	5.50%	\$ 597.22	\$ 659.48											
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	3,182	\$ 1,585.59	\$ 1,698.88	\$ 13.34	\$ 14.40	4.62%	4.60%	2.00%	5.50%	\$ 1,807.85	\$ 1,936.69											
Gulf	LaCHIP Affordable Plan	All Ages	7,322	\$ 149.30	\$ 161.29	\$ 13.34	\$ 14.40	4.37%	4.36%	2.00%	5.50%	\$ 182.88	\$ 197.54											
Gulf	HCBS Waiver	20 & Under, Male and Female	1,032	\$ 2,079.78	\$ 2,284.38	\$ 13.34	\$ 14.40	4.90%	4.90%	2.00%	5.50%	\$ 2,373.10	\$ 2,606.26											
Gulf	HCBS Waiver	21+ Years, Male and Female	3,452	\$ 809.53	\$ 876.69	\$ 13.34	\$ 14.40	3.88%	3.91%	2.00%	5.50%	\$ 923.50	\$ 1,000.40											
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	5,921	\$ 1,035.92	\$ 1,149.09	\$ 13.34	\$ 14.40	5.63%	5.66%	2.00%	5.50%	\$ 1,197.44	\$ 1,328.11											
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	13,493	\$ 175.51	\$ 196.99	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 200.90	\$ 225.45											
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	334,492	\$ 21.11	\$ 22.40	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 25.55	\$ 27.14											
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	6,270	\$ 76.08	\$ 85.14	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 87.98	\$ 98.41											
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,515	\$ 62.29	\$ 66.17	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 72.32	\$ 76.86											
Gulf	SBH - Other	SBH - Other, All Ages	7,511	\$ 137.18	\$ 145.73	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 157.37	\$ 167.23											
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	24,689	\$ 5,829.94	\$ 6,015.05	\$ -	\$ -	5.30%	5.54%	2.00%	5.50%	\$ 6,636.67	\$ 6,863.22											
Capital	SSI	Newborn, 0-2 Months	404	\$ 17,896.96	\$ 19,447.30	\$ 13.34	\$ 14.40	5.33%	5.30%	2.00%	5.50%	\$ 20,393.15	\$ 22,154.25											
Capital	SSI	Newborn, 3-11 Months	1,699	\$ 4,802.04	\$ 5,224.27	\$ 13.34	\$ 14.40	4.96%	4.94%	2.00%	5.50%	\$ 5,463.41	\$ 5,942.38											
Capital	SSI	Child, 1-20 Years	94,505	\$ 634.21	\$ 693.61	\$ 13.34	\$ 14.40	4.48%	4.46%	2.00%	5.50%	\$ 730.74	\$ 798.86											
Capital	SSI	Adult, 21+ Years	193,211	\$ 1,028.19	\$ 1,106.63	\$ 13.34	\$ 14.40	4.08%	4.06%	2.00%	5.50%	\$ 1,171.29	\$ 1,260.45											
Capital	Family and Children	Newborn, 0-2 Months	41,215	\$ 1,143.44	\$ 1,251.23	\$ 13.34	\$ 14.40	5.30%	5.28%	2.00%	5.50%	\$ 1,316.12	\$ 1,439.64											
Capital	Family and Children	Newborn, 3-11 Months	92,946	\$ 187.48	\$ 201.30	\$ 13.34	\$ 14.40	4.76%	4.74%	2.00%	5.50%	\$ 226.76	\$ 243.51											
Capital	Family and Children	Child, 1-20 Years	1,977,877	\$ 130.38	\$ 141.48	\$ 13.34	\$ 14.40	4.51%	4.50%	2.00%	5.50%	\$ 161.73	\$ 175.41											
Capital	Family and Children	Adult, 21+ Years	333,033	\$ 286.58	\$ 305.48	\$ 13.34	\$ 14.40	4.38%	4.35%	2.00%	5.50%	\$ 337.81	\$ 360.20											
Capital	Foster Care Children	Foster Care, All Ages Male & Female	37,283	\$ 514.08	\$ 567.96	\$ 13.34	\$ 14.40	4.86%	4.87%	2.00%	5.50%	\$ 597.22	\$ 659.48											
Capital	Breast and Cervical Cancer	BCC, All Ages Female	3,317	\$ 1,585.59	\$ 1,698.88	\$ 13.34	\$ 14.40	4.62%	4.60%	2.00%	5.50%	\$ 1,807.85	\$ 1,936.69											
Capital	LaCHIP Affordable Plan	All Ages	9,557	\$ 149.30	\$ 161.29	\$ 13.34	\$ 14.40	4.37%	4.36%	2.00%	5.50%	\$ 182.88	\$ 197.54											
Capital	HCBS Waiver	20 & Under, Male and Female	1,056	\$ 2,079.78	\$ 2,284.38	\$ 13.34	\$ 14.40	4.90%	4.90%	2.00%	5.50%	\$ 2,373.10	\$ 2,606.26											
Capital	HCBS Waiver	21+ Years, Male and Female	2,629	\$ 809.53	\$ 876.69	\$ 13.34	\$ 14.40	3.88%	3.91%	2.00%	5.50%	\$ 923.50	\$ 1,000.40											
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	4,717	\$ 1,035.92	\$ 1,149.09	\$ 13.34	\$ 14.40	5.63%	5.66%	2.00%	5.50%	\$ 1,197.44	\$ 1,328.11											
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	13,970	\$ 175.51	\$ 196.99	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 200.90	\$ 225.45											
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	266,563	\$ 16.83	\$ 17.85	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 20.69	\$ 21.97											
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	7,085	\$ 76.08	\$ 85.14	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 87.98	\$ 98.41											
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,038	\$ 62.29	\$ 66.17	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 72.32	\$ 76.86											
Capital	SBH - Other	SBH - Other, All Ages	8,728	\$ 137.18	\$ 145.73	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 157.37	\$ 167.23											
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	16,577	\$ 5,150.56	\$ 5,314.01	\$ -	\$ -	5.30%	5.54%	2.00%	5.50%	\$ 5,863.27	\$ 6,063.32											

