Maryland HealthChoice Demonstration Section 1115 Quarterly Report Demonstration Year 19 (July 1, 2015 – June 30, 2016) State Fiscal Third Quarter (January 1 – March 31, 2016)

Introduction

Following approval of the 1115 waiver by the Health Care Financing Administration (now the Centers for Medicare and Medicaid Services, CMS) in October 1996, Maryland implemented the HealthChoice program and moved its fee-for-service and health maintenance organization (HMO) enrollees into a managed care payment system beginning in July 1997. HealthChoice managed care organizations (MCOs) receive a predetermined monthly capitated payment in exchange for providing covered services to enrollees. July 2015 marked the beginning of the nineteenth waiver year providing oversight to the continuing standards of high quality coordination of care and controlling Medicaid costs, by:

- Providing a patient-focused system with a medical home for all beneficiaries;
- Building on the strengths of the established Maryland health care system;
- Providing comprehensive, prevention-oriented systems of care;
- Holding MCOs accountable for high-quality care; and
- Achieving better value and predictable expenses.

Subsequent to the initial grant, Maryland requested and received several program extensions, in 2002, 2005, 2008, 2011 and most recently, in 2013. The 2013 application sought a continuation of HealthChoice and made allowance for Maryland to include Medicaid expansion adults to be part of HealthChoice. The renewal was approved for another three-year extension, through December 31, 2016. Resulting from the Patient Protection and Affordable Care Act (ACA), the Medicaid expansion saw more than 249,000 additional Marylanders enrolled for health coverage as of the end of Calendar Year (CY) 2015. These new enrollments have propelled Maryland to substantial improvement in providing coverage to the uninsured. For additional information, please see <u>www.marylandhealthconnection.gov</u>.

Enrollment Information

Table 1: Average Monthly Enrollees

Demonstration Populations	Previous Quarter (As of December 31, 2015)	Current Enrollees (As of March 31, 2016)
Parents/Caretaker Relatives <116% FPL	190,253	196,168
ACA Expansion Adults	232,421	249,342
Medicaid Children	407,374	424,176

Demonstration Populations	Previous Quarter (As of December 31, 2015)	Current Enrollees (As of March 31, 2016)
SSI/BD Adults	87,402	87,528
Medically-Needy Adults	23,427	22,498
Medically-Needy Children	5,318	5,890
SOBRA Adults	9,903	10,107
МСНР	104,494	106,708
MCHP Premium	29,298	30,253
Family Planning	13,531	12,051
ICS	23	24
WBCCHP	208	195
PEPW	3	0

Outreach/Innovation Activities

During the previous quarter, the Maryland Department of Health and Mental Hygiene (the Department) published four additional volumes in its "Maryland Medicaid and You: Measuring Medicaid Impact" series. The Department plans to update the "Medicaid and You" impact report in early fall 2016, with updates on innovations such as waiver renewals, telehealth, duals care delivery and other initiatives.

Additionally, Maryland Medicaid continues to work closely with the Maryland Health Benefit Exchange (MHBE). For the CY 2015 tax season, 1095-B tax forms were mailed to Maryland Medicaid recipients on February 16th.¹ In addition, Medicaid staff continues to collaborate with MHBE on network adequacy and Essential Community Provider (ECP) policy work. At MHBE's request, Medicaid prepared provider lists, additional considerations and recommendations that helped inform how MHBE staff developed their draft 2017 Plan Certification standards. These draft standards, which included an expanded definition of ECPs, were presented to the MHBE Board and approved in January.

With the close of Open Enrollment 3, including Medicaid, more than 1 million Marylanders have been enrolled in health coverage through the state marketplace. Although Open Enrollment 3 ended on February 5th, Medicaid enrollment continues year-round. The administrative renewal

¹ Medicaid recipients who met Minimum Essential Coverage received the 1095-B tax forms.

rate for Maryland Medicaid redeterminations continues to increase, with a third quarter rate of approximately 60 percent.

Maryland Medicaid recently launched a pilot provider directory validation survey to test accuracy of the provider information available in MCO online directories. MCOs were informed that a "secret shopper" type of survey would be implemented at some point but were not provided with details. Maryland began by taking a directory validation approach as a way to assess the accuracy of the directories before developing a true secret shopper program using a statistically-valid sample. Ultimately, should the program be scaled up, Medicaid would work with its External Quality Review Organization (EQRO) to refine and implement a fullydeveloped secret shopper program statewide. Maryland Medicaid completed the required data analysis and drafted its report, "Assessing Network Adequacy in the HealthChoice Program: A Direct Test Pilot" during the previous quarter. In March, an overview of the final report was presented to the Maryland Medicaid Advisory Committee. Next steps for this initiative include refining the survey instrument, amending necessary state regulations, implementing the full-scale survey and discussing the incorporation of the survey into the EQRO's portfolio going forward.

