

**STATE OF TEXAS  
MEDICAID MANAGED CARE  
STAR+PLUS PROGRAM RATE SETTING  
STATE FISCAL YEAR 2016**

Prepared for:

Texas Health and Human Services Commission

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## I. Introduction

Rudd and Wisdom, Inc. has been retained by the Texas Health and Human Services Commission (HHSC) to develop the state fiscal year 2016 (FY2016, September 1, 2015 through August 31, 2016) premium rates for health plans participating in the Texas Medicaid STAR+PLUS program. This report presents the rating methodology and assumptions used in developing the premium rates.

STAR+PLUS is a Texas Medicaid managed care program for people who have disabilities or are age 65 or older. STAR+PLUS members get Medicaid health-care and long-term services and support through a medical plan that they choose. There are thirteen STAR+PLUS service delivery areas (SDAs). STAR+PLUS Medicaid members can select from at least two health plans in each SDA. There are a total of 5 health plans serving different SDAs throughout the state.

Rudd and Wisdom has provided actuarial services to the Texas Medicaid program for over 30 years. We have participated in the state's managed care rating process since its inception in 1993. This year, as in previous years, we have worked closely with HHSC in developing the FY2016 STAR+PLUS premium rates.

Rudd and Wisdom has relied on the following data sources as provided by HHSC, the participating health plans and the agency's External Quality Review Organization (EQRO):

- Monthly enrollment by risk group for each health plan. This includes historical enrollment since September 2011 and a projection of future enrollment through August 2016. These projections were prepared by HHS System Forecasting staff.
- Monthly enrollment by risk group for the fee-for-service program and SSI members previously enrolled in the STAR MRSA health plans. This includes historical enrollment since September 2011 and a projection of future enrollment through August 2016. These projections were prepared by HHSC System Forecasting staff.
- Claim lag reports by risk group for each health plan for the period September 2011 through February 2015. These reports include monthly paid claims by month of service.
- Inpatient claims data by health plan and risk group for the period March 2012 through February 2015. Prior to March 1, 2012 these services were carved out of the STAR+PLUS program and paid on a fee-for-service basis.
- Financial Statistical Reports (FSR) for each participating health plan for FY2013, FY2014 and the first six months of FY2015. The FSR contains detailed information regarding monthly enrollment, revenue, incurred claims and administrative expenses, as reported by the health. These reports are prepared by the health plans and are audited by an external auditor.
- Reports from the EQRO summarizing their analysis of the health plan's encounter claims data.
- Reports from the health plans providing information on high volume claimants during the experience period.
- Current (FY2015) premium rates by risk group for each health plan.

- Information from both HHSC and the health plans regarding recent changes in covered services and provider reimbursement under the Medicaid program.
- Information from the health plans regarding current and projected payment rates for certain capitated services, such as mental health and vision.
- Information from the health plans regarding service coordination expenses.
- FY2014 acuity risk adjustment analysis provided by the EQRO for each health plan.
- Information from the health plans regarding current and projected reinsurance premium rates.
- Information provided by HHSC regarding FY2014 health plan claims cost by type of service for certain services. This information was obtained from the encounter database.
- Information provided by HHSC regarding proposed FY2015 and FY2016 Medicaid provider reimbursement rates.
- Information provided by HHSC regarding newly capitated services previously paid by FFS.
- A listing of individuals enrolled during FY2014 in the various populations that make up the Intellectual and Developmentally Disabled (IDD) expansion. This list was provided by the Department of Aging and Disability Services (DADS), the agency previously responsible for assisting these individuals.
- Monthly acute care claims data for each IDD member. This data was provided by the Texas Medicaid and Healthcare Partnership (TMHP), the organization that currently administers the FFS payment program.

After accumulating all of the information to be used in the rate setting process, a comparison of the various sources of claims data was performed to check for consistency. Information submitted by the health plans was compared to information submitted in prior years, the audited FSRs and the detailed encounter data. All comparisons were done by risk group as well as in aggregate. In the case of inconsistent information, follow up inquiries were made with each applicable health plan until all information was corrected and reconciled with the other data sources. Ultimately there was satisfactory consistency between all data sources. Although the above data was reviewed for reasonableness, Rudd and Wisdom did not audit the data.

In addition, to the review for reasonableness performed by Rudd and Wisdom, HHSC employs the Institute for Child Health Policy (ICHP) as an EQRO. ICHP reviews the detail encounter data and provides certification of the data quality. Below is an excerpt from their data certification report:

*Based on an administrative review, the EQRO considers the required data elements for all MCO/(R)SA combinations in STAR+PLUS to be accurate and complete, meeting the following components of Texas Government Code § 533.0131 for data certification purposes:*

1. *The encounter data for the most recent measurement year are complete, accurate, and reliable.*
2. *No statistically significant variability in the encounter data is attributable to incompleteness, inaccuracy, or other deficiency as compared to equivalent data for similar populations and when evaluated against professionally accepted standards.*

## II. Overview of the Rate Setting Methodology

This report details the development of the medical and long term care components of the total premium rate. Information regarding the carve-in of prescription drugs into the STAR+PLUS program can be found in the report titled State of Texas Medicaid Managed Care Rate Setting Pharmacy Carve-in State Fiscal Year 2016.

The actuarial model used to derive the FY2016 STAR+PLUS premium rates relies primarily on health plan financial experience. The historical claims experience for each health plan (by area) was analyzed and estimates for the base period (FY2014) were developed. These estimates were then projected forward to FY2016 using assumed trend rates. Other plan expenditures such as capitated amounts, service coordination, reinsurance costs and administrative expenses were added to the claims component in order to project the total FY2016 cost under the health plan. These projected total cost rates were determined separately for each risk group for each health plan. The results of this analysis were then combined for all health plans in a service area in order to develop a set of community rates for each service area.

The managed care service areas used in the analysis were as follows:

- Bexar County Service Area (San Antonio)
- Dallas County Service Area (Dallas)
- El Paso County Service Area (El Paso)
- Harris County Service Area (Houston)
- Hidalgo County Service Area (Hidalgo)
- Jefferson County Service Area (Beaumont)
- Lubbock County Service Area (Lubbock)
- Nueces County Service Area (Corpus Christi)
- Tarrant County Service Area (Fort Worth)
- Travis County Service Area (Austin)
- Medicaid Rural Service Area - Central (MRSA Central)
- Medicaid Rural Service Area - Northeast (MRSA Northeast)
- Medicaid Rural Service Area - West (MRSA West)

The risk groups (or rating populations) used in the analysis are as follows:

- Medicaid Only – Other Community Care (OCC)
- Medicaid Only – Home and Community Based Services (HCBS)
- Dual Eligible - OCC
- Dual Eligible – HCBS
- Intellectual and Developmentally Disabled under age 21 (IDD <21)
- Intellectual and Developmentally Disabled over age 21 (IDD >21)

The services used in the analysis include the following:

### Acute Care Services

- Ambulance Services
- Audiology Services
- Behavioral Health Services

- Birthing Center Services
- Chiropractic Services
- Dialysis
- Durable Medical Equipment and Supplies
- Emergency Services
- Family Planning Services
- Home Health Services
- Hospital Services - outpatient
- Lab, X-ray and Radiology Services
- Medical Check-ups and CCP Services for children under age 21
- Optometry
- Podiatry
- Prenatal Care
- Primary Care Services
- Specialty Physician Services
- Therapies – physical, occupational and speech
- Transplantation of Organs and Tissues
- Vision
- Inpatient Facility Services
- Prescription Drugs

#### Long Term Care Services

- Adult Foster Care
- Adaptive Aids and Medical Equipment
- Assisted Living
- Emergency Response Services
- Home Delivered Meals
- Medical Supplies
- Minor Home Modifications
- Nursing Services (in home)
- Personal Attendant Services
- Therapies – physical, occupational and speech
- Transition Services

Services specifically excluded from the analysis include:

- Nursing Facilities
- Dental and Orthodontia Services

We projected the FY2016 cost for each individual health plan by estimating their base period (FY2014) average claims cost and then applying trend and other adjustment factors. These adjustment factors are described in Section III. We added capitation expenses for services capitated by the health plan (such as vision and behavioral health), service coordinator expenses for care coordination services, a reasonable provision for administrative expenses and a risk margin. Attachment 2 presents a description and an example of the experience analysis for a sample health plan. This type of analysis was conducted for each health plan.

The analysis of base period claims experience for each health plan attempted to identify and

adjust for any distortions in the data. Significant variations in experience, including the impact from unusually large individual claims, were investigated however no adjustments were deemed necessary.

HHSC utilizes a community rating methodology in setting the STAR+PLUS base premium rates. The base rates vary by service area and risk group but are the same for each health plan in a service area. The community rates are developed by a weighted average of the projected FY2016 cost for each health plan in the service area. The weights used in this formula are the projected FY2016 number of clients enrolled in each health plan by risk group. Attachment 3 presents the summary community rating exhibit for non-inpatient services for each service area along with a description of the analysis. Attachment 4 presents the summary community rating exhibit for inpatient services only for each service area along with a description of the analysis.

The acute care portion of the base community rate in each service area was adjusted to reflect the health status, or acuity, of the population enrolled in each health plan. The purpose of acuity risk adjustment is to recognize the anticipated cost differential between multiple health plans in a service area by analyzing the health status of their respective memberships. Additional information regarding risk adjustment is included in Section III below under Risk Adjustment and in Attachment 8. The final FY2016 premium rates were defined as the community rates with acuity risk adjustment for acute care services and community rates for long term care services. This is the same methodology that was used during the FY2015 STAR+PLUS rate development. At this time, no risk adjustment methodology is available for the long term care component of the total cost. HHSC, the EQRO and the participating STAR+PLUS health plans are currently in the process of developing a long term care risk adjustment model for future use.

### III. Adjustment Factors

This section contains a description of the adjustment factors used in the FY2016 STAR+PLUS rate setting process.

#### ***Trend Factors***

The rating methodology uses assumed trend factors to adjust the base period claims cost to the projection period. The cost trend factors used in this analysis are a combination of utilization and inflation components. Separate trend factors were developed by type of service – acute care and long term care services. The projected trend rate assumptions were developed by the actuary based on an analysis of recent experience under the various health plans. A single trend assumption applied to all service areas but varies by risk group, type of service and projection year (FY2015 and FY2016).

The trend analysis included a review of health plan claims experience data through February 28, 2015. Based on this information, estimates of monthly incurred claims were made through December 2014. The claims cost and trend experience was reviewed separately by service area, risk group and type of service. The service area trends were then combined into a statewide average using a weighted average formula with estimated incurred claims as the weights. All historical trends have been calculated as the average cost per member per month during a specified time period (monthly, quarterly or annually) compared to the same time period from the prior year. For example, the FY2014 trend has been calculated as the change in average cost per member per month during the period September 1, 2013 through August 31, 2014 (FY2014) compared to the average cost per member per month during the period September 1, 2012 through August 31, 2013 (FY2013). The experience trends for all time periods were adjusted to remove the impact of various provider reimbursement changes and other revisions that impacted the cost of the program.

The FY2015 non-inpatient acute care trend assumptions were developed from two components: (i) the actual estimated trend for the period September 2014 through December 2014 and (ii) the projected trend for the period January 2015 through August 2015. The trends for the final eight months of FY2015 were projected using experience data from FY2012 (3/10 weight), FY2013 (3/10 weight), FY2014 (3/10 weight) and the first four month of FY2015 (1/10 weight). The weighting of each time period was based on the number of months within each time period. All projected statewide trends were limited to no less than 0.0%

The FY2016 non-inpatient acute care trend assumptions were then developed from a simple average of the FY2012 trend, FY2013 trend, FY2014 trend and FY2015 trend.

The inpatient facility trend assumptions were developed from an analysis of inpatient claims previously paid on a fee-for-service basis for clients enrolled in the STAR+PLUS program as well as those clients who were previously enrolled in the Primary Care Case Management (PCCM) program outside of STAR+PLUS service areas. Based on this analysis, the FY2015 and FY2016 trend assumptions were developed as the average of the trends for the periods (FY2010, FY2011 and FY2012). Only claims incurred prior to the carve-in of inpatient services on March 1, 2012 were considered during the FY2012 time



period. Inpatient claims after March 1, 2012 were not considered in the trend analysis due to the significant programmatic changes that have impacted inpatient claims once carved into the STAR+PLUS program. Post March 1, 2012, the inpatient trends have experienced significant volatility due to policy, programmatic and reimbursement changes. These changes have been of such significance that the most recent trends have been deemed to have no credibility in projecting future inpatient trends.

The FY2015 and FY2016 long term care trend assumptions by risk group were developed according to the same methodology outlined above for the non-inpatient acute care trends.

Attachment 5 is a summary of the cost trend analysis. The chart below presents the assumed annual trend rates for FY2015 and FY2016.

	<u>FY2015</u>	<u>FY2016</u>
<u>Acute Care (non-inpatient)</u>		
Medicaid Only - OCC	0.0%	0.0%
Medicaid Only - HCBS	0.6%	0.0%
<u>Acute Care (inpatient)</u>		
Medicaid Only - OCC	2.9%	2.9%
Medicaid Only - HCBS	2.9%	2.9%
<u>Long Term Care</u>		
Medicaid Only - OCC	8.2%	9.2%
Medicaid Only - HCBS	0.0 %	0.7%
Dual Eligible - OCC	4.5 %	5.5 %
Dual Eligible - HCBS	0.9 %	0.6 %

#### ***Provider Reimbursement Adjustments – Acute Care***

Medicaid provider reimbursement changes were recognized for the following acute care services: hospital inpatient reimbursement revisions, potentially preventable readmission reimbursement reductions, potentially preventable complications reimbursement reductions, rural hospital outpatient reimbursement revisions, and therapy reimbursement reductions.

The rating adjustments for these provider reimbursement changes were calculated by applying actual health plan encounter data to the old and new reimbursement basis and the resulting impact determined. Attachment 6 presents a summary of the derivation of these adjustment factors.

#### ***Impact of Newly Capitated Services***

Effective September 1, 2014, mental health rehabilitation and targeted case management services became capitated services under the STAR+PLUS Program. Previously these services were carved out of STAR+PLUS and paid on a fee-for-service basis. Exhibit A of Attachment 6 presents a summary of the derivation of this adjustment factor.

### ***Spell of Illness Provisions***

Effective September 1, 2015 STAR+PLUS health plans will no longer be permitted to include the spell of illness policy provisions in their inpatient reimbursement contracts for members who have diagnoses related to severe and persistent mental illness. Due to this policy, provider reimbursement for adults in the STAR+PLUS program who are being treated for these diagnoses will no longer be limited to the first 30 days of inpatient care for a spell of illness. Exhibit F of Attachment 6 presents a summary of the policy change and the resulting adjustment factors.

### ***Electronic Visit Verification (EVV)***

Prior to September 1, 2015 HHSC has required all health plans to incorporate EVV into their management duties for Personal Assistance Services (PAS), Personal Care Services (PCS) and Private Duty Nursing (PDN). Based on an analysis of the impact of EVV on these services in the fee-for-service program the following savings assumptions have been developed:

- PAS: 4.0%
- PCS: 4.0%
- PDN: 3.5%

The impact of additional administrative expenses from the implementation of EVV has been considered and it has been determined that the administrative allowance included in the rates should be increased by \$1.75 per member per month to account for the increased cost associated with implementation of this EVV requirement. Exhibit A of Attachment 7 presents a summary of these adjustment factors.

### ***Attendant Care Rate Changes***

Effective September 1, 2014 and again on September 1, 2015, the minimum wage paid to attendant care providers will be increasing for various Personal Assistance Services (PAS) and Day Activity Health Services (DAHS). In addition, effective September 1, 2015 attendant care enhanced payments will be increased to allow attendant care providers to qualify for increased enhanced payment levels. Exhibits B, C and D of Attachment 7 present a summary of these adjustment factors.

### ***Community First Choice Initiative (CFC)***

Effective June 1, 2015, Texas has implemented a CFC initiative within the STAR+PLUS program that expands access to certain habilitation and attendant care services. As a result of CFC, Texas will receive an enhanced federal match on CFC eligible clients and services. Exhibit E of Attachment 7 along with Attachment 11 detail the development of (1) the CFC adjustment factors and (2) the CFC eligible enhanced match.

### ***Risk Adjustment***

Several risk adjustment techniques are employed in the rate setting methodology. Premium rates are established separately by area of the state and risk group in order to recognize the inherent geographical and demographical variation in the cost of delivering care. In addition, the rating methodology includes a health status adjustment.

The acute care portion of the base community rate in each service area was adjusted to reflect the health status, or acuity, of the population enrolled in each health plan. The purpose of acuity risk adjustment is to recognize the anticipated cost differential between multiple health plans in a service area by analyzing the health status of their respective memberships. The risk analysis was performed by the University of Florida's Institute for Child Health Policy (ICHP). The methodology used to incorporate the acuity risk adjustment is the Chronic Illness and Disability Payment System (CDPS). Additional information regarding acuity risk adjustment is included in Attachment 8.

Although the results of the risk adjustment analysis were reviewed for reasonableness, Rudd and Wisdom did not audit the risk adjustment data or the results of ICHP's analysis.

### ***Network Access Improvement Program (NAIP)***

Effective March 1, 2015, several health plans implemented programs aimed at improving network access for Medicaid members. The NAIP is designed to further the state's goal of increasing the availability and effectiveness of primary care for Medicaid beneficiaries by incentivizing various institutions to provide quality, well-coordinated, and continuous care.

Attachment 12 presents the development of the NAIP add-on amounts to be included in the capitation rates effective September 1, 2015 along with further information concerning the NAIP program.

### ***Pay-for-Quality Program (P4Q)***

The STAR+PLUS Program includes the Quality Challenge Program. It creates incentives and penalties for all health plans based on their performance on certain quality measures. Health plans that excel in meeting the measures are eligible for a bonus of up to 4 percent of their capitation rate; health plans that don't meet their measures can lose up to 4 percent of their capitation rate. In aggregate, all premium dollars recouped through penalties are dispersed back to the health plans eligible for the quality bonus. In sum, this program is budget neutral and does not result in an overall net gain or a net loss from the aggregate premium rates certified in this report. We have reviewed the various measures and have concluded that it is reasonable to expect the health plans to achieve the targeted quality measures and no further adjustment to the premium rates is necessary. Attachment 13 presents further information regarding the P4Q Program and its measures.

#### IV. Administrative Fees, Taxes and Risk Margin

The rating methodology includes an explicit provision for administrative services. The amount allocated for administrative expenses is \$14.25 pmpm plus 5.75% of gross premium. This amount is intended to provide for all administrative-related services performed by the health plan.

The administrative fee amounts were determined based on a review of (i) the administrative fee provision included in Medicaid premium rates in other states, (ii) the reported administrative expenses of the STAR+PLUS health plans and (iii) the fees paid for similar services for other large Texas health plans.

The premium rates also include an amount for premium tax (1.75% of premium), maintenance tax (\$0.07 pmpm) and a risk margin (2.0% of premium).

The capitation rates included in this document do not include provision for the Affordable Care Act (ACA) Health Insurance Providers Fee. HHSC will develop and implement a procedure for reimbursing the health plans for (i) the ACA Health Insurance Providers Fee, (ii) any applicable federal income tax impact resulting from payment of the ACA Health Insurance Providers Fee and (iii) any applicable state premium tax impact resulting from payment of the ACA Health Insurance Providers Fee. Such reimbursement will be provided separately based on a CMS-approved methodology.

## V. Summary

The chart below presents the results of the FY2016 STAR+PLUS rating analysis and includes all components of the premium – acute care non-inpatient, acute care inpatient, long term care, prescription drugs and NAIP. This report details the development of the acute care (non-inpatient and inpatient), long term care and NAIP components of the premium. Further information regarding the prescription drug component of the premium rate can be found in the report titled State of Texas Medicaid Managed Care Rate Setting Pharmacy Carve-in State Fiscal Year 2016. In addition, information regarding the carve-in of nursing facility members into the STAR+PLUS program can be found in the report titled State of Texas Medicaid Managed Care STAR+PLUS Rating Setting Nursing Facility Carve-In State Fiscal Year 2016.

Health Plan	Medicaid Only OCC	Medicaid Only HCBS	Dual Eligible OCC	Dual Eligible HCBS
Monthly Premium Rates				
Amerigroup - Bexar	\$1,273.32	\$3,947.52	\$370.55	\$1,804.11
Molina - Bexar	1,147.88	3,793.93	370.55	1,804.11
Superior - Bexar	1,308.55	3,997.65	370.55	1,804.11
Molina - Dallas	1,225.21	4,174.06	315.05	1,632.93
Superior - Dallas	1,213.91	4,199.81	315.05	1,632.93
Amerigroup - El Paso	1,439.52	3,946.69	448.02	1,921.98
Molina - El Paso	1,421.88	3,911.65	448.02	1,921.98
Amerigroup - Harris	1,368.40	4,932.91	318.49	1,779.50
Molina - Harris	1,293.04	4,789.69	318.49	1,779.50
United - Harris	1,547.79	4,693.93	318.49	1,779.50
Health Spring - Hidalgo	1,548.66	4,131.32	960.11	2,057.96
Molina - Hidalgo	1,517.55	4,228.34	960.11	2,057.96
Superior - Hidalgo	1,562.52	4,204.99	960.11	2,057.96
Amerigroup - Jefferson	1,185.24	4,194.71	235.61	1,525.30
Molina - Jefferson	1,195.36	4,195.51	235.61	1,525.30
United - Jefferson	1,405.77	4,166.90	235.61	1,525.30
Amerigroup - Lubbock	1,316.19	3,150.30	169.67	1,271.21
Superior - Lubbock	1,181.05	3,395.46	169.67	1,271.21
Superior - Nueces	1,328.90	3,863.04	443.85	1,671.77
United - Nueces	1,346.43	3,572.75	443.85	1,671.77
Amerigroup - Tarrant	1,384.11	4,044.40	235.51	1,552.46
Health Spring - Tarrant	1,184.59	3,791.50	235.51	1,552.46
Amerigroup - Travis	1,276.50	4,960.48	256.27	1,672.61
United - Travis	1,295.52	4,822.18	256.27	1,672.61
Superior - MRSA Central	1,062.90	4,323.00	184.37	1,608.21
United - MRSA Central	1,046.15	4,294.24	184.37	1,608.21
Health Spring - MRSA Northeast	1,050.04	3,894.65	162.16	1,300.87
United - MRSA Northeast	1,050.04	3,894.65	162.16	1,300.87
Amerigroup - MRSA West	1,139.58	3,744.61	236.58	1,429.34
Superior - MRSA West	1,139.03	3,806.94	236.58	1,429.34

Health Plan	IDD	IDD
	Under 21	Over 21
Monthly Premium Rates		
Amerigroup - Bexar	\$2,098.37	\$836.76
Molina - Bexar	2,096.56	834.95
Superior - Bexar	2,119.34	857.73
Molina - Dallas	2,256.55	659.09
Superior - Dallas	2,256.55	659.09
Amerigroup - El Paso	2,540.21	1,215.48
Molina - El Paso	2,532.54	1,207.81
Amerigroup - Harris	2,368.70	916.59
Molina - Harris	2,336.01	883.90
United - Harris	2,353.05	900.94
Health Spring - Hidalgo	3,161.14	884.85
Molina - Hidalgo	3,161.14	884.85
Superior - Hidalgo	3,166.07	889.78
Amerigroup - Jefferson	2,115.69	772.67
Molina - Jefferson	2,073.57	730.55
United - Jefferson	2,096.82	753.80
Amerigroup - Lubbock	2,302.84	842.87
Superior - Lubbock	2,276.14	816.17
Superior - Nueces	1,705.32	1,015.27
United - Nueces	1,702.39	1,012.34
Amerigroup - Tarrant	1,552.44	764.06
Health Spring - Tarrant	1,541.89	753.51
Amerigroup - Travis	2,297.73	847.42
United - Travis	2,295.92	845.61
Superior - MRSA Central	877.35	911.38
United - MRSA Central	871.81	905.84
Health Spring - MRSA Northeast	730.62	813.24
United - MRSA Northeast	730.62	813.24
Amerigroup - MRSA West	1,057.44	1,025.30
Superior - MRSA West	1,016.33	984.19

Attachment 1 presents additional information regarding the FY2016 rates including a comparison to current (FY2015) rates.

## VI. Actuarial Certification of FY2016 STAR+PLUS Health Plan Premium Rates

I, Evan L. Dial, am a principal with the firm of Rudd and Wisdom, Inc., Consulting Actuaries (Rudd and Wisdom). I am a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries. I meet the Academy's qualification standards for rendering this opinion.

Rudd and Wisdom has been retained by the Texas Health and Human Services Commission (HHSC) to assist in the development of their state fiscal year 2016 (FY2016) managed care rate-setting methodology, assumptions and resulting premium rates and to provide the actuarial certification required under Centers for Medicare and Medicaid Services (CMS) requirements 42 CFR 438.6(c).

I certify that the FY2016 premium rates developed by HHSC and Rudd and Wisdom satisfy the following:

- (a) The premium rates have been developed in accordance with generally accepted actuarial principals and practices;
- (b) The premium rates are appropriate for the populations and services covered under the managed care contract; and
- (c) The premium rates are actuarially sound as defined in the regulations.

We have relied on historical experience data and program information provided to us by HHSC. We have reviewed the data for reasonableness but have not audited the data.

Please note that actual health plan contractor experience will differ from these projections. Rudd and Wisdom has developed these rates on behalf of the State to demonstrate compliance with the CMS requirements under 42 CFR 438.6(c). Any health plan contracting with the State should analyze its own projected premium needs before deciding whether to contract with the State.



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## VII. Attachments



## ***Attachment 1***

### Summary of FY2016 STAR+PLUS Rating Analysis

The attached exhibit presents summary information regarding the FY2016. Included on the exhibit are current premium rates by component, FY2016 premium rates by component and the percentage rate change by component. All premiums are split into the following components: acute care non-inpatient, acute care inpatient, long term care, prescription drugs and NAIP.