Appendix L: Non-Expansion Combined Rate Development

Table 2a: Loaded Rate Development

Region Name	COA Description	Rate Cell Description	Final Projected Claims PMPM		Retention Load						Loaded Rates				
			A Projected MMs	J		K Fixed Admin Load - Low (PMPM)	L Fixed Admin Load - High (PMPM)	M		N		O UW Gain @ 2%	P Premium Tax @ 5.5%	R	
				Low PMPM	High PMPM			Variable Admin Load - Low (%)	Variable Admin Load - High (%)	Low	High				
South Central	SSI	Newborn, 0-2 Months	461	\$ 17,896.96	\$ 19,447.30	\$ 13.34	\$ 14.40	5.33%	5.30%	2.00%	5.50%	\$ 20,393.15	\$ 22,154.25		
South Central	SSI	Newborn, 3-11 Months	1,938	\$ 4,802.04	\$ 5,224.27	\$ 13.34	\$ 14.40	4.96%	4.94%	2.00%	5.50%	\$ 5,463.41	\$ 5,942.38		
South Central	SSI	Child, 1-20 Years	101,556	\$ 597.72	\$ 654.12	\$ 13.34	\$ 14.40	4.26%	4.25%	2.00%	5.50%	\$ 688.12	\$ 752.77		
South Central	SSI	Adult, 21+ Years	236,857	\$ 886.13	\$ 952.12	\$ 13.34	\$ 14.40	4.13%	4.11%	2.00%	5.50%	\$ 1,011.94	\$ 1,087.14		
South Central	Family and Children	Newborn, 0-2 Months	47,015	\$ 1,241.02	\$ 1,354.84	\$ 13.34	\$ 14.40	5.30%	5.28%	2.00%	5.50%	\$ 1,427.22	\$ 1,557.59		
South Central	Family and Children	Newborn, 3-11 Months	106,027	\$ 194.84	\$ 209.01	\$ 13.34	\$ 14.40	4.72%	4.72%	2.00%	5.50%	\$ 235.04	\$ 252.17		
South Central	Family and Children	Child, 1-20 Years	2,217,634	\$ 125.79	\$ 136.07	\$ 13.34	\$ 14.40	4.41%	4.40%	2.00%	5.50%	\$ 156.41	\$ 169.14		
South Central	Family and Children	Adult, 21+ Years	363,449	\$ 263.20	\$ 280.42	\$ 13.34	\$ 14.40	4.45%	4.42%	2.00%	5.50%	\$ 311.63	\$ 332.12		
South Central	Foster Care Children	Foster Care, All Ages Male & Female	49,875	\$ 514.08	\$ 567.96	\$ 13.34	\$ 14.40	4.87%	4.87%	2.00%	5.50%	\$ 597.22	\$ 659.48		
South Central	Breast and Cervical Cancer	BCC, All Ages Female	2,199	\$ 1,585.59	\$ 1,698.88	\$ 13.34	\$ 14.40	4.62%	4.60%	2.00%	5.50%	\$ 1,807.85	\$ 1,936.69		
South Central	LaCHIP Affordable Plan	All Ages	10,454	\$ 149.30	\$ 161.29	\$ 13.34	\$ 14.40	4.37%	4.36%	2.00%	5.50%	\$ 182.88	\$ 197.54		
South Central	HCBS Waiver	20 & Under, Male and Female	1,142	\$ 2,079.78	\$ 2,284.38	\$ 13.34	\$ 14.40	4.90%	4.90%	2.00%	5.50%	\$ 2,373.10	\$ 2,606.26		
South Central	HCBS Waiver	21+ Years, Male and Female	3,354	\$ 809.53	\$ 876.69	\$ 13.34	\$ 14.40	3.88%	3.91%	2.00%	5.50%	\$ 923.50	\$ 1,000.40		
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	6,069	\$ 1,035.92	\$ 1,149.09	\$ 13.34	\$ 14.40	5.63%	5.66%	2.00%	5.50%	\$ 1,197.44	\$ 1,328.11		
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	14,070	\$ 175.51	\$ 196.99	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 200.90	\$ 225.45		
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	354,544	\$ 13.92	\$ 14.77	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 17.39	\$ 18.48		
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	6,496	\$ 76.08	\$ 85.14	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 87.98	\$ 98.41		
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	12,741	\$ 62.29	\$ 66.17	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 72.32	\$ 76.86		
South Central	SBH - Other	SBH - Other, All Ages	11,211	\$ 137.18	\$ 145.73	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 157.37	\$ 167.23		
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	19,098	\$ 5,287.19	\$ 5,454.96	\$ -	\$ -	5.30%	5.54%	2.00%	5.50%	\$ 6,018.82	\$ 6,224.15		
North	SSI	Newborn, 0-2 Months	377	\$ 17,896.96	\$ 19,447.30	\$ 13.34	\$ 14.40	5.33%	5.30%	2.00%	5.50%	\$ 20,393.15	\$ 22,154.25		
North	SSI	Newborn, 3-11 Months	1,585	\$ 4,802.04	\$ 5,224.27	\$ 13.34	\$ 14.40	4.96%	4.94%	2.00%	5.50%	\$ 5,463.41	\$ 5,942.38		
North	SSI	Child, 1-20 Years	115,401	\$ 670.66	\$ 736.90	\$ 13.34	\$ 14.40	4.62%	4.61%	2.00%	5.50%	\$ 772.97	\$ 848.95		
North	SSI	Adult, 21+ Years	209,758	\$ 799.58	\$ 860.01	\$ 13.34	\$ 14.40	4.17%	4.15%	2.00%	5.50%	\$ 914.88	\$ 983.88		
North	Family and Children	Newborn, 0-2 Months	38,446	\$ 1,209.87	\$ 1,322.92	\$ 13.34	\$ 14.40	5.31%	5.29%	2.00%	5.50%	\$ 1,391.87	\$ 1,521.38		
North	Family and Children	Newborn, 3-11 Months	86,701	\$ 194.67	\$ 209.01	\$ 13.34	\$ 14.40	4.79%	4.77%	2.00%	5.50%	\$ 234.97	\$ 252.30		
North	Family and Children	Child, 1-20 Years	1,722,974	\$ 131.64	\$ 143.37	\$ 13.34	\$ 14.40	4.71%	4.71%	2.00%	5.50%	\$ 163.45	\$ 177.85		
North	Family and Children	Adult, 21+ Years	281,131	\$ 244.62	\$ 260.80	\$ 13.34	\$ 14.40	4.52%	4.49%	2.00%	5.50%	\$ 290.83	\$ 310.18		
North	Foster Care Children	Foster Care, All Ages Male & Female	31,596	\$ 514.08	\$ 567.96	\$ 13.34	\$ 14.40	4.86%	4.87%	2.00%	5.50%	\$ 597.22	\$ 659.48		
North	Breast and Cervical Cancer	BCC, All Ages Female	2,469	\$ 1,585.59	\$ 1,698.88	\$ 13.34	\$ 14.40	4.62%	4.60%	2.00%	5.50%	\$ 1,807.85	\$ 1,936.69		
North	LaCHIP Affordable Plan	All Ages	5,233	\$ 149.30	\$ 161.29	\$ 13.34	\$ 14.40	4.37%	4.36%	2.00%	5.50%	\$ 182.88	\$ 197.54		
North	HCBS Waiver	20 & Under, Male and Female	1,044	\$ 2,079.78	\$ 2,284.38	\$ 13.34	\$ 14.40	4.90%	4.90%	2.00%	5.50%	\$ 2,373.10	\$ 2,606.26		
North	HCBS Waiver	21+ Years, Male and Female	2,911	\$ 809.53	\$ 876.69	\$ 13.34	\$ 14.40	3.88%	3.91%	2.00%	5.50%	\$ 923.50	\$ 1,000.40		
North	Chisholm Class Members	Chisholm, All Ages Male & Female	4,066	\$ 1,035.92	\$ 1,149.09	\$ 13.34	\$ 14.40	5.63%	5.66%	2.00%	5.50%	\$ 1,197.44	\$ 1,328.11		
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	12,916	\$ 175.51	\$ 196.99	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 200.90	\$ 225.45		
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	284,633	\$ 15.81	\$ 16.77	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 19.54	\$ 20.75		
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	4,076	\$ 76.08	\$ 85.14	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 87.98	\$ 98.41		
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	9,869	\$ 62.29	\$ 66.17	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 72.32	\$ 76.86		
North	SBH - Other	SBH - Other, All Ages	10,383	\$ 137.18	\$ 145.73	\$ 1.46	\$ 1.58	5.05%	5.07%	2.00%	5.50%	\$ 157.37	\$ 167.23		
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	15,959	\$ 5,156.97	\$ 5,320.53	\$ -	\$ -	5.30%	5.54%	2.00%	5.50%	\$ 5,870.58	\$ 6,070.76		

Notes:

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

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

Appendix L: Non-Expansion Combined Rate Development

Table 2b: Loaded Rates, inclusive of FMP

Region Name	COA Description	Rate Cell Description	Loaded Rates		Full Medicaid Pricing ³				2/1/2017 Rates w/ FMP	
			Q	R	S	T	U	V	W	X
			Low	High	Hospital (IP/OP) FMP PMPM	Ambulance FMP PMPM	Physician FMP PMPM	Total FMP PMPM	Low	High
Gulf	SSI	Newborn, 0-2 Months	\$ 20,393.15	\$ 22,154.25	\$ 6,188.35	\$ 38.17	\$ 617.06	\$ 6,843.58	\$ 27,236.73	\$ 28,997.84
Gulf	SSI	Newborn, 3-11 Months	\$ 5,463.41	\$ 5,942.38	\$ 1,844.29	\$ 14.66	\$ 99.71	\$ 1,958.67	\$ 7,422.08	\$ 7,901.05
Gulf	SSI	Child, 1-20 Years	\$ 680.91	\$ 746.25	\$ 83.92	\$ 6.93	\$ 17.92	\$ 108.77	\$ 789.68	\$ 855.02
Gulf	SSI	Adult, 21+ Years	\$ 1,053.61	\$ 1,133.98	\$ 181.10	\$ 29.24	\$ 42.13	\$ 252.47	\$ 1,306.08	\$ 1,386.45
Gulf	Family and Children	Newborn, 0-2 Months	\$ 1,249.68	\$ 1,366.68	\$ 353.03	\$ 9.57	\$ 35.69	\$ 398.29	\$ 1,647.97	\$ 1,764.98
Gulf	Family and Children	Newborn, 3-11 Months	\$ 229.06	\$ 245.92	\$ 29.14	\$ 2.33	\$ 11.60	\$ 43.07	\$ 272.13	\$ 288.99
Gulf	Family and Children	Child, 1-20 Years	\$ 152.53	\$ 165.55	\$ 9.51	\$ 1.60	\$ 5.62	\$ 16.73	\$ 169.26	\$ 182.28
Gulf	Family and Children	Adult, 21+ Years	\$ 286.73	\$ 305.84	\$ 30.96	\$ 7.55	\$ 14.86	\$ 53.37	\$ 340.10	\$ 359.21
Gulf	Foster Care Children	Foster Care, All Ages Male & Female	\$ 597.22	\$ 659.48	\$ 12.92	\$ 2.14	\$ 5.10	\$ 20.15	\$ 617.38	\$ 679.63
Gulf	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,807.85	\$ 1,936.69	\$ 455.41	\$ 5.42	\$ 53.75	\$ 514.58	\$ 2,322.44	\$ 2,451.27
Gulf	LaCHIP Affordable Plan	All Ages	\$ 182.88	\$ 197.54	\$ 10.30	\$ 0.64	\$ 4.56	\$ 15.51	\$ 198.39	\$ 213.04
Gulf	HCBS Waiver	20 & Under, Male and Female	\$ 2,373.10	\$ 2,606.26	\$ 94.07	\$ 5.26	\$ 15.53	\$ 114.87	\$ 2,487.97	\$ 2,721.12
Gulf	HCBS Waiver	21+ Years, Male and Female	\$ 923.50	\$ 1,000.40	\$ 114.54	\$ 14.10	\$ 20.33	\$ 148.97	\$ 1,072.47	\$ 1,149.38
Gulf	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 1,197.44	\$ 1,328.11	\$ 78.47	\$ 4.64	\$ 10.62	\$ 93.73	\$ 1,291.17	\$ 1,421.85
Gulf	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 200.90	\$ 225.45	\$ -	\$ -	\$ -	\$ -	\$ 200.90	\$ 225.45
Gulf	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 25.55	\$ 27.14	\$ 0.34	\$ -	\$ 0.21	\$ 0.54	\$ 26.09	\$ 27.69
Gulf	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 87.98	\$ 98.41	\$ 4.64	\$ -	\$ 0.15	\$ 4.79	\$ 92.77	\$ 103.19
Gulf	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 72.32	\$ 76.86	\$ 7.79	\$ -	\$ 0.11	\$ 7.90	\$ 80.22	\$ 84.76
Gulf	SBH - Other	SBH - Other, All Ages	\$ 157.37	\$ 167.23	\$ 35.93	\$ -	\$ 0.28	\$ 36.21	\$ 193.57	\$ 203.44
Gulf	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 6,636.67	\$ 6,863.22	\$ 4,023.11	\$ -	\$ 708.81	\$ 4,731.93	\$ 11,368.59	\$ 11,595.15
Capital	SSI	Newborn, 0-2 Months	\$ 20,393.15	\$ 22,154.25	\$ 6,188.35	\$ 38.17	\$ 617.06	\$ 6,843.58	\$ 27,236.73	\$ 28,997.84
Capital	SSI	Newborn, 3-11 Months	\$ 5,463.41	\$ 5,942.38	\$ 1,844.29	\$ 14.66	\$ 99.71	\$ 1,958.67	\$ 7,422.08	\$ 7,901.05
Capital	SSI	Child, 1-20 Years	\$ 730.74	\$ 798.86	\$ 51.31	\$ 2.81	\$ 16.58	\$ 70.71	\$ 801.45	\$ 869.57
Capital	SSI	Adult, 21+ Years	\$ 1,171.29	\$ 1,260.45	\$ 126.17	\$ 14.49	\$ 43.44	\$ 184.10	\$ 1,355.39	\$ 1,444.55
Capital	Family and Children	Newborn, 0-2 Months	\$ 1,316.12	\$ 1,439.64	\$ 364.00	\$ 3.16	\$ 35.74	\$ 402.89	\$ 1,719.02	\$ 1,842.54
Capital	Family and Children	Newborn, 3-11 Months	\$ 226.76	\$ 243.51	\$ 25.80	\$ 1.38	\$ 11.54	\$ 38.72	\$ 265.48	\$ 282.22
Capital	Family and Children	Child, 1-20 Years	\$ 161.73	\$ 175.41	\$ 8.38	\$ 0.89	\$ 5.88	\$ 15.15	\$ 176.88	\$ 190.56
Capital	Family and Children	Adult, 21+ Years	\$ 337.81	\$ 360.20	\$ 33.79	\$ 4.87	\$ 20.16	\$ 58.83	\$ 396.64	\$ 419.02
Capital	Foster Care Children	Foster Care, All Ages Male & Female	\$ 597.22	\$ 659.48	\$ 12.92	\$ 2.14	\$ 5.10	\$ 20.15	\$ 617.38	\$ 679.63
Capital	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,807.85	\$ 1,936.69	\$ 455.41	\$ 5.42	\$ 53.75	\$ 514.58	\$ 2,322.44	\$ 2,451.27
Capital	LaCHIP Affordable Plan	All Ages	\$ 182.88	\$ 197.54	\$ 10.30	\$ 0.64	\$ 4.56	\$ 15.51	\$ 198.39	\$ 213.04
Capital	HCBS Waiver	20 & Under, Male and Female	\$ 2,373.10	\$ 2,606.26	\$ 94.07	\$ 5.26	\$ 15.53	\$ 114.87	\$ 2,487.97	\$ 2,721.12
Capital	HCBS Waiver	21+ Years, Male and Female	\$ 923.50	\$ 1,000.40	\$ 114.54	\$ 14.10	\$ 20.33	\$ 148.97	\$ 1,072.47	\$ 1,149.38
Capital	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 1,197.44	\$ 1,328.11	\$ 78.47	\$ 4.64	\$ 10.62	\$ 93.73	\$ 1,291.17	\$ 1,421.85
Capital	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 200.90	\$ 225.45	\$ -	\$ -	\$ -	\$ -	\$ 200.90	\$ 225.45
Capital	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 20.69	\$ 21.97	\$ 0.24	\$ -	\$ 0.03	\$ 0.26	\$ 20.96	\$ 22.24
Capital	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 87.98	\$ 98.41	\$ 4.64	\$ -	\$ 0.15	\$ 4.79	\$ 92.77	\$ 103.19
Capital	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 72.32	\$ 76.86	\$ 7.79	\$ -	\$ 0.11	\$ 7.90	\$ 80.22	\$ 84.76
Capital	SBH - Other	SBH - Other, All Ages	\$ 157.37	\$ 167.23	\$ 35.93	\$ -	\$ 0.28	\$ 36.21	\$ 193.57	\$ 203.44
Capital	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,863.27	\$ 6,063.32	\$ 2,740.76	\$ -	\$ 611.33	\$ 3,352.10	\$ 9,215.37	\$ 9,415.42