Operational/Policy Development Issues

As of the end of the quarter, there were eight MCOs participating in the HealthChoice program; their respective market shares are as follows: Amerigroup (24.9 percent); Jai Medical Systems (2.2 percent); Kaiser Permanente (3.9 percent); Maryland Physicians Care (18.9 percent); MedStar Family Choice (7.0 percent); Priority Partners (24.4 percent); Riverside Health of Maryland (3.0 percent); and UnitedHealthcare (15.8 percent).

Legislative Updates

The Maryland General Assembly entered into its annual legislative session on January 13, 2016. Several bills with a potential effect on the HealthChoice program were introduced, including legislation concerning provider panels; allowing HealthChoice enrollees to disenroll from an MCO to maintain their pharmacy providers should the MCO change its pharmacy panel; hospital presumptive eligibility; telemedicine, contraceptive equity and expanding dental services to former foster care youth up to age 26. The session was ongoing as of the end of the quarter; an update on the aforementioned bills will be provided in the fourth quarter report.

Family Planning Program

The HealthChoice waiver allows the state to provide a limited benefit package of family planning services to eligible women—currently, those women at less than 200 percent of the Federal Poverty Level (FPL). The program covers medical services related to family planning, including office and clinic visits, physical examinations, certain laboratory services, treatments for sexually-transmitted infections, family planning supplies, permanent sterilization and reproductive health counseling, education and referrals. Enrollment as of the end of the third

quarter was 12,051 women, a decrease of 1,480 over the second quarter. Women who receive pregnancy coverage will continue to be automatically-enrolled, if eligible, following the end of their pregnancy-related eligibility.

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Average Quarterly Enrollment	14,450	13,874	12,571	
Percent Change from Previous Quarter	-3.8%	-4.0%	-9.4%	

Table 2: Family Planning Program Overview

Rare and Expensive Case Management (REM) Program

Maryland's REM Program provides HealthChoice enrollees with certain qualifying conditions the option to disenroll from mandatory managed care and receive services on a fee-for-service basis, with select additional benefits. Table 3 displays the numbers of referrals received, approved and disenrolled as reported by the REM case management agencies and the REM referral line during this quarter.

Table 3: REM Referrals Approved/Received/Denied

FY 2016	Referrals Received	Referrals Approved	Referrals Denied	REM Disenrollments	Currently Enrolled in REM
Quarter 1	213	180	65	158	4,337
Quarter 2	166	122	56	132	4,304
Quarter 3	218	154	83	115	4,270
Quarter 4					

Primary Adult Care (PAC)

As of January 1, 2014, former PAC recipients were transitioned from a partial benefit package to the full benefit Medicaid package under the ACA expansion.

Increased Community Services (ICS) Status

Maryland continued serving residents aged 18 and over who need assistance with activities of daily living, such as bathing, grooming, dressing and getting around. As of the end of this quarter, there were 24 individuals enrolled in the ICS Program.

MCHP and MCHP Premium Status/Update Projections

Effective June 1, 2008, Maryland moved its separate CHIP program, Maryland Children's Health Program (MCHP) Premium, into the Medicaid expansion CHIP waiver, so that Maryland's entire CHIP program is operated as a Medicaid expansion. As of March 31, 2016, the MCHP Premium program had 30,253 enrollees, with MCHP at 106,708 enrollees.

Expenditure Containment Initiatives

Final 2014 HealthChoice Financial Monitoring Report (HFMR) MCO submissions were updated and reviewed during the quarter, with unadjusted consolidated 2014 HFMRs by region provided to all MCOs on March 22nd. The final reviewed 2014 submissions will serve as the base period for the 2017 HealthChoice rate-setting period. The firm Myers & Stauffer (M&S) is currently in the process of performing independent reviews of each MCO's submission. A separate actuarial firm is completing draft analyses of each MCOs incurred-but-not-reported estimates.

During the next quarter, all MCOs will submit their first HFMR reports for 2015 (reported as of March 31, 2016). These reports are due to the Department by May 16, 2016. On March 11th, MCOs were provided with updated financial templates and instructions for completing their May submissions. Effective January 1, 2015, MCOs were no longer be responsible for providing substance use disorder services. To carve these services out of the MCO base, the MCOs will be providing a special version of the HFMR report solely for substance use disorder services. This special version of the HFMR will be provided from the MCOs in the development of HealthChoice rates through CY 2017.