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
Current (6/1/15-8/31/15) Acute Care (Non-Inpatient) Premium Rates pmpm						
Amerigroup - Bexar	390.29	1,020.93	0.00	0.00	1,449.04	257.28
Molina - Bexar	350.21	907.43	0.00	0.00	1,449.04	257.28
Superior - Bexar	412.67	1,048.87	0.00	0.00	1,449.04	257.28
Molina - Dallas	331.38	1,059.55	0.00	0.00	1,341.19	200.77
Superior - Dallas	332.03	1,057.08	0.00	0.00	1,341.19	200.77
Amerigroup - El Paso	403.40	1,320.70	0.00	0.00	1,455.75	350.75
Molina - El Paso	406.07	1,185.40	0.00	0.00	1,455.75	350.75
Amerigroup - Harris	416.62	1,334.29	0.00	0.00	1,494.78	275.31
Molina - Harris	393.99	1,241.37	0.00	0.00	1,494.78	275.31
United - Harris	487.96	1,162.14	0.00	0.00	1,494.78	275.31
Health Spring - Hidalgo	396.90	797.20	0.00	0.00	2,358.07	352.24
Molina - Hidalgo	371.60	1,023.39	0.00	0.00	2,358.07	352.24
Superior - Hidalgo	385.12	831.80	0.00	0.00	2,358.07	352.24
Amerigroup - Jefferson	363.41	1,126.04	0.00	0.00	1,288.06	211.85
Molina - Jefferson	392.76	960.74	0.00	0.00	1,288.06	211.85
United - Jefferson	459.76	1,162.24	0.00	0.00	1,288.06	211.85
Amerigroup - Lubbock	414.66	768.00	0.00	0.00	1,449.28	245.85
Superior - Lubbock	386.92	817.88	0.00	0.00	1,449.28	245.85
Superior - Nueces	407.81	953.88	0.00	0.00	813.93	337.04
United - Nueces	379.40	855.89	0.00	0.00	813.93	337.04
Amerigroup - Tarrant	438.55	970.39	0.00	0.00	832.34	238.71
Health Spring - Tarrant	374.46	764.96	0.00	0.00	832.34	238.71
Amerigroup - Travis	448.10	1,219.80	0.00	0.00	1,280.25	254.41
United - Travis	432.19	1,117.55	0.00	0.00	1,280.25	254.41
Superior - MRSA Central	344.57	1,054.31	0.00	0.00	436.32	320.18
United - MRSA Central	317.25	970.81	0.00	0.00	436.32	320.18
Health Spring - MRSA Northeast	337.94	1,034.10	0.00	0.00	362.36	275.42
United - MRSA Northeast	337.94	1,034.10	0.00	0.00	362.36	275.42
Amerigroup - MRSA West	334.39	1,023.11	0.00	0.00	401.80	280.78
Superior - MRSA West	351.56	1,075.79	0.00	0.00	401.80	280.78

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
Current (6/1/15-8/31/15) Acute Care (Inpatient) Premium Rates pmpm						
Amerigroup - Bexar	176.24	573.61	0.00	0.00	202.72	65.93
Molina - Bexar	158.15	509.84	0.00	0.00	202.72	65.93
Superior - Bexar	186.35	589.31	0.00	0.00	202.72	65.93
Molina - Dallas	221.47	756.44	0.00	0.00	247.83	73.92
Superior - Dallas	221.90	754.66	0.00	0.00	247.83	73.92
Amerigroup - El Paso	213.28	871.61	0.00	0.00	118.19	89.92
Molina - El Paso	214.67	782.32	0.00	0.00	118.19	89.92
Amerigroup - Harris	246.58	931.46	0.00	0.00	247.45	82.87
Molina - Harris	233.18	866.60	0.00	0.00	247.45	82.87
United - Harris	288.80	811.31	0.00	0.00	247.45	82.87
Health Spring - Hidalgo	147.76	388.48	0.00	0.00	311.39	105.41
Molina - Hidalgo	138.34	498.70	0.00	0.00	311.39	105.41
Superior - Hidalgo	143.37	405.33	0.00	0.00	311.39	105.41
Amerigroup - Jefferson	231.27	613.79	0.00	0.00	156.78	73.36
Molina - Jefferson	249.96	523.69	0.00	0.00	156.78	73.36
United - Jefferson	292.60	633.54	0.00	0.00	156.78	73.36
Amerigroup - Lubbock	243.86	421.82	0.00	0.00	159.89	103.89
Superior - Lubbock	227.56	449.23	0.00	0.00	159.89	103.89
Superior - Nueces	194.92	658.89	0.00	0.00	156.67	92.15
United - Nueces	181.34	591.21	0.00	0.00	156.67	92.15
Amerigroup - Tarrant	248.20	499.62	0.00	0.00	188.09	78.52
Health Spring - Tarrant	211.92	393.87	0.00	0.00	188.09	78.52
Amerigroup - Travis	229.47	698.27	0.00	0.00	222.42	79.41
United - Travis	221.32	639.74	0.00	0.00	222.42	79.41
Superior - MRSA Central	230.11	694.92	0.00	0.00	160.92	118.09
United - MRSA Central	211.88	639.89	0.00	0.00	160.92	118.09
Health Spring - MRSA Northeast	225.70	681.62	0.00	0.00	142.30	108.15
United - MRSA Northeast	225.70	681.62	0.00	0.00	142.30	108.15
Amerigroup - MRSA West	223.30	674.39	0.00	0.00	181.32	126.71
Superior - MRSA West	234.81	709.11	0.00	0.00	181.32	126.71

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
Current (6/1/15-8/31/15) Long Term Care Premium Rates pmpm						
Amerigroup - Bexar	282.93	1,848.24	359.90	1,812.36	0.00	0.00
Molina - Bexar	282.93	1,848.24	359.90	1,812.36	0.00	0.00
Superior - Bexar	282.93	1,848.24	359.90	1,812.36	0.00	0.00
Molina - Dallas	236.04	1,699.20	299.28	1,547.89	0.00	0.00
Superior - Dallas	236.04	1,699.20	299.28	1,547.89	0.00	0.00
Amerigroup - El Paso	308.06	2,044.99	424.98	1,997.81	0.00	0.00
Molina - El Paso	308.06	2,044.99	424.98	1,997.81	0.00	0.00
Amerigroup - Harris	310.45	1,899.65	330.28	1,719.49	0.00	0.00
Molina - Harris	310.45	1,899.65	330.28	1,719.49	0.00	0.00
United - Harris	310.45	1,899.65	330.28	1,719.49	0.00	0.00
Health Spring - Hidalgo	624.63	2,195.87	952.11	2,053.69	0.00	0.00
Molina - Hidalgo	624.63	2,195.87	952.11	2,053.69	0.00	0.00
Superior - Hidalgo	624.63	2,195.87	952.11	2,053.69	0.00	0.00
Amerigroup - Jefferson	159.08	1,665.52	241.85	1,478.80	0.00	0.00
Molina - Jefferson	159.08	1,665.52	241.85	1,478.80	0.00	0.00
United - Jefferson	159.08	1,665.52	241.85	1,478.80	0.00	0.00
Amerigroup - Lubbock	175.12	1,591.01	175.94	1,315.79	0.00	0.00
Superior - Lubbock	175.12	1,591.01	175.94	1,315.79	0.00	0.00
Superior - Nueces	338.78	1,773.60	444.28	1,684.41	0.00	0.00
United - Nueces	338.78	1,773.60	444.28	1,684.41	0.00	0.00
Amerigroup - Tarrant	235.22	1,860.42	235.34	1,575.47	0.00	0.00
Health Spring - Tarrant	235.22	1,860.42	235.34	1,575.47	0.00	0.00
Amerigroup - Travis	230.49	2,052.02	246.30	1,701.91	0.00	0.00
United - Travis	230.49	2,052.02	246.30	1,701.91	0.00	0.00
Superior - MRSA Central	91.19	892.02	200.42	1,220.61	0.00	0.00
United - MRSA Central	91.19	892.02	200.42	1,220.61	0.00	0.00
Health Spring - MRSA Northeast	126.35	1,235.65	272.21	1,657.78	0.00	0.00
United - MRSA Northeast	126.35	1,235.65	272.21	1,657.78	0.00	0.00
Amerigroup - MRSA West	110.69	1,082.61	244.09	1,486.49	0.00	0.00
Superior - MRSA West	110.69	1,082.61	244.09	1,486.49	0.00	0.00

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
Current (6/1/15-8/31/15) Prescription Drug Premium Rates pmpm						
Amerigroup - Bexar	385.45	707.45	0.00	0.00	412.60	546.66
Molina - Bexar	345.89	628.80	0.00	0.00	412.60	546.66
Superior - Bexar	407.56	726.81	0.00	0.00	412.60	546.66
Molina - Dallas	345.72	727.37	0.00	0.00	388.81	434.61
Superior - Dallas	346.38	725.66	0.00	0.00	388.81	434.61
Amerigroup - El Paso	445.82	849.64	0.00	0.00	246.08	562.30
Molina - El Paso	448.72	762.60	0.00	0.00	246.08	562.30
Amerigroup - Harris	380.16	900.12	0.00	0.00	440.74	554.64
Molina - Harris	359.51	837.44	0.00	0.00	440.74	554.64
United - Harris	445.26	784.01	0.00	0.00	440.74	554.64
Health Spring - Hidalgo	374.76	658.48	0.00	0.00	497.57	506.99
Molina - Hidalgo	350.89	845.30	0.00	0.00	497.57	506.99
Superior - Hidalgo	363.62	687.05	0.00	0.00	497.57	506.99
Amerigroup - Jefferson	365.12	880.85	0.00	0.00	443.59	417.16
Molina - Jefferson	394.63	751.54	0.00	0.00	443.59	417.16
United - Jefferson	461.94	909.19	0.00	0.00	443.59	417.16
Amerigroup - Lubbock	401.57	601.45	0.00	0.00	502.82	485.09
Superior - Lubbock	374.72	640.53	0.00	0.00	502.82	485.09
Superior - Nueces	404.36	758.96	0.00	0.00	402.16	612.88
United - Nueces	376.18	680.99	0.00	0.00	402.16	612.88
Amerigroup - Tarrant	430.97	885.26	0.00	0.00	375.29	471.59
Health Spring - Tarrant	367.97	697.89	0.00	0.00	375.29	471.59
Amerigroup - Travis	429.01	1,085.33	0.00	0.00	410.68	560.42
United - Travis	413.77	994.35	0.00	0.00	410.68	560.42
Superior - MRSA Central	322.09	644.18	0.00	0.00	663.48	407.82
United - MRSA Central	296.58	593.16	0.00	0.00	663.48	407.82
Health Spring - MRSA Northeast	351.96	703.91	0.00	0.00	527.96	441.44
United - MRSA Northeast	351.96	703.91	0.00	0.00	527.96	441.44
Amerigroup - MRSA West	334.36	668.73	0.00	0.00	509.42	458.26
Superior - MRSA West	351.58	703.16	0.00	0.00	509.42	458.26

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
Current (6/1/15-8/31/15) NAIP pmpm						
Amerigroup - Bexar	1.78	1.78	0.00	0.00	1.78	1.78
Molina - Bexar	0.00	0.00	0.00	0.00	0.00	0.00
Superior - Bexar	5.74	5.74	0.00	0.00	5.74	5.74
Molina - Dallas	0.00	0.00	0.00	0.00	0.00	0.00
Superior - Dallas	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - El Paso	1.78	1.78	0.00	0.00	1.78	1.78
Molina - El Paso	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Harris	30.56	30.56	0.00	0.00	30.56	30.56
Molina - Harris	0.00	0.00	0.00	0.00	0.00	0.00
United - Harris	0.00	0.00	0.00	0.00	0.00	0.00
Health Spring - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00
Molina - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00
Superior - Hidalgo	1.59	1.59	0.00	0.00	1.59	1.59
Amerigroup - Jefferson	1.78	1.78	0.00	0.00	1.78	1.78
Molina - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00
United - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Lubbock	11.40	11.40	0.00	0.00	11.40	11.40
Superior - Lubbock	6.21	6.21	0.00	0.00	6.21	6.21
Superior - Nueces	0.00	0.00	0.00	0.00	0.00	0.00
United - Nueces	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Tarrant	6.62	6.62	0.00	0.00	6.62	6.62
Health Spring - Tarrant	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Travis	1.78	1.78	0.00	0.00	1.78	1.78
United - Travis	0.00	0.00	0.00	0.00	0.00	0.00
Superior - MRSA Central	2.21	2.21	0.00	0.00	2.21	2.21
United - MRSA Central	0.00	0.00	0.00	0.00	0.00	0.00
Health Spring - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00
United - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - MRSA West	16.24	16.24	0.00	0.00	16.24	16.24
Superior - MRSA West	0.00	0.00	0.00	0.00	0.00	0.00

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
Current (6/1/15-8/31/15) Total Premium Rates pmpm						
Amerigroup - Bexar	1,236.69	4,152.01	359.90	1,812.36	2,066.14	871.65
Molina - Bexar	1,137.18	3,894.31	359.90	1,812.36	2,064.36	869.87
Superior - Bexar	1,295.25	4,218.97	359.90	1,812.36	2,070.10	875.61
Molina - Dallas	1,134.61	4,242.56	299.28	1,547.89	1,977.83	709.30
Superior - Dallas	1,136.35	4,236.60	299.28	1,547.89	1,977.83	709.30
Amerigroup - El Paso	1,372.34	5,088.72	424.98	1,997.81	1,821.80	1,004.75
Molina - El Paso	1,377.52	4,775.31	424.98	1,997.81	1,820.02	1,002.97
Amerigroup - Harris	1,384.37	5,096.08	330.28	1,719.49	2,213.53	943.38
Molina - Harris	1,297.13	4,845.06	330.28	1,719.49	2,182.97	912.82
United - Harris	1,532.47	4,657.11	330.28	1,719.49	2,182.97	912.82
Health Spring - Hidalgo	1,544.05	4,040.03	952.11	2,053.69	3,167.03	964.64
Molina - Hidalgo	1,485.46	4,563.26	952.11	2,053.69	3,167.03	964.64
Superior - Hidalgo	1,518.33	4,121.64	952.11	2,053.69	3,168.62	966.23
Amerigroup - Jefferson	1,120.66	4,287.98	241.85	1,478.80	1,890.21	704.15
Molina - Jefferson	1,196.43	3,901.49	241.85	1,478.80	1,888.43	702.37
United - Jefferson	1,373.38	4,370.49	241.85	1,478.80	1,888.43	702.37
Amerigroup - Lubbock	1,246.61	3,393.68	175.94	1,315.79	2,123.39	846.23
Superior - Lubbock	1,170.53	3,504.86	175.94	1,315.79	2,118.20	841.04
Superior - Nueces	1,345.87	4,145.33	444.28	1,684.41	1,372.76	1,042.07
United - Nueces	1,275.70	3,901.69	444.28	1,684.41	1,372.76	1,042.07
Amerigroup - Tarrant	1,359.56	4,222.31	235.34	1,575.47	1,402.34	795.44
Health Spring - Tarrant	1,189.57	3,717.14	235.34	1,575.47	1,395.72	788.82
Amerigroup - Travis	1,338.85	5,057.20	246.30	1,701.91	1,915.13	896.02
United - Travis	1,297.77	4,803.66	246.30	1,701.91	1,913.35	894.24
Superior - MRSA Central	990.17	3,287.64	200.42	1,220.61	1,262.93	848.30
United - MRSA Central	916.90	3,095.88	200.42	1,220.61	1,260.72	846.09
Health Spring - MRSA Northeast	1,041.95	3,655.28	272.21	1,657.78	1,032.62	825.01
United - MRSA Northeast	1,041.95	3,655.28	272.21	1,657.78	1,032.62	825.01
Amerigroup - MRSA West	1,018.98	3,465.08	244.09	1,486.49	1,108.78	881.99
Superior - MRSA West	1,048.64	3,570.67	244.09	1,486.49	1,092.54	865.75

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Acute Care (Non-Inpatient) Premium Rates pmpm (Community Rates with Risk Adjustment)						
Amerigroup - Bexar	380.58	910.84	0.00	0.00	1,472.47	252.34
Molina - Bexar	332.48	845.60	0.00	0.00	1,472.47	252.34
Superior - Bexar	386.13	923.37	0.00	0.00	1,472.47	252.34
Molina - Dallas	357.11	1,046.05	0.00	0.00	1,530.11	209.92
Superior - Dallas	352.95	1,056.92	0.00	0.00	1,530.11	209.92
Amerigroup - El Paso	389.39	947.27	0.00	0.00	1,692.34	369.04
Molina - El Paso	385.87	936.44	0.00	0.00	1,692.34	369.04
Amerigroup - Harris	348.22	1,203.16	0.00	0.00	1,576.23	272.76
Molina - Harris	333.77	1,159.47	0.00	0.00	1,576.23	272.76
United - Harris	414.26	1,114.88	0.00	0.00	1,576.23	272.76
Health Spring - Hidalgo	346.00	851.27	0.00	0.00	2,496.71	331.00
Molina - Hidalgo	333.90	892.43	0.00	0.00	2,496.71	331.00
Superior - Hidalgo	349.47	880.43	0.00	0.00	2,496.71	331.00
Amerigroup - Jefferson	341.76	1,054.68	0.00	0.00	1,502.11	236.93
Molina - Jefferson	360.21	1,072.18	0.00	0.00	1,502.11	236.93
United - Jefferson	426.31	1,051.03	0.00	0.00	1,502.11	236.93
Amerigroup - Lubbock	398.80	822.40	0.00	0.00	1,689.19	268.20
Superior - Lubbock	358.72	935.94	0.00	0.00	1,689.19	268.20
Superior - Nueces	344.13	901.44	0.00	0.00	822.56	313.37
United - Nueces	351.27	783.77	0.00	0.00	822.56	313.37
Amerigroup - Tarrant	413.71	992.10	0.00	0.00	934.92	237.33
Health Spring - Tarrant	344.27	898.28	0.00	0.00	934.92	237.33
Amerigroup - Travis	384.82	1,124.16	0.00	0.00	1,323.82	247.86
United - Travis	392.67	1,072.94	0.00	0.00	1,323.82	247.86
Superior - MRSA Central	347.11	783.96	0.00	0.00	381.59	309.72
United - MRSA Central	342.95	775.07	0.00	0.00	381.59	309.72
Health Spring - MRSA Northeast	345.43	780.68	0.00	0.00	273.49	265.35
United - MRSA Northeast	345.43	780.68	0.00	0.00	273.49	265.35
Amerigroup - MRSA West	346.18	777.94	0.00	0.00	360.69	294.95
Superior - MRSA West	360.96	816.87	0.00	0.00	360.69	294.95



## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Acute Care (Inpatient) Premium Rates pmpm (Community Rates with Risk Adjustment)						
Amerigroup - Bexar	196.68	510.94	0.00	0.00	120.33	78.85
Molina - Bexar	171.82	474.35	0.00	0.00	120.33	78.85
Superior - Bexar	199.55	517.97	0.00	0.00	120.33	78.85
Molina - Dallas	253.31	761.36	0.00	0.00	356.65	79.38
Superior - Dallas	250.36	769.28	0.00	0.00	356.65	79.38
Amerigroup - El Paso	255.79	610.20	0.00	0.00	101.71	100.28
Molina - El Paso	253.48	603.23	0.00	0.00	101.71	100.28
Amerigroup - Harris	295.40	972.05	0.00	0.00	249.80	101.16
Molina - Harris	283.14	936.75	0.00	0.00	249.80	101.16
United - Harris	351.42	900.73	0.00	0.00	249.80	101.16
Health Spring - Hidalgo	156.01	387.84	0.00	0.00	204.49	93.91
Molina - Hidalgo	150.56	406.59	0.00	0.00	204.49	93.91
Superior - Hidalgo	157.58	401.13	0.00	0.00	204.49	93.91
Amerigroup - Jefferson	246.16	775.32	0.00	0.00	172.28	94.44
Molina - Jefferson	259.45	788.19	0.00	0.00	172.28	94.44
United - Jefferson	307.06	772.64	0.00	0.00	172.28	94.44
Amerigroup - Lubbock	257.57	443.02	0.00	0.00	136.46	97.48
Superior - Lubbock	231.69	504.18	0.00	0.00	136.46	97.48
Superior - Nueces	241.95	524.22	0.00	0.00	309.98	129.12
United - Nueces	246.97	455.79	0.00	0.00	309.98	129.12
Amerigroup - Tarrant	279.78	628.24	0.00	0.00	163.71	72.92
Health Spring - Tarrant	232.81	568.83	0.00	0.00	163.71	72.92
Amerigroup - Travis	222.45	705.40	0.00	0.00	448.06	73.71
United - Travis	226.99	673.26	0.00	0.00	448.06	73.71
Superior - MRSA Central	231.41	522.64	0.00	0.00	40.14	146.04
United - MRSA Central	228.64	516.72	0.00	0.00	40.14	146.04
Health Spring - MRSA Northeast	230.29	520.45	0.00	0.00	22.32	113.08
United - MRSA Northeast	230.29	520.45	0.00	0.00	22.32	113.08
Amerigroup - MRSA West	230.79	518.63	0.00	0.00	133.75	167.35
Superior - MRSA West	240.64	544.58	0.00	0.00	133.75	167.35

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Long Term Care Premium Rates pmpm (Community Rates)						
Amerigroup - Bexar	293.33	1,826.53	370.55	1,804.11	0.00	0.00
Molina - Bexar	293.33	1,826.53	370.55	1,804.11	0.00	0.00
Superior - Bexar	293.33	1,826.53	370.55	1,804.11	0.00	0.00
Molina - Dallas	254.89	1,696.66	315.05	1,632.93	0.00	0.00
Superior - Dallas	254.89	1,696.66	315.05	1,632.93	0.00	0.00
Amerigroup - El Paso	328.67	1,543.69	448.02	1,921.98	0.00	0.00
Molina - El Paso	328.67	1,543.69	448.02	1,921.98	0.00	0.00
Amerigroup - Harris	307.29	1,856.51	318.49	1,779.50	0.00	0.00
Molina - Harris	307.29	1,856.51	318.49	1,779.50	0.00	0.00
United - Harris	307.29	1,856.51	318.49	1,779.50	0.00	0.00
Health Spring - Hidalgo	658.67	2,124.80	960.11	2,057.96	0.00	0.00
Molina - Hidalgo	658.67	2,124.80	960.11	2,057.96	0.00	0.00
Superior - Hidalgo	658.67	2,124.80	960.11	2,057.96	0.00	0.00
Amerigroup - Jefferson	175.45	1,566.61	235.61	1,525.30	0.00	0.00
Molina - Jefferson	175.45	1,566.61	235.61	1,525.30	0.00	0.00
United - Jefferson	175.45	1,566.61	235.61	1,525.30	0.00	0.00
Amerigroup - Lubbock	183.50	1,127.50	169.67	1,271.21	0.00	0.00
Superior - Lubbock	183.50	1,127.50	169.67	1,271.21	0.00	0.00
Superior - Nueces	340.14	1,658.65	443.85	1,671.77	0.00	0.00
United - Nueces	340.14	1,658.65	443.85	1,671.77	0.00	0.00
Amerigroup - Tarrant	247.84	1,471.08	235.51	1,552.46	0.00	0.00
Health Spring - Tarrant	247.84	1,471.08	235.51	1,552.46	0.00	0.00
Amerigroup - Travis	253.61	1,962.84	256.27	1,672.61	0.00	0.00
United - Travis	253.61	1,962.84	256.27	1,672.61	0.00	0.00
Superior - MRSA Central	120.82	2,269.04	184.37	1,608.21	0.00	0.00
United - MRSA Central	120.82	2,269.04	184.37	1,608.21	0.00	0.00
Health Spring - MRSA Northeast	120.28	1,693.19	162.16	1,300.87	0.00	0.00
United - MRSA Northeast	120.28	1,693.19	162.16	1,300.87	0.00	0.00
Amerigroup - MRSA West	127.71	1,615.65	236.58	1,429.34	0.00	0.00
Superior - MRSA West	127.71	1,615.65	236.58	1,429.34	0.00	0.00

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Prescription Drug Premium Rates pmpm (Community Rates with Risk Adjustment)						
Amerigroup - Bexar	400.92	697.40	0.00	0.00	503.76	503.76
Molina - Bexar	350.25	647.45	0.00	0.00	503.76	503.76
Superior - Bexar	406.76	707.00	0.00	0.00	503.76	503.76
Molina - Dallas	359.90	669.99	0.00	0.00	369.79	369.79
Superior - Dallas	355.71	676.95	0.00	0.00	369.79	369.79
Amerigroup - El Paso	458.00	837.86	0.00	0.00	738.49	738.49
Molina - El Paso	453.86	828.29	0.00	0.00	738.49	738.49
Amerigroup - Harris	384.80	868.50	0.00	0.00	509.98	509.98
Molina - Harris	368.84	836.96	0.00	0.00	509.98	509.98
United - Harris	457.78	804.77	0.00	0.00	509.98	509.98
Health Spring - Hidalgo	387.98	767.41	0.00	0.00	459.94	459.94
Molina - Hidalgo	374.42	804.52	0.00	0.00	459.94	459.94
Superior - Hidalgo	391.87	793.70	0.00	0.00	459.94	459.94
Amerigroup - Jefferson	379.75	755.98	0.00	0.00	399.18	399.18
Molina - Jefferson	400.25	768.53	0.00	0.00	399.18	399.18
United - Jefferson	473.70	753.37	0.00	0.00	399.18	399.18
Amerigroup - Lubbock	422.63	703.69	0.00	0.00	423.50	423.50
Superior - Lubbock	380.15	800.85	0.00	0.00	423.50	423.50
Superior - Nueces	399.75	775.80	0.00	0.00	569.85	569.85
United - Nueces	408.05	674.54	0.00	0.00	569.85	569.85
Amerigroup - Tarrant	432.23	942.43	0.00	0.00	443.26	443.26
Health Spring - Tarrant	359.67	853.31	0.00	0.00	443.26	443.26
Amerigroup - Travis	413.81	1,166.27	0.00	0.00	524.04	524.04
United - Travis	422.25	1,113.14	0.00	0.00	524.04	524.04
Superior - MRSA Central	358.02	741.82	0.00	0.00	450.08	450.08
United - MRSA Central	353.74	733.41	0.00	0.00	450.08	450.08
Health Spring - MRSA Northeast	354.04	900.33	0.00	0.00	434.81	434.81
United - MRSA Northeast	354.04	900.33	0.00	0.00	434.81	434.81
Amerigroup - MRSA West	373.06	770.55	0.00	0.00	501.16	501.16
Superior - MRSA West	388.99	809.11	0.00	0.00	501.16	501.16