Appendix L: Non-Expansion Combined Rate Development

Table 2b: Loaded Rates, inclusive of FMP

Region Name	COA Description	Rate Cell Description	Loaded Rates		Full Medicaid Pricing ³				2/1/2017 Rates w/ FMP	
			Q	R	S	T	U	V	W	X
			Low	High	Hospital (IP/OP) FMP PMPM	Ambulance FMP PMPM	Physician FMP PMPM	Total FMP PMPM	Low	High
South Central	SSI	Newborn, 0-2 Months	\$ 20,393.15	\$ 22,154.25	\$ 6,188.35	\$ 38.17	\$ 617.06	\$ 6,843.58	\$ 27,236.73	\$ 28,997.84
South Central	SSI	Newborn, 3-11 Months	\$ 5,463.41	\$ 5,942.38	\$ 1,844.29	\$ 14.66	\$ 99.71	\$ 1,958.67	\$ 7,422.08	\$ 7,901.05
South Central	SSI	Child, 1-20 Years	\$ 688.12	\$ 752.77	\$ 60.01	\$ 2.04	\$ 11.78	\$ 73.82	\$ 761.94	\$ 826.60
South Central	SSI	Adult, 21+ Years	\$ 1,011.94	\$ 1,087.14	\$ 158.14	\$ 8.16	\$ 30.96	\$ 197.26	\$ 1,209.20	\$ 1,284.40
South Central	Family and Children	Newborn, 0-2 Months	\$ 1,427.22	\$ 1,557.59	\$ 637.47	\$ 2.91	\$ 21.74	\$ 662.12	\$ 2,089.34	\$ 2,219.71
South Central	Family and Children	Newborn, 3-11 Months	\$ 235.04	\$ 252.17	\$ 36.52	\$ 0.99	\$ 9.77	\$ 47.27	\$ 282.31	\$ 299.44
South Central	Family and Children	Child, 1-20 Years	\$ 156.41	\$ 169.14	\$ 9.20	\$ 0.56	\$ 5.04	\$ 14.80	\$ 171.22	\$ 183.95
South Central	Family and Children	Adult, 21+ Years	\$ 311.63	\$ 332.12	\$ 35.33	\$ 2.94	\$ 16.35	\$ 54.61	\$ 366.23	\$ 386.73
South Central	Foster Care Children	Foster Care, All Ages Male & Female	\$ 597.22	\$ 659.48	\$ 12.92	\$ 2.14	\$ 5.10	\$ 20.15	\$ 617.38	\$ 679.63
South Central	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,807.85	\$ 1,936.69	\$ 455.41	\$ 5.42	\$ 53.75	\$ 514.58	\$ 2,322.44	\$ 2,451.27
South Central	LaCHIP Affordable Plan	All Ages	\$ 182.88	\$ 197.54	\$ 10.30	\$ 0.64	\$ 4.56	\$ 15.51	\$ 198.39	\$ 213.04
South Central	HCBS Waiver	20 & Under, Male and Female	\$ 2,373.10	\$ 2,606.26	\$ 94.07	\$ 5.26	\$ 15.53	\$ 114.87	\$ 2,487.97	\$ 2,721.12
South Central	HCBS Waiver	21+ Years, Male and Female	\$ 923.50	\$ 1,000.40	\$ 114.54	\$ 14.10	\$ 20.33	\$ 148.97	\$ 1,072.47	\$ 1,149.38
South Central	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 1,197.44	\$ 1,328.11	\$ 78.47	\$ 4.64	\$ 10.62	\$ 93.73	\$ 1,291.17	\$ 1,421.85
South Central	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 200.90	\$ 225.45	\$ -	\$ -	\$ -	\$ -	\$ 200.90	\$ 225.45
South Central	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 17.39	\$ 18.48	\$ 0.56	\$ -	\$ 0.00	\$ 0.56	\$ 17.95	\$ 19.04
South Central	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 87.98	\$ 98.41	\$ 4.64	\$ -	\$ 0.15	\$ 4.79	\$ 92.77	\$ 103.19
South Central	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 72.32	\$ 76.86	\$ 7.79	\$ -	\$ 0.11	\$ 7.90	\$ 80.22	\$ 84.76
South Central	SBH - Other	SBH - Other, All Ages	\$ 157.37	\$ 167.23	\$ 35.93	\$ -	\$ 0.28	\$ 36.21	\$ 193.57	\$ 203.44
South Central	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 6,018.82	\$ 6,224.15	\$ 2,879.33	\$ -	\$ 211.79	\$ 3,091.12	\$ 9,109.94	\$ 9,315.27
North	SSI	Newborn, 0-2 Months	\$ 20,393.15	\$ 22,154.25	\$ 6,188.35	\$ 38.17	\$ 617.06	\$ 6,843.58	\$ 27,236.73	\$ 28,997.84
North	SSI	Newborn, 3-11 Months	\$ 5,463.41	\$ 5,942.38	\$ 1,844.29	\$ 14.66	\$ 99.71	\$ 1,958.67	\$ 7,422.08	\$ 7,901.05
North	SSI	Child, 1-20 Years	\$ 772.97	\$ 848.95	\$ 65.05	\$ 3.96	\$ 6.74	\$ 75.74	\$ 848.71	\$ 924.69
North	SSI	Adult, 21+ Years	\$ 914.88	\$ 983.88	\$ 170.12	\$ 16.24	\$ 16.90	\$ 203.27	\$ 1,118.15	\$ 1,187.15
North	Family and Children	Newborn, 0-2 Months	\$ 1,391.87	\$ 1,521.38	\$ 623.44	\$ 5.17	\$ 11.95	\$ 640.56	\$ 2,032.44	\$ 2,161.94
North	Family and Children	Newborn, 3-11 Months	\$ 234.97	\$ 252.30	\$ 39.26	\$ 1.88	\$ 3.79	\$ 44.93	\$ 279.90	\$ 297.23
North	Family and Children	Child, 1-20 Years	\$ 163.45	\$ 177.85	\$ 8.45	\$ 1.14	\$ 1.98	\$ 11.57	\$ 175.01	\$ 189.42
North	Family and Children	Adult, 21+ Years	\$ 290.83	\$ 310.18	\$ 33.64	\$ 5.86	\$ 5.96	\$ 45.46	\$ 336.29	\$ 355.64
North	Foster Care Children	Foster Care, All Ages Male & Female	\$ 597.22	\$ 659.48	\$ 12.92	\$ 2.14	\$ 5.10	\$ 20.15	\$ 617.38	\$ 679.63
North	Breast and Cervical Cancer	BCC, All Ages Female	\$ 1,807.85	\$ 1,936.69	\$ 455.41	\$ 5.42	\$ 53.75	\$ 514.58	\$ 2,322.44	\$ 2,451.27
North	LaCHIP Affordable Plan	All Ages	\$ 182.88	\$ 197.54	\$ 10.30	\$ 0.64	\$ 4.56	\$ 15.51	\$ 198.39	\$ 213.04
North	HCBS Waiver	20 & Under, Male and Female	\$ 2,373.10	\$ 2,606.26	\$ 94.07	\$ 5.26	\$ 15.53	\$ 114.87	\$ 2,487.97	\$ 2,721.12
North	HCBS Waiver	21+ Years, Male and Female	\$ 923.50	\$ 1,000.40	\$ 114.54	\$ 14.10	\$ 20.33	\$ 148.97	\$ 1,072.47	\$ 1,149.38
North	Chisholm Class Members	Chisholm, All Ages Male & Female	\$ 1,197.44	\$ 1,328.11	\$ 78.47	\$ 4.64	\$ 10.62	\$ 93.73	\$ 1,291.17	\$ 1,421.85
North	SBH - Chisholm Class Members	SBH - Chisholm, All Ages Male & Female	\$ 200.90	\$ 225.45	\$ -	\$ -	\$ -	\$ -	\$ 200.90	\$ 225.45
North	SBH - Dual Eligible	SBH - Dual Eligible, All Ages	\$ 19.54	\$ 20.75	\$ 0.50	\$ -	\$ 0.01	\$ 0.50	\$ 20.04	\$ 21.26
North	SBH - HCBS Waiver	SBH - 20 & Under, Male and Female	\$ 87.98	\$ 98.41	\$ 4.64	\$ -	\$ 0.15	\$ 4.79	\$ 92.77	\$ 103.19
North	SBH - HCBS Waiver	SBH - 21+ Years, Male and Female	\$ 72.32	\$ 76.86	\$ 7.79	\$ -	\$ 0.11	\$ 7.90	\$ 80.22	\$ 84.76
North	SBH - Other	SBH - Other, All Ages	\$ 157.37	\$ 167.23	\$ 35.93	\$ -	\$ 0.28	\$ 36.21	\$ 193.57	\$ 203.44
North	Maternity Kickpayment	Maternity Kickpayment, All Ages	\$ 5,870.58	\$ 6,070.76	\$ 3,994.23	\$ -	\$ 199.06	\$ 4,193.29	\$ 10,063.87	\$ 10,264.06

Notes:

3- FMP amounts include premium tax.

V = S + T + U

W = Q + V

X = R + V

Appendix M: Expansion Projected Claims PMPM Development

Table 1: PH Expansion Rate Component Development

Region Name	COA Description	Rate Cell Description	Remove Prospective Components							Adjusted Low PMPM	Adjusted High PMPM	Adjusted Midpoint PMPM
			A	B	C	D	E	F	G			
			Projected PMPM -- Low	Projected PMPM -- High	Remove Preventive Services	Remove Clinical & Rx Efficiencies	Remove Low Trend	Remove High Trend	Remove Retro Adj			
Gulf	Family and Children	Adult, 21+ Years	\$ 221.08	\$ 235.82	\$ (3.62)	\$ 2.25	3.77%	5.63%	0.00%	\$ 196.02	\$ 198.03	\$ 197.03
Capital	Family and Children	Adult, 21+ Years	\$ 265.33	\$ 282.91	\$ (3.62)	\$ 2.27	3.84%	5.69%	0.00%	\$ 235.03	\$ 237.39	\$ 236.21
South Central	Family and Children	Adult, 21+ Years	\$ 242.14	\$ 258.05	\$ (3.62)	\$ 2.24	3.88%	5.73%	0.00%	\$ 214.06	\$ 216.15	\$ 215.11
North	Family and Children	Adult, 21+ Years	\$ 223.76	\$ 238.66	\$ (3.62)	\$ 2.23	3.57%	5.45%	0.00%	\$ 199.61	\$ 201.47	\$ 200.54

Notes:

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

$$I = [(A + C + D) / (1 + E)^{37/12}] / (1 + G)$$

$$J = [(B + C + D) / (1 + F)^{37/12}] / (1 + G)$$

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

Table 2: SBH Expansion Rate Component Development

Region Name	COA Description	Rate Cell Description	Remove Prospective Components					Adjusted PMPM -- Low	Adjusted PMPM -- High	Adjusted PMPM -- Midpoint
			J	K	L	M	N			
			Projected PMPM -- Low	Projected PMPM -- High	Remove Low Trend	Remove High Trend	Remove Retro Adj			
Gulf	Family and Children	Adult, 21+ Years	\$ 20.16	\$ 21.40	1.50%	3.50%	0.00%	\$ 19.25	\$ 19.25	\$ 19.25
Capital	Family and Children	Adult, 21+ Years	\$ 21.25	\$ 22.57	1.50%	3.50%	0.00%	\$ 20.30	\$ 20.30	\$ 20.30
South Central	Family and Children	Adult, 21+ Years	\$ 21.06	\$ 22.37	1.50%	3.50%	0.00%	\$ 20.12	\$ 20.12	\$ 20.12
North	Family and Children	Adult, 21+ Years	\$ 20.85	\$ 22.14	1.50%	3.50%	0.00%	\$ 19.92	\$ 19.92	\$ 19.92

Notes:

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

$$O = [J / (1 + L)^{37/12}] / (1 + N)$$

$$P = [K / (1 + M)^{37/12}] / (1 + N)$$

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

Appendix N: Expansion Projected Claims Expansion (PH + SBH)

Table 1a: Projected Claims PMPM Development for Expansion

Region Name	COA Description	Rate Cell Description	Projected Claims PMPM					Credibility	Final Projected Claims PMPM	
			CY2014 MMs	PH PMPM		SBH PMPM				PH & SBH Combined
				A	B	C	D			
Gulf	Family and Children	Adult, 21+ Years	428,360	\$ 197.03	\$ 19.25	\$ 216.28	100%	\$ 216.28		
Capital	Family and Children	Adult, 21+ Years	333,033	\$ 236.21	\$ 20.30	\$ 256.51	100%	\$ 256.51		
South Central	Family and Children	Adult, 21+ Years	363,449	\$ 215.11	\$ 20.12	\$ 235.22	100%	\$ 235.22		
North	Family and Children	Adult, 21+ Years	281,131	\$ 200.54	\$ 19.92	\$ 220.45	100%	\$ 220.45		

Notes:
PH & SBH PMPM correspond to columns Q & I on Appendix A
D = B + C
F = D * E

Table 1b: Expansion Rate Development

Region Name	Projected Expansion Enrollment	Projected Claims PMPM – Midpoint	Acuity Adj -- Low	Acuity Adj -- High	Expansion Trend Low	Expansion Trend High	Reverse MC Impact to Low	Reverse MC Impact to High	Pent Up Demand Adjustment	Adverse Selection Adj -- Low	Adverse Selection Adj -- High	Claims Expense PMPM	
												Q	R
Gulf	1,671,723	\$ 216.28	17.5%	25.6%	3.69%	5.62%	3.82%	3.84%	6.95%	0.17%	0.17%	\$ 316.05	\$ 357.64
Capital	977,534	\$ 256.51	17.5%	25.6%	3.79%	5.71%	4.10%	4.11%	7.57%	0.26%	0.26%	\$ 379.48	\$ 429.35
South Central	1,141,113	\$ 235.22	17.5%	25.6%	3.81%	5.73%	4.07%	4.08%	7.57%	0.26%	0.26%	\$ 348.09	\$ 393.76
North	980,912	\$ 220.45	17.5%	25.6%	3.50%	5.44%	4.03%	4.05%	7.57%	0.26%	0.26%	\$ 323.13	\$ 365.88

Notes:
Q = F * (1 + H) * (1 + J) ^ (37/12) * (1 + L) * (1 + N) * (1 + O)
R = F * (1 + I) * (1 + K) ^ (37/12) * (1 + M) * (1 + N) * (1 + P)

Appendix O: Expansion Loaded Rate Development

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

Region Name	A Claims Expense PMPM	B Claims Expense PMPM	C Age - Sex Factor	D Rate Cell Description	E Low PMPM	F High PMPM	G Admin PMPM Load Low PMPM	H Admin PMPM Load High PMPM	I UW Gain @ 2%	J Premium Tax @ 5.5%	K Loaded Rates	
											L Low	M High
Gulf	\$ 316.05	\$ 357.64	0.616	Female Age 19 - Age 24	\$ 194.72	\$ 220.35	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 239.15	\$ 266.85
Gulf	\$ 316.05	\$ 357.64	0.503	Male Age 19 - Age 24	\$ 158.88	\$ 179.79	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 200.40	\$ 223.00
Gulf	\$ 316.05	\$ 357.64	0.912	Female Age 25 - Age 39	\$ 288.34	\$ 326.28	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 340.35	\$ 381.37
Gulf	\$ 316.05	\$ 357.64	0.810	Male Age 25 - Age 39	\$ 255.97	\$ 289.65	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 305.36	\$ 341.77
Gulf	\$ 316.05	\$ 357.64	1.419	Female Age 40 - Age 49	\$ 448.51	\$ 507.54	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 513.52	\$ 577.33
Gulf	\$ 316.05	\$ 357.64	1.391	Male Age 40 - Age 49	\$ 439.56	\$ 497.40	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 503.83	\$ 566.37
Gulf	\$ 316.05	\$ 357.64	1.697	Female Age 50 - Age 64	\$ 536.40	\$ 606.99	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 608.53	\$ 684.84
Gulf	\$ 316.05	\$ 357.64	1.942	Male Age 50 - Age 64	\$ 613.91	\$ 694.70	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 692.33	\$ 779.67
Capital	\$ 379.48	\$ 429.35	0.616	Female Age 19 - Age 24	\$ 233.80	\$ 264.53	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 281.40	\$ 314.61
Capital	\$ 379.48	\$ 429.35	0.503	Male Age 19 - Age 24	\$ 190.77	\$ 215.84	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 234.87	\$ 261.97
Capital	\$ 379.48	\$ 429.35	0.912	Female Age 25 - Age 39	\$ 346.21	\$ 391.70	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 402.91	\$ 452.10
Capital	\$ 379.48	\$ 429.35	0.810	Male Age 25 - Age 39	\$ 307.34	\$ 347.73	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 360.90	\$ 404.56
Capital	\$ 379.48	\$ 429.35	1.419	Female Age 40 - Age 49	\$ 538.53	\$ 609.31	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 610.84	\$ 687.35
Capital	\$ 379.48	\$ 429.35	1.391	Male Age 40 - Age 49	\$ 527.78	\$ 597.14	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 599.21	\$ 674.19
Capital	\$ 379.48	\$ 429.35	1.697	Female Age 50 - Age 64	\$ 644.06	\$ 728.70	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 724.91	\$ 816.42
Capital	\$ 379.48	\$ 429.35	1.942	Male Age 50 - Age 64	\$ 737.13	\$ 834.00	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 825.54	\$ 930.26
South Central	\$ 348.09	\$ 393.76	0.616	Female Age 19 - Age 24	\$ 214.47	\$ 242.60	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 260.49	\$ 290.91
South Central	\$ 348.09	\$ 393.76	0.503	Male Age 19 - Age 24	\$ 174.99	\$ 197.94	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 217.81	\$ 242.63
South Central	\$ 348.09	\$ 393.76	0.912	Female Age 25 - Age 39	\$ 317.57	\$ 359.23	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 371.96	\$ 417.00
South Central	\$ 348.09	\$ 393.76	0.810	Male Age 25 - Age 39	\$ 281.92	\$ 318.90	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 333.42	\$ 373.40
South Central	\$ 348.09	\$ 393.76	1.419	Female Age 40 - Age 49	\$ 493.99	\$ 558.79	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 562.68	\$ 632.74
South Central	\$ 348.09	\$ 393.76	1.391	Male Age 40 - Age 49	\$ 484.13	\$ 547.63	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 552.02	\$ 620.67
South Central	\$ 348.09	\$ 393.76	1.697	Female Age 50 - Age 64	\$ 590.79	\$ 668.29	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 667.33	\$ 751.11
South Central	\$ 348.09	\$ 393.76	1.942	Male Age 50 - Age 64	\$ 676.17	\$ 764.86	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 759.63	\$ 855.52
North	\$ 323.13	\$ 365.88	0.616	Female Age 19 - Age 24	\$ 199.08	\$ 225.43	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 243.86	\$ 272.34
North	\$ 323.13	\$ 365.88	0.503	Male Age 19 - Age 24	\$ 162.44	\$ 183.93	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 204.24	\$ 227.48
North	\$ 323.13	\$ 365.88	0.912	Female Age 25 - Age 39	\$ 294.79	\$ 333.80	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 347.33	\$ 389.51
North	\$ 323.13	\$ 365.88	0.810	Male Age 25 - Age 39	\$ 261.70	\$ 296.33	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 311.56	\$ 348.99
North	\$ 323.13	\$ 365.88	1.419	Female Age 40 - Age 49	\$ 458.56	\$ 519.24	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 524.38	\$ 589.98
North	\$ 323.13	\$ 365.88	1.391	Male Age 40 - Age 49	\$ 449.40	\$ 508.87	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 514.47	\$ 578.77
North	\$ 323.13	\$ 365.88	1.697	Female Age 50 - Age 64	\$ 548.41	\$ 620.98	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 621.51	\$ 699.97
North	\$ 323.13	\$ 365.88	1.942	Male Age 50 - Age 64	\$ 627.66	\$ 710.72	\$ 26.49	\$ 26.49	2.00%	5.50%	\$ 707.19	\$ 796.99

Notes:

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

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

Appendix O: Expansion Loaded Rate Development

Table 1b: Loaded Rates, inclusive of FMP

Region Name	Rate Cell Description	Loaded Rates		Full Medicaid Pricing ¹				Expansion Rates w/ FMP	
		Q	R	S	T	U	V	W	X
		Low	High	Hospital (IP/OP) FMP PMPM	Ambulance FMP PMPM	Physician FMP PMPM	Total FMP PMPM	Low	High
Gulf	Female Age 19 - Age 24	\$ 239.15	\$ 266.85	\$ 47.64	\$ 10.20	\$ 18.63	\$ 76.47	\$ 315.62	\$ 343.32
Gulf	Male Age 19 - Age 24	\$ 200.40	\$ 223.00	\$ 47.64	\$ 10.20	\$ 18.63	\$ 76.47	\$ 276.87	\$ 299.47
Gulf	Female Age 25 - Age 39	\$ 340.35	\$ 381.37	\$ 47.64	\$ 10.20	\$ 18.63	\$ 76.47	\$ 416.82	\$ 457.84
Gulf	Male Age 25 - Age 39	\$ 305.36	\$ 341.77	\$ 47.64	\$ 10.20	\$ 18.63	\$ 76.47	\$ 381.83	\$ 418.24
Gulf	Female Age 40 - Age 49	\$ 513.52	\$ 577.33	\$ 47.64	\$ 10.20	\$ 18.63	\$ 76.47	\$ 589.99	\$ 653.80
Gulf	Male Age 40 - Age 49	\$ 503.83	\$ 566.37	\$ 47.64	\$ 10.20	\$ 18.63	\$ 76.47	\$ 580.30	\$ 642.84
Gulf	Female Age 50 - Age 64	\$ 608.53	\$ 684.84	\$ 47.64	\$ 10.20	\$ 18.63	\$ 76.47	\$ 685.00	\$ 761.31
Gulf	Male Age 50 - Age 64	\$ 692.33	\$ 779.67	\$ 47.64	\$ 10.20	\$ 18.63	\$ 76.47	\$ 768.80	\$ 856.14
Capital	Female Age 19 - Age 24	\$ 281.40	\$ 314.61	\$ 46.52	\$ 6.35	\$ 24.67	\$ 77.54	\$ 358.94	\$ 392.15
Capital	Male Age 19 - Age 24	\$ 234.87	\$ 261.97	\$ 46.52	\$ 6.35	\$ 24.67	\$ 77.54	\$ 312.41	\$ 339.51
Capital	Female Age 25 - Age 39	\$ 402.91	\$ 452.10	\$ 46.52	\$ 6.35	\$ 24.67	\$ 77.54	\$ 480.45	\$ 529.64
Capital	Male Age 25 - Age 39	\$ 360.90	\$ 404.56	\$ 46.52	\$ 6.35	\$ 24.67	\$ 77.54	\$ 438.44	\$ 482.10
Capital	Female Age 40 - Age 49	\$ 610.84	\$ 687.35	\$ 46.52	\$ 6.35	\$ 24.67	\$ 77.54	\$ 688.38	\$ 764.89
Capital	Male Age 40 - Age 49	\$ 599.21	\$ 674.19	\$ 46.52	\$ 6.35	\$ 24.67	\$ 77.54	\$ 676.75	\$ 751.73
Capital	Female Age 50 - Age 64	\$ 724.91	\$ 816.42	\$ 46.52	\$ 6.35	\$ 24.67	\$ 77.54	\$ 802.45	\$ 893.96
Capital	Male Age 50 - Age 64	\$ 825.54	\$ 930.26	\$ 46.52	\$ 6.35	\$ 24.67	\$ 77.54	\$ 903.08	\$ 1,007.80
South Central	Female Age 19 - Age 24	\$ 260.49	\$ 290.91	\$ 51.96	\$ 3.83	\$ 19.88	\$ 75.67	\$ 336.16	\$ 366.58
South Central	Male Age 19 - Age 24	\$ 217.81	\$ 242.63	\$ 51.96	\$ 3.83	\$ 19.88	\$ 75.67	\$ 293.48	\$ 318.30
South Central	Female Age 25 - Age 39	\$ 371.96	\$ 417.00	\$ 51.96	\$ 3.83	\$ 19.88	\$ 75.67	\$ 447.63	\$ 492.67
South Central	Male Age 25 - Age 39	\$ 333.42	\$ 373.40	\$ 51.96	\$ 3.83	\$ 19.88	\$ 75.67	\$ 409.09	\$ 449.07
South Central	Female Age 40 - Age 49	\$ 562.68	\$ 632.74	\$ 51.96	\$ 3.83	\$ 19.88	\$ 75.67	\$ 638.35	\$ 708.41
South Central	Male Age 40 - Age 49	\$ 552.02	\$ 620.67	\$ 51.96	\$ 3.83	\$ 19.88	\$ 75.67	\$ 627.69	\$ 696.34
South Central	Female Age 50 - Age 64	\$ 667.33	\$ 751.11	\$ 51.96	\$ 3.83	\$ 19.88	\$ 75.67	\$ 743.00	\$ 826.78
South Central	Male Age 50 - Age 64	\$ 759.63	\$ 855.52	\$ 51.96	\$ 3.83	\$ 19.88	\$ 75.67	\$ 835.30	\$ 931.19
North	Female Age 19 - Age 24	\$ 243.86	\$ 272.34	\$ 51.72	\$ 7.68	\$ 7.85	\$ 67.25	\$ 311.11	\$ 339.59
North	Male Age 19 - Age 24	\$ 204.24	\$ 227.48	\$ 51.72	\$ 7.68	\$ 7.85	\$ 67.25	\$ 271.49	\$ 294.73
North	Female Age 25 - Age 39	\$ 347.33	\$ 389.51	\$ 51.72	\$ 7.68	\$ 7.85	\$ 67.25	\$ 414.58	\$ 456.76
North	Male Age 25 - Age 39	\$ 311.56	\$ 348.99	\$ 51.72	\$ 7.68	\$ 7.85	\$ 67.25	\$ 378.81	\$ 416.24
North	Female Age 40 - Age 49	\$ 524.38	\$ 589.98	\$ 51.72	\$ 7.68	\$ 7.85	\$ 67.25	\$ 591.63	\$ 657.23
North	Male Age 40 - Age 49	\$ 514.47	\$ 578.77	\$ 51.72	\$ 7.68	\$ 7.85	\$ 67.25	\$ 581.72	\$ 646.02
North	Female Age 50 - Age 64	\$ 621.51	\$ 699.97	\$ 51.72	\$ 7.68	\$ 7.85	\$ 67.25	\$ 688.76	\$ 767.22
North	Male Age 50 - Age 64	\$ 707.19	\$ 796.99	\$ 51.72	\$ 7.68	\$ 7.85	\$ 67.25	\$ 774.44	\$ 864.24

Notes:

1- FMP amounts include premium tax.

V = S + T + U

W = Q + V

X = R + V

Appendix P: Expansion Assumption Comparison

Table 1a: 2/1/2017 (Non-Gulf)

Assumption	Low	High
Acuity	1.175	1.256
Pent-Up Demand	1.076	1.076
Adverse Selection	1.003	1.003
Reverse Managed Care	1.039	1.039

Table 1b: 2/1/2017 (Gulf)

Assumption	Low	High
Acuity	1.175	1.256
Pent-Up Demand	1.070	1.070
Adverse Selection	1.002	1.002
Reverse Managed Care	1.039	1.039

Table 2a: 7/1/2016 (Non-Gulf)

Assumption	Low	High
Acuity	1.125	1.306
Pent-Up Demand	1.101	1.101
Adverse Selection	1.036	1.047
Reverse Managed Care	1.052	1.052

Table 2b: 7/1/2016 (Gulf)

Assumption	Low	High
Acuity	1.125	1.306
Pent-Up Demand	1.093	1.093
Adverse Selection	1.027	1.034
Reverse Managed Care	1.052	1.052

Table 3: Admin Comparison

Assumption	2/1/2017	7/1/2016
Admin	\$ 26.49	\$ 29.38

Appendix Q: Expansion Loaded Rate Comparison

Table 1: 2/1/2017 vs 7/1/2016 Loaded Rates

Region Name	Age - Sex Factor	Rate Cell Description	2/1/2017 Loaded Rates		7/1/2016 Loaded Rates	
			Low	High	Low	High
Gulf	0.616	Female Age 19 - Age 24	\$ 239.15	\$ 266.85	\$ 247.00	\$ 296.26
Gulf	0.503	Male Age 19 - Age 24	\$ 200.40	\$ 223.00	\$ 207.38	\$ 247.57
Gulf	0.912	Female Age 25 - Age 39	\$ 340.35	\$ 381.37	\$ 350.47	\$ 423.41
Gulf	0.810	Male Age 25 - Age 39	\$ 305.36	\$ 341.77	\$ 314.69	\$ 379.45
Gulf	1.419	Female Age 40 - Age 49	\$ 513.52	\$ 577.33	\$ 527.52	\$ 640.98
Gulf	1.391	Male Age 40 - Age 49	\$ 503.83	\$ 566.37	\$ 517.62	\$ 628.82
Gulf	1.697	Female Age 50 - Age 64	\$ 608.53	\$ 684.84	\$ 624.66	\$ 760.36
Gulf	1.942	Male Age 50 - Age 64	\$ 692.33	\$ 779.67	\$ 710.34	\$ 865.65
Capital	0.616	Female Age 19 - Age 24	\$ 281.40	\$ 314.61	\$ 292.56	\$ 353.18
Capital	0.503	Male Age 19 - Age 24	\$ 234.87	\$ 261.97	\$ 244.55	\$ 294.01
Capital	0.912	Female Age 25 - Age 39	\$ 402.91	\$ 452.10	\$ 417.94	\$ 507.70
Capital	0.810	Male Age 25 - Age 39	\$ 360.90	\$ 404.56	\$ 374.59	\$ 454.27
Capital	1.419	Female Age 40 - Age 49	\$ 610.84	\$ 687.35	\$ 632.47	\$ 772.09
Capital	1.391	Male Age 40 - Age 49	\$ 599.21	\$ 674.19	\$ 620.47	\$ 757.30
Capital	1.697	Female Age 50 - Age 64	\$ 724.91	\$ 816.42	\$ 750.17	\$ 917.15
Capital	1.942	Male Age 50 - Age 64	\$ 825.54	\$ 930.26	\$ 853.99	\$ 1,045.10
South Central	0.616	Female Age 19 - Age 24	\$ 260.49	\$ 290.91	\$ 271.82	\$ 327.83
South Central	0.503	Male Age 19 - Age 24	\$ 217.81	\$ 242.63	\$ 227.64	\$ 273.33
South Central	0.912	Female Age 25 - Age 39	\$ 371.96	\$ 417.00	\$ 387.23	\$ 470.16
South Central	0.810	Male Age 25 - Age 39	\$ 333.42	\$ 373.40	\$ 347.33	\$ 420.94
South Central	1.419	Female Age 40 - Age 49	\$ 562.68	\$ 632.74	\$ 584.70	\$ 713.70
South Central	1.391	Male Age 40 - Age 49	\$ 552.02	\$ 620.67	\$ 573.66	\$ 700.08
South Central	1.697	Female Age 50 - Age 64	\$ 667.33	\$ 751.11	\$ 693.05	\$ 847.32
South Central	1.942	Male Age 50 - Age 64	\$ 759.63	\$ 855.52	\$ 788.61	\$ 965.18
North	0.616	Female Age 19 - Age 24	\$ 243.86	\$ 272.34	\$ 255.43	\$ 307.54
North	0.503	Male Age 19 - Age 24	\$ 204.24	\$ 227.48	\$ 214.26	\$ 256.78
North	0.912	Female Age 25 - Age 39	\$ 347.33	\$ 389.51	\$ 362.96	\$ 440.12
North	0.810	Male Age 25 - Age 39	\$ 311.56	\$ 348.99	\$ 325.78	\$ 394.28
North	1.419	Female Age 40 - Age 49	\$ 524.38	\$ 589.98	\$ 546.94	\$ 666.97
North	1.391	Male Age 40 - Age 49	\$ 514.47	\$ 578.77	\$ 536.65	\$ 654.28
North	1.697	Female Age 50 - Age 64	\$ 621.51	\$ 699.97	\$ 647.89	\$ 791.44
North	1.942	Male Age 50 - Age 64	\$ 707.19	\$ 796.99	\$ 736.93	\$ 901.22

Family Planning Addendum

The Louisiana Department of Health (LDH) 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, 2017 through January 31, 2018. As part of this work, Mercer was asked to develop the family planning component of the capitation rates using the same data that was used to develop the capitation rate ranges. This Appendix R presents an overview of the analyses and methodology used in Mercer's family planning rate development for the purpose of satisfying the requirements of the Centers for Medicare & Medicaid Services (CMS), in order for LDH to receive the 90.0% federal match for eligible family planning services. This addendum should be read in conjunction with the rate certification letter. Attachment A within this addendum displays the percent of the capitation rates that are attributable to family planning services. These percentages should be applied directly to capitation rates to determine the family planning amount. The resulting family planning amount does not include load for premium tax, administration, or underwriting gain.

Base Data

The capitation rates were developed using the medical expenses incurred during calendar year 2013 and 2014 with runout through July 31, 2016, as reported through the Medicaid Management Information Systems (MMIS) system. All family planning services were assigned to the appropriate rate cells. Please see the rate certification letter for more details.

Methodology for Identifying Family Planning Services

Using data from the State's MMIS system, a multi-step process was followed to measure the amount of family planning for the calendar year, region, and rate tier. Each of these steps is described below:

1. Family Planning Service Identification

Family planning can be identified through procedure codes that are specifically indicative of a family planning service. Tables 1 and 2 contain the lists of procedure codes that were used to identify family planning services, solely on a procedure code match basis. Table 1 contains sterilization services and Table 2 contains contraception services.

Table 1: Sterilization Services Always Reimbursable at the 90.0% Federal Match Rate

Women	Men
00851	55250
00921	55450
58565	

58600
58605
58611
58615
58670
58671

Table 2: Contraception Services Always Reimbursable at the 90.0% Federal Match Rate

Women	Men
11975	A4267 (condoms)
11976	
11977	
57170	
58300	
58301	
A4261	
A4266	
A4268	
A4269	
H1010	
J7304	
J1055	
J1056	
J7300	
J7302	
J7303	
J7306	
J7307	
S4989	
S4993	

Family planning can also be identified with other procedure codes if the family planning service can be confirmed through the use of contraceptive management diagnosis codes in

the V25 series. Table 3 contains the list of procedure codes that require a V25 series diagnosis code to be present in order to classify a service as family planning.

Table 3: Procedure Codes that Require a V25 Series Diagnoses Code

CPT/HCPCS Codes That May or May Not Represent Contraception/Sterilization Family Planning Services						
00952	76880	99058	99238	99360	A9900	T1023
11981	76977	99070	99239	99371	E1399	
11982	77078	99071	99241	99372	J1885	
11983	77079	99080	99242	99373	G0101	
36415	77080	99144	99243	99383	G0123	
36416	77081	99145	99244	99384	G0141	
57800	77082	99201	99245	99385	H0034	
58100	77083	99202	99251	99386	J3490**	
58340	*	99203	99252	99393	P3000	
58345	88300	99204	99253	99394	P3001	
62311	88302	99205	99254	99395	Q0091	
62319	89310	99211	99255	99396	Q0111	
64435	89321	99212	99261	99401	Q0112	
72190	96372	99213	99262	99402	Q3014	
74000	99000	99214	99263	99403	S0610	
74010	99001	99215	99271	99404	S0612	
74740	99002	99221	99272	99411	S9445	
74742	99024	99222	99273	99412	S9446	
76830	99050	99223	99274	99420	T1001	
76831	99052	99231	99275	99429	T1002	
76856	99054	99232	99281	A4550	T1013	
76857	99056	99233	99282	A4931	T1015	

* Also included: 80047–88189 (except 82143)

** Used to indicate SubQ Depro Provera

Professional service claim lines were classified as family planning if the service contained a procedure code from Table 1 or Table 2, or a procedure code from Table 3 accompanied by a V25 diagnosis code in either the primary or the secondary position.

2. Identification of Family Planning Prescription Drug Claims

In identifying eligible family planning claims from prescription drug data, Mercer identified all drug claims containing one of the HIC3 codes listed in Table 4. These codes have been determined by Mercer’s pharmacy team to represent those drugs eligible for the enhanced federal match rate.

Table 4: Drugs Eligible for the Enhanced Federal Match Rate

HIC3	HIC3 Description
G8A	Contraceptives, oral
G8B	Contraceptives, implantable
G8C	Contraceptives, injectable
G8D	Abortifacient, progesterone receptor, antagonist type
G8F	Contraceptives, transdermal
G9A	Contraceptives, intravaginal
G9B	Contraceptives, intravaginal, systemic
X1A	Condoms
X1B	Diaphragms/cervical cap
X1C	Intrauterine devices

Process of Developing Family Planning Portion of Rate

In order to determine what portion of the capitation payment was eligible for the enhanced federal match rate, Mercer totaled all of the family planning-eligible claims for a given rate cell and determined what percentage these claims represented of the total claims for that rate cell. This percentage was then applied to the claims cost per member per month (PMPM) (without administration, profit, and Full Medicaid Pricing {FMP} payment), at the rate cell level, to determine the family planning PMPM that LDH could claim at the enhanced federal match rate.

In a similar manner, Mercer determined what percentage of the FMP add-on was due to family planning services and also eligible for the enhanced federal match rate. This percentage was then applied to the FMP PMPM add-on (without premium tax) at the rate cell level to determine the amount LDH could claim at the enhanced federal match rate.

The enhanced match on the claims cost PMPMs and the FMP PMPM were added together to generate the total family planning PMPM LDH could claim at the enhanced rate. Mercer then calculated a new percentage as the ratio of the total family planning PMPM (claims cost + FMP PMPMs) to the final loaded rate with FMP to provide the final family planning percent.

Limitations and Considerations

In preparing these calculations, Mercer has used and relied upon enrollment, fee-for-service claims, encounter data, and other information supplied by LDH and its fiscal intermediary. LDH and its fiscal intermediary are responsible for the validity and completeness of the data supplied. We have reviewed that data and information for internal consistency and reasonableness but we did not audit it. In our opinion it is appropriate for the intended purposes. If the data and information are incomplete or inaccurate, the values shown in the attached exhibits may need to be revised accordingly. Use of this information for any purposes beyond that stated may not be appropriate.

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

Attachment A
Family Planning Rate Summary

Region Description	Category of Aid Description	Rate Cell Description	Projected Member Months or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery	Family Planning %
Gulf	SSI	0 - 2 Months	535	\$27,236.73	\$28,997.83	0.00%
Gulf	SSI	3 - 11 Months	2,252	\$7,422.09	\$7,901.06	0.00%
Gulf	SSI	Child 1 - 20	126,641	\$789.68	\$855.02	0.24%
Gulf	SSI	Adult 21+	269,067	\$1,306.08	\$1,386.45	0.12%
Gulf	Family & Children	0 - 2 Months	54,622	\$1,647.97	\$1,764.97	0.00%
Gulf	Family & Children	3 - 11 Months	123,181	\$272.14	\$289.00	0.00%
Gulf	Family & Children	Child 1 - 20	2,245,262	\$169.26	\$182.28	0.86%
Gulf	Family & Children	Adult 21+	428,360	\$340.10	\$359.21	3.44%
Gulf	Foster Care Children	FCC, All Ages	27,100	\$617.37	\$679.63	0.45%
Gulf	BCC	BCC, All Ages	3,182	\$2,322.45	\$2,451.29	0.05%
Gulf	LAP	LAP, All Ages	7,322	\$198.40	\$213.06	0.82%
Gulf	HCBS	Child 0 - 20	1,032	\$2,487.96	\$2,721.12	0.23%
Gulf	HCBS	Adult 21+	3,452	\$1,072.47	\$1,149.37	0.40%
Gulf	CCM	CCM, All Ages	5,921	\$1,291.18	\$1,421.85	0.10%
Gulf	SBH - CCM	SBH - Chisholm, All Ages Male & Female	13,493	\$200.90	\$225.45	0.00%
Gulf	SBH - Duals	SBH - Dual Eligible, All Ages	334,492	\$26.10	\$27.69	0.00%
Gulf	SBH - HCBS	SBH - 20 & Under, Male and Female	6,270	\$92.76	\$103.19	0.00%
Gulf	SBH - HCBS	SBH - 21+ Years, Male and Female	12,515	\$80.23	\$84.77	0.00%
Gulf	SBH - Other	SBH - Other, All Ages	7,511	\$193.58	\$203.44	0.00%
Gulf	Maternity Kick Payment	Maternity Kick Payment	24,689	\$11,368.59	\$11,595.14	0.30%
Gulf	EED Kick Payment	EED Kick Payment	N/A	\$6,630.01	\$6,694.80	0.52%
Capital	SSI	0 - 2 Months	404	\$27,236.73	\$28,997.83	0.00%
Capital	SSI	3 - 11 Months	1,699	\$7,422.09	\$7,901.06	0.00%
Capital	SSI	Child 1 - 20	94,505	\$801.44	\$869.56	0.20%

Region Description	Category of Aid Description	Rate Cell Description	Projected Member Months or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery	Family Planning %
Capital	SSI	Adult 21+	193,211	\$1,355.39	\$1,444.55	0.10%
Capital	Family & Children	0 - 2 Months	41,215	\$1,719.01	\$1,842.53	0.00%
Capital	Family & Children	3 - 11 Months	92,946	\$265.48	\$282.23	0.00%
Capital	Family & Children	Child 1 - 20	1,977,877	\$176.88	\$190.56	0.88%
Capital	Family & Children	Adult 21+	333,033	\$396.64	\$419.03	2.90%
Capital	Foster Care Children	FCC, All Ages	37,283	\$617.37	\$679.63	0.51%
Capital	BCC	BCC, All Ages	3,317	\$2,322.45	\$2,451.29	0.20%
Capital	LAP	LAP, All Ages	9,557	\$198.40	\$213.06	0.83%
Capital	HCBS	Child 0 - 20	1,056	\$2,487.96	\$2,721.12	0.16%
Capital	HCBS	Adult 21+	2,629	\$1,072.47	\$1,149.37	0.35%
Capital	CCM	CCM, All Ages	4,717	\$1,291.18	\$1,421.85	0.08%
Capital	SBH - CCM	SBH - Chisholm, All Ages Male & Female	13,970	\$200.90	\$225.45	0.00%
Capital	SBH - Duals	SBH - Dual Eligible, All Ages	266,563	\$20.95	\$22.23	0.00%
Capital	SBH - HCBS	SBH - 20 & Under, Male and Female	7,085	\$92.76	\$103.19	0.00%
Capital	SBH - HCBS	SBH - 21+ Years, Male and Female	12,038	\$80.23	\$84.77	0.00%
Capital	SBH - Other	SBH - Other, All Ages	8,728	\$193.58	\$203.44	0.00%
Capital	Maternity Kick Payment	Maternity Kick Payment	16,577	\$9,215.36	\$9,415.41	0.27%
Capital	EED Kick Payment	EED Kick Payment	N/A	\$5,028.99	\$5,086.20	0.49%
South Central	SSI	0 - 2 Months	461	\$27,236.73	\$28,997.83	0.00%
South Central	SSI	3 - 11 Months	1,938	\$7,422.09	\$7,901.06	0.00%
South Central	SSI	Child 1 - 20	101,556	\$761.93	\$826.58	0.21%
South Central	SSI	Adult 21+	236,857	\$1,209.20	\$1,284.40	0.11%
South Central	Family & Children	0 - 2 Months	47,015	\$2,089.34	\$2,219.71	0.00%
South Central	Family & Children	3 - 11 Months	106,027	\$282.32	\$299.45	0.00%
South Central	Family & Children	Child 1 - 20	2,217,634	\$171.22	\$183.95	0.88%
South Central	Family & Children	Adult 21+	363,449	\$366.23	\$386.72	2.68%
South Central	Foster Care Children	FCC, All Ages	49,875	\$617.37	\$679.63	0.37%

Region Description	Category of Aid Description	Rate Cell Description	Projected Member Months or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery	Family Planning %
South Central	BCC	BCC, All Ages	2,199	\$2,322.45	\$2,451.29	0.01%
South Central	LAP	LAP, All Ages	10,454	\$198.40	\$213.06	1.12%
South Central	HCBS	Child 0 - 20	1,142	\$2,487.96	\$2,721.12	0.16%
South Central	HCBS	Adult 21+	3,354	\$1,072.47	\$1,149.37	0.31%
South Central	CCM	CCM, All Ages	6,069	\$1,291.18	\$1,421.85	0.13%
South Central	SBH - CCM	SBH - Chisholm, All Ages Male & Female	14,070	\$200.90	\$225.45	0.00%
South Central	SBH - Duals	SBH - Dual Eligible, All Ages	354,544	\$17.95	\$19.04	0.00%
South Central	SBH - HCBS	SBH - 20 & Under, Male and Female	6,496	\$92.76	\$103.19	0.00%
South Central	SBH - HCBS	SBH - 21+ Years, Male and Female	12,741	\$80.23	\$84.77	0.00%
South Central	SBH - Other	SBH - Other, All Ages	11,211	\$193.58	\$203.44	0.00%
South Central	Maternity Kick Payment	Maternity Kick Payment	19,098	\$9,109.94	\$9,315.27	0.45%
South Central	EED Kick Payment	EED Kick Payment	N/A	\$4,812.50	\$4,871.23	0.86%
North	SSI	0 - 2 Months	377	\$27,236.73	\$28,997.83	0.00%
North	SSI	3 - 11 Months	1,585	\$7,422.09	\$7,901.06	0.00%
North	SSI	Child 1 - 20	115,401	\$848.72	\$924.70	0.26%
North	SSI	Adult 21+	209,758	\$1,118.14	\$1,187.14	0.14%
North	Family & Children	0 - 2 Months	38,446	\$2,032.44	\$2,161.95	0.00%
North	Family & Children	3 - 11 Months	86,701	\$279.90	\$297.23	0.00%
North	Family & Children	Child 1 - 20	1,722,974	\$175.00	\$189.40	1.02%
North	Family & Children	Adult 21+	281,131	\$336.30	\$355.65	3.41%
North	Foster Care Children	FCC, All Ages	31,596	\$617.37	\$679.63	0.37%
North	BCC	BCC, All Ages	2,469	\$2,322.45	\$2,451.29	0.01%
North	LAP	LAP, All Ages	5,233	\$198.40	\$213.06	0.85%
North	HCBS	Child 0 - 20	1,044	\$2,487.96	\$2,721.12	0.11%
North	HCBS	Adult 21+	2,911	\$1,072.47	\$1,149.37	0.31%
North	CCM	CCM, All Ages	4,066	\$1,291.18	\$1,421.85	0.12%
North	SBH - CCM	SBH - Chisholm, All Ages Male & Female	12,916	\$200.90	\$225.45	0.00%

Region Description	Category of Aid Description	Rate Cell Description	Projected Member Months or Deliveries	Lower Bound PMPM or Cost per Delivery	Upper Bound PMPM or Cost per Delivery	Family Planning %
North	SBH - Duals	SBH - Dual Eligible, All Ages	284,633	\$20.05	\$21.26	0.00%
North	SBH - HCBS	SBH - 20 & Under, Male and Female	4,076	\$92.76	\$103.19	0.00%
North	SBH - HCBS	SBH - 21+ Years, Male and Female	9,869	\$80.23	\$84.77	0.00%
North	SBH - Other	SBH - Other, All Ages	10,383	\$193.58	\$203.44	0.00%
North	Maternity Kick Payment	Maternity Kick Payment	15,959	\$10,063.87	\$10,264.05	0.28%
North	EED Kick Payment	EED Kick Payment	N/A	\$5,872.28	\$5,929.53	0.48%

Appendix S: Data Reliance Letter

John Bel Edwards
GOVERNOR



Rebekah E. Gee MD, MPH
SECRETARY

State of Louisiana

Louisiana Department of Health
Bureau of Health Services Financing

Mr. Jaredd Simons, ASA, MAAA
Principal
Mercer Government Human Services
3560 Lenox Road, Suite 2400
Atlanta, GA 30326

September 30, 2016

Subject: Capitation Rate Certification for the Healthy Louisiana Program – Implementation Year (February 1, 2017 through January 31, 2018)

Dear Jaredd:

I, Pam Diez, Medicaid Deputy Director for the Louisiana Department of Health (LDH), hereby affirm that the data prepared and submitted to Mercer Government Human Services Consulting (Mercer) for the purpose of certifying the February 1, 2017 through January 31, 2018 Healthy Louisiana 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.


Signature

10/3/16
Date