Financial/Budget Neutrality Development/Issues

Maryland has no issues or problems with the financial accounting, budget neutrality or CMS-64 reporting requirements for the current quarter. Maryland's budget neutrality worksheet as of March 31, 2016, can be found in Appendix A.

Table 4: Member Month Reporting

Demonstration Populations	Oct. 2015	Nov. 2015	Dec. 2015	FY16 Q2 Total	Jan. 2016	Feb. 2016	March 2016	FY16 Q3 Total
Parents/Caretaker Relatives <116% FPL	201,568	193,577	190,253	585,398	191,309	192,035	196,168	579,512
ACA Expansion Adults	220,940	227,245	232,421	680,606	239,065	242,495	249,342	730,902
Medicaid Children	431,323	410,046	407,374	1,248,743	410,738	415,188	424,176	1,250,102
SSI/BD Adults	87,609	87,493	87,402	262,504	87,391	87,588	87,528	262,507

Demonstration Populations	Oct. 2015	Nov. 2015	Dec. 2015	FY16 Q2 Total	Jan. 2016	Feb. 2016	March 2016	FY16 Q3 Total
Medically-Needy Adults	23,719	23,437	23,427	70,583	23,296	23,058	22,498	68,852
Medically-Needy Children	5,178	5,224	5,318	15,720	5,313	5,334	5,890	16,537
SOBRA Adults	9,493	9,722	9,903	29,118	9,955	10,014	10,107	30,076
MCHP	108,263	104,824	104,494	317,581	104,272	104,690	106,708	315,670
MCHP Premium	26,783	28,478	29,298	84,559	28,853	29,657	30,253	88,763
Family Planning	14,094	13,998	13,531	41,623	13,077	12,584	12,051	37,712
ICS	23	24	23	70	25	23	24	72
WBCCHP	216	212	208	636	203	199	195	597
PEPW	2	2	3	7	4	2	0	6

Consumer Issues

The following tables display an account of the complaints, grievances and appeals made to the Department on behalf of HealthChoice Recipients as reported to Recipient Hotline and Complaint Resolution Unit for the quarter.

Table 5. Health Choice Recipient Complaints

Appt. Availability	Authorizations/ Referrals	Billing	Network Access	Office Access	Quality of Care	MCO Issues	Member Issues	Other Member Issues	Provider Issues	Provider Billing	Total
1	187	72	0	0	0	64	587	81	34	15	1,041

Table 6. Children with Special Needs Complaints

Cerebral Palsy	Attention Deficit Disorder/ Hyperactivity	Developmental Delay	Congenital/ Metabolic Disorders	Respiratory Conditions	Lead Poisoning	Other	Autism	Mental Health	Total
2	11	6	10	6	0	2	6	5	48

Table 7. Adults with Special Needs Complaints

Individuals with a Physical Disability	Pregnant Women	Homeless	Developmental Disability	HIV/AIDS	Substance Use Treatment	Mental Health	Rare and Expensive Case Management	Hearing- Impaired	Total
9	132	4	0	11	12	29	0	1	198

Table 8. Appeal Rights Issued

Ten-Day	Denial	Compromise	Directive	Total
16	1	0	0	17

Table 9. Hearing Activity

Hearings Requested	Hearings Held	Decision Upheld	Decision Overturned	Total	
0	0	0	0	0	

Table 10. REM Complaints and Significant Events

FY16 Q3	Transportation	Dental	DMS/DME	EPSDT	Clinical	Pharmacy	Case Mgt.	REM Intake	Other
REM Case Management Agencies	0	0	0	0	0	0	3	0	0
REM Hotline	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	3	0	0

The following table displays the types and total of significant events reported by the case management agencies during this quarter. Agencies report this information on a monthly basis.

Table 11. Case Management and Other Significant Events

FY 2016 Q3	DMS/DME	Legal	Media	Other	Protective Services	Appeals	Services	Total
REM Enrollees	2	12	1	70	18	3	12	118

Quality Assurance/Monitoring Activity

The Division of HealthChoice Quality Assurance monitors HealthChoice MCOs' quality assurance activities in accordance to COMAR 10.09.65. All Quality Assurance activities reports are available online at: <u>http://mmcp.dhmh.maryland.gov/healthchoice/Pages/HealthChoice-Quality-Assurance-Activities.aspx</u>.