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 NAIP Rates pmpm						
Amerigroup - Bexar	1.81	1.81	0.00	0.00	1.81	1.81
Molina - Bexar	0.00	0.00	0.00	0.00	0.00	0.00
Superior - Bexar	22.78	22.78	0.00	0.00	22.78	22.78
Molina - Dallas	0.00	0.00	0.00	0.00	0.00	0.00
Superior - Dallas	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - El Paso	7.67	7.67	0.00	0.00	7.67	7.67
Molina - El Paso	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Harris	32.69	32.69	0.00	0.00	32.69	32.69
Molina - Harris	0.00	0.00	0.00	0.00	0.00	0.00
United - Harris	17.04	17.04	0.00	0.00	17.04	17.04
Health Spring - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00
Molina - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00
Superior - Hidalgo	4.93	4.93	0.00	0.00	4.93	4.93
Amerigroup - Jefferson	42.12	42.12	0.00	0.00	42.12	42.12
Molina - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00
United - Jefferson	23.25	23.25	0.00	0.00	23.25	23.25
Amerigroup - Lubbock	53.69	53.69	0.00	0.00	53.69	53.69
Superior - Lubbock	26.99	26.99	0.00	0.00	26.99	26.99
Superior - Nueces	2.93	2.93	0.00	0.00	2.93	2.93
United - Nueces	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Tarrant	10.55	10.55	0.00	0.00	10.55	10.55
Health Spring - Tarrant	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Travis	1.81	1.81	0.00	0.00	1.81	1.81
United - Travis	0.00	0.00	0.00	0.00	0.00	0.00
Superior - MRSA Central	5.54	5.54	0.00	0.00	5.54	5.54
United - MRSA Central	0.00	0.00	0.00	0.00	0.00	0.00
Health Spring - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00
United - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - MRSA West	61.84	61.84	0.00	0.00	61.84	61.84
Superior - MRSA West	20.73	20.73	0.00	0.00	20.73	20.73

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Total Premium Rates pmpm						
Amerigroup - Bexar	1,273.32	3,947.52	370.55	1,804.11	2,098.37	836.76
Molina - Bexar	1,147.88	3,793.93	370.55	1,804.11	2,096.56	834.95
Superior - Bexar	1,308.55	3,997.65	370.55	1,804.11	2,119.34	857.73
Molina - Dallas	1,225.21	4,174.06	315.05	1,632.93	2,256.55	659.09
Superior - Dallas	1,213.91	4,199.81	315.05	1,632.93	2,256.55	659.09
Amerigroup - El Paso	1,439.52	3,946.69	448.02	1,921.98	2,540.21	1,215.48
Molina - El Paso	1,421.88	3,911.65	448.02	1,921.98	2,532.54	1,207.81
Amerigroup - Harris	1,368.40	4,932.91	318.49	1,779.50	2,368.70	916.59
Molina - Harris	1,293.04	4,789.69	318.49	1,779.50	2,336.01	883.90
United - Harris	1,547.79	4,693.93	318.49	1,779.50	2,353.05	900.94
Health Spring - Hidalgo	1,548.66	4,131.32	960.11	2,057.96	3,161.14	884.85
Molina - Hidalgo	1,517.55	4,228.34	960.11	2,057.96	3,161.14	884.85
Superior - Hidalgo	1,562.52	4,204.99	960.11	2,057.96	3,166.07	889.78
Amerigroup - Jefferson	1,185.24	4,194.71	235.61	1,525.30	2,115.69	772.67
Molina - Jefferson	1,195.36	4,195.51	235.61	1,525.30	2,073.57	730.55
United - Jefferson	1,405.77	4,166.90	235.61	1,525.30	2,096.82	753.80
Amerigroup - Lubbock	1,316.19	3,150.30	169.67	1,271.21	2,302.84	842.87
Superior - Lubbock	1,181.05	3,395.46	169.67	1,271.21	2,276.14	816.17
Superior - Nueces	1,328.90	3,863.04	443.85	1,671.77	1,705.32	1,015.27
United - Nueces	1,346.43	3,572.75	443.85	1,671.77	1,702.39	1,012.34
Amerigroup - Tarrant	1,384.11	4,044.40	235.51	1,552.46	1,552.44	764.06
Health Spring - Tarrant	1,184.59	3,791.50	235.51	1,552.46	1,541.89	753.51
Amerigroup - Travis	1,276.50	4,960.48	256.27	1,672.61	2,297.73	847.42
United - Travis	1,295.52	4,822.18	256.27	1,672.61	2,295.92	845.61
Superior - MRSA Central	1,062.90	4,323.00	184.37	1,608.21	877.35	911.38
United - MRSA Central	1,046.15	4,294.24	184.37	1,608.21	871.81	905.84
Health Spring - MRSA Northeast	1,050.04	3,894.65	162.16	1,300.87	730.62	813.24
United - MRSA Northeast	1,050.04	3,894.65	162.16	1,300.87	730.62	813.24
Amerigroup - MRSA West	1,139.58	3,744.61	236.58	1,429.34	1,057.44	1,025.30
Superior - MRSA West	1,139.03	3,806.94	236.58	1,429.34	1,016.33	984.19

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Acute Care (Non-Inpatient) Premium Rate Change						
Amerigroup - Bexar	-2.5%	-10.8%	0.0%	0.0%	1.6%	-1.9%
Molina - Bexar	-5.1%	-6.8%	0.0%	0.0%	1.6%	-1.9%
Superior - Bexar	-6.4%	-12.0%	0.0%	0.0%	1.6%	-1.9%
Molina - Dallas	7.8%	-1.3%	0.0%	0.0%	14.1%	4.6%
Superior - Dallas	6.3%	0.0%	0.0%	0.0%	14.1%	4.6%
Amerigroup - El Paso	-3.5%	-28.3%	0.0%	0.0%	16.3%	5.2%
Molina - El Paso	-5.0%	-21.0%	0.0%	0.0%	16.3%	5.2%
Amerigroup - Harris	-16.4%	-9.8%	0.0%	0.0%	5.4%	-0.9%
Molina - Harris	-15.3%	-6.6%	0.0%	0.0%	5.4%	-0.9%
United - Harris	-15.1%	-4.1%	0.0%	0.0%	5.4%	-0.9%
Health Spring - Hidalgo	-12.8%	6.8%	0.0%	0.0%	5.9%	-6.0%
Molina - Hidalgo	-10.1%	-12.8%	0.0%	0.0%	5.9%	-6.0%
Superior - Hidalgo	-9.3%	5.8%	0.0%	0.0%	5.9%	-6.0%
Amerigroup - Jefferson	-6.0%	-6.3%	0.0%	0.0%	16.6%	11.8%
Molina - Jefferson	-8.3%	11.6%	0.0%	0.0%	16.6%	11.8%
United - Jefferson	-7.3%	-9.6%	0.0%	0.0%	16.6%	11.8%
Amerigroup - Lubbock	-3.8%	7.1%	0.0%	0.0%	16.6%	9.1%
Superior - Lubbock	-7.3%	14.4%	0.0%	0.0%	16.6%	9.1%
Superior - Nueces	-15.6%	-5.5%	0.0%	0.0%	1.1%	-7.0%
United - Nueces	-7.4%	-8.4%	0.0%	0.0%	1.1%	-7.0%
Amerigroup - Tarrant	-5.7%	2.2%	0.0%	0.0%	12.3%	-0.6%
Health Spring - Tarrant	-8.1%	17.4%	0.0%	0.0%	12.3%	-0.6%
Amerigroup - Travis	-14.1%	-7.8%	0.0%	0.0%	3.4%	-2.6%
United - Travis	-9.1%	-4.0%	0.0%	0.0%	3.4%	-2.6%
Superior - MRSA Central	0.7%	-25.6%	0.0%	0.0%	-12.5%	-3.3%
United - MRSA Central	8.1%	-20.2%	0.0%	0.0%	-12.5%	-3.3%
Health Spring - MRSA Northeast	2.2%	-24.5%	0.0%	0.0%	-24.5%	-3.7%
United - MRSA Northeast	2.2%	-24.5%	0.0%	0.0%	-24.5%	-3.7%
Amerigroup - MRSA West	3.5%	-24.0%	0.0%	0.0%	-10.2%	5.0%
Superior - MRSA West	2.7%	-24.1%	0.0%	0.0%	-10.2%	5.0%

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Acute Care (Inpatient) Premium Rate Change						
Amerigroup - Bexar	11.6%	-10.9%	0.0%	0.0%	-40.6%	19.6%
Molina - Bexar	8.6%	-7.0%	0.0%	0.0%	-40.6%	19.6%
Superior - Bexar	7.1%	-12.1%	0.0%	0.0%	-40.6%	19.6%
Molina - Dallas	14.4%	0.7%	0.0%	0.0%	43.9%	7.4%
Superior - Dallas	12.8%	1.9%	0.0%	0.0%	43.9%	7.4%
Amerigroup - El Paso	19.9%	-30.0%	0.0%	0.0%	-13.9%	11.5%
Molina - El Paso	18.1%	-22.9%	0.0%	0.0%	-13.9%	11.5%
Amerigroup - Harris	19.8%	4.4%	0.0%	0.0%	0.9%	22.1%
Molina - Harris	21.4%	8.1%	0.0%	0.0%	0.9%	22.1%
United - Harris	21.7%	11.0%	0.0%	0.0%	0.9%	22.1%
Health Spring - Hidalgo	5.6%	-0.2%	0.0%	0.0%	-34.3%	-10.9%
Molina - Hidalgo	8.8%	-18.5%	0.0%	0.0%	-34.3%	-10.9%
Superior - Hidalgo	9.9%	-1.0%	0.0%	0.0%	-34.3%	-10.9%
Amerigroup - Jefferson	6.4%	26.3%	0.0%	0.0%	9.9%	28.7%
Molina - Jefferson	3.8%	50.5%	0.0%	0.0%	9.9%	28.7%
United - Jefferson	4.9%	22.0%	0.0%	0.0%	9.9%	28.7%
Amerigroup - Lubbock	5.6%	5.0%	0.0%	0.0%	-14.7%	-6.2%
Superior - Lubbock	1.8%	12.2%	0.0%	0.0%	-14.7%	-6.2%
Superior - Nueces	24.1%	-20.4%	0.0%	0.0%	97.9%	40.1%
United - Nueces	36.2%	-22.9%	0.0%	0.0%	97.9%	40.1%
Amerigroup - Tarrant	12.7%	25.7%	0.0%	0.0%	-13.0%	-7.1%
Health Spring - Tarrant	9.9%	44.4%	0.0%	0.0%	-13.0%	-7.1%
Amerigroup - Travis	-3.1%	1.0%	0.0%	0.0%	101.4%	-7.2%
United - Travis	2.6%	5.2%	0.0%	0.0%	101.4%	-7.2%
Superior - MRSA Central	0.6%	-24.8%	0.0%	0.0%	-75.1%	23.7%
United - MRSA Central	7.9%	-19.2%	0.0%	0.0%	-75.1%	23.7%
Health Spring - MRSA Northeast	2.0%	-23.6%	0.0%	0.0%	-84.3%	4.6%
United - MRSA Northeast	2.0%	-23.6%	0.0%	0.0%	-84.3%	4.6%
Amerigroup - MRSA West	3.4%	-23.1%	0.0%	0.0%	-26.2%	32.1%
Superior - MRSA West	2.5%	-23.2%	0.0%	0.0%	-26.2%	32.1%

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Long Term Care Premium Rate Change						
Amerigroup - Bexar	3.7%	-1.2%	3.0%	-0.5%	0.0%	0.0%
Molina - Bexar	3.7%	-1.2%	3.0%	-0.5%	0.0%	0.0%
Superior - Bexar	3.7%	-1.2%	3.0%	-0.5%	0.0%	0.0%
Molina - Dallas	8.0%	-0.1%	5.3%	5.5%	0.0%	0.0%
Superior - Dallas	8.0%	-0.1%	5.3%	5.5%	0.0%	0.0%
Amerigroup - El Paso	6.7%	-24.5%	5.4%	-3.8%	0.0%	0.0%
Molina - El Paso	6.7%	-24.5%	5.4%	-3.8%	0.0%	0.0%
Amerigroup - Harris	-1.0%	-2.3%	-3.6%	3.5%	0.0%	0.0%
Molina - Harris	-1.0%	-2.3%	-3.6%	3.5%	0.0%	0.0%
United - Harris	-1.0%	-2.3%	-3.6%	3.5%	0.0%	0.0%
Health Spring - Hidalgo	5.4%	-3.2%	0.8%	0.2%	0.0%	0.0%
Molina - Hidalgo	5.4%	-3.2%	0.8%	0.2%	0.0%	0.0%
Superior - Hidalgo	5.4%	-3.2%	0.8%	0.2%	0.0%	0.0%
Amerigroup - Jefferson	10.3%	-5.9%	-2.6%	3.1%	0.0%	0.0%
Molina - Jefferson	10.3%	-5.9%	-2.6%	3.1%	0.0%	0.0%
United - Jefferson	10.3%	-5.9%	-2.6%	3.1%	0.0%	0.0%
Amerigroup - Lubbock	4.8%	-29.1%	-3.6%	-3.4%	0.0%	0.0%
Superior - Lubbock	4.8%	-29.1%	-3.6%	-3.4%	0.0%	0.0%
Superior - Nueces	0.4%	-6.5%	-0.1%	-0.8%	0.0%	0.0%
United - Nueces	0.4%	-6.5%	-0.1%	-0.8%	0.0%	0.0%
Amerigroup - Tarrant	5.4%	-20.9%	0.1%	-1.5%	0.0%	0.0%
Health Spring - Tarrant	5.4%	-20.9%	0.1%	-1.5%	0.0%	0.0%
Amerigroup - Travis	10.0%	-4.3%	4.0%	-1.7%	0.0%	0.0%
United - Travis	10.0%	-4.3%	4.0%	-1.7%	0.0%	0.0%
Superior - MRSA Central	32.5%	154.4%	-8.0%	31.8%	0.0%	0.0%
United - MRSA Central	32.5%	154.4%	-8.0%	31.8%	0.0%	0.0%
Health Spring - MRSA Northeast	-4.8%	37.0%	-40.4%	-21.5%	0.0%	0.0%
United - MRSA Northeast	-4.8%	37.0%	-40.4%	-21.5%	0.0%	0.0%
Amerigroup - MRSA West	15.4%	49.2%	-3.1%	-3.8%	0.0%	0.0%
Superior - MRSA West	15.4%	49.2%	-3.1%	-3.8%	0.0%	0.0%



## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Prescription Drug Premium Rate Change						
Amerigroup - Bexar	4.0%	-1.4%	0.0%	0.0%	22.1%	-7.8%
Molina - Bexar	1.3%	3.0%	0.0%	0.0%	22.1%	-7.8%
Superior - Bexar	-0.2%	-2.7%	0.0%	0.0%	22.1%	-7.8%
Molina - Dallas	4.1%	-7.9%	0.0%	0.0%	-4.9%	-14.9%
Superior - Dallas	2.7%	-6.7%	0.0%	0.0%	-4.9%	-14.9%
Amerigroup - El Paso	2.7%	-1.4%	0.0%	0.0%	200.1%	31.3%
Molina - El Paso	1.1%	8.6%	0.0%	0.0%	200.1%	31.3%
Amerigroup - Harris	1.2%	-3.5%	0.0%	0.0%	15.7%	-8.1%
Molina - Harris	2.6%	-0.1%	0.0%	0.0%	15.7%	-8.1%
United - Harris	2.8%	2.6%	0.0%	0.0%	15.7%	-8.1%
Health Spring - Hidalgo	3.5%	16.5%	0.0%	0.0%	-7.6%	-9.3%
Molina - Hidalgo	6.7%	-4.8%	0.0%	0.0%	-7.6%	-9.3%
Superior - Hidalgo	7.8%	15.5%	0.0%	0.0%	-7.6%	-9.3%
Amerigroup - Jefferson	4.0%	-14.2%	0.0%	0.0%	-10.0%	-4.3%
Molina - Jefferson	1.4%	2.3%	0.0%	0.0%	-10.0%	-4.3%
United - Jefferson	2.5%	-17.1%	0.0%	0.0%	-10.0%	-4.3%
Amerigroup - Lubbock	5.2%	17.0%	0.0%	0.0%	-15.8%	-12.7%
Superior - Lubbock	1.4%	25.0%	0.0%	0.0%	-15.8%	-12.7%
Superior - Nueces	-1.1%	2.2%	0.0%	0.0%	41.7%	-7.0%
United - Nueces	8.5%	-0.9%	0.0%	0.0%	41.7%	-7.0%
Amerigroup - Tarrant	0.3%	6.5%	0.0%	0.0%	18.1%	-6.0%
Health Spring - Tarrant	-2.3%	22.3%	0.0%	0.0%	18.1%	-6.0%
Amerigroup - Travis	-3.5%	7.5%	0.0%	0.0%	27.6%	-6.5%
United - Travis	2.0%	11.9%	0.0%	0.0%	27.6%	-6.5%
Superior - MRSA Central	11.2%	15.2%	0.0%	0.0%	-32.2%	10.4%
United - MRSA Central	19.3%	23.6%	0.0%	0.0%	-32.2%	10.4%
Health Spring - MRSA Northeast	0.6%	27.9%	0.0%	0.0%	-17.6%	-1.5%
United - MRSA Northeast	0.6%	27.9%	0.0%	0.0%	-17.6%	-1.5%
Amerigroup - MRSA West	11.6%	15.2%	0.0%	0.0%	-1.6%	9.4%
Superior - MRSA West	10.6%	15.1%	0.0%	0.0%	-1.6%	9.4%

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 NAIP Premium Rate Change						
Amerigroup - Bexar	1.7%	1.7%	0.0%	0.0%	1.7%	1.7%
Molina - Bexar	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Superior - Bexar	296.9%	296.9%	0.0%	0.0%	296.9%	296.9%
Molina - Dallas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Superior - Dallas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amerigroup - El Paso	330.9%	330.9%	0.0%	0.0%	330.9%	330.9%
Molina - El Paso	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amerigroup - Harris	7.0%	7.0%	0.0%	0.0%	7.0%	7.0%
Molina - Harris	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
United - Harris	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Health Spring - Hidalgo	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Molina - Hidalgo	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Superior - Hidalgo	210.1%	210.1%	0.0%	0.0%	210.1%	210.1%
Amerigroup - Jefferson	2266.3%	2266.3%	0.0%	0.0%	2266.3%	2266.3%
Molina - Jefferson	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
United - Jefferson	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amerigroup - Lubbock	371.0%	371.0%	0.0%	0.0%	371.0%	371.0%
Superior - Lubbock	334.6%	334.6%	0.0%	0.0%	334.6%	334.6%
Superior - Nueces	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
United - Nueces	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amerigroup - Tarrant	59.4%	59.4%	0.0%	0.0%	59.4%	59.4%
Health Spring - Tarrant	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amerigroup - Travis	1.7%	1.7%	0.0%	0.0%	1.7%	1.7%
United - Travis	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Superior - MRSA Central	150.7%	150.7%	0.0%	0.0%	150.7%	150.7%
United - MRSA Central	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Health Spring - MRSA Northeast	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
United - MRSA Northeast	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amerigroup - MRSA West	280.8%	280.8%	0.0%	0.0%	280.8%	280.8%
Superior - MRSA West	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## FY2016 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		IDD	
	OCC	HCBS	OCC	HCBS	< 21	> 21
FY2016 Total Premium Rate Change						
Amerigroup - Bexar	3.0%	-4.9%	3.0%	-0.5%	1.6%	-4.0%
Molina - Bexar	0.9%	-2.6%	3.0%	-0.5%	1.6%	-4.0%
Superior - Bexar	1.0%	-5.2%	3.0%	-0.5%	2.4%	-2.0%
Molina - Dallas	8.0%	-1.6%	5.3%	5.5%	14.1%	-7.1%
Superior - Dallas	6.8%	-0.9%	5.3%	5.5%	14.1%	-7.1%
Amerigroup - El Paso	4.9%	-22.4%	5.4%	-3.8%	39.4%	21.0%
Molina - El Paso	3.2%	-18.1%	5.4%	-3.8%	39.1%	20.4%
Amerigroup - Harris	-1.2%	-3.2%	-3.6%	3.5%	7.0%	-2.8%
Molina - Harris	-0.3%	-1.1%	-3.6%	3.5%	7.0%	-3.2%
United - Harris	1.0%	0.8%	-3.6%	3.5%	7.8%	-1.3%
Health Spring - Hidalgo	0.3%	2.3%	0.8%	0.2%	-0.2%	-8.3%
Molina - Hidalgo	2.2%	-7.3%	0.8%	0.2%	-0.2%	-8.3%
Superior - Hidalgo	2.9%	2.0%	0.8%	0.2%	-0.1%	-7.9%
Amerigroup - Jefferson	5.8%	-2.2%	-2.6%	3.1%	11.9%	9.7%
Molina - Jefferson	-0.1%	7.5%	-2.6%	3.1%	9.8%	4.0%
United - Jefferson	2.4%	-4.7%	-2.6%	3.1%	11.0%	7.3%
Amerigroup - Lubbock	5.6%	-7.2%	-3.6%	-3.4%	8.5%	-0.4%
Superior - Lubbock	0.9%	-3.1%	-3.6%	-3.4%	7.5%	-3.0%
Superior - Nueces	-1.3%	-6.8%	-0.1%	-0.8%	24.2%	-2.6%
United - Nueces	5.5%	-8.4%	-0.1%	-0.8%	24.0%	-2.9%
Amerigroup - Tarrant	1.8%	-4.2%	0.1%	-1.5%	10.7%	-3.9%
Health Spring - Tarrant	-0.4%	2.0%	0.1%	-1.5%	10.5%	-4.5%
Amerigroup - Travis	-4.7%	-1.9%	4.0%	-1.7%	20.0%	-5.4%
United - Travis	-0.2%	0.4%	4.0%	-1.7%	20.0%	-5.4%
Superior - MRSA Central	7.3%	31.5%	-8.0%	31.8%	-30.5%	7.4%
United - MRSA Central	14.1%	38.7%	-8.0%	31.8%	-30.8%	7.1%
Health Spring - MRSA Northeast	0.8%	6.5%	-40.4%	-21.5%	-29.2%	-1.4%
United - MRSA Northeast	0.8%	6.5%	-40.4%	-21.5%	-29.2%	-1.4%
Amerigroup - MRSA West	11.8%	8.1%	-3.1%	-3.8%	-4.6%	16.2%
Superior - MRSA West	8.6%	6.6%	-3.1%	-3.8%	-7.0%	13.7%

## ***Attachment 2***

### **Individual Health Plan Experience Analysis**

The following exhibits present a summary of the experience analysis performed for each health plan. The exhibits in this section use hypothetical experience data from a sample health plan. The actual analysis is based on experience data provided by each health plan. This data was checked for reasonableness by comparing to other data sources provided by HHSC, the EQRO and the health plan. Below is a brief description of each of the exhibits contained in this attachment.

Exhibit A. This exhibit shows a sample of the monthly enrollment and earned premium by risk group for the period September 2011 through February 2015. All of this information was provided by HHSC.

Exhibit B. This exhibit shows a sample of a claim lag report for one risk group. This report includes claim amounts by payment month and month of service. We analyzed claims experience for the period September 2011 through February 2015.

Exhibit C. This exhibit shows the calculation of estimated monthly incurred claims for one risk group. The report includes the following information: (i) monthly enrollment, (ii) claim amounts incurred in that month and paid through February 28, 2015, (iii) estimated proportion of that month's incurred claims paid through February 28, 2015 (completion factor), (iv) estimated incurred claims, (v) estimated incurred claims pmpm and (vi) the ratio of this month's incurred claims pmpm to the same statistic from one year ago (trend factor). The assumed completion factors and estimated incurred claims were derived based on the actual historical claims payment pattern of the health plan.

Exhibit D. This exhibit is a summary of the sample health plan's projected FY2016 cost based on the health plan's actual experience. The top of the exhibit shows summary base period (FY2014) enrollment, premium and claims experience. Next are projected FY2016 enrollment and premium based on current (FY2015) rates. Trend assumptions for FY2015 and FY2016 are used to project the average base period claims cost to FY2016. Adjustment factors are used to recognize the cost impact of benefit and provider reimbursement changes. Combining these factors results in projected FY2016 incurred claims.

In addition to incurred claims, provision is also made for services that are capitated by the health plan, such as vision and behavioral health services. Other expenses such as those related to the coordination of care are included.

A provision for administrative expenses is included in the amount of \$14.25 pmpm and 5.75% of gross premium. Additional provisions are also included for premium tax (1.75% of premium), maintenance tax (\$0.07 pmpm) and risk margin (2.0% of premium).

At the bottom of Exhibit D is a summary of the projected FY2016 cost based on the above assumptions. Cost projections are presented separately for acute care and long term care services.

Similar analyses are performed separately for inpatient hospital services.

Sample HMO  
Enrollment and Premium Experience  
Number of Members

Month	Medicaid Only		Dual Eligible		Total Members
	OCC	HCBS	OCC	HCBS	
Sep-11	3,301	123	4,982	607	9,013
Oct-11	3,312	120	5,012	601	9,045
Nov-11	3,361	122	5,006	608	9,097
Dec-11	3,380	118	4,946	605	9,049
Jan-12	3,389	121	4,931	589	9,030
Feb-12	3,351	126	4,946	572	8,995
Mar-12	3,413	126	4,969	562	9,070
Apr-12	3,463	124	4,945	551	9,083
May-12	3,440	129	4,934	547	9,050
Jun-12	3,481	126	4,932	554	9,093
Jul-12	3,519	123	4,922	579	9,143
Aug-12	3,508	124	4,897	571	9,100
Sep-12	3,620	130	4,912	572	9,234
Oct-12	3,716	131	4,920	571	9,338
Nov-12	3,754	140	4,973	577	9,444
Dec-12	3,764	139	4,950	571	9,424
Jan-13	3,741	142	5,043	563	9,489
Feb-13	3,753	154	5,065	555	9,527
Mar-13	3,760	155	5,112	550	9,577
Apr-13	3,791	159	5,135	550	9,635
May-13	3,828	161	5,138	548	9,675
Jun-13	3,844	159	5,146	551	9,700
Jul-13	3,867	159	5,196	546	9,768
Aug-13	3,862	167	5,165	559	9,753
Sep-13	3,883	166	5,202	559	9,810
Oct-13	3,903	166	5,191	567	9,827
Nov-13	3,893	165	5,227	572	9,857
Dec-13	3,913	165	5,153	577	9,808
Jan-14	3,887	168	5,204	579	9,838
Feb-14	3,945	168	5,194	591	9,898
Mar-14	3,926	170	5,187	590	9,873
Apr-14	3,956	174	5,161	595	9,886
May-14	3,979	178	5,150	601	9,908
Jun-14	3,981	188	5,165	630	9,964
Jul-14	3,993	193	5,176	646	10,008
Aug-14	3,980	205	5,152	672	10,009
Sep-14	4,034	204	5,185	670	10,094
Oct-14	4,013	209	5,148	688	10,057
Nov-14	4,013	216	5,111	697	10,037
Dec-14	4,031	211	5,076	698	10,017
FY2012	40,918	1,482	59,422	6,946	108,768
FY2013	45,300	1,796	60,755	6,713	114,564
FY2014	47,239	2,106	62,162	7,179	118,686

## Sample HMO

## Enrollment and Premium Experience

## Premium Amount

Month	Medicaid Only		Dual Eligible		Total Premium
	OCC	HCBS	OCC	HCBS	
Sep-11	1,734,147	357,623	1,324,216	1,015,778	4,431,764
Oct-11	1,739,926	348,900	1,332,190	1,005,737	4,426,753
Nov-11	1,765,668	354,715	1,330,595	1,017,452	4,468,429
Dec-11	1,775,649	343,085	1,314,647	1,012,431	4,445,812
Jan-12	1,800,474	361,080	1,310,660	992,524	4,464,737
Feb-12	1,780,286	376,000	1,314,647	963,877	4,434,810
Mar-12	1,798,822	370,221	1,320,760	942,659	4,432,462
Apr-12	1,825,174	364,344	1,314,381	924,209	4,428,108
May-12	1,813,052	379,036	1,311,457	917,500	4,421,044
Jun-12	1,834,661	370,221	1,310,926	929,241	4,445,048
Jul-12	1,854,689	361,406	1,308,268	971,174	4,495,537
Aug-12	1,848,891	364,344	1,301,623	957,755	4,472,614
Sep-12	2,112,560	344,054	1,478,070	992,609	4,927,292
Oct-12	2,168,583	346,701	1,480,477	990,873	4,986,635
Nov-12	2,190,759	370,520	1,496,425	1,001,285	5,058,990
Dec-12	2,196,595	367,873	1,489,505	990,873	5,044,846
Jan-13	2,183,173	375,813	1,517,489	976,991	5,053,466
Feb-13	2,190,176	407,572	1,524,109	963,108	5,084,965
Mar-13	2,194,261	410,218	1,538,252	954,432	5,097,163
Apr-13	2,212,352	420,805	1,545,173	954,432	5,132,761
May-13	2,233,944	426,098	1,546,076	950,961	5,157,078
Jun-13	2,243,282	420,805	1,548,483	956,167	5,168,736
Jul-13	2,256,704	420,805	1,563,528	947,490	5,188,527
Aug-13	2,253,786	441,977	1,554,200	970,049	5,220,013
Sep-13	2,303,007	444,594	1,761,969	966,550	5,476,121
Oct-13	2,314,869	444,594	1,758,244	980,383	5,498,090
Nov-13	2,308,938	441,916	1,770,437	989,028	5,510,320
Dec-13	2,320,800	441,916	1,745,373	997,673	5,505,763
Jan-14	2,305,380	449,951	1,762,647	1,001,132	5,519,109
Feb-14	2,339,780	449,951	1,759,260	1,021,880	5,570,871
Mar-14	2,328,511	455,308	1,756,889	1,020,151	5,560,858
Apr-14	2,332,260	463,327	1,717,374	1,018,884	5,531,845
May-14	2,345,819	473,978	1,713,714	1,029,158	5,562,670
Jun-14	2,346,999	500,606	1,718,705	1,078,818	5,645,129
Jul-14	2,354,073	513,920	1,722,366	1,106,217	5,696,576
Aug-14	2,346,600	544,893	1,714,288	1,150,910	5,756,692
Sep-14	2,477,289	551,381	1,744,975	1,133,268	5,906,912
Oct-14	2,463,917	563,126	1,732,740	1,162,630	5,922,413
Nov-14	2,464,239	583,628	1,720,000	1,178,482	5,946,349
Dec-14	2,475,434	570,430	1,708,428	1,180,218	5,934,509
FY2012	21,571,439	4,350,974	15,794,368	11,650,337	53,367,119
FY2013	26,436,174	4,753,240	18,281,787	11,649,270	61,120,471
FY2014	27,947,036	5,624,957	20,901,266	12,360,785	66,834,044

Sample HMO  
Claims Lag Report

Month Incurred	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Sep-12	-311	1,159	1,275	-3,453	-52	444	0	-126	-859	-1,920	0	146	-107	0	-875	-927
Oct-12	-20	1,764	-835	-3,067	-296	1,329	-306	0	1,577	0	-837	0	-75	-10	-2,934	-99
Nov-12	865	610	46	-1,491	-420	37	-330	654	1,304	0	0	0	-53	0	-3,409	-522
Dec-12	350	4,012	-939	-1,641	-423	-3,238	-750	-404	1,246	-580	-504	-113	-44	-161	-1,723	0
Jan-13	738	1,397	4,172	-3,662	-1,190	-2,052	-580	-2,591	1,689	-2,810	85	0	-934	-470	-1,771	-370
Feb-13	1,078	6,121	2,096	-1,330	-1,982	-1,473	64	681	814	-608	148	0	-644	-321	-1,566	-232
Mar-13	27	13,925	1,470	619	-743	160	1,520	409	1,024	196	0	0	-18	-197	-1,950	-83
Apr-13	5,149	14,939	0	-1,106	-1,126	-4,487	-729	585	-161	-574	0	-35	474	-16	-2,744	-229
May-13	10,150	1,442	77	-3,564	-1,028	152	-1,507	1,145	593	-68	-147	7	-342	-222	-3,635	-885
Jun-13	26,455	8,430	899	-598	-262	-2,028	-804	-291	212	-188	680	-45	0	-152	-2,226	-583
Jul-13	100,124	68,968	5,690	2,206	11,155	-71	-958	2,989	-1,224	598	-173	-762	-71	-180	-1,680	-1,963
Aug-13	389,744	92,644	26,867	8,670	857	-1,911	3,681	2,466	532	1,583	434	-1,721	-117	352	-3,729	-609
Sep-13	389,448	514,567	76,644	32,000	8,115	-1,444	4,599	1,291	4,129	1,522	3,289	-556	-116	-2,596	-2,243	-134
Oct-13		515,319	541,006	96,892	42,346	10,918	-1,028	-2,954	5,886	-2,184	1,077	-268	-132	-460	586	837
Nov-13			486,038	316,725	107,596	32,089	10,218	1,754	4,831	785	-348	2,987	-674	532	-796	1,107
Dec-13				380,588	448,854	82,253	48,512	11,957	27,808	184	4,783	10	-2,789	-1,426	-1,263	335
Jan-14					372,717	483,679	179,809	40,384	7,803	9,044	1,573	1,277	-1,072	-626	305	-671
Feb-14						331,578	471,998	133,441	47,254	10,541	3,775	411	-354	-1,270	-1,714	-786
Mar-14							433,643	474,786	82,906	30,705	5,172	5,373	1,450	-1,224	-1,861	155
Apr-14								426,103	491,841	114,927	26,873	6,094	4,452	1,081	-2,574	-460
May-14									488,832	423,525	132,695	40,747	10,575	172	1,369	-1,755
Jun-14										450,172	395,157	126,482	28,982	2,792	1,615	-2,871
Jul-14											407,464	445,426	82,579	32,632	12,304	2,132
Aug-14												422,532	459,910	79,583	22,442	5,983
Sep-14													436,854	581,002	106,953	27,355
Oct-14														492,552	532,696	97,893
Nov-14															423,392	454,688
Dec-14																434,590
Jan-15																
Feb-15																
	921,089	1,252,624	1,147,785	807,987	980,772	917,421	1,147,052	1,092,279	1,168,037	1,034,848	981,195	1,047,995	1,017,731	1,181,366	1,062,970	1,011,894

## Sample HMO

## Estimated Claims Experience

Acute Care - Medicaid Only OCC						
Month	Members	Inc & Pd Claims	Compl Factor	Est Inc Claims	Est Inc pmpm	Trend
Sep-11	3,301	828,058	1.000	828,058	250.85	
Oct-11	3,312	817,385	1.000	817,385	246.80	
Nov-11	3,361	863,123	1.000	863,123	256.81	
Dec-11	3,380	799,169	1.000	799,169	236.44	
Jan-12	3,389	892,866	1.000	892,866	263.46	
Feb-12	3,351	857,317	1.000	857,317	255.84	
Mar-12	3,413	933,143	1.000	933,143	273.41	
Apr-12	3,463	933,912	1.000	933,912	269.68	
May-12	3,440	968,876	1.000	968,876	281.65	
Jun-12	3,481	1,021,131	1.000	1,021,131	293.34	
Jul-12	3,519	991,046	1.000	991,046	281.63	
Aug-12	3,508	990,996	1.000	990,996	282.50	
Sep-12	3,620	937,571	1.000	937,571	259.00	1.032
Oct-12	3,716	1,065,382	1.000	1,065,382	286.70	1.162
Nov-12	3,754	954,668	1.000	954,668	254.31	0.990
Dec-12	3,764	955,723	1.000	955,723	253.91	1.074
Jan-13	3,741	1,000,867	1.000	1,000,867	267.54	1.015
Feb-13	3,753	974,515	1.000	974,515	259.66	1.015
Mar-13	3,760	1,042,108	1.000	1,042,108	277.16	1.014
Apr-13	3,791	1,037,585	1.000	1,037,585	273.70	1.015
May-13	3,828	1,080,470	1.000	1,080,470	282.25	1.002
Jun-13	3,844	990,570	1.000	990,570	257.69	0.878
Jul-13	3,867	1,100,464	1.000	1,100,464	284.58	1.010
Aug-13	3,862	1,030,861	1.000	1,030,861	266.92	0.945
Sep-13	3,883	1,027,290	1.000	1,027,290	264.56	1.021
Oct-13	3,903	1,208,677	1.000	1,208,677	309.68	1.080
Nov-13	3,893	963,923	1.000	963,923	247.60	0.974
Dec-13	3,913	1,000,879	1.000	1,000,879	255.78	1.007
Jan-14	3,887	1,094,707	1.000	1,094,707	281.63	1.053
Feb-14	3,945	998,577	1.000	998,577	253.12	0.975
Mar-14	3,926	1,045,410	1.000	1,045,410	266.28	0.961
Apr-14	3,956	1,076,977	1.000	1,076,977	272.24	0.995
May-14	3,979	1,102,692	1.000	1,102,692	277.13	0.982
Jun-14	3,981	1,004,951	1.000	1,004,951	252.44	0.980
Jul-14	3,993	981,985	0.999	982,968	246.17	0.865
Aug-14	3,980	994,589	0.997	997,581	250.63	0.939
Sep-14	4,034	1,159,183	0.997	1,162,672	288.19	1.089
Oct-14	4,013	1,165,660	0.993	1,173,877	292.55	0.945
Nov-14	4,013	962,773	0.985	977,434	243.56	0.984
Dec-14	4,031	1,018,613	0.952	1,069,971	265.41	1.038
FY2012	40,918	10,897,024		10,897,024	266.31	
FY2013	45,300	12,170,784		12,170,784	268.67	1.009
FY2014	47,239	12,500,656		12,504,631	264.71	0.985



Sample HMO  
Experienced Based Renewal Rating

	Medicaid Only - OCC		Medicaid Only - HCBS	
	Amount	pmpm	Amount	pmpm
FY2014 Experience Period				
Member Months	47,239		2,106	
Premium Revenue	27,947,036	591.61	5,624,957	2,671.39
Adjusted Premium (at current rates)	31,802,458	673.22	6,041,415	2,869.17
Estimated FY2014 Incurred Claims				
Acute Care	12,504,631	264.71	1,456,613	691.77
Long Term Care	6,790,317	143.74	2,851,795	1,354.37
Total	19,294,949	408.45	4,308,408	2,046.14
Projected FY2016 Member Months	47,616		2,537	
Projected FY2016 Premium				
At Current Rates	32,056,373	673.22	7,278,973	2,869.17
Annual Cost Trend Assumptions				
Acute Care				
FY2015	0.0 %		0.6 %	
FY2016	0.0 %		0.0 %	
Long Term Care				
FY2015	8.2 %		0.0 %	
FY2016	9.2 %		0.7 %	
Provider Reimbursement Adjustment				
Acute Care		1.0325		1.0097
Long Term Care		1.2680		1.0737
Other Reimbursement Adjustment		1.0000		1.0000
Projected Incurred Claims				
Acute Care	13,014,115	273.31	1,782,649	702.67
LTC	10,254,463	215.36	3,715,028	1,464.36
Total	23,268,578	488.67	5,497,677	2,167.03
Capitation Expenses				
Vision	54,283	1.14	2,892	1.14
Behavioral Health	0	0.00	0	0.00
Radiology	0	0.00	0	0.00
Other - Settlements	39,522	0.83	2,106	0.83
Total	93,804	1.97	4,998	1.97

Sample HMO  
Experienced Based Renewal Rating

	Medicaid Only - OCC		Medicaid Only - HCBS	
	Amount	pmpm	Amount	pmpm
Other Expenses				
Service Coordination	581,397	12.21	30,976	12.21
Service Coordination - Enhancement	0	0.00	0	0.00
Other	0	0.00	31,864	12.56
Total	581,397	12.21	62,841	24.77
Reinsurance Expenses				
Gross Premium	0	0.00	0	0.00
Projected Reinsurance Recoveries	0	0.00	0	0.00
Net Reinsurance Cost	0	0.00	0	0.00
Administrative Expenses				
Fixed Amount	678,535	14.25	36,152	14.25
Percentage of Premium	1,564,613	5.75%	355,918	5.75%
Total	2,243,148		392,070	
Risk Margin	544,213	2.0%	123,798	2.0%
Premium Tax	476,187	1.75%	108,323	1.75%
Maintenance Tax	3,333	0.07	178	0.07
Projected Total Cost				
Acute Care	14,905,291	313.03	1,988,317	783.74
LTC	12,305,370	258.43	4,201,567	1,656.14
Total	27,210,661	571.45	6,189,884	2,439.88

### ***Attachment 3***

#### **Community Experience Analysis – Non-inpatient Acute Care and Long Term Care**

The following exhibits present a summary of the non-inpatient acute care and long term care experience analysis performed for each managed care service area. HHSC utilizes an adjusted community rating methodology in setting the STAR+PLUS premium rates. The base community rates by risk group vary by service area but are the same for each health plan in a service area. The community rates are developed by a weighted average of the projected FY2016 cost for each health plan in the service area. The weights used in this formula are the projected number of FY2016 clients enrolled in each health plan.

Below is a brief description of the exhibits contained in this attachment. The exhibits present the derivation of the FY2016 STAR+PLUS community rates for the following service areas:

Exhibit A – Bexar Service Area  
Exhibit B – Dallas Services Area  
Exhibit C – El Paso Services Area  
Exhibit D – Harris Service Area  
Exhibit E – Hidalgo Service Area  
Exhibit F – Jefferson Service Area  
Exhibit G – Lubbock Service Area  
Exhibit H – Nueces Service Area  
Exhibit I – Tarrant Service Area  
Exhibit J – Travis Service Area

A description of the rating methodology used for the MRSA Central, MRSA Northeast, MRSA West and IDD populations can be found in Attachments 9 and 10.

These exhibits show projected FY2016 experience for each of the service areas. These amounts were derived by summing amounts from each individual health plan in the service area. The experience analysis for individual health plans is described in Attachment 2. The top portion of the exhibit shows summary base period (FY2014) experience and projected FY2016 enrollment, premium and incurred claims experience.

In addition to incurred claims, provision is also made for services that are capitated by the health plans, such as vision and behavioral health services. In addition, other expenses such as those related to the coordination of care are included.

A provision for administrative expenses is included in the amount of \$14.25 pmpm and 5.75% of gross premium. Additional provisions are also included for premium tax (1.75% of premium), maintenance tax (\$0.07 pmpm) and risk margin (2.0% of premium).

The bottom of the exhibit shows a summary of the projected FY2016 cost based on these assumptions. Cost projections are presented separately for acute care and long term care services.

FY2016 STAR+PLUS Rating Summary  
Bexar SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	266,273		13,955		267,412		37,105		584,746	
Premium Revenue	161,781,059	607.58	37,390,112	2,679.33	89,909,073	336.22	63,904,355	1,722.24	352,984,598	603.65
Adjusted Premium (at current rates)	182,317,266	684.70	40,112,965	2,874.45	96,241,692	359.90	67,248,282	1,812.36	385,920,205	659.98
Estimated FY2014 Incurred Claims										
Acute Care	84,701,831	318.10	11,150,717	799.05	0	0.00	0	0.00	95,852,548	163.92
Long Term Care	43,570,601	163.63	20,885,909	1,496.66	70,418,464	263.33	55,816,253	1,504.26	190,691,228	326.11
Total	128,272,431	481.73	32,036,626	2,295.71	70,418,464	263.33	55,816,253	1,504.26	286,543,775	490.03
Projected FY2016 Member Months	266,299		14,598		263,504		37,505		581,906	
Projected FY2016 Premium										
At Current Rates	182,385,354	684.89	41,915,103	2,871.34	94,835,063	359.90	67,973,430	1,812.36	387,108,950	665.24
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0325		1.0097		1.0000		1.0000			
Long Term Care	1.2680		1.0737		1.0622		1.0454			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	87,463,021	328.44	11,848,095	811.64	0	0.00	0	0.00	99,311,116	170.67
Long Term Care	65,283,634	245.15	23,622,247	1,618.21	81,258,216	308.38	59,867,389	1,596.23	230,031,486	395.31
Total	152,746,655	573.59	35,470,342	2,429.85	81,258,216	308.38	59,867,389	1,596.23	329,342,602	565.97
Capitation Expenses & Refunds	1,783,522	6.70	99,901	6.84	74,443	0.28	25,884	0.69	1,983,751	3.41
Service Coordination & Other Expenses	3,778,556	14.19	368,808	25.26	3,258,910	12.37	805,447	21.48	8,211,721	14.11

FY2016 STAR+PLUS Rating Summary  
Bexar SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	3,794,756	14.25	208,018	14.25	3,754,931	14.25	534,453	14.25	8,292,158	14.25
Percentage of Premium	10,300,577	5.75%	2,296,702	5.75%	5,614,347	5.75%	3,890,672	5.75%	22,102,299	5.75%
Total	14,095,333	52.93	2,504,720	171.58	9,369,278	35.56	4,425,125	117.99	30,394,457	52.23
Risk Margin	3,582,809	2.00%	798,853	2.00%	1,952,816	2.00%	1,353,277	2.00%	7,687,756	2.00%
Premium Tax	3,134,958	1.75%	698,996	1.75%	1,708,714	1.75%	1,184,118	1.75%	6,726,787	1.75%
Maintenance Tax	18,641	0.07	1,022	0.07	18,445	0.07	2,625	0.07	40,733	0.07
Projected Total Cost										
Acute Care	101,027,736	379.38	13,279,361	909.69	82,258	0.31	28,601	0.76	114,417,957	196.63
Long Term Care	78,112,738	293.33	26,663,282	1,826.53	97,558,566	370.24	67,635,264	1,803.34	269,969,851	463.94
Total	179,140,475	672.71	39,942,643	2,736.22	97,640,824	370.55	67,663,866	1,804.11	384,387,807	660.57
Experience Rate Increase		-1.8 %		-4.7 %		3.0 %		-0.5 %		-0.7 %

FY2016 STAR+PLUS Rating Summary  
Dallas SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	340,778		13,905		303,111		42,867		700,661	
Premium Revenue	174,464,405	511.96	36,399,720	2,617.83	77,848,881	256.83	65,587,885	1,530.03	354,300,891	505.67
Adjusted Premium (at current rates)	193,471,208	567.73	38,349,532	2,758.06	90,715,179	299.28	66,353,348	1,547.89	388,889,267	555.03
Estimated FY2014 Incurred Claims										
Acute Care	104,870,312	307.74	12,950,581	931.39	0	0.00	0	0.00	117,820,892	168.16
Long Term Care	43,254,702	126.93	18,816,776	1,353.28	66,292,533	218.71	58,128,209	1,356.01	186,492,221	266.17
Total	148,125,014	434.67	31,767,357	2,284.67	66,292,533	218.71	58,128,209	1,356.01	304,313,113	434.32
Projected FY2016 Member Months	343,689		15,836		301,630		42,373		703,528	
Projected FY2016 Premium										
At Current Rates	195,122,116	567.73	43,675,154	2,758.05	90,271,895	299.28	65,588,412	1,547.89	394,657,577	560.97
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0007		0.9998		1.0000		1.0000			
Long Term Care	1.4005		1.0750		1.0870		1.0390			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	105,840,149	307.95	14,834,613	936.79	0	0.00	0	0.00	120,674,763	171.53
Long Term Care	72,187,221	210.04	23,198,453	1,464.96	79,056,122	262.10	60,597,669	1,430.11	235,039,464	334.09
Total	178,027,370	517.99	38,033,066	2,401.75	79,056,122	262.10	60,597,669	1,430.11	355,714,227	505.61
Capitation Expenses & Refunds	1,696,015	4.93	112,499	7.10	96,149	0.32	94,896	2.24	1,999,559	2.84
Service Coordination & Other Expenses	5,098,007	14.83	978,290	61.78	2,529,417	8.39	1,319,255	31.13	9,924,969	14.11

FY2016 STAR+PLUS Rating Summary  
Dallas SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	4,897,574	14.25	225,656	14.25	4,298,231	14.25	603,812	14.25	10,025,274	14.25
Percentage of Premium	12,055,496	5.75%	2,500,178	5.75%	5,464,154	5.75%	3,978,530	5.75%	23,998,357	5.75%
Total	16,953,070	49.33	2,725,834	172.13	9,762,385	32.37	4,582,342	108.14	34,023,631	48.36
Risk Margin	4,193,216	2.00%	869,627	2.00%	1,900,575	2.00%	1,383,836	2.00%	8,347,255	2.00%
Premium Tax	3,669,064	1.75%	760,924	1.75%	1,663,003	1.75%	1,210,857	1.75%	7,303,848	1.75%
Maintenance Tax	24,058	0.07	1,108	0.07	21,114	0.07	2,966	0.07	49,247	0.07
Projected Total Cost										
Acute Care	122,057,629	355.14	16,613,880	1,049.15	106,242	0.35	104,857	2.47	138,882,608	197.41
Long Term Care	87,603,172	254.89	26,867,469	1,696.66	94,922,523	314.70	69,086,963	1,630.46	278,480,127	395.83
Total	209,660,801	610.03	43,481,348	2,745.81	95,028,765	315.05	69,191,821	1,632.93	417,362,735	593.24
Experience Rate Increase		7.5 %		-0.4 %		5.3 %		5.5 %		5.8 %

FY2016 STAR+PLUS Rating Summary  
El Paso SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	81,697		5,753		191,656		15,821		294,927	
Premium Revenue	45,061,561	551.57	17,297,706	3,006.84	72,441,994	377.98	32,736,873	2,069.16	167,538,134	568.07
Adjusted Premium (at current rates)	58,201,016	712.40	19,099,084	3,319.97	81,449,915	424.98	31,608,053	1,997.81	190,358,068	645.44
Estimated FY2014 Incurred Claims										
Acute Care	25,839,172	316.28	4,633,999	805.52	0	0.00	0	0.00	30,473,170	103.32
Long Term Care	14,017,598	171.58	7,038,872	1,223.56	63,103,852	329.26	24,889,985	1,573.19	109,050,307	369.75
Total	39,856,770	487.86	11,672,870	2,029.08	63,103,852	329.26	24,889,985	1,573.19	139,523,477	473.08
Projected FY2016 Member Months	78,750		8,073		188,228		18,648		293,699	
Projected FY2016 Premium										
At Current Rates	56,103,339	712.43	26,801,234	3,319.75	79,993,254	424.98	37,255,515	1,997.81	200,153,342	681.49
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0817		1.0443		1.0000		1.0000			
Long Term Care	1.3588		1.0919		1.0450		1.0578			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	26,941,882	342.12	6,832,026	846.25	0	0.00	0	0.00	33,773,908	114.99
Long Term Care	21,693,098	275.47	10,861,397	1,345.35	71,400,893	379.33	31,499,972	1,689.17	135,455,359	461.20
Total	48,634,980	617.59	17,693,423	2,191.61	71,400,893	379.33	31,499,972	1,689.17	169,229,267	576.20
Capitation Expenses & Refunds	93,791	1.19	17,471	2.16	62,576	0.33	22,257	1.19	196,096	0.67
Service Coordination & Other Expenses	1,227,811	15.59	346,304	42.90	2,159,182	11.47	647,190	34.71	4,380,488	14.91



FY2016 STAR+PLUS Rating Summary  
El Paso SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	1,122,183	14.25	115,044	14.25	2,682,253	14.25	265,737	14.25	4,185,217	14.25
Percentage of Premium	3,245,686	5.75%	1,154,626	5.75%	4,848,939	5.75%	2,060,880	5.75%	11,310,131	5.75%
Total	4,367,869	55.47	1,269,670	157.27	7,531,192	40.01	2,326,617	124.76	15,495,348	52.76
Risk Margin	1,128,934	2.00%	401,609	2.00%	1,686,587	2.00%	716,828	2.00%	3,933,959	2.00%
Premium Tax	987,818	1.75%	351,408	1.75%	1,475,764	1.75%	627,224	1.75%	3,442,214	1.75%
Maintenance Tax	5,512	0.07	565	0.07	13,176	0.07	1,305	0.07	20,559	0.07
Projected Total Cost										
Acute Care	30,563,948	388.12	7,617,831	943.59	69,145	0.37	24,594	1.32	38,275,518	130.32
Long Term Care	25,882,768	328.67	12,462,619	1,543.69	84,260,225	447.65	35,816,800	1,920.66	158,422,412	539.40
Total	56,446,716	716.79	20,080,450	2,487.28	84,329,370	448.02	35,841,394	1,921.98	196,697,930	669.73
Experience Rate Increase		0.6 %		-25.1 %		5.4 %		-3.8 %		-1.7 %

FY2016 STAR+PLUS Rating Summary  
Harris SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	560,385		29,404		574,835		60,836		1,225,459	
Premium Revenue	379,572,479	677.34	84,644,908	2,878.72	181,833,763	316.32	92,825,609	1,525.85	738,876,758	602.94
Adjusted Premium (at current rates)	422,014,770	753.08	91,744,161	3,120.16	189,856,468	330.28	104,606,068	1,719.49	808,221,468	659.53
Estimated FY2014 Incurred Claims										
Acute Care	179,326,012	320.01	29,862,494	1,015.60	0	0.00	0	0.00	209,188,506	170.70
Long Term Care	77,852,797	138.93	43,408,870	1,476.31	118,600,346	206.32	86,214,639	1,417.18	326,076,652	266.09
Total	257,178,809	458.93	73,271,363	2,491.91	118,600,346	206.32	86,214,639	1,417.18	535,265,157	436.79
Projected FY2016 Member Months	559,563		31,970		579,871		65,460		1,236,864	
Projected FY2016 Premium										
At Current Rates	422,291,372	754.68	99,854,333	3,123.35	191,519,822	330.28	112,558,394	1,719.49	826,223,921	668.00
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0232		1.0058		1.0000		1.0000			
Long Term Care	1.5046		1.0760		1.0977		1.0650			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	183,217,203	327.43	32,853,405	1,027.62	0	0.00	0	0.00	216,070,608	174.69
Long Term Care	138,199,860	246.98	51,140,494	1,599.62	144,786,044	249.69	100,286,108	1,532.01	434,412,506	351.22
Total	321,417,063	574.41	83,993,899	2,627.25	144,786,044	249.69	100,286,108	1,532.01	650,483,114	525.91
Capitation Expenses & Refunds	1,930,350	3.45	155,695	4.87	295,558	0.51	50,697	0.77	2,432,301	1.97
Service Coordination & Other Expenses	13,966,224	24.96	2,295,284	71.79	13,750,967	23.71	4,145,958	63.34	34,158,434	27.62

FY2016 STAR+PLUS Rating Summary  
Harris SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	7,973,766	14.25	455,577	14.25	8,263,163	14.25	932,810	14.25	17,625,316	14.25
Percentage of Premium	21,940,639	5.75%	5,521,442	5.75%	10,619,159	5.75%	6,697,966	5.75%	44,779,205	5.75%
Total	29,914,404	53.46	5,977,019	186.96	18,882,322	32.56	7,630,775	116.57	62,404,520	50.45
Risk Margin	7,631,526	2.00%	1,920,502	2.00%	3,693,620	2.00%	2,329,727	2.00%	15,575,376	2.00%
Premium Tax	6,677,586	1.75%	1,680,439	1.75%	3,231,918	1.75%	2,038,511	1.75%	13,628,454	1.75%
Maintenance Tax	39,169	0.07	2,238	0.07	40,591	0.07	4,582	0.07	86,580	0.07
Projected Total Cost										
Acute Care	209,630,013	374.63	36,672,011	1,147.06	326,584	0.56	56,019	0.86	246,684,627	199.44
Long Term Care	171,946,310	307.29	59,353,065	1,856.51	184,354,436	317.92	116,430,340	1,778.64	532,084,151	430.19
Total	381,576,323	681.92	96,025,076	3,003.57	184,681,020	318.49	116,486,359	1,779.50	778,768,778	629.63
Experience Rate Increase		-9.6 %		-3.8 %		-3.6 %		3.5 %		-5.7 %

FY2016 STAR+PLUS Rating Summary  
Hidalgo SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	251,278		15,448		517,500		95,976		880,202	
Premium Revenue	242,709,319	965.90	42,663,461	2,761.75	466,149,121	900.77	192,078,902	2,001.32	943,600,802	1,072.03
Adjusted Premium (at current rates)	253,706,942	1,009.67	47,115,588	3,049.95	492,716,514	952.11	197,105,194	2,053.69	990,644,238	1,125.47
Estimated FY2014 Incurred Claims										
Acute Care	73,403,589	292.12	11,795,809	763.58	0	0.00	0	0.00	85,199,398	96.80
Long Term Care	111,611,574	444.18	26,491,443	1,714.88	382,924,914	739.95	162,723,751	1,695.46	683,751,682	776.81
Total	185,015,162	736.30	38,287,252	2,478.46	382,924,914	739.95	162,723,751	1,695.46	768,951,080	873.61
Projected FY2016 Member Months	240,701		20,069		502,943		106,799		870,511	
Projected FY2016 Premium										
At Current Rates	243,017,279	1,009.62	61,261,826	3,052.62	478,856,688	952.11	219,332,022	2,053.69	1,002,467,815	1,151.59
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0363		1.0171		1.0000		1.0000			
Long Term Care	1.0811		1.0877		1.0231		1.0571			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	72,866,253	302.73	15,679,548	781.30	0	0.00	0	0.00	88,545,800	101.72
Long Term Care	136,567,904	567.38	37,695,402	1,878.33	419,767,584	834.62	194,294,337	1,819.25	788,325,226	905.59
Total	209,434,156	870.10	53,374,949	2,659.63	419,767,584	834.62	194,294,337	1,819.25	876,871,026	1,007.31
Capitation Expenses & Refunds	1,184,423	4.92	91,190	4.54	113,357	0.23	39,561	0.37	1,428,532	1.64
Service Coordination & Other Expenses	4,665,496	19.38	692,388	34.50	9,921,665	19.73	3,044,464	28.51	18,324,012	21.05

FY2016 STAR+PLUS Rating Summary  
Hidalgo SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	3,429,990	14.25	285,977	14.25	7,166,932	14.25	1,521,886	14.25	12,404,785	14.25
Percentage of Premium	13,897,268	5.75%	3,459,270	5.75%	27,765,495	5.75%	12,637,784	5.75%	57,759,817	5.75%
Total	17,327,258	71.99	3,745,248	186.62	34,932,427	69.46	14,159,669	132.58	70,164,602	80.60
Risk Margin	4,833,832	2.00%	1,203,225	2.00%	9,657,563	2.00%	4,395,751	2.00%	20,090,371	2.00%
Premium Tax	4,229,603	1.75%	1,052,821	1.75%	8,450,368	1.75%	3,846,282	1.75%	17,579,075	1.75%
Maintenance Tax	16,849	0.07	1,405	0.07	35,206	0.07	7,476	0.07	60,936	0.07
Projected Total Cost										
Acute Care	83,149,060	345.45	17,519,513	872.98	125,256	0.25	43,714	0.41	100,837,543	115.84
Long Term Care	158,542,559	658.67	42,641,713	2,124.80	482,752,913	959.86	219,743,825	2,057.55	903,681,010	1,038.10
Total	241,691,619	1,004.12	60,161,226	2,997.78	482,878,170	960.11	219,787,540	2,057.96	1,004,518,553	1,153.94
Experience Rate Increase		-0.5 %		-1.8 %		0.8 %		0.2 %		0.2 %

FY2016 STAR+PLUS Rating Summary  
Jefferson SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	107,185		4,729		83,271		15,078		210,262	
Premium Revenue	51,044,460	476.23	10,498,052	2,219.92	16,365,503	196.53	21,222,648	1,407.56	99,130,663	471.46
Adjusted Premium (at current rates)	59,107,491	551.45	12,803,027	2,707.33	20,138,984	241.85	22,296,825	1,478.80	114,346,328	543.83
Estimated FY2014 Incurred Claims										
Acute Care	33,089,107	308.71	4,399,647	930.35	0	0.00	0	0.00	37,488,755	178.30
Long Term Care	7,852,766	73.26	5,873,223	1,241.95	12,361,093	148.44	19,319,632	1,281.34	45,406,714	215.95
Total	40,941,874	381.97	10,272,870	2,172.31	12,361,093	148.44	19,319,632	1,281.34	82,895,469	394.25
Projected FY2016 Member Months	107,207		5,459		82,050		16,077		210,793	
Projected FY2016 Premium										
At Current Rates	59,636,264	556.27	14,796,257	2,710.19	19,843,770	241.85	23,773,988	1,478.80	118,050,278	560.03
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0418		1.0173		1.0000		1.0000			
Long Term Care	1.6173		1.0840		1.1619		1.0282			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	34,479,358	321.62	5,198,122	952.13	0	0.00	0	0.00	39,677,480	188.23
Long Term Care	15,009,040	140.00	7,401,450	1,355.70	15,602,026	190.15	21,499,314	1,337.31	59,511,831	282.32
Total	49,488,398	461.62	12,599,572	2,307.83	15,602,026	190.15	21,499,314	1,337.31	99,189,310	470.55
Capitation Expenses & Refunds	257,313	2.40	23,366	4.28	20,812	0.25	22,166	1.38	323,656	1.54
Service Coordination & Other Expenses	1,547,999	14.44	293,013	53.67	697,439	8.50	440,376	27.39	2,978,826	14.13

FY2016 STAR+PLUS Rating Summary  
Jefferson SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	1,527,698	14.25	77,798	14.25	1,169,211	14.25	229,091	14.25	3,003,797	14.25
Percentage of Premium	3,356,533	5.75%	825,594	5.75%	1,111,575	5.75%	1,409,994	5.75%	6,703,696	5.75%
Total	4,884,231	45.56	903,392	165.47	2,280,787	27.80	1,639,084	101.96	9,707,493	46.05
Risk Margin	1,167,490	2.00%	287,163	2.00%	386,635	2.00%	490,433	2.00%	2,331,720	2.00%
Premium Tax	1,021,554	1.75%	251,268	1.75%	338,306	1.75%	429,128	1.75%	2,040,255	1.75%
Maintenance Tax	7,504	0.07	382	0.07	5,743	0.07	1,125	0.07	14,755	0.07
Projected Total Cost										
Acute Care	39,564,940	369.05	5,805,240	1,063.33	22,996	0.28	24,493	1.52	45,417,668	215.46
Long Term Care	18,809,549	175.45	8,552,915	1,566.61	19,308,751	235.33	24,497,134	1,523.78	71,168,349	337.62
Total	58,374,488	544.50	14,358,155	2,629.94	19,331,747	235.61	24,521,626	1,525.30	116,586,017	553.08
Experience Rate Increase		-2.1 %		-3.0 %		-2.6 %		3.1 %		-1.2 %

FY2016 STAR+PLUS Rating Summary  
Lubbock SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	61,837		2,607		62,775		8,449		135,668	
Premium Revenue	27,897,815	451.15	5,720,800	2,194.22	8,976,006	142.99	10,279,348	1,216.62	52,873,969	389.73
Adjusted Premium (at current rates)	35,306,025	570.96	6,211,938	2,382.60	11,044,591	175.94	11,117,200	1,315.79	63,679,754	469.38
Estimated FY2014 Incurred Claims										
Acute Care	18,739,578	303.05	1,948,710	747.43	0	0.00	0	0.00	20,688,288	152.49
Long Term Care	3,315,367	53.61	2,399,449	920.31	5,612,659	89.41	9,091,122	1,075.99	20,418,596	150.50
Total	22,054,945	356.66	4,348,158	1,667.75	5,612,659	89.41	9,091,122	1,075.99	41,106,885	303.00
Projected FY2016 Member Months	62,135		2,857		61,564		8,478		135,034	
Projected FY2016 Premium										
At Current Rates	35,496,822	571.28	6,793,469	2,378.01	10,831,550	175.94	11,155,429	1,315.79	64,277,270	476.01
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0594		1.0284		1.0000		1.0000			
Long Term Care	2.3786		1.0737		1.3007		1.0263			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	19,948,496	321.05	2,209,069	773.27	0	0.00	0	0.00	22,157,565	164.09
Long Term Care	9,362,531	150.68	2,842,667	995.06	7,893,244	128.21	9,503,242	1,120.91	29,601,684	219.22
Total	29,311,028	471.73	5,051,736	1,768.33	7,893,244	128.21	9,503,242	1,120.91	51,759,250	383.31
Capitation Expenses & Refunds	368,282	5.93	11,070	3.88	0	0.00	0	0.00	379,353	2.81
Service Coordination & Other Expenses	672,091	10.82	49,355	17.28	678,110	11.01	128,947	15.21	1,528,502	11.32



FY2016 STAR+PLUS Rating Summary  
Lubbock SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	885,425	14.25	40,709	14.25	877,285	14.25	120,813	14.25	1,924,232	14.25
Percentage of Premium	1,984,937	5.75%	327,405	5.75%	600,602	5.75%	619,704	5.75%	3,532,647	5.75%
Total	2,870,361	46.20	368,114	128.86	1,477,887	24.01	740,517	87.34	5,456,879	40.41
Risk Margin	690,413	2.00%	113,880	2.00%	208,905	2.00%	215,549	2.00%	1,228,747	2.00%
Premium Tax	604,111	1.75%	99,645	1.75%	182,792	1.75%	188,605	1.75%	1,075,153	1.75%
Maintenance Tax	4,349	0.07	200	0.07	4,309	0.07	593	0.07	9,452	0.07
Projected Total Cost										
Acute Care	23,118,609	372.07	2,472,960	865.64	0	0.00	0	0.00	25,591,569	189.52
Long Term Care	11,402,026	183.50	3,221,040	1,127.50	10,445,247	169.67	10,777,454	1,271.21	35,845,768	265.46
Total	34,520,635	555.57	5,694,000	1,993.15	10,445,247	169.67	10,777,454	1,271.21	61,437,336	454.98
Experience Rate Increase		-2.8 %		-16.2 %		-3.6 %		-3.4 %		-4.4 %

FY2016 STAR+PLUS Rating Summary  
Nueces SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	100,204		7,599		105,078		29,435		242,316	
Premium Revenue	74,178,098	740.27	19,487,266	2,564.36	45,678,063	434.71	47,055,010	1,598.63	186,398,437	769.24
Adjusted Premium (at current rates)	73,752,371	736.03	20,435,525	2,689.14	46,684,081	444.28	49,580,040	1,684.41	190,452,017	785.97
Estimated FY2014 Incurred Claims										
Acute Care	28,620,620	285.62	5,570,700	733.06	0	0.00	0	0.00	34,191,320	141.10
Long Term Care	20,293,142	202.52	10,186,593	1,340.47	33,369,559	317.57	41,116,436	1,396.87	104,965,728	433.18
Total	48,913,762	488.14	15,757,292	2,073.53	33,369,559	317.57	41,116,436	1,396.87	139,157,049	574.28
Projected FY2016 Member Months	98,458		7,824		103,416		29,111		238,809	
Projected FY2016 Premium										
At Current Rates	72,302,527	734.35	20,991,850	2,683.07	45,945,859	444.28	49,034,486	1,684.41	188,274,723	788.39
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0493		1.0246		1.0000		1.0000			
Long Term Care	1.1858		1.0889		1.0577		1.0413			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	29,508,483	299.71	5,911,653	755.60	0	0.00	0	0.00	35,420,137	148.32
Long Term Care	27,936,938	283.74	11,499,879	1,469.85	38,296,517	370.31	42,980,873	1,476.46	120,714,208	505.48
Total	57,445,421	583.45	17,411,533	2,225.45	38,296,517	370.31	42,980,873	1,476.46	156,134,344	653.80
Capitation Expenses & Refunds	704,945	7.16	55,360	7.08	-12,937	-0.13	-4,105	-0.14	743,263	3.11
Service Coordination & Other Expenses	1,685,329	17.12	170,316	21.77	1,776,025	17.17	649,454	22.31	4,281,125	17.93

FY2016 STAR+PLUS Rating Summary  
Nueces SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	1,403,028	14.25	111,490	14.25	1,473,684	14.25	414,829	14.25	3,403,030	14.25
Percentage of Premium	3,891,296	5.75%	1,127,715	5.75%	2,639,315	5.75%	2,798,318	5.75%	10,456,644	5.75%
Total	5,294,324	53.77	1,239,204	158.39	4,113,000	39.77	3,213,146	110.38	13,859,674	58.04
Risk Margin	1,353,494	2.00%	392,249	2.00%	918,023	2.00%	973,328	2.00%	3,637,093	2.00%
Premium Tax	1,184,307	1.75%	343,217	1.75%	803,270	1.75%	851,662	1.75%	3,182,457	1.75%
Maintenance Tax	6,892	0.07	548	0.07	7,239	0.07	2,038	0.07	16,717	0.07
Projected Total Cost										
Acute Care	34,185,275	347.21	6,635,417	848.10	-14,294	-0.14	-4,536	-0.16	40,801,861	170.86
Long Term Care	33,489,438	340.14	12,977,009	1,658.65	45,915,432	443.99	48,670,932	1,671.92	141,052,811	590.65
Total	67,674,713	687.35	19,612,427	2,506.76	45,901,138	443.85	48,666,396	1,671.77	181,854,673	761.51
Experience Rate Increase		-6.4 %		-6.6 %		-0.1 %		-0.8 %		-3.4 %

FY2016 STAR+PLUS Rating Summary  
Tarrant SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	193,358		12,167		171,833		28,101		405,459	
Premium Revenue	100,183,782	518.13	33,843,412	2,781.61	33,367,641	194.19	41,491,874	1,476.50	208,886,709	515.19
Adjusted Premium (at current rates)	127,508,169	659.44	34,152,306	2,807.00	40,439,078	235.34	44,273,053	1,575.47	246,372,606	607.64
Estimated FY2014 Incurred Claims										
Acute Care	66,232,539	342.54	10,518,433	864.52	0	0.00	0	0.00	76,750,972	189.29
Long Term Care	16,609,324	85.90	14,390,810	1,182.79	23,921,264	139.21	36,684,869	1,305.44	91,606,268	225.93
Total	82,841,863	428.44	24,909,243	2,047.31	23,921,264	139.21	36,684,869	1,305.44	168,357,239	415.23
Projected FY2016 Member Months	198,208		13,646		171,003		28,934		411,792	
Projected FY2016 Premium										
At Current Rates	130,635,478	659.08	38,245,413	2,802.60	40,243,919	235.34	45,584,636	1,575.47	254,709,445	618.54
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0219		1.0110		1.0000		1.0000			
Long Term Care	2.0391		1.0722		1.2129		1.0268			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	69,380,824	350.04	11,998,880	879.27	0	0.00	0	0.00	81,379,704	197.62
Long Term Care	41,020,414	206.96	17,427,338	1,277.06	31,832,951	186.15	39,367,787	1,360.61	129,648,489	314.84
Total	110,401,238	557.00	29,426,217	2,156.34	31,832,951	186.15	39,367,787	1,360.61	211,028,193	512.46
Capitation Expenses & Refunds	190,977	0.96	14,716	1.08	15,188	0.09	2,656	0.09	223,535	0.54
Service Coordination & Other Expenses	2,382,702	12.02	624,797	45.78	2,150,540	12.58	866,907	29.96	6,024,945	14.63

FY2016 STAR+PLUS Rating Summary  
Tarrant SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	2,824,470	14.25	194,461	14.25	2,436,797	14.25	412,309	14.25	5,868,038	14.25
Percentage of Premium	7,358,301	5.75%	1,922,670	5.75%	2,315,722	5.75%	2,582,842	5.75%	14,179,534	5.75%
Total	10,182,772	51.37	2,117,131	155.14	4,752,519	27.79	2,995,151	103.52	20,047,572	48.68
Risk Margin	2,559,409	2.00%	668,755	2.00%	805,468	2.00%	898,380	2.00%	4,932,012	2.00%
Premium Tax	2,239,483	1.75%	585,160	1.75%	704,785	1.75%	786,082	1.75%	4,315,510	1.75%
Maintenance Tax	13,875	0.07	955	0.07	11,970	0.07	2,025	0.07	28,825	0.07
Projected Total Cost										
Acute Care	78,845,898	397.79	13,362,739	979.21	16,782	0.10	2,934	0.10	92,228,353	223.97
Long Term Care	49,124,557	247.84	20,074,992	1,471.08	40,256,639	235.41	44,916,053	1,552.36	154,372,242	374.88
Total	127,970,455	645.64	33,437,731	2,450.30	40,273,421	235.51	44,918,988	1,552.46	246,600,594	598.85
Experience Rate Increase		-2.0 %		-12.6 %		0.1 %		-1.5 %		-3.2 %

FY2016 STAR+PLUS Rating Summary  
Travis SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	118,676		5,766		109,637		18,163		252,243	
Premium Revenue	72,902,034	614.29	16,349,014	2,835.44	25,425,431	231.90	30,353,564	1,671.14	145,030,044	574.96
Adjusted Premium (at current rates)	79,742,032	671.93	18,572,500	3,221.07	27,003,687	246.30	30,912,524	1,701.91	156,230,743	619.37
Estimated FY2014 Incurred Claims										
Acute Care	38,260,893	322.40	5,557,985	963.93	0	0.00	0	0.00	43,818,877	173.72
Long Term Care	12,266,949	103.36	9,211,915	1,597.64	17,373,118	158.46	25,495,316	1,403.66	64,347,298	255.10
Total	50,527,842	425.76	14,769,900	2,561.57	17,373,118	158.46	25,495,316	1,403.66	108,166,176	428.82
Projected FY2016 Member Months	117,023		7,516		107,017		20,572		252,129	
Projected FY2016 Premium										
At Current Rates	78,557,425	671.30	24,251,045	3,226.42	26,358,383	246.30	35,012,289	1,701.91	164,179,143	651.17
Annual Cost Trend Assumptions										
Acute Care										
FY2015	0.0 %		0.6 %		0.0 %		0.6 %			
FY2016	0.0 %		0.0 %		0.0 %		0.0 %			
Long Term Care										
FY2015	8.2 %		0.0 %		4.5 %		0.9 %			
FY2016	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment										
Acute Care	1.0477		1.0175		1.0000		1.0000			
Long Term Care	1.7205		1.0807		1.1631		1.0364			
Other Reimbursement Adjustment	1.0000		1.0000		1.0000		1.0000			
Projected Incurred Claims										
Acute Care	39,527,523	337.78	7,416,333	986.69	0	0.00	0	0.00	46,943,855	186.19
Long Term Care	24,589,444	210.12	13,068,447	1,738.66	21,744,993	203.19	30,378,268	1,476.66	89,781,152	356.09
Total	64,116,966	547.90	20,484,780	2,725.34	21,744,993	203.19	30,378,268	1,476.66	136,725,007	542.28
Capitation Expenses & Refunds	575,315	4.92	36,904	4.91	64,731	0.60	11,097	0.54	688,047	2.73
Service Coordination & Other Expenses	1,626,380	13.90	214,798	28.58	1,477,396	13.81	456,725	22.20	3,775,299	14.97

FY2016 STAR+PLUS Rating Summary  
Travis SDA Total

	Acute Care (Non-Inpatient) and Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses										
Fixed Amount	1,667,581	14.25	107,109	14.25	1,524,998	14.25	293,156	14.25	3,592,843	14.25
Percentage of Premium	4,320,088	5.75%	1,324,350	5.75%	1,576,936	5.75%	1,978,552	5.75%	9,199,927	5.75%
Total	5,987,669	51.17	1,431,459	190.44	3,101,934	28.99	2,271,708	110.43	12,792,770	50.74
Risk Margin	1,502,639	2.00%	460,643	2.00%	548,500	2.00%	688,192	2.00%	3,199,974	2.00%
Premium Tax	1,314,809	1.75%	403,063	1.75%	479,937	1.75%	602,168	1.75%	2,799,978	1.75%
Maintenance Tax	8,192	0.07	526	0.07	7,491	0.07	1,440	0.07	17,649	0.07
Projected Total Cost										
Acute Care	45,454,073	388.42	8,278,679	1,101.42	71,526	0.67	12,262	0.60	53,816,541	213.45
Long Term Care	29,677,897	253.61	14,753,494	1,962.84	27,353,457	255.60	34,397,336	1,672.02	106,182,184	421.14
Total	75,131,971	642.03	23,032,173	3,064.26	27,424,982	256.27	34,409,598	1,672.61	159,998,725	634.59
Experience Rate Increase		-4.4 %		-5.0 %		4.0 %		-1.7 %		-2.5 %

## ***Attachment 4***

### **Community Experience Analysis – Inpatient**

The following exhibits present a summary of the inpatient experience analysis performed for each managed care service area. HHSC utilizes an adjusted community rating methodology in setting the STAR+PLUS premium rates. The base community rates by risk group vary by service area but are the same for each health plan in a service area. The community rates are developed by a weighted average of the projected FY2016 cost for each health plan in the service area. The weights used in this formula are the projected number of FY2016 clients enrolled in each health plan.

Below is a brief description of the exhibits contained in this attachment. The exhibits present the derivation of the FY2016 STAR+PLUS community rates for the following service areas:

Exhibit A – Bexar Service Area  
Exhibit B – Dallas Services Area  
Exhibit C – El Paso Services Area  
Exhibit D – Harris Service Area  
Exhibit E – Hidalgo Service Area  
Exhibit F – Jefferson Service Area  
Exhibit G – Lubbock Service Area  
Exhibit H – Nueces Service Area  
Exhibit I – Tarrant Service Area  
Exhibit J – Travis Service Area

A description of the rating methodology used for the MRSA Central, MRSA Northeast, MRSA West and IDD populations can be found in Attachments 9 and 10.

These exhibits show projected FY2016 experience for each of the service areas. These amounts were derived by summing amounts from each individual health plan in the service area. The experience analysis for individual health plans is described in Attachment 2. The top portion of the exhibit shows summary base period (FY2014) experience and projected FY2016 enrollment, premium and incurred claims experience.

The cost of reinsurance is also considered. We have assumed that the net cost of reinsurance (reinsurance premium less reinsurance recoveries) is the minimum of (a) the actual reinsurance premium rate and (b) \$0.75 pmpm.

A provision for administrative expenses is included in the amount of 5.75% of gross premium. Additional provisions are also included for premium tax (1.75% of premium) risk margin (2.0% of premium).

The bottom of the exhibit shows a summary of the projected FY2016 cost based on these assumptions.



FY2016 STAR+PLUS Rating Summary  
Bexar SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	266,273		13,955		267,412		37,105		584,746	
Premium Revenue	49,802,700	187.04	7,680,463	550.37	0	0.00	0	0.00	57,483,163	98.30
Adjusted Premium (at current rates)	48,309,360	181.43	8,046,137	576.58	0	0.00	0	0.00	56,355,497	96.38
Estimated FY2014 Incurred Claims	40,850,367	153.42	5,708,902	409.09	0	0.00	0	0.00	46,559,269	79.62
Projected FY2016 Member Months	266,299		14,598		263,504		37,505		581,906	
Projected FY2016 Premium At Current Rates	48,336,840	181.51	8,391,238	574.83	0	0.00	0	0.00	56,728,078	97.49
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.0915		1.0658		1.0000		1.0000			
Projected Incurred Claims	47,216,313	177.31	6,739,295	461.67	0	0.00	0	0.00	53,955,608	92.72
Net Reinsurance Cost	33,339	0.13	2,243	0.15	0	0.00	0	0.00	35,582	0.06
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	3,002,050	5.75%	428,330	5.75%	0	5.75%	0	5.75%	3,430,379	5.75%
Total	3,002,050	11.27	428,330	29.34	0	0.00	0	0.00	3,430,379	5.90
Risk Margin	1,044,191	2.00%	148,984	2.00%	0	2.00%	0	2.00%	1,193,175	2.00%
Premium Tax	913,667	1.75%	130,361	1.75%	0	1.75%	0	1.75%	1,044,029	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	52,209,560	196.06	7,449,213	510.30	0	0.00	0	0.00	59,658,774	102.52
Experience Rate Increase		8.0 %		-11.2 %		0.0 %		0.0 %		5.2 %

FY2016 STAR+PLUS Rating Summary  
Dallas SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	340,778		13,905		303,111		42,867		700,661	
Premium Revenue	71,156,179	208.80	8,266,541	594.52	0	0.00	0	0.00	79,422,720	113.35
Adjusted Premium (at current rates)	75,542,783	221.68	10,511,001	755.94	0	0.00	0	0.00	86,053,784	122.82
Estimated FY2014 Incurred Claims	66,101,343	193.97	8,277,415	595.30	0	0.00	0	0.00	74,378,758	106.16
Projected FY2016 Member Months	343,689		15,836		301,630		42,373		703,528	
Projected FY2016 Premium At Current Rates	76,186,931	221.67	11,970,603	755.93	0	0.00	0	0.00	88,157,533	125.31
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.1080		1.0955		1.0000		1.0000			
Projected Incurred Claims	78,212,249	227.57	10,934,873	690.53	0	0.00	0	0.00	89,147,123	126.71
Net Reinsurance Cost	142,126	0.41	8,671	0.55	0	0.00	0	0.00	150,798	0.21
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	4,978,317	5.75%	695,308	5.75%	0	5.75%	0	5.75%	5,673,625	5.75%
Total	4,978,317	14.48	695,308	43.91	0	0.00	0	0.00	5,673,625	8.06
Risk Margin	1,731,588	2.00%	241,846	2.00%	0	2.00%	0	2.00%	1,973,435	2.00%
Premium Tax	1,515,140	1.75%	211,616	1.75%	0	1.75%	0	1.75%	1,726,755	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	86,579,421	251.91	12,092,314	763.62	0	0.00	0	0.00	98,671,735	140.25
Experience Rate Increase		13.6 %		1.0 %		0.0 %		0.0 %		11.9 %

FY2016 STAR+PLUS Rating Summary  
El Paso SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	81,697		5,753		191,656		15,821		294,927	
Premium Revenue	15,072,515	184.49	3,341,952	580.93	0	0.00	0	0.00	18,414,467	62.44
Adjusted Premium (at current rates)	17,464,345	213.77	4,840,609	841.44	0	0.00	0	0.00	22,304,954	75.63
Estimated FY2014 Incurred Claims	15,572,172	190.61	2,599,637	451.89	0	0.00	0	0.00	18,171,809	61.61
Projected FY2016 Member Months	78,750		8,073		188,228		18,648		293,699	
Projected FY2016 Premium At Current Rates	16,835,341	213.78	6,791,993	841.30	0	0.00	0	0.00	23,627,335	80.45
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.1416		1.1490		1.0000		1.0000			
Projected Incurred Claims	18,144,141	230.40	4,438,476	549.78	0	0.00	0	0.00	22,582,616	76.89
Net Reinsurance Cost	25,892	0.33	2,536	0.31	0	0.00	0	0.00	28,428	0.10
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	1,154,450	5.75%	282,164	5.75%	0	5.75%	0	5.75%	1,436,613	5.75%
Total	1,154,450	14.66	282,164	34.95	0	0.00	0	0.00	1,436,613	4.89
Risk Margin	401,548	2.00%	98,144	2.00%	0	2.00%	0	2.00%	499,692	2.00%
Premium Tax	351,354	1.75%	85,876	1.75%	0	1.75%	0	1.75%	437,230	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	20,077,385	254.95	4,907,195	607.83	0	0.00	0	0.00	24,984,580	85.07
Experience Rate Increase		19.3 %		-27.8 %		0.0 %		0.0 %		5.7 %

FY2016 STAR+PLUS Rating Summary  
Harris SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	560,385		29,404		574,835		60,836		1,225,459	
Premium Revenue	164,519,475	293.58	29,135,106	990.87	0	0.00	0	0.00	193,654,581	158.03
Adjusted Premium (at current rates)	146,805,323	261.97	25,053,280	852.04	0	0.00	0	0.00	171,858,603	140.24
Estimated FY2014 Incurred Claims	141,805,123	253.05	22,154,097	753.45	0	0.00	0	0.00	163,959,220	133.79
Projected FY2016 Member Months	559,563		31,970		579,871		65,460		1,236,864	
Projected FY2016 Premium At Current Rates	147,120,070	262.92	27,311,311	854.27	0	0.00	0	0.00	174,431,381	141.03
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.0729		1.0511		1.0000		1.0000			
Projected Incurred Claims	160,858,622	287.47	26,808,563	838.55	0	0.00	0	0.00	187,667,184	151.73
Net Reinsurance Cost	76,902	0.14	4,555	0.14	0	0.00	0	0.00	81,457	0.07
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	10,225,185	5.75%	1,703,596	5.75%	0	5.75%	0	5.75%	11,928,781	5.75%
Total	10,225,185	18.27	1,703,596	53.29	0	0.00	0	0.00	11,928,781	9.64
Risk Margin	3,556,586	2.00%	592,555	2.00%	0	2.00%	0	2.00%	4,149,141	2.00%
Premium Tax	3,112,013	1.75%	518,486	1.75%	0	1.75%	0	1.75%	3,630,499	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	177,829,308	317.80	29,627,754	926.73	0	0.00	0	0.00	207,457,062	167.73
Experience Rate Increase		20.9 %		8.5 %		0.0 %		0.0 %		18.9 %

FY2016 STAR+PLUS Rating Summary  
Hidalgo SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	251,278		15,448		517,500		95,976		880,202	
Premium Revenue	38,116,962	151.69	6,046,034	391.38	0	0.00	0	0.00	44,162,996	50.17
Adjusted Premium (at current rates)	36,018,329	143.34	6,429,305	416.19	0	0.00	0	0.00	42,447,634	48.22
Estimated FY2014 Incurred Claims	29,814,892	118.65	4,833,883	312.91	0	0.00	0	0.00	34,648,775	39.36
Projected FY2016 Member Months	240,701		20,069		502,943		106,799		870,511	
Projected FY2016 Premium At Current Rates	34,498,323	143.32	8,378,535	417.50	0	0.00	0	0.00	42,876,858	49.25
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.1206		1.0859		1.0000		1.0000			
Projected Incurred Claims	33,887,400	140.79	7,220,394	359.79	0	0.00	0	0.00	41,107,794	47.22
Net Reinsurance Cost	42,921	0.18	3,250	0.16	0	0.00	0	0.00	46,171	0.05
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	2,155,794	5.75%	458,961	5.75%	0	5.75%	0	5.75%	2,614,755	5.75%
Total	2,155,794	8.96	458,961	22.87	0	0.00	0	0.00	2,614,755	3.00
Risk Margin	749,841	2.00%	159,639	2.00%	0	2.00%	0	2.00%	909,480	2.00%
Premium Tax	656,111	1.75%	139,684	1.75%	0	1.75%	0	1.75%	795,795	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	37,492,068	155.76	7,981,927	397.73	0	0.00	0	0.00	45,473,994	52.24
Experience Rate Increase		8.7 %		-4.7 %		0.0 %		0.0 %		6.1 %

FY2016 STAR+PLUS Rating Summary  
Jefferson SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	107,185		4,729		83,271		15,078		210,262	
Premium Revenue	28,668,974	267.47	2,685,477	567.87	0	0.00	0	0.00	31,354,451	149.12
Adjusted Premium (at current rates)	26,765,051	249.71	2,685,535	567.88	0	0.00	0	0.00	29,450,586	140.07
Estimated FY2014 Incurred Claims	22,830,731	213.00	3,017,306	638.04	0	0.00	0	0.00	25,848,037	122.93
Projected FY2016 Member Months	107,207		5,459		82,050		16,077		210,793	
Projected FY2016 Premium										
At Current Rates	27,099,364	252.78	3,108,858	569.44	0	0.00	0	0.00	30,208,222	143.31
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.0654		1.0465		1.0000		1.0000			
Projected Incurred Claims	25,760,425	240.29	3,859,854	707.00	0	0.00	0	0.00	29,620,280	140.52
Net Reinsurance Cost	29,984	0.28	2,325	0.43	0	0.00	0	0.00	32,309	0.15
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	1,638,617	5.75%	245,387	5.75%	0	5.75%	0	5.75%	1,884,004	5.75%
Total	1,638,617	15.28	245,387	44.95	0	0.00	0	0.00	1,884,004	8.94
Risk Margin	569,954	2.00%	85,352	2.00%	0	2.00%	0	2.00%	655,306	2.00%
Premium Tax	498,710	1.75%	74,683	1.75%	0	1.75%	0	1.75%	573,393	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	28,497,690	265.82	4,267,602	781.68	0	0.00	0	0.00	32,765,292	155.44
Experience Rate Increase		5.2 %		37.3 %		0.0 %		0.0 %		8.5 %

FY2016 STAR+PLUS Rating Summary  
Lubbock SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	61,837		2,607		62,775		8,449		135,668	
Premium Revenue	15,423,857	249.43	1,170,577	448.98	0	0.00	0	0.00	16,594,433	122.32
Adjusted Premium (at current rates)	14,395,518	232.80	1,133,573	434.78	0	0.00	0	0.00	15,529,090	114.46
Estimated FY2014 Incurred Claims	11,504,782	186.05	936,343	359.14	0	0.00	0	0.00	12,441,125	91.70
Projected FY2016 Member Months	62,135		2,857		61,564		8,478		135,034	
Projected FY2016 Premium At Current Rates	14,476,990	232.99	1,234,879	432.26	0	0.00	0	0.00	15,711,869	116.36
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.1037		1.1096		1.0000		1.0000			
Projected Incurred Claims	13,509,852	217.43	1,205,408	421.95	0	0.00	0	0.00	14,715,260	108.97
Net Reinsurance Cost	3,521	0.06	203	0.07	0	0.00	0	0.00	3,723	0.03
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	858,584	5.75%	76,600	5.75%	0	5.75%	0	5.75%	935,184	5.75%
Total	858,584	13.82	76,600	26.81	0	0.00	0	0.00	935,184	6.93
Risk Margin	298,638	2.00%	26,643	2.00%	0	2.00%	0	2.00%	325,281	2.00%
Premium Tax	261,308	1.75%	23,313	1.75%	0	1.75%	0	1.75%	284,621	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	14,931,903	240.31	1,332,166	466.32	0	0.00	0	0.00	16,264,070	120.44
Experience Rate Increase		3.1 %		7.9 %		0.0 %		0.0 %		3.5 %

FY2016 STAR+PLUS Rating Summary  
Nueces SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	100,204		7,599		105,078		29,435		242,316	
Premium Revenue	22,407,287	223.62	5,139,547	676.32	0	0.00	0	0.00	27,546,834	113.68
Adjusted Premium (at current rates)	19,025,663	189.87	4,805,856	632.41	0	0.00	0	0.00	23,831,519	98.35
Estimated FY2014 Incurred Claims	18,782,601	187.44	2,910,246	382.96	0	0.00	0	0.00	21,692,847	89.52
Projected FY2016 Member Months	98,458		7,824		103,416		29,111		238,809	
Projected FY2016 Premium At Current Rates	18,615,320	189.07	4,915,044	628.21	0	0.00	0	0.00	23,530,363	98.53
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.1130		1.1007		1.0000		1.0000			
Projected Incurred Claims	21,749,527	220.90	3,492,016	446.33	0	0.00	0	0.00	25,241,543	105.70
Net Reinsurance Cost	2,241	0.02	171	0.02	0	0.00	0	0.00	2,412	0.01
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	1,382,018	5.75%	221,879	5.75%	0	5.75%	0	5.75%	1,603,898	5.75%
Total	1,382,018	14.04	221,879	28.36	0	0.00	0	0.00	1,603,898	6.72
Risk Margin	480,702	2.00%	77,175	2.00%	0	2.00%	0	2.00%	557,877	2.00%
Premium Tax	420,614	1.75%	67,528	1.75%	0	1.75%	0	1.75%	488,143	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	24,035,103	244.12	3,858,771	493.21	0	0.00	0	0.00	27,893,874	116.80
Experience Rate Increase		29.1 %		-21.5 %		0.0 %		0.0 %		18.5 %



FY2016 STAR+PLUS Rating Summary  
Tarrant SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	193,358		12,167		171,833		28,101		405,459	
Premium Revenue	38,504,174	199.13	7,060,029	580.27	0	0.00	0	0.00	45,564,203	112.38
Adjusted Premium (at current rates)	46,423,027	240.09	5,929,667	487.36	0	0.00	0	0.00	52,352,694	129.12
Estimated FY2014 Incurred Claims	40,394,411	208.91	5,861,792	481.78	0	0.00	0	0.00	46,256,203	114.08
Projected FY2016 Member Months	198,208		13,646		171,003		28,934		411,792	
Projected FY2016 Premium At Current Rates	47,547,238	239.89	6,619,848	485.10	0	0.00	0	0.00	54,167,086	131.54
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.1003		1.0999		1.0000		1.0000			
Projected Incurred Claims	48,241,721	243.39	7,656,934	561.10	0	0.00	0	0.00	55,898,655	135.74
Net Reinsurance Cost	13,750	0.07	1,060	0.08	0	0.00	0	0.00	14,810	0.04
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	3,065,955	5.75%	486,558	5.75%	0	5.75%	0	5.75%	3,552,513	5.75%
Total	3,065,955	15.47	486,558	35.65	0	0.00	0	0.00	3,552,513	8.63
Risk Margin	1,066,419	2.00%	169,237	2.00%	0	2.00%	0	2.00%	1,235,657	2.00%
Premium Tax	933,117	1.75%	148,083	1.75%	0	1.75%	0	1.75%	1,081,200	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	53,320,963	269.01	8,461,871	620.08	0	0.00	0	0.00	61,782,834	150.03
Experience Rate Increase		12.1 %		27.8 %		0.0 %		0.0 %		14.1 %

FY2016 STAR+PLUS Rating Summary  
Travis SDA Total

	Inpatient									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period										
Member Months	118,676		5,766		109,637		18,163		252,243	
Premium Revenue	29,469,652	248.32	3,977,136	689.76	0	0.00	0	0.00	33,446,788	132.60
Adjusted Premium (at current rates)	26,827,689	226.06	3,858,677	669.22	0	0.00	0	0.00	30,686,366	121.65
Estimated FY2014 Incurred Claims	20,652,842	174.03	3,161,657	548.33	0	0.00	0	0.00	23,814,498	94.41
Projected FY2016 Member Months	117,023		7,516		107,017		20,572		252,129	
Projected FY2016 Premium At Current Rates	26,416,181	225.73	5,053,130	672.28	0	0.00	0	0.00	31,469,311	124.81
Annual Cost Trend Assumptions										
FY2015	2.9 %		2.9 %		2.9 %		2.9 %			
FY2016	2.9 %		2.9 %		2.9 %		2.9 %			
Provider Reimbursement Adjustment	1.1025		1.0772		1.0000		1.0000			
Projected Incurred Claims	23,773,697	203.15	4,700,903	625.42	0	0.00	0	0.00	28,474,599	112.94
Net Reinsurance Cost	5,705	0.05	376	0.05	0	0.00	0	0.00	6,081	0.02
Administrative Expenses										
Fixed Amount	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Percentage of Premium	1,510,846	5.75%	298,700	5.75%	0	5.75%	0	5.75%	1,809,546	5.75%
Total	1,510,846	12.91	298,700	39.74	0	0.00	0	0.00	1,809,546	7.18
Risk Margin	525,512	2.00%	103,896	2.00%	0	2.00%	0	2.00%	629,407	2.00%
Premium Tax	459,823	1.75%	90,909	1.75%	0	1.75%	0	1.75%	550,731	1.75%
Maintenance Tax	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Projected Total Cost	26,275,582	224.53	5,194,783	691.13	0	0.00	0	0.00	31,470,365	124.82
Experience Rate Increase		-0.5 %		2.8 %		0.0 %		0.0 %		0.0 %

## ***Attachment 5***

### **Trend Analysis**

The FY2016 rating methodology uses assumed trend factors to adjust the base period claims cost to the projection period. The cost trend factors used in this analysis are a combination of utilization and inflation components. Separate trend factors were developed by type of service – non-inpatient acute care, inpatient care and long term care services. The projected trend rate assumptions were developed by the actuary based on an analysis of recent experience under the various health plans. A single trend assumption applied to all service areas but varies by type of service, risk group and year.

The trend analysis included a review of health plan claims experience data through February 28, 2015. Based on this information, estimates of monthly incurred claims were made through December 2014. The claims cost and trend experience was reviewed separately by service area, type of service and risk group. The service area trends were then combined into a statewide average using a weighted average formula with estimated incurred claims as the weights.

Exhibit A provides a summary of the FY2012, FY2013, FY2014 and FY2015 trends by service area, type of service and risk group. The FY2015 trend represents the trend during the period September 2014 through December 2014. All trends have been calculated as the average cost per member per month during the specified time period compared to the average cost during the same time period the prior year. For example, the FY2014 trend is calculated as the average cost per member per month during FY2014 divided by the average cost per member per month during FY2013. All trends have been adjusted to remove the impact of the various provider reimbursement changes that have impacted the cost of program.

The FY2015 non-inpatient acute care trend assumptions were developed from two components: (i) the actual estimated trend for the period September 2014 through December 2014 and (ii) the projected trend for the period January 2015 through August 2015. The trends for the final eight months of FY2015 were projected using statewide experience from FY2012 (3/10 weight), FY2013 (3/10 weight), FY2014 (3/10 weight) and FY2015 (1/10 weight). The weighting of each time period was based on the number of months within each time period. All projected statewide trends were limited to no less than 0.0%.

The FY2016 non-inpatient acute care trend assumptions were then developed from a simple average of the FY2012 trend, FY2013 trend, FY2014 trend and FY2015 trend.

The inpatient acute care trend assumptions were developed from an analysis of inpatient claims previously paid on a fee-for-service basis for clients enrolled in the STAR+PLUS program as well as those clients previously enrolled in the Primary Care Case Management (PCCM) program outside of STAR+PLUS service areas. Based on this analysis the FY2015 and FY2016 trend assumptions were developed based on an average of the trends for the periods (FY2010, FY2011 and FY2012). Only claims incurred prior to the carve-in of inpatient services on March 1, 2012 were considered during the FY2012 time period. Inpatient claims after March 1, 2012 were not considered in the trend analysis due to the significant programmatic changes that have impacted inpatient claims once carved into the STAR+PLUS program. Exhibit B provides a summary of the historical inpatient trends.

The FY2015 and FY2016 long term care trend assumptions were developed based on the same methodology described for the non-inpatient acute care services.

Exhibit C provides a summary of the statewide average trends by type of service and risk group for FY2012, FY2013, FY2014 and the first four months of FY2015. In addition, the exhibit includes the trend assumptions developed based on the described methodology for FY2015 and FY2016.

FY2016 STAR+PLUS Rating  
Analysis of HMO Cost Trend Factors

	<u>Bexar</u>	<u>Dallas</u>	<u>El Paso</u>	<u>Harris</u>	<u>Hidalgo</u>	<u>Jefferson</u>	<u>Lubbock</u>
<b>Acute Care (Non-inpatient)</b>							
Medicaid Only OCC							
FY2012	1.053	1.020		1.063			
FY2013	0.990	0.925	1.047	0.952	0.862	0.997	1.062
FY2014	1.001	1.127	1.028	0.925	0.954	1.003	0.977
FY2015*	0.963	1.046	0.946	1.006	0.881	0.973	0.932
Medicaid Only HCBS							
FY2012	1.056	1.135		0.965			
FY2013	0.939	1.007	1.387	0.905	1.085	1.237	1.054
FY2014	0.897	1.020	0.757	0.970	1.037	1.020	1.132
FY2015*	1.077	0.996	0.945	0.999	0.937	1.126	0.841
<b>Long Term Care</b>							
Medicaid Only OCC							
FY2012	1.124	1.250		1.167			
FY2013	1.029	1.137	1.178	0.957	1.090	1.149	0.996
FY2014	1.086	1.162	1.138	0.951	1.111	1.101	1.045
FY2015*	1.058	1.137	1.094	1.008	1.065	1.056	0.981
Medicaid Only HCBS							
FY2012	1.011	0.908		1.129			
FY2013	1.002	0.948	0.820	1.075	0.977	1.006	0.952
FY2014	1.032	1.004	0.763	1.002	1.002	0.948	0.781
FY2015*	1.090	0.974	0.937	0.954	1.030	0.902	0.805
Dual Eligible OCC							
FY2012	1.070	1.103		1.152			
FY2013	0.999	1.074	1.085	0.974	1.016	1.087	0.977
FY2014	1.061	1.103	1.082	0.945	1.040	1.002	0.953
FY2015*	1.045	1.054	1.069	0.995	1.022	1.013	0.978
Dual Eligible HCBS							
FY2012	1.010	0.987		1.080			
FY2013	0.983	0.959	0.912	1.023	0.948	0.995	1.022
FY2014	0.984	1.040	0.922	1.021	0.994	1.019	0.958
FY2015*	1.031	1.008	0.963	1.037	1.019	1.004	0.966

\*Trend experience during the first four months of FY2015, 9/1/2014-12/31/2014

FY2016 STAR+PLUS Rating  
Analysis of HMO Cost Trend Factors

	<u>Nueces</u>	<u>Tarrant</u>	<u>Travis</u>	<u>Weighted Average</u>
<b>Acute Care (Non-inpatient)</b>				
Medicaid Only OCC				
FY2012	0.961	1.079	1.041	1.047
FY2013	0.859	1.020	0.882	0.952
FY2014	0.931	0.991	0.948	0.989
FY2015*	0.974	0.991	0.976	0.984
Medicaid Only HCBS				
FY2012	0.962	1.262	1.111	1.026
FY2013	0.871	0.987	0.983	0.969
FY2014	0.948	1.046	0.964	0.978
FY2015*	0.912	1.199	1.005	1.019
<b>Long Term Care</b>				
Medicaid Only OCC				
FY2012	1.085	1.597	1.130	1.176
FY2013	0.970	1.050	1.000	1.037
FY2014	1.039	1.046	1.112	1.072
FY2015*	1.057	1.133	0.995	1.062
Medicaid Only HCBS				
FY2012	1.048	1.029	0.998	1.050
FY2013	0.999	0.893	1.089	1.006
FY2014	0.974	0.806	0.987	0.970
FY2015*	1.029	0.920	0.936	0.984
Dual Eligible OCC				
FY2012	1.089	1.442	1.115	1.133
FY2013	0.993	0.980	0.950	1.011
FY2014	1.010	0.977	1.055	1.032
FY2015*	1.026	1.025	0.932	1.025
Dual Eligible HCBS				
FY2012	1.052	1.001	1.011	1.035
FY2013	0.982	1.018	0.961	0.981
FY2014	0.984	0.982	0.970	0.997
FY2015*	1.030	1.010	0.983	1.017

\*Trend experience during the first four months of FY2015, 9/1/2014-12/31/2014

FY2016 STAR+PLUS Rating  
Analysis of Inpatient Trend Factors

	SSI - Inpatient		
	FY2010	FY2011	FY2012*
Bexar	0.993	1.035	0.816
Dallas	1.181	0.866	0.819
El Paso	1.206	0.868	0.849
Harris	1.104	1.125	1.130
Hidalgo	0.824	0.997	1.092
Jefferson	1.046	1.173	0.880
Lubbock	1.049	1.192	1.292
Nueces	1.025	1.022	1.249
Tarrant	1.125	0.942	0.784
Travis	0.981	1.156	0.915
MRSA Central	0.957	0.964	1.033
MRSA Northeast	0.974	0.995	1.279
MRSA West	1.005	1.071	1.064
Total	1.037	1.028	1.011

\*Trend experience during the first four months of FY2012, 9/1/2011-12/31/2011

FY2016 STAR+PLUS Rating  
Trend Assumptions

	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>9/14-12/14 (2)</u>	<u>1/15-8/15 (3)</u>	<u>Trend Assumptions</u>	
						<u>FY2015 (4)</u>	<u>FY2016 (5)</u>
Statewide Average Trend (1)							
<b>Acute Care - Non Inpatient</b>							
Medicaid Only OCC	4.7 %	-4.8 %	-1.1 %	-1.6 %	0.0 %	0.0 %	0.0 %
Medicaid Only HCBS	2.6 %	-3.1 %	-2.2 %	1.9 %	0.0 %	0.6 %	0.0 %
<b>Acute Care - Inpatient (6)</b>							
Medicaid Only OCC						2.9 %	2.9 %
Medicaid Only HCBS						2.9 %	2.9 %
<b>Long Term Care</b>							
Medicaid Only OCC	17.6 %	3.7 %	7.2 %	6.2 %	9.2 %	8.2 %	9.2 %
Medicaid Only HCBS	5.0 %	0.6 %	-3.0 %	-1.6 %	0.6 %	0.0 %	0.7 %
Dual Eligible OCC	13.3 %	1.1 %	3.2 %	2.5 %	5.5 %	4.5 %	5.5 %
Dual Eligible HCBS	3.5 %	-1.9 %	-0.3 %	1.7 %	0.6 %	0.9 %	0.6 %

Footnotes

(1) All trends are net of reimbursement changes.

(2) Average trend during the period 9/1/2014-12/31/2014.

(3) Assumed trend during the period 1/1/2015-8/31/2015. Equals weighted average of the Statewide FY2012, FY2013, FY2014 and 9/14-12/14 trends.  
Weighted based on number of months. Limited to no less than 0.0%.

(4) Combined 9/14-12/14 and 1/15-8/15 into single trend assumption based on number of months.

(5) Average trend during FY2012-FY2015.

(6) Inpatient trends based on average FFS trend during FY2010-FY2012 prior to STAR+PLUS inpatient carve-in.



## ***Attachment 6***

### **Provider Reimbursement and Benefit Revisions Effective During FY2014, FY2015 and FY2016**

This attachment presents information regarding rating adjustments for the various acute care provider reimbursement and benefit revisions that became effective (or will become effective) after the beginning of the base period used in rate setting (FY2014) and before the end of FY2016.

The impact of all adjustments has been calculated by repricing the FY2014 detail encounter data using the reimbursement terms that will be in place during FY2016 and comparing the results to the FY2014 base period data.

Effective September 1, 2014, mental health rehabilitation and targeted case management services were capitated under the program. Prior to this time these services were paid on a fee-for-service basis. Exhibit A presents a summary of the derivation of the rating adjustment factors.

Effective September 1, 2015, HHSC will implement revisions to the reimbursement for therapy services. Exhibit B presents a summary of the derivation of the rating adjustment factors.

Effective September 1, 2015, HHSC will implement revisions to outpatient rural hospital reimbursement. Exhibits C and D present the rating adjustment factors for non imaging services and imaging services respectively.

Effective September 1, 2014 and again on September 1, 2015, HHSC revised the standard dollar amounts applied to the inpatient reimbursement for certain children's, safety net and trauma hospitals. Exhibit E presents a summary of the derivation of the rating adjustment factors.

Effective September 1, 2015, STAR+PLUS health plans will no longer be permitted to include the spell of illness policy provisions in their inpatient reimbursement contracts for members who have diagnoses related to severe and persistent mental illness. Due to this policy, provider reimbursement for adults in the STAR+PLUS program who have these diagnoses will no longer be subject to the spell of illness limitation, which places a 30 day limit on an inpatient stay. The capitation rates adjustment factors were derived by comparing average inpatient hospital costs during FY2013 to those same costs during FY2014. The relative reduction in cost during this time period is assumed to be attributed to the implementation of the current spell of illness policy which allows reimbursement limitations at inpatient facilities. Exhibit F presents a summary of the derivation of the rating adjustment factors.

Effective May 1, 2013, HHSC implemented revisions to hospital reimbursement to account for Potentially Preventable Readmissions (PPR). The reimbursement reductions amount to 1-2% depending on a hospital's performance during the evaluation time period. New PPR lists will become effective September 1, 2015. Exhibit G presents a summary of the derivation of the rating adjustment factors.

Effective March 1, 2014, HHSC implemented revisions to hospital reimbursement to account for Potentially Preventable Complications (PPC). The reimbursement reductions amount to 2-2.5% depending on a hospital's performance during the evaluation time period. New PPC lists will become effective September 1, 2015. Exhibit H presents a summary of the derivation of the

rating adjustment factors.

For ease of reporting purposes the numerous provider reimbursement adjustments described above have been consolidated in the community rating exhibits included in Attachment 3 and Attachment 4. The key below includes a description of where each adjustment has been included in Attachment 3.

<b><u>Attachment #</u></b>	<b><u>Heading</u></b>	<b><u>Attachment 6 Exhibits</u></b>
Attachment 3	Provider Reimbursement Adjustment – Acute Care	A, B, C and D
Attachment 4	Provider Reimbursement Adjustment	E, F, G and H

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Non-Inpatient Acute Care

## Capitate Mental Health Rehab

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Impact of Capitating MH Rehab Services (1)					
Bexar	2,696,246	93,093	0	0	2,789,339
Dallas	29,271	273	0	0	29,544
El Paso	2,137,481	208,177	0	0	2,345,657
Harris	4,202,441	192,041	0	0	4,394,482
Hidalgo	3,166,642	161,486	0	0	3,328,128
Jefferson	1,112,750	44,270	0	0	1,157,020
Lubbock	909,686	46,764	0	0	956,450
Nueces	1,113,014	91,641	0	0	1,204,655
Tarrant	1,389,257	108,456	0	0	1,497,712
Travis	1,727,670	99,415	0	0	1,827,085
Total	18,484,459	1,045,614	0	0	19,530,072
FY2014 Total Acute Care Claims Paid (2)					
Bexar	76,036,474	10,313,274	0	0	86,349,747
Dallas	103,534,027	12,507,196	0	0	116,041,223
El Paso	25,796,247	4,607,901	0	0	30,404,147
Harris	176,537,693	31,668,200	0	0	208,205,892
Hidalgo	68,638,222	11,380,732	0	0	80,018,953
Jefferson	32,444,364	4,538,569	0	0	36,982,933
Lubbock	17,691,850	1,864,366	0	0	19,556,217
Nueces	26,433,022	5,280,175	0	0	31,713,196
Tarrant	66,309,030	10,355,439	0	0	76,664,470
Travis	38,481,271	6,073,478	0	0	44,554,749
Total	631,902,199	98,589,329	0	0	730,491,528
Rate Adjustment Factor (3)					
Bexar	3.55%	0.90%	0.00%	0.00%	3.23%
Dallas	0.03%	0.00%	0.00%	0.00%	0.03%
El Paso	8.29%	4.52%	0.00%	0.00%	7.71%
Harris	2.38%	0.61%	0.00%	0.00%	2.11%
Hidalgo	4.61%	1.42%	0.00%	0.00%	4.16%
Jefferson	3.43%	0.98%	0.00%	0.00%	3.13%
Lubbock	5.14%	2.51%	0.00%	0.00%	4.89%
Nueces	4.21%	1.74%	0.00%	0.00%	3.80%
Tarrant	2.10%	1.05%	0.00%	0.00%	1.95%
Travis	4.49%	1.64%	0.00%	0.00%	4.10%
Total	2.93%	1.06%	0.00%	0.00%	2.67%

## Footnotes

(1) Equals the cost resulting from capitating these services into the STAR+PLUS program.

(2) Equals FY2014 health plan fee-for-service claims for all acute care services (from Encounter database).

Does not Include Inpatient services.

(3) Equals Cost Impact divided by FY2014 Total Acute Care Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Non-Inpatient Acute Care

## Therapy Reimbursement Reduction

	Medicaid Only		Dual Eligible		
	OCC	HCBS	OCC	HCBS	Grand Total
Impact of Reimbursement Reduction (1)					
Bexar	-404,520	-9,862	0	0	-414,383
Dallas	-117,982	-5,487	0	0	-123,469
El Paso	-28,056	-4,222	0	0	-32,278
Harris	-383,034	-27,897	0	0	-410,931
Hidalgo	-807,578	-22,227	0	0	-829,805
Jefferson	-81,050	-4,502	0	0	-85,553
Lubbock	-16,907	-878	0	0	-17,784
Nueces	-59,262	-4,520	0	0	-63,782
Tarrant	-83,654	-8,794	0	0	-92,448
Travis	-34,478	-1,797	0	0	-36,275
Total	-2,016,522	-90,185	0	0	-2,106,707
FY2014 Total Acute Care Claims Paid (2)					
Bexar	76,036,474	10,313,274	0	0	86,349,747
Dallas	103,534,027	12,507,196	0	0	116,041,223
El Paso	25,796,247	4,607,901	0	0	30,404,147
Harris	176,537,693	31,668,200	0	0	208,205,892
Hidalgo	68,638,222	11,380,732	0	0	80,018,953
Jefferson	32,444,364	4,538,569	0	0	36,982,933
Lubbock	17,691,850	1,864,366	0	0	19,556,217
Nueces	26,433,022	5,280,175	0	0	31,713,196
Tarrant	66,309,030	10,355,439	0	0	76,664,470
Travis	38,481,271	6,073,478	0	0	44,554,749
Total	631,902,199	98,589,329	0	0	730,491,528
Rate Adjustment Factor (3)					
Bexar	-0.53%	-0.10%	0.00%	0.00%	-0.48%
Dallas	-0.11%	-0.04%	0.00%	0.00%	-0.11%
El Paso	-0.11%	-0.09%	0.00%	0.00%	-0.11%
Harris	-0.22%	-0.09%	0.00%	0.00%	-0.20%
Hidalgo	-1.18%	-0.20%	0.00%	0.00%	-1.04%
Jefferson	-0.25%	-0.10%	0.00%	0.00%	-0.23%
Lubbock	-0.10%	-0.05%	0.00%	0.00%	-0.09%
Nueces	-0.22%	-0.09%	0.00%	0.00%	-0.20%
Tarrant	-0.13%	-0.08%	0.00%	0.00%	-0.12%
Travis	-0.09%	-0.03%	0.00%	0.00%	-0.08%
Total	-0.32%	-0.09%	0.00%	0.00%	-0.29%

## Footnotes

(1) Equals the reduction resulting from the therapy reimbursement changes effective 9/1/2015.

(2) Equals FY2014 health plan fee-for-service claims for all acute care services (from Encounter database).

Does not Include Inpatient services.

(3) Equals Cost Impact divided by FY2014 Total Acute Care Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Non-Inpatient Acute Care

## Outpatient Rural Hospital Reimbursement Increase

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Impact of Reimbursement Outpatient Rural Hospital Increase (1)					
Bexar	172,249	16,444	0	0	188,693
Dallas	145,690	2,482	0	0	148,172
El Paso	775	78	0	0	853
Harris	270,088	19,199	0	0	289,287
Hidalgo	158,237	53,704	0	0	211,941
Jefferson	294,894	35,633	0	0	330,527
Lubbock	141,385	6,432	0	0	147,816
Nueces	219,377	39,635	0	0	259,012
Tarrant	128,609	11,067	0	0	139,676
Travis	127,004	8,019	0	0	135,023
Total	1,658,308	192,693	0	0	1,851,001

## FY2014 Total Acute Care Claims Paid (2)

Bexar	76,036,474	10,313,274	0	0	86,349,747
Dallas	103,534,027	12,507,196	0	0	116,041,223
El Paso	25,796,247	4,607,901	0	0	30,404,147
Harris	176,537,693	31,668,200	0	0	208,205,892
Hidalgo	68,638,222	11,380,732	0	0	80,018,953
Jefferson	32,444,364	4,538,569	0	0	36,982,933
Lubbock	17,691,850	1,864,366	0	0	19,556,217
Nueces	26,433,022	5,280,175	0	0	31,713,196
Tarrant	66,309,030	10,355,439	0	0	76,664,470
Travis	38,481,271	6,073,478	0	0	44,554,749
Total	631,902,199	98,589,329	0	0	730,491,528

## Rate Adjustment Factor (3)

Bexar	0.23%	0.16%	0.00%	0.00%	0.22%
Dallas	0.14%	0.02%	0.00%	0.00%	0.13%
El Paso	0.00%	0.00%	0.00%	0.00%	0.00%
Harris	0.15%	0.06%	0.00%	0.00%	0.14%
Hidalgo	0.23%	0.47%	0.00%	0.00%	0.26%
Jefferson	0.91%	0.79%	0.00%	0.00%	0.89%
Lubbock	0.80%	0.34%	0.00%	0.00%	0.76%
Nueces	0.83%	0.75%	0.00%	0.00%	0.82%
Tarrant	0.19%	0.11%	0.00%	0.00%	0.18%
Travis	0.33%	0.13%	0.00%	0.00%	0.30%
Total	0.26%	0.20%	0.00%	0.00%	0.25%

## Footnotes

(1) Equals the increased cost due to revised outpatient rural hospital reimbursement effective 9/1/2015. Excludes imaging reimbursement increase.

(2) Equals FY2014 health plan fee-for-service claims for all acute care services (from Encounter database).

Does not include Inpatient services.

(3) Equals Cost Impact divided by FY2014 Total Acute Care Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Non-Inpatient Acute Care

## Outpatient Rural Hospital Imaging Reimbursement Increase

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Impact of Reimbursement Increase (1)					
Bexar	11,275	789	0	0	12,064
Dallas	9,483	159	0	0	9,642
El Paso	218	3	0	0	221
Harris	11,527	342	0	0	11,869
Hidalgo	11,677	1,834	0	0	13,511
Jefferson	23,936	2,216	0	0	26,152
Lubbock	10,479	476	0	0	10,955
Nueces	20,793	2,634	0	0	23,427
Tarrant	18,338	1,610	0	0	19,948
Travis	10,295	845	0	0	11,140
Total	128,021	10,908	0	0	138,929

## FY2014 Total Acute Care Claims Paid (2)

Bexar	76,036,474	10,313,274	0	0	86,349,747
Dallas	103,534,027	12,507,196	0	0	116,041,223
El Paso	25,796,247	4,607,901	0	0	30,404,147
Harris	176,537,693	31,668,200	0	0	208,205,892
Hidalgo	68,638,222	11,380,732	0	0	80,018,953
Jefferson	32,444,364	4,538,569	0	0	36,982,933
Lubbock	17,691,850	1,864,366	0	0	19,556,217
Nueces	26,433,022	5,280,175	0	0	31,713,196
Tarrant	66,309,030	10,355,439	0	0	76,664,470
Travis	38,481,271	6,073,478	0	0	44,554,749
Total	631,902,199	98,589,329	0	0	730,491,528

## Rate Adjustment Factor (3)

Bexar	0.01%	0.01%	0.00%	0.00%	0.01%
Dallas	0.01%	0.00%	0.00%	0.00%	0.01%
El Paso	0.00%	0.00%	0.00%	0.00%	0.00%
Harris	0.01%	0.00%	0.00%	0.00%	0.01%
Hidalgo	0.02%	0.02%	0.00%	0.00%	0.02%
Jefferson	0.07%	0.05%	0.00%	0.00%	0.07%
Lubbock	0.06%	0.03%	0.00%	0.00%	0.06%
Nueces	0.08%	0.05%	0.00%	0.00%	0.07%
Tarrant	0.03%	0.02%	0.00%	0.00%	0.03%
Travis	0.03%	0.01%	0.00%	0.00%	0.03%
Total	0.02%	0.01%	0.00%	0.00%	0.02%

## Footnotes

(1) Equals the increased cost due to revised outpatient rural hospital imaging reimbursement effective 9/1/2015.

(2) Equals FY2014 health plan fee-for-service claims for all acute care services (from Encounter database).

Does not Include Inpatient services.

(3) Equals Cost Impact divided by FY2014 Total Acute Care Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Inpatient Acute Care

## Hospital Reimbursement Changes - Standard Dollar Amount

	Medicaid Only		Dual Eligible		
	OCC	HCBS	OCC	HCBS	Grand Total
Estimated Cost Impact of SDA Changes (1)					
Bexar	2,943,346	379,363	0	0	3,322,708
Dallas	5,654,395	616,843	0	0	6,271,238
El Paso	1,657,260	332,239	0	0	1,989,498
Harris	6,946,239	995,456	0	0	7,941,695
Hidalgo	2,413,751	360,828	0	0	2,774,578
Jefferson	912,756	103,438	0	0	1,016,194
Lubbock	1,011,219	106,076	0	0	1,117,295
Nueces	1,707,188	279,465	0	0	1,986,653
Tarrant	3,029,342	496,445	0	0	3,525,787
Travis	1,364,668	224,429	0	0	1,589,098
Total	27,640,163	3,894,582	0	0	31,534,745
FY2014 Total Inpatient Claims Paid (2)					
Bexar	40,541,949	5,628,531	0	0	46,170,480
Dallas	64,843,975	6,938,622	0	0	71,782,597
El Paso	15,359,218	2,547,843	0	0	17,907,061
Harris	126,525,305	20,315,428	0	0	146,840,733
Hidalgo	29,186,827	4,804,627	0	0	33,991,454
Jefferson	21,784,147	2,700,738	0	0	24,484,885
Lubbock	10,838,361	932,126	0	0	11,770,487
Nueces	17,509,625	2,822,874	0	0	20,332,499
Tarrant	40,123,735	5,660,723	0	0	45,784,457
Travis	18,317,696	3,016,525	0	0	21,334,221
Total	385,030,839	55,368,036	0	0	440,398,875
Rate Adjustment Factor (3)					
Bexar	7.26%	6.74%	0.00%	0.00%	7.20%
Dallas	8.72%	8.89%	0.00%	0.00%	8.74%
El Paso	10.79%	13.04%	0.00%	0.00%	11.11%
Harris	5.49%	4.90%	0.00%	0.00%	5.41%
Hidalgo	8.27%	7.51%	0.00%	0.00%	8.16%
Jefferson	4.19%	3.83%	0.00%	0.00%	4.15%
Lubbock	9.33%	11.38%	0.00%	0.00%	9.49%
Nueces	9.75%	9.90%	0.00%	0.00%	9.77%
Tarrant	7.55%	8.77%	0.00%	0.00%	7.70%
Travis	7.45%	7.44%	0.00%	0.00%	7.45%
Total	7.18%	7.03%	0.00%	0.00%	7.16%

## Footnotes

(1) Equals the cost impact from application of the revised hospital Standard Dollar Amounts effective 9/1/2015.

(2) Equals FY2014 health plan fee-for-service claims for all acute care inpatient services (from Encounter database).

(3) Equals Cost Impact divided by FY2014 Total Inpatient Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Inpatient Acute Care

## Remove Spell of Illness for Inpatient Mental Health

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Impact of Removing Spell of Illness for Inpatient Mental Health (1)					
Bexar	1,292,576	67,742	0	0	1,360,318
Dallas	1,654,249	67,497	0	0	1,721,747
El Paso	396,584	27,926	0	0	424,510
Harris	2,720,289	142,735	0	0	2,863,024
Hidalgo	1,219,785	74,990	0	0	1,294,774
Jefferson	520,309	22,956	0	0	543,266
Lubbock	300,175	12,656	0	0	312,832
Nueces	486,421	36,889	0	0	523,310
Tarrant	938,623	59,062	0	0	997,685
Travis	576,094	27,990	0	0	604,084
Total	10,105,105	540,443	0	0	10,645,549
FY2014 Total Inpatient Claims Paid (2)					
Bexar	40,541,949	5,628,531	0	0	46,170,480
Dallas	64,843,975	6,938,622	0	0	71,782,597
El Paso	15,359,218	2,547,843	0	0	17,907,061
Harris	126,525,305	20,315,428	0	0	146,840,733
Hidalgo	29,186,827	4,804,627	0	0	33,991,454
Jefferson	21,784,147	2,700,738	0	0	24,484,885
Lubbock	10,838,361	932,126	0	0	11,770,487
Nueces	17,509,625	2,822,874	0	0	20,332,499
Tarrant	40,123,735	5,660,723	0	0	45,784,457
Travis	18,317,696	3,016,525	0	0	21,334,221
Total	385,030,839	55,368,036	0	0	440,398,875
Rate Adjustment Factor (3)					
Bexar	3.19%	1.20%	0.00%	0.00%	2.95%
Dallas	2.55%	0.97%	0.00%	0.00%	2.40%
El Paso	2.58%	1.10%	0.00%	0.00%	2.37%
Harris	2.15%	0.70%	0.00%	0.00%	1.95%
Hidalgo	4.18%	1.56%	0.00%	0.00%	3.81%
Jefferson	2.39%	0.85%	0.00%	0.00%	2.22%
Lubbock	2.77%	1.36%	0.00%	0.00%	2.66%
Nueces	2.78%	1.31%	0.00%	0.00%	2.57%
Tarrant	2.34%	1.04%	0.00%	0.00%	2.18%
Travis	3.15%	0.93%	0.00%	0.00%	2.83%
Total	2.62%	0.98%	0.00%	0.00%	2.42%

## Footnotes

(1) Equals the cost resulting from removing the spell of illness provision for inpatient mental health services.

(2) Equals FY2014 health plan fee-for-service claims for all acute care inpatient services (from Encounter database).

(3) Equals Cost Impact divided by FY2014 Total Inpatient Claims Paid.



## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Inpatient Acute Care

## Potentially Preventable Readmission (PPR) Reductions

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Estimated Cost Impact of PPR Reduction (1)					
Bexar	-3,803	1,362	0	0	-2,441
Dallas	-64,400	-10,869	0	0	-75,270
El Paso	42,646	6,181	0	0	48,827
Harris	86,871	7,990	0	0	94,861
Hidalgo	-83,079	-12,875	0	0	-95,954
Jefferson	46,957	3,654	0	0	50,611
Lubbock	-16,249	-1,690	0	0	-17,940
Nueces	6,428	3,512	0	0	9,941
Tarrant	48,135	15,773	0	0	63,908
Travis	-15,614	-4,962	0	0	-20,576
Total	47,891	8,076	0	0	55,968
FY2014 Total Inpatient Claims Paid (2)					
Bexar	40,541,949	5,628,531	0	0	46,170,480
Dallas	64,843,975	6,938,622	0	0	71,782,597
El Paso	15,359,218	2,547,843	0	0	17,907,061
Harris	126,525,305	20,315,428	0	0	146,840,733
Hidalgo	29,186,827	4,804,627	0	0	33,991,454
Jefferson	21,784,147	2,700,738	0	0	24,484,885
Lubbock	10,838,361	932,126	0	0	11,770,487
Nueces	17,509,625	2,822,874	0	0	20,332,499
Tarrant	40,123,735	5,660,723	0	0	45,784,457
Travis	18,317,696	3,016,525	0	0	21,334,221
Total	385,030,839	55,368,036	0	0	440,398,875
Rate Adjustment Factor (3)					
Bexar	-0.01%	0.02%	0.00%	0.00%	-0.01%
Dallas	-0.10%	-0.16%	0.00%	0.00%	-0.10%
El Paso	0.28%	0.24%	0.00%	0.00%	0.27%
Harris	0.07%	0.04%	0.00%	0.00%	0.06%
Hidalgo	-0.28%	-0.27%	0.00%	0.00%	-0.28%
Jefferson	0.22%	0.14%	0.00%	0.00%	0.21%
Lubbock	-0.15%	-0.18%	0.00%	0.00%	-0.15%
Nueces	0.04%	0.12%	0.00%	0.00%	0.05%
Tarrant	0.12%	0.28%	0.00%	0.00%	0.14%
Travis	-0.09%	-0.16%	0.00%	0.00%	-0.10%
Total	0.01%	0.01%	0.00%	0.00%	0.01%

## Footnotes

(1) Equals the net cost/savings resulting from PPR reductions that will become effective 9/1/2015 versus those effective during FY2014.

(2) Equals FY2014 health plan fee-for-service claims for all acute care inpatient services (from Encounter database).

(3) Equals Cost Impact divided by FY2014 Total Inpatient Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Inpatient Acute Care

## Potentially Preventable Complications (PPC) Reductions

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Estimated Cost Impact of PPC Reduction (1)					
Bexar	-556,298	-75,781	0	0	-632,079
Dallas	-338,855	-14,194	0	0	-353,049
El Paso	25,460	7,662	0	0	33,122
Harris	-632,875	-109,680	0	0	-742,555
Hidalgo	-108,890	-13,486	0	0	-122,376
Jefferson	-75,259	-5,491	0	0	-80,750
Lubbock	-175,968	-14,394	0	0	-190,362
Nueces	-240,455	-35,642	0	0	-276,097
Tarrant	-61,789	-11,285	0	0	-73,075
Travis	-79,736	-15,097	0	0	-94,833
Total	-2,244,666	-287,388	0	0	-2,532,054

## FY2014 Total Inpatient Claims Paid (2)

Bexar	40,541,949	5,628,531	0	0	46,170,480
Dallas	64,843,975	6,938,622	0	0	71,782,597
El Paso	15,359,218	2,547,843	0	0	17,907,061
Harris	126,525,305	20,315,428	0	0	146,840,733
Hidalgo	29,186,827	4,804,627	0	0	33,991,454
Jefferson	21,784,147	2,700,738	0	0	24,484,885
Lubbock	10,838,361	932,126	0	0	11,770,487
Nueces	17,509,625	2,822,874	0	0	20,332,499
Tarrant	40,123,735	5,660,723	0	0	45,784,457
Travis	18,317,696	3,016,525	0	0	21,334,221
Total	385,030,839	55,368,036	0	0	440,398,875

## Rate Adjustment Factor (3)

Bexar	-1.37%	-1.35%	0.00%	0.00%	-1.37%
Dallas	-0.52%	-0.20%	0.00%	0.00%	-0.49%
El Paso	0.17%	0.30%	0.00%	0.00%	0.18%
Harris	-0.50%	-0.54%	0.00%	0.00%	-0.51%
Hidalgo	-0.37%	-0.28%	0.00%	0.00%	-0.36%
Jefferson	-0.35%	-0.20%	0.00%	0.00%	-0.33%
Lubbock	-1.62%	-1.54%	0.00%	0.00%	-1.62%
Nueces	-1.37%	-1.26%	0.00%	0.00%	-1.36%
Tarrant	-0.15%	-0.20%	0.00%	0.00%	-0.16%
Travis	-0.44%	-0.50%	0.00%	0.00%	-0.44%
Total	-0.58%	-0.52%	0.00%	0.00%	-0.57%

## Footnotes

(1) Equals the net cost/savings resulting from PPR reductions that will become effective 9/1/2015 versus those effective during FY2014.

(2) Equals FY2014 health plan fee-for-service claims for all acute care inpatient services (from Encounter database).

(3) Equals Cost Impact divided by FY2014 Total Inpatient Claims Paid.

## *Attachment 7*

### Long Term Care Reimbursement Adjustments

This attachment presents information regarding rating adjustments for the various long care provider reimbursement and benefit revisions that became effective (or will become effective) after the beginning of the base period used in rate setting (FY2014) and before the end of FY2016.

Prior to September 1, 2014, HHSC has required all managed care organizations to incorporate EVV into their management duties for Personal Assistance Services (PAS), Personal Care Services (PCS) and Private Duty Nursing (PDN). Based on an analysis of the impact of EVV on these services in the fee-for-service program the following savings assumptions have been developed:

- PAS: 4.0%
- PCS: 4.0%
- PDN: 3.5%

The impact of additional administrative expenses has been considered and it has been determined that the administrative allowance included in the rates should be increased by \$1.75 per member per month to account for the increased cost associated with implementation of this EVV requirement. Exhibit A presents a summary of the derivation of the adjustment factors.

Effective September 1, 2014 and again on September 1, 2015 the minimum wage paid to attendant care providers will be increasing for various Personal Assistance Services (PAS) and Day Activity Health Services (DAHS). Exhibits B and C present a summary of the derivation of the adjustment factors.

Effective September 1, 2015, attendant care enhanced payments (ACEP) will be increased to allow certain attendant care providers to qualify for increased enhanced payment levels. Exhibit D presents a summary of the derivation of the adjustment factors.

Effective June 1, 2015, Texas implemented a CFC initiative that expands access to certain habilitation and attendant care services. Exhibit E presents a summary of the derivation of the adjustment factors. Further detail regarding the CFC impact can be found in Attachment 11.

For ease of reporting purposes the numerous provider reimbursement adjustments described above have been consolidated in the community rating exhibits included in Attachment 3 under the heading Provider Reimbursement Adjustment – Long Term Care.

FY2016 STAR+PLUS Rating  
 Provider Reimbursement Adjustments - Long Term Care  
 Electronic Visit Verification

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Cost Impact of EVV (1)					
Bexar	-1,330,051	-510,649	-2,206,378	-1,505,864	-5,552,941
Dallas	-1,356,481	-457,449	-2,053,100	-1,597,183	-5,464,214
El Paso	-401,494	-210,758	-1,777,002	-718,874	-3,108,128
Harris	-2,187,136	-1,007,762	-3,703,052	-2,367,171	-9,265,122
Hidalgo	-3,091,531	-735,594	-10,718,021	-4,816,511	-19,361,657
Jefferson	-225,550	-162,146	-411,849	-568,559	-1,368,104
Lubbock	-99,185	-67,196	-169,810	-258,553	-594,744
Nueces	-572,261	-293,482	-983,451	-1,205,206	-3,054,400
Tarrant	-497,745	-332,879	-743,626	-910,553	-2,484,803
Travis	-348,394	-246,346	-575,479	-718,116	-1,888,335
Total	-10,109,827	-4,024,262	-23,341,769	-14,666,590	-52,142,448
FY2014 Total Long Term Care Claims Paid (2)					
Bexar	43,195,556	21,295,494	69,908,186	54,598,211	188,997,447
Dallas	42,490,819	18,716,615	65,031,711	56,924,351	183,163,497
El Paso	13,768,881	7,084,403	62,825,910	24,694,264	108,373,457
Harris	72,208,959	40,398,379	117,473,628	82,237,668	312,318,635
Hidalgo	111,631,753	26,642,802	383,103,730	162,221,895	683,600,180
Jefferson	7,295,340	5,694,526	12,549,945	19,269,255	44,809,065
Lubbock	3,090,421	2,530,530	5,523,475	8,926,690	20,071,116
Nueces	19,963,791	10,279,013	33,242,600	40,079,949	103,565,354
Tarrant	15,520,863	14,098,068	23,615,602	35,711,245	88,945,777
Travis	10,788,278	8,424,535	17,407,052	24,353,753	60,973,619
Total	339,954,661	155,164,365	790,681,839	509,017,281	1,794,818,146
Rate Adjustment Factor (3)					
Bexar	-3.08%	-2.40%	-3.16%	-2.76%	-2.94%
Dallas	-3.19%	-2.44%	-3.16%	-2.81%	-2.98%
El Paso	-2.92%	-2.97%	-2.83%	-2.91%	-2.87%
Harris	-3.03%	-2.49%	-3.15%	-2.88%	-2.97%
Hidalgo	-2.77%	-2.76%	-2.80%	-2.97%	-2.83%
Jefferson	-3.09%	-2.85%	-3.28%	-2.95%	-3.05%
Lubbock	-3.21%	-2.66%	-3.07%	-2.90%	-2.96%
Nueces	-2.87%	-2.86%	-2.96%	-3.01%	-2.95%
Tarrant	-3.21%	-2.36%	-3.15%	-2.55%	-2.79%
Travis	-3.23%	-2.92%	-3.31%	-2.95%	-3.10%
Total	-2.97%	-2.59%	-2.95%	-2.88%	-2.91%

## Footnotes

(1) Equals the cost impact from application of 4% savings on PAS and PCS and 3.5% savings on PDN.

(2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data).

(3) Equals Cost Impact divided by FY2014 Total Long Term Care Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Long Term Care

## Attendant Care Reimbursement Increase - Effective 9/1/2014

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Cost Impact of Attendant Care Reimbursement Increases (1)					
Bexar	1,480,089	118,461	2,447,305	338,008	4,383,862
Dallas	1,495,282	100,208	2,279,435	346,941	4,221,866
El Paso	456,395	47,574	2,045,845	163,884	2,713,698
Harris	2,419,088	220,934	4,117,831	516,084	7,273,937
Hidalgo	3,580,623	180,407	12,379,660	1,154,042	17,294,732
Jefferson	249,112	34,548	452,409	121,962	858,031
Lubbock	101,293	14,786	189,507	56,773	362,358
Nueces	652,072	68,020	1,114,725	274,281	2,109,099
Tarrant	547,543	72,283	826,387	196,110	1,642,322
Travis	380,772	50,026	630,598	154,173	1,215,569
Total	11,362,270	907,245	26,483,702	3,322,258	42,075,474

## FY2014 Total Long Term Care Claims Paid (2)

Bexar	43,195,556	21,295,494	69,908,186	54,598,211	188,997,447
Dallas	42,490,819	18,716,615	65,031,711	56,924,351	183,163,497
El Paso	13,768,881	7,084,403	62,825,910	24,694,264	108,373,457
Harris	72,208,959	40,398,379	117,473,628	82,237,668	312,318,635
Hidalgo	111,631,753	26,642,802	383,103,730	162,221,895	683,600,180
Jefferson	7,295,340	5,694,526	12,549,945	19,269,255	44,809,065
Lubbock	3,090,421	2,530,530	5,523,475	8,926,690	20,071,116
Nueces	19,963,791	10,279,013	33,242,600	40,079,949	103,565,354
Tarrant	15,520,863	14,098,068	23,615,602	35,711,245	88,945,777
Travis	10,788,278	8,424,535	17,407,052	24,353,753	60,973,619
Total	339,954,661	155,164,365	790,681,839	509,017,281	1,794,818,146

## Rate Adjustment Factor (3)

Bexar	3.43%	0.56%	3.50%	0.62%	2.32%
Dallas	3.52%	0.54%	3.51%	0.61%	2.30%
El Paso	3.31%	0.67%	3.26%	0.66%	2.50%
Harris	3.35%	0.55%	3.51%	0.63%	2.33%
Hidalgo	3.21%	0.68%	3.23%	0.71%	2.53%
Jefferson	3.41%	0.61%	3.60%	0.63%	1.91%
Lubbock	3.28%	0.58%	3.43%	0.64%	1.81%
Nueces	3.27%	0.66%	3.35%	0.68%	2.04%
Tarrant	3.53%	0.51%	3.50%	0.55%	1.85%
Travis	3.53%	0.59%	3.62%	0.63%	1.99%
Total	3.34%	0.58%	3.35%	0.65%	2.34%

## Footnotes

(1) Equals the cost impact resulting from increases to the reimbursement for attendant services effective 9/1/2014.

(2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data).

(3) Equals Cost Impact divided by FY2014 Total Long Term Care Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Long Term Care

## Attendant Care Reimbursement Increase - Effective 9/1/2015

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Cost Impact of Attendant Care Reimbursement Increases (1)					
Bexar	589,300	216,665	974,199	634,297	2,414,460
Dallas	595,187	191,675	907,398	668,007	2,362,267
El Paso	181,799	88,884	815,207	303,835	1,389,725
Harris	963,132	411,503	1,639,299	985,724	3,999,658
Hidalgo	1,427,012	316,101	4,933,341	2,058,626	8,735,081
Jefferson	99,160	67,215	180,042	237,173	583,591
Lubbock	40,348	28,183	75,450	108,391	252,371
Nueces	259,788	124,497	444,000	509,090	1,337,375
Tarrant	217,939	139,201	328,977	380,157	1,066,274
Travis	151,521	97,522	250,938	299,614	799,594
Total	4,525,185	1,681,446	10,548,850	6,184,914	22,940,396

## FY2014 Total Long Term Care Claims Paid (2)

Bexar	43,195,556	21,295,494	69,908,186	54,598,211	188,997,447
Dallas	42,490,819	18,716,615	65,031,711	56,924,351	183,163,497
El Paso	13,768,881	7,084,403	62,825,910	24,694,264	108,373,457
Harris	72,208,959	40,398,379	117,473,628	82,237,668	312,318,635
Hidalgo	111,631,753	26,642,802	383,103,730	162,221,895	683,600,180
Jefferson	7,295,340	5,694,526	12,549,945	19,269,255	44,809,065
Lubbock	3,090,421	2,530,530	5,523,475	8,926,690	20,071,116
Nueces	19,963,791	10,279,013	33,242,600	40,079,949	103,565,354
Tarrant	15,520,863	14,098,068	23,615,602	35,711,245	88,945,777
Travis	10,788,278	8,424,535	17,407,052	24,353,753	60,973,619
Total	339,954,661	155,164,365	790,681,839	509,017,281	1,794,818,146

## Rate Adjustment Factor (3)

Bexar	1.36%	1.02%	1.39%	1.16%	1.28%
Dallas	1.40%	1.02%	1.40%	1.17%	1.29%
El Paso	1.32%	1.25%	1.30%	1.23%	1.28%
Harris	1.33%	1.02%	1.40%	1.20%	1.28%
Hidalgo	1.28%	1.19%	1.29%	1.27%	1.28%
Jefferson	1.36%	1.18%	1.43%	1.23%	1.30%
Lubbock	1.31%	1.11%	1.37%	1.21%	1.26%
Nueces	1.30%	1.21%	1.34%	1.27%	1.29%
Tarrant	1.40%	0.99%	1.39%	1.06%	1.20%
Travis	1.40%	1.16%	1.44%	1.23%	1.31%
Total	1.33%	1.08%	1.33%	1.22%	1.28%

## Footnotes

(1) Equals the additional cost impact resulting from increases to the reimbursement for attendant services effective 9/1/2015.

(2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data).

(3) Equals Cost Impact divided by FY2014 Total Long Term Care Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Long Term Care

## Attendant Care Enhanced Payment Increase

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Cost Impact of ACEP Increase (1)					
Bexar	69,113	34,073	111,853	87,357	302,396
Dallas	67,985	29,947	104,051	91,079	293,062
El Paso	22,030	11,335	100,521	39,511	173,398
Harris	115,534	64,637	187,958	131,580	499,710
Hidalgo	178,611	42,628	612,966	259,555	1,093,760
Jefferson	11,673	9,111	20,080	30,831	71,695
Lubbock	4,945	4,049	8,838	14,283	32,114
Nueces	31,942	16,446	53,188	64,128	165,705
Tarrant	24,833	22,557	37,785	57,138	142,313
Travis	17,261	13,479	27,851	38,966	97,558
Total	543,927	248,263	1,265,091	814,428	2,871,709

## FY2014 Total Long Term Care Claims Paid (2)

Bexar	43,195,556	21,295,494	69,908,186	54,598,211	188,997,447
Dallas	42,490,819	18,716,615	65,031,711	56,924,351	183,163,497
El Paso	13,768,881	7,084,403	62,825,910	24,694,264	108,373,457
Harris	72,208,959	40,398,379	117,473,628	82,237,668	312,318,635
Hidalgo	111,631,753	26,642,802	383,103,730	162,221,895	683,600,180
Jefferson	7,295,340	5,694,526	12,549,945	19,269,255	44,809,065
Lubbock	3,090,421	2,530,530	5,523,475	8,926,690	20,071,116
Nueces	19,963,791	10,279,013	33,242,600	40,079,949	103,565,354
Tarrant	15,520,863	14,098,068	23,615,602	35,711,245	88,945,777
Travis	10,788,278	8,424,535	17,407,052	24,353,753	60,973,619
Total	339,954,661	155,164,365	790,681,839	509,017,281	1,794,818,146

## Rate Adjustment Factor (3)

Bexar	0.16%	0.16%	0.16%	0.16%	0.16%
Dallas	0.16%	0.16%	0.16%	0.16%	0.16%
El Paso	0.16%	0.16%	0.16%	0.16%	0.16%
Harris	0.16%	0.16%	0.16%	0.16%	0.16%
Hidalgo	0.16%	0.16%	0.16%	0.16%	0.16%
Jefferson	0.16%	0.16%	0.16%	0.16%	0.16%
Lubbock	0.16%	0.16%	0.16%	0.16%	0.16%
Nueces	0.16%	0.16%	0.16%	0.16%	0.16%
Tarrant	0.16%	0.16%	0.16%	0.16%	0.16%
Travis	0.16%	0.16%	0.16%	0.16%	0.16%
Total	0.16%	0.16%	0.16%	0.16%	0.16%

## Footnotes

(1) Equals the cost impact resulting from increases to the enhanced reimbursement levels available for attendant services.

(2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data).

(3) Equals Cost Impact divided by FY2014 Total Long Term Care Claims Paid.

## FY2016 STAR+PLUS Rating

## Provider Reimbursement Adjustments - Long Term Care

## Community First Choice

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Cost Impact of CFC (1)					
Bexar	10,623,215	1,729,194	3,045,956	2,975,602	18,373,968
Dallas	15,974,763	1,557,222	4,402,921	2,766,523	24,701,430
El Paso	4,613,247	724,734	1,664,683	1,666,863	8,669,528
Harris	34,604,877	3,417,703	9,174,809	6,176,049	53,373,438
Hidalgo	6,922,048	2,563,038	1,924,198	10,787,756	22,197,039
Jefferson	4,301,524	536,994	1,774,191	739,939	7,352,648
Lubbock	4,156,332	209,781	1,534,389	321,361	6,221,862
Nueces	3,295,621	1,012,483	1,294,921	2,056,101	7,659,126
Tarrant	15,576,427	1,129,255	4,522,008	1,260,607	22,488,298
Travis	7,453,912	776,742	2,481,868	1,134,885	11,847,407
Total	107,521,966	13,657,146	31,819,944	29,885,687	182,884,744

## FY2014 Total Long Term Care Claims Paid (2)

Bexar	43,195,556	21,295,494	69,908,186	54,598,211	188,997,447
Dallas	42,490,819	18,716,615	65,031,711	56,924,351	183,163,497
El Paso	13,768,881	7,084,403	62,825,910	24,694,264	108,373,457
Harris	72,208,959	40,398,379	117,473,628	82,237,668	312,318,635
Hidalgo	111,631,753	26,642,802	383,103,730	162,221,895	683,600,180
Jefferson	7,295,340	5,694,526	12,549,945	19,269,255	44,809,065
Lubbock	3,090,421	2,530,530	5,523,475	8,926,690	20,071,116
Nueces	19,963,791	10,279,013	33,242,600	40,079,949	103,565,354
Tarrant	15,520,863	14,098,068	23,615,602	35,711,245	88,945,777
Travis	10,788,278	8,424,535	17,407,052	24,353,753	60,973,619
Total	339,954,661	155,164,365	790,681,839	509,017,281	1,794,818,146

## Rate Adjustment Factor (3)

Bexar	24.59%	8.12%	4.36%	5.45%	9.72%
Dallas	37.60%	8.32%	6.77%	4.86%	13.49%
El Paso	33.50%	10.23%	2.65%	6.75%	8.00%
Harris	47.92%	8.46%	7.81%	7.51%	17.09%
Hidalgo	6.20%	9.62%	0.50%	6.65%	3.25%
Jefferson	58.96%	9.43%	14.14%	3.84%	16.41%
Lubbock	134.49%	8.29%	27.78%	3.60%	31.00%
Nueces	16.51%	9.85%	3.90%	5.13%	7.40%
Tarrant	100.36%	8.01%	19.15%	3.53%	25.28%
Travis	69.09%	9.22%	14.26%	4.66%	19.43%
Total	31.63%	8.80%	4.02%	5.87%	10.19%

## Footnotes

(1) Equals the cost impact from application of CFC including (i) utilization for newly eligible population and (ii) increased reimbursement for existing population.

(2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data).

(3) Equals Cost Impact divided by FY2014 Total Long Term Care Claims Paid.



## ***Attachment 8***

### **Acuity Risk Adjustment**

The rate setting methodology incorporates a risk adjustment technique that is designed to adjust the base community rate in each service area to reflect the health status, or acuity, of the population enrolled in each health plan. The purpose of acuity risk adjustment is to recognize the anticipated cost differential between multiple health plans in a service area by analyzing the health status of their respective memberships. The risk analysis was performed by the University of Florida's Institute for Child Health Policy (ICHP). The methodology used to incorporate the risk adjustment is the Chronic Illness and Disability Payment System (CDPS). The attached exhibits (provided by ICHP) present a summary of the risk adjustment analysis. There is a separate exhibit for each risk group (Exhibits A and B).

The column titled Case Mix on the chart is the risk adjustment factor. It is the ratio of the predicted average cost of the individual health plan's membership divided by the predicted average cost of the entire service area's membership. The risk adjustment factor is applied to the acute care portion of the community rate for each health plan and risk group.

If necessary, an additional adjustment was made to the risk adjustment factors to ensure that, in total, they produce the same premium as the community rates (budget neutral). Exhibit C summarizes the raw, unadjusted risk adjustment factors (case-mix), the budget neutral adjustment applied equally to each risk group within each service area along with the resulting adjusted risk adjustment factors which are used to calculate the risk adjusted community rates.

**TEXAS STAR+PLUS CDPS SDA/Health Plan Risk**

Reporting Period: Sep 1, 2013 to Aug 31, 2014

STAR+PLUS						
SDA/Health Plan	Number of Enrollees	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
<b>CDPS</b>						
<b>STAR+PLUS--Medicaid-Only OCC</b>	173,847	100.00	978.83	978.83	1.00	1.00
<b>Bexar</b>	22,202	100.00	937.80	975.37	1.00	0.96
Amerigroup	3,967	17.87	906.77	978.97	1.00	0.93
Molina	2,459	11.08	772.28	855.24	0.88	0.90
Superior	15,776	71.06	971.41	993.23	1.02	0.98
<b>Dallas</b>	28,430	100.00	873.68	972.85	1.00	0.90
Molina	14,939	52.55	915.03	978.24	1.01	0.94
Superior	13,491	47.45	827.66	966.86	0.99	0.86
<b>El Paso</b>	6,825	100.00	1,038.10	986.09	1.00	1.05
Amerigroup	4,440	65.05	1,000.44	989.21	1.00	1.01
Molina	2,385	34.95	1,108.07	980.28	0.99	1.13
<b>Harris</b>	46,835	100.00	1,025.66	999.47	1.00	1.03
Amerigroup	21,123	45.10	942.56	931.88	0.93	1.01
Molina	6,337	13.53	974.98	893.22	0.89	1.09
United Health Care (United)	19,375	41.37	1,133.58	1,108.62	1.11	1.02
<b>Hidalgo</b>	20,960	100.00	1,144.57	937.45	1.00	1.22
HealthSpring	4,660	22.23	1,219.09	938.78	1.00	1.30
Molina	4,290	20.47	1,054.57	905.97	0.97	1.16
Superior	12,010	57.30	1,148.01	948.20	1.01	1.21
<b>Jefferson</b>	8,959	100.00	897.32	987.09	1.00	0.91
Amerigroup	4,030	44.98	790.80	924.43	0.94	0.86
Molina	3,103	34.64	975.48	974.33	0.99	1.00
United Health Care (United)	1,826	20.38	1,003.68	1,153.14	1.17	0.87
<b>Lubbock</b>	5,151	100.00	823.85	997.68	1.00	0.83
Amerigroup	1,684	32.69	902.62	1,070.21	1.07	0.84
Superior	3,467	67.31	785.80	962.64	0.96	0.82
<b>Nueces</b>	8,407	100.00	994.24	1,010.58	1.00	0.98
Superior HealthPlan	5,015	59.65	984.62	1,002.17	0.99	0.98
United Health Care (United)	3,392	40.35	1,008.42	1,022.98	1.01	0.99
<b>Tarrant</b>	16,108	100.00	972.18	1,006.32	1.00	0.97
Amerigroup	12,645	78.50	1,001.51	1,043.29	1.04	0.96
Health Spring	3,463	21.50	862.57	868.16	0.86	0.99
<b>Travis</b>	9,970	100.00	907.46	900.27	1.00	1.01
Amerigroup	5,727	57.44	944.14	892.60	0.99	1.06
United Health Care (United)	4,243	42.56	857.07	910.80	1.01	0.94

Note: CDPS results are based on information in enrollment and encounter datasets. CDPS results were obtained for Medicaid-only enrollees who had been in the program for at least 1 months (age<1) and for those who had been in the program for at least 6 months (age≥1) (permitting one month lapse in enrollment within the 6 months period).

**TEXAS STAR+PLUS CDPS SDA/Health Plan Risk**

Reporting Period: Sep 1, 2013 to Aug 31, 2014

STAR+PLUS						
SDA/Health Plan	Number of Enrollees	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
<b>CDPS</b>						
<b>STAR+PLUS--Medicaid-Only, HCBS</b>	9,641	100.00	3,512.07	3,512.07	1.00	1.00
<b>Bexar</b>	1,235	100.00	3,349.14	3,358.92	1.00	1.00
Amerigroup	176	14.25	2,971.94	3,354.87	1.00	0.89
Molina	155	12.55	3,046.85	3,114.58	0.93	0.98
Superior	904	73.20	3,472.33	3,401.02	1.01	1.02
<b>Dallas</b>	1,202	100.00	3,415.96	3,462.44	1.00	0.99
Molina	849	70.63	3,274.91	3,451.94	1.00	0.95
Superior	353	29.37	3,756.95	3,487.81	1.01	1.08
<b>El Paso</b>	510	100.00	3,219.11	3,219.63	1.00	1.00
Amerigroup	341	66.86	2,924.80	3,231.77	1.00	0.91
Molina	169	33.14	3,820.32	3,194.83	0.99	1.20
<b>Harris</b>	2,490	100.00	3,918.15	3,877.21	1.00	1.01
Amerigroup	686	27.55	3,873.44	4,073.22	1.05	0.95
Molina	348	13.98	4,762.87	3,925.33	1.01	1.21
United Health Care (United)	1,456	58.47	3,736.64	3,774.35	0.97	0.99
<b>Hidalgo</b>	1,365	100.00	3,488.33	3,006.66	1.00	1.16
HealthSpring	420	30.77	3,366.01	2,930.20	0.97	1.15
Molina	232	17.00	3,494.39	3,071.88	1.02	1.14
Superior	713	52.23	3,558.38	3,030.57	1.01	1.17
<b>Jefferson</b>	395	100.00	3,431.47	3,773.92	1.00	0.91
Amerigroup	109	27.59	3,539.37	3,742.07	0.99	0.95
Molina	217	54.94	3,400.64	3,804.16	1.01	0.89
United Health Care (United)	69	17.47	3,358.80	3,729.13	0.99	0.90
<b>Lubbock</b>	228	100.00	2,707.40	3,180.98	1.00	0.85
Amerigroup	116	50.88	2,493.51	2,980.45	0.94	0.84
Superior	112	49.12	2,932.42	3,391.94	1.07	0.86
<b>Nueces</b>	671	100.00	3,092.52	3,322.56	1.00	0.93
Superior HealthPlan	393	58.57	3,238.35	3,511.53	1.06	0.92
United Health Care (United)	278	41.43	2,884.61	3,053.16	0.92	0.94
<b>Tarrant</b>	1,057	100.00	3,273.07	3,616.07	1.00	0.91
Amerigroup	937	88.65	3,320.80	3,654.65	1.01	0.91
Health Spring	120	11.35	2,893.23	3,309.04	0.92	0.87
<b>Travis</b>	488	100.00	3,997.72	3,870.19	1.00	1.03
Amerigroup	245	50.20	3,965.57	3,959.27	1.02	1.00
United Health Care (United)	243	49.80	4,030.67	3,778.87	0.98	1.07

Note: CDPS results are based on information in enrollment and encounter datasets. CDPS results were obtained for Medicaid-only enrollees who had been in the program for at least 1 months (age<1) and for those who had been in the program for at least 6 months (age≥1) (permitting one month lapse in enrollment within the 6 months period).

FY2016 STAR+PLUS Rating  
Adjusted Acuity Scores

	<u>Medicaid Only OCC</u>	<u>Medicaid Only HCBS</u>
Unadjusted Acuity Scores (1)		
Amerigroup - Bexar	1.0037	0.9988
Molina - Bexar	0.8768	0.9273
Superior - Bexar	1.0183	1.0125
Molina - Dallas	1.0055	0.9970
Superior - Dallas	0.9938	1.0073
Amerigroup - El Paso	1.0032	1.0038
Molina - El Paso	0.9941	0.9923
Amerigroup - Harris	0.9324	1.0506
Molina - Harris	0.8937	1.0124
United - Harris	1.1092	0.9735
Health Spring - Hidalgo	1.0014	0.9746
Molina - Hidalgo	0.9664	1.0217
Superior - Hidalgo	1.0115	1.0080
Amerigroup - Jefferson	0.9365	0.9916
Molina - Jefferson	0.9871	1.0080
United - Jefferson	1.1682	0.9881
Amerigroup - Lubbock	1.0727	0.9370
Superior - Lubbock	0.9649	1.0663
Superior - Nueces	0.9917	1.0569
United - Nueces	1.0123	0.9189
Amerigroup - Tarrant	1.0367	1.0107
Health Spring - Tarrant	0.8627	0.9151
Amerigroup - Travis	0.9915	1.0230
United - Travis	1.0117	0.9764
Budget Neutrality Adjustment (2)		
Amerigroup - Bexar	0.9995	1.0025
Molina - Bexar	0.9995	1.0025
Superior - Bexar	0.9995	1.0025
Molina - Dallas	1.0000	1.0001
Superior - Dallas	1.0000	1.0001
Amerigroup - El Paso	1.0001	1.0001
Molina - El Paso	1.0001	1.0001
Amerigroup - Harris	0.9969	0.9984
Molina - Harris	0.9969	0.9984
United - Harris	0.9969	0.9984
Health Spring - Hidalgo	1.0002	1.0006
Molina - Hidalgