27. Please describe the data sources and methodology used for the analysis provided in response to Question 23.

SFY19 incurred Medicaid managed care claims for the STAR/STAR+PLUS/STAR Kids programs were pulled based on a listing of CMHC NPIs. Claims were paid through July 2020. SFY19 claims were increased by 7% to account for projected MCO enrollment increases for these 3 programs from SFY19 to SFY22.

The directed payments were modeled per the payment descriptions and SFY19 claims per question 16.

The CMHC cost report PPS-2 rates were based on SFY19 cost report rates before the application of medical inflation to ensure the SFY19 MCO payments and PPS-2 rates were both on the same year basis. Using SFY19 STAR/STAR+PLUS/STAR Kids MCO experience (increased for the same 7% enrollment growth assumption), the PPS-2 rates were modeled as described below.

Rates would be paid on a monthly basis, and based on each CMHC's aggregate monthly rate calculated as follows:

1. Actual SFY19 cost report aggregate monthly rate (excluding anticipated costs and anticipated volumes)

2. Increased for the Medicare Economic Index (MEI) from SFY19 to SFY22

3. Increased by 10% for any CMHC obtaining CCBHC certification status after the end of SFY19 to cover additional expenses to obtain certification

4. Capped at plus one (1) standard deviation above or one (1) standard deviation below the average CMCH aggregate monthly rate.

A CMHC would only receive one PPS-2 payment per Medicaid member with multiple visits within a single month.