Systems Performance Review (SPR)

The 2015 MCO on-site reviews were completed in February 2016. The Department is currently in the process of reviewing preliminary findings from the reviews.

Value-Based Purchasing (VBP)

For CY 2014, all eight MCOs participated in the VBP initiative. Six MCOs achieved financial incentives for meeting or exceeding the overall total VBP targets, with two MCOs in the disincentive range. The Department approved the final VBP report, which was posted to the MCO Resource Portal site and the Department's website in March 2016.

Performance Improvement Projects (PIP)

The CY 2015 submissions for the Adolescent Well-Care and Controlling High Blood Pressure PIPs are due September 30, 2016. At the March 2016 meeting of the Quality Assurance Liaison Committee (QALC) meeting, the Department presented information and engaged the MCOs in discussion about common barriers during a review of the Adolescent Well-Care PIP.

Annual Technical Report (ATR)

The Department is currently reviewing the CY 2015 Annual Technical Report, which is due to CMS by April 30, 2016. This report includes all quality assurance activities for CY 2014 and shows results for timeliness, quality and access to the care provided by all eight MCOs in the Maryland HealthChoice Program.

Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Medical Record Review

The MCOs received the CY 2016 EPSDT Orientation Manuals at the March 2016 QALC meeting. Additionally during the quarter, the Department's vendor received the CY 2015 Healthy Kids EPSDT Encounter Data from the Hilltop Institute at the University of Maryland, Baltimore County.

HealthChoice Consumer Report Card

The CY 2016 Consumer Report Card was finalized and will be posted to the Department's website in April. Both English and Spanish versions were provided to the Enrollment Broker for printing and will be included in the enrollment materials mailed to newly-enrolled members.

HEDIS Performance Review

All MCOs submitted the required HEDIS Roadmap by end of January. Onsite audits were conducted in January and February, with no major operational issues identified. One HealthChoice MCO was cited as a "best practice" for its validation process of electronic medical record data. In February, NCQA released the proposed new measures and changes to existing measures for HEDIS 2017 for public comment. The public comment period ended in mid-March. One proposed change to existing measures is to combine the Immunization for Adolescents and Human Papillomavirus Vaccine (HPV) for Female Adolescents into a single measure, in addition to four new measures proposed for implementation. Once final, the Department's contractor will provide an analysis of the HEDIS changes and their impact on the Department's required measures.

HealthChoice Enrollee Satisfaction Survey

The Department approved the questionnaires, collateral materials and sample frames for the 2016 HealthChoice Enrollee Satisfaction Survey. Kaiser Permanente, HealthChoice's newest MCO, will be participating in the 2016 survey for the first time. The first questionnaires, along with a cover letter, were mailed in late February to a validated sample of HealthChoice recipients. The second questionnaires and postcard reminders were mailed in March. The Department's contractor is processing the returned and completed surveys.

Provider Satisfaction Survey

The Department approved the questionnaire and collateral materials for the 2016 Provider Survey. The vendor de-duplicated the sample frames provided by the MCOs and mailed the first questionnaires to a validated sample of HealthChoice providers. Survey administration continued through March with the processing of returned, completed surveys and the mailing of the first postcard reminders. The 2016 Provider Survey Tool continues to include an option for the survey to be completed online. The Department's contractor is processing the completed surveys.

Demonstration Evaluation

The most recent annual evaluation of the HealthChoice program covered the period from CY 2009 - CY 2013 and can be found at the following web address: https://mmcp.dhmh.maryland.gov/Documents/HealthChoice%20Evaluation%20CY%202010%2 0-%20CY%202014.pdf

In addition, Maryland's current demonstration term expires on December 31, 2016. The Department has drafted its waiver renewal application to extend HealthChoice for another three years, which can be found at the following web address: https://mmcp.dhmh.maryland.gov/Pages/1115-HealthChoice-Waiver-Renewal.aspx

Enclosures/Attachments

Appendix A: Maryland Budget Neutrality Report as of March 31, 2015

State Contact

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CMS Report - Maryland HealthChoice Budget Neutrality

1115 Waiver Extension Through DY 20

The following table illustrates actuals for Demonstration Years 1 through 18; projection for years 19-20.

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1.									11 Month Year	13 Month Year	12 Month Year	12 Month Year	12 Month Year	12 Month Year	12 Month Year	12 Month Year	12 Month Year	6 Month Year	6 Month Year	12 Month Year	12 Month Year	6 Month Year
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual & Projection	Projection	Projection	Projection	Projection	Projection
	<u>Year 1 (FY 1998)</u>		Year 2 (FY 1999)	Year 3 (FY 2000)	Year 4 (FY 2001)	Year 5 (FY2002)	Year 6 (FY 2003)	Year 7 (FY 2004)	Year 8 (FY 2005)	Year 9 (FY 2006)	Year 10 (FY 2007)	Year 11 (FY 2008)	Year 12 (FY 2009)	Year 13 (FY 2010)	Year 14 (FY 2011)	Year 15 (FY 2012)	Year 16 (FY 2013)	Year 17 (FY 2014)	Year 17 (FY 2014)	Year 18 (FY 2015)	Year 19 (FY 2016)	Year 20 (FY 2017
Cap Per Member Per Month		\$291.44	\$321.11	\$361.74	\$387.35	\$411.33	\$446.19	\$484.80	\$525.62	\$569.08	\$613.11	\$647.72	\$653.79	\$675.73	\$707.88	\$723.72	\$743.88	\$793.84	\$771.74	\$807.68	\$825.80	\$874.90
Member Months excluding add-on population Budget Caps	4,0	,063,875	3,868,230	4,025,687	4,166,116	4,379,672	4,572,624	4,824,360	4,564,004	5,391,467	4,898,375	4,937,472	5,725,602	6,891,130	7,763,744	8,188,625	9,000,742	4,483,452	5,983,208	12,469,819	11,057,146	6,106,105
Budget Caps	\$1,184,3	,376,231	\$1,242,108,836	\$1,456,251,566	\$1,613,748,930	\$1,801,473,853	\$2,040,254,060	\$2,338,860,001	\$2,398,944,476	3,068,184,973	3,003,243,520	3,198,110,112	3,743,356,763	4,656,532,872	5,495,819,131	5,926,280,982	6,695,431,523	3,559,144,528	4,617,500,220	10,071,581,682	9,130,953,718	5,342,221,634
Actual & Projected Spending	\$1,202,9	,916,287	\$1,298,585,242	\$1,333,031,319	\$1,436,056,537	\$1,554,711,637	\$1,879,679,767	2,108,832,596	\$2,075,127,125	\$2,612,297,859	\$2,594,702,308	\$2,703,547,572	\$3,119,398,427	\$3,620,763,702	\$4,156,530,674	\$4,316,867,233	\$4,318,832,901	\$3,311,733,760	\$3,778,548,311	\$6,034,327,507	\$6,039,617,638	\$3,563,855,494
Balance	(\$18,5	,540,056)	(\$56,476,406)	\$123,220,247	\$177,692,393	\$246,762,216	\$160,574,293	\$230,027,405	\$323,817,351	\$455,887,114	\$408,541,212	\$494,562,540	\$623,958,336	\$1,035,769,170	\$1,339,288,457	\$1,609,413,749	\$2,376,598,622	\$247,410,768	\$838,951,909	\$4,037,254,175	\$3,091,336,080	\$1,778,366,140
Percentage of Cap		101.57%	104.55%	91.54%	88.99%	86.30%	92.13%	90.16%	86.50%	85.14%	86.40%	84.54%	83.33%	77.76%	75.63%	72.84%	64.50%	93.05%	81.83%	59.91%	66.14%	66.71%
Cost Per Member Per Month including add-on Population	5	\$296.00	\$335.71	\$331.13	\$344.70	\$354.98	\$411.07	\$437.12	\$454.67	\$484.52	\$529.71	\$547.56	\$544.82	\$525.42	\$535.38	\$527.18	\$479.83	\$738.66	\$631.53	\$483.91	\$546.22	\$583.65
Cost Per Member Per Month including add-on Population Cost Per Member Per Month excluding ad-on Population	5	\$296.00	\$335.71	\$331.13	\$344.70	\$354.98	\$411.07	\$437.12	\$454.67	\$483.42	\$516.73	\$530.39	\$527.19	\$507.83	\$514.68	\$527.18	\$479.83	\$738.66	\$631.53	\$483.91	\$546.22	\$583.65
Cap PMPM % Change Yr to Yr	N/A		10.18%	12.65%	7.08%	6.19%	8.47%	8.65%	8.42%	8.27%	7.74%	5.64%	0.94%	3.36%	4.76%	2.24%	2.79%	6.72%	-2.78%	4.66%	2.24%	5.95%
Cost PMPM % Change Yr to Yr including add-on Population	N/A		13.42%	-1.36%	4.10%	2.98%	15.80%	6.34%	4.01%	6.57%	9.33%	3.37%	-0.50%	-3.56%	1.90%	-1.53%	-8.98%	53.94%	-14.50%	-23.37%	12.88%	6.85%
Cost PMPM % Change Yr to Yr including add-on Population Cost PMPM % Change Yr to Yr excluding add-on Population	N/A		13.42%	-1.36%	4.10%	2.98%	15.80%	6.34%	4.01%	6.32%	6.89%	2.64%	-0.60%	-3.67%	1.35%	2.43%	-8.98%	53.94%	-14.50%	-23.37%	12.88%	6.85%
								0		6 . 1 . 1			0				6 . 1 . 1					
			Cumulative	Cumulative	Cumulative	Cumulative	Cumulative		Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	
			Total Years 1-2	Total Years 1-3	Total Years 1-4	Total Years 1-5	Total Years 1-6	Total Years 1-7	Total Years 1-8	Total Years 1-9	Total Years 1-10	Total Years 1-11	Total Years 1-12	Total Years 1-13	Total Years 1-14	Total Years 1-15	Total Years 1-16	Total Years 1-17	Total Years 1-18	Total Years 1-19	Total Years 1-20	
Cap Per Member Per Month			<u>\$305.91</u>	<u>\$324.70</u>	\$340.89	\$355.94	<u>\$372.39</u>	\$390.53	<u>\$408.42</u>	<u>\$430.15</u>	<u>\$450.18</u>	<u>\$469.81</u>	<u>\$488.82</u>	<u>\$509.49</u>	<u>\$531.47</u>	<u>\$551.58</u>	<u>\$571.42</u>	<u>\$582.29</u>	<u>\$618.08</u>	<u>\$637.02</u>	<u>\$648.43</u>	
Member Months			7,932,105	11,957,792	16,123,908	20,503,580	25,076,204	29,900,564	34,464,568	39,856,035	44,754,410	49,691,882	55,417,484	62,308,614	70,072,358	78,260,983	87,261,725	91,745,177	110,198,204	121,255,350	127,361,455	
Budget Caps			\$2,426,485,067	\$3,882,736,633	\$5,496,485,563	\$7,297,959,416	\$9,338,213,476	\$11,677,073,477	\$14,076,017,953	17,144,202,926	20,147,446,446	23,345,556,558	27,088,913,321	31,745,446,193	37,241,265,324	43,167,546,306	49,862,977,829	53,422,122,357	68,111,204,259	77,242,157,977	82,584,379,611	

	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
	Total Years 1-2	Total Years 1-3	Total Years 1-4	Total Years 1-5	Total Years 1-6	Total Years 1-7	Total Years 1-8	Total Years 1-9	Total Years 1-10	Total Years 1-11	Total Years 1-12	Total Years 1-13	Total Years 1-14	Total Years 1-15	Total Years 1-16	Total Years 1-17	Total Years 1-18	Total Years 1-19	Total Years 1-20
Cap Per Member Per Month	<u>\$305.91</u>	<u>\$324.70</u>	<u>\$340.89</u>	<u>\$355.94</u>	<u>\$372.39</u>	<u>\$390.53</u>	<u>\$408.42</u>	<u>\$430.15</u>	<u>\$450.18</u>	<u>\$469.81</u>	<u>\$488.82</u>	<u>\$509.49</u>	<u>\$531.47</u>	<u>\$551.58</u>	<u>\$571.42</u>	<u>\$582.29</u>	<u>\$618.08</u>	<u>\$637.02</u>	<u>\$648.43</u>
Member Months	7,932,105	11,957,792	16,123,908	20,503,580	25,076,204	29,900,564	34,464,568	39,856,035	44,754,410	49,691,882	55,417,484	62,308,614	70,072,358	78,260,983	87,261,725	91,745,177	110,198,204	121,255,350	127,361,455
Budget Caps	\$2,426,485,067	\$3,882,736,633	\$5,496,485,563	\$7,297,959,416	\$9,338,213,476	\$11,677,073,477	\$14,076,017,953	17,144,202,926	20,147,446,446	23,345,556,558	27,088,913,321	31,745,446,193	37,241,265,324	43,167,546,306	49,862,977,829	53,422,122,357	68,111,204,259	77,242,157,977	82,584,379,611
Actual & Projected Spending	\$2,501,501,529	\$3,834,532,848	\$5,270,589,385	\$6,825,301,022	\$8,704,980,788	\$10,813,813,384	\$12,888,940,509	15,501,238,368	18,095,940,676	20,799,488,248	23,918,886,675	27,539,650,377	31,696,181,051	36,013,048,284	40,331,881,185	43,643,614,945	53,456,490,763	59,496,108,402	63,059,963,895
Balance	(\$75,016,462)	\$48,203,785	\$225,896,178	\$472,658,394	\$633,232,688	\$863,260,093	\$1,187,077,444	\$1,642,964,558	\$2,051,505,770	\$2,546,068,310	\$3,170,026,646	\$4,205,795,816	\$5,545,084,273	\$7,154,498,022	\$9,531,096,644	\$9,778,507,412	\$14,654,713,496	\$17,746,049,575	\$19,524,415,716
Percentage of Cap	103.09%	98.76%	95.89%	93.52%	93.22%	92.61%	91.57%	90.42%	89.82%	89.09%	88.30%	86.75%	85.11%	83.43%	80.89%	81.70%	78.48%	77.03%	76.36%
Cost Per Member Per Month including add-on population	\$315.36	\$320.67	\$326.88	\$332.88	\$347.14	\$361.66	\$373.98	\$388.93	\$404.34	\$418.57	\$431.61	\$441.99	\$452.34	\$460.17	\$462.19	\$475.70	\$485.09	\$490.67	\$495.13
Cost Per Member Per Month excluding add-on population	\$315.36	\$320.67	\$326.88	\$332.88	\$347.14	\$361.66	\$373.98	\$388.78	\$402.79	\$415.46	\$427.01	\$435.95	\$444.67	\$450.69	\$453.70	\$466.09	\$485.09	\$490.67	\$495.13
Cap PMPM % Average Change	10.18%	11.41%	9.95%	9.00%	8.89%	8.85%	8.79%	8.72%	8.61%	8.31%	7.62%	7.26%	7.06%	5.98%	4.92%	4.59%	3.77%	3.35%	2.84%
Cost PMPM % Average Change including add-on population	13.42%	5.77%	5.21%	4.65%	6.79%	6.71%	6.32%	6.35%	6.68%	6.34%	5.70%	4.90%	4.66%	3.28%	2.50%	4.88%	3.45%	0.91%	1.18%
Cost PMPM % Average Change Cum excluding add-0n population	13.42%	5.77%	5.21%	4.65%	6.79%	6.71%	6.32%	6.32%	6.39%	6.01%	5.39%	4.60%	4.35%	3.28%	2.50%	4.88%	3.45%	0.91%	1.18%

Narrative:

Budget Cap For each MEG, the PMPM cap increases by 5.5% each year from year 1 thru year 5.

In years 6 through 8, the PMPM cap increases by 8% each year.

In years 9 through 11, the PMPM cap increases by 7.1% each year, as per current agreement In years 12 through 14, the PMPM cap increases by : TANF & SOBRA, 6.95%; SSI & Med. Needy, 6.86%. In years 15 through 17, the PMPM cap increases by : TANF & SOBRA, 6.95%; SSI & Med. Needy, 6.86%.

In years 17 through 20, the PMPM cap increases by : TANF & SOBRA, 6.95%; SSI & Med. Needy, 6.86%.	
Projected Spending	
DY 9 cost PMPM , including add-on population listed below, is:	_
DY 10 cost PMPM, including add-on population listed below	
	_
DY 11 cost PMPM, including add-on population listed below	
DY 12 cost PMPM, including add-on population listed below	
	_
DY 13 cost PMPM, including add-on population listed below	
DY 14 cost PMPM, including add-on population listed below	
DY 15 cost PMPM, including add-on population listed below	
	_
DY 16 cost PMPM, including add-on population listed below DY 16 cost PMPM is trended forward to DY 17 by 6.93%	
· · · · · · · · · · · · · · · · · · ·	
DY 17 cost PMPM, including add-on population listed below	
DY 17 cost PMPM is trended forward to DY 18 by 6.93%	
DY 18 cost PMPM, including add-on population listed below	_
DY 18 cost PMPM is trended forward to DY 19 by 6.93%	_
DY 19 cost PMPM, including add-on population listed below	
DY 19 cost PMPM is trended forward to DY 20 by 6.93%	

DY 20 cost PMPM, including add-on population listed below DY 20 cost PMPM is trended forward to DY 21 by 6.93%

Add-on Populations:	EID	PAC	Family Planning	ICS	Premium Subsidy MHIP	Pharmacy Discount Program	Total
DY 08 Actual	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DY 09 Actual	\$9,420	\$0	\$5,928,500	\$0	\$0	\$0	\$5,937,920
DY 10 Actual	\$383,845	\$58,095,627	\$5,075,088	\$0	\$0	\$0	\$63,554,560
DY11 Actual	\$716,244	\$79,273,808	\$4,769,352	\$0	\$0	\$0	\$84,759,404
DY12 Actual	\$1,745,509	\$78,098,080	\$21,099,522	\$0	\$0	\$0	\$100,943,111
DY13 Actual	\$0	\$121,707,847	(\$806,867)	\$357,327	\$0	\$0	\$121,258,307
DY14 Actual	\$0	\$163,647,368	(\$3,348,795)	\$371,357	\$0	\$0	\$160,669,930
DY15 Actual	\$0	\$203,373,022	(\$192,713)	\$1,114,070	\$0	\$0	\$204,294,379
DY16 Actual & Projected	\$0	\$320	\$89	\$42,453	\$0	\$0	\$42,862
DY17 Projected	\$0	\$142,193,019	(\$1,770,800)	\$48	\$0	\$0	\$140,422,267
DY18 Projected	\$0	\$4,883,010	\$0	\$58	\$0	\$0	\$4,883,068
DY19 Projected	\$0	\$6,885,504	\$0	\$64	\$0	\$0	\$6,885,568
DY20 Projected	\$0	\$5,336,365	\$0	\$35	\$0	\$0	\$5,336,400

Total Add-on Population

\$2,855,018 \$863,493,970

Percentage of Cap if no Add-On Population Items thru	1 DY 20												
	DY 08 Actual	DY 09 Actual	DY 10 Actual	DY11 Actual DY	'12 Actual D	Y13 Acutal	OY14 Actual	DY15 Actual	DY16 Actual & Projected	DY17 Projected	DY18 Projected	DY19 Projected D	Y20 Projected
Cap Per Member Per Month	\$408.42	\$430.15	\$450.18	\$469.81	\$488.82	\$509.49	\$531.47	\$551.58	3 \$571.42	\$582.29	\$618.08	\$637.02	\$648.43
Member Months	34,464,568	39,856,035	44,754,410	49,691,882	55,417,484	62,308,614	70,072,358	78,260,983	87,261,725	91,745,177	110,198,204	121,255,350	127,361,455
Budget Caps	14,076,017,953	17,144,202,926	20,147,446,446	23,345,556,558	27,088,913,321	31,745,446,193	37,241,265,324	43,167,546,306	49,862,977,829	53,422,122,357	68,111,204,259	77,242,157,977	82,584,379,611
Actual & Projected Spending	12,888,940,509	15,495,300,448	18,026,448,196	20,645,236,365	23,663,691,681	27,163,197,075	31,159,057,819	35,271,630,674	39,590,420,713	42,761,732,206	53,456,490,763	59,496,108,402	63,059,963,895
Balance	\$1,187,077,444	\$1,648,902,478	\$2,120,998,250	\$2,700,320,193	\$3,425,221,640	\$4,582,249,118	\$6,082,207,505	\$7,895,915,632	\$10,272,557,116	\$10,660,390,151	\$14,654,713,496	\$17,746,049,575	\$19,524,415,716
Percentage of Cap	91.57%	90.38%	89.47%	88.43%	87.36%	85.57%	83.67%	81.71%	6 79.40%	80.04%	78.48%	77.03%	76.36%
Cost Per Member Per Month	\$373.98	\$388.78	\$402.79	\$415.46	\$427.01	\$435.95	\$444.67	\$450.69	\$453.70	\$466.09	\$485.09	\$490.67	\$495.13

\$0

DRAFT

6.92% Projected Expenditure Expend Trend Yrs 14 thru 17 WITH REVISED MEMBER MONTHS & REVISED EXPENDITURES From MMIS Reports Through 03/31/16

\$484.52	
\$529.71	
\$547.56	
\$041.00	
\$544.82	
\$525.42	
\$525.42	
\$505.00	
\$535.38	
¢507.40	
\$527.18	
\$0.65	
\$0.65 \$513.03	
\$010100	
\$631.53 \$675.23	
\$675.23	
\$483.91	
\$517.40	
\$546.22 \$584.02	
\$304.UZ	
\$583.65	
\$624.04	
amily Planning	

\$30,753,376 \$1,885,412 \$0 \$898,987,776

Projection Total Years 1-20 \$648.43
\$648 43
φ010.10
127,361,455
82,584,379,611
63,059,963,895
\$19,524,415,716
76.36%
\$495.13
\$488.07
6.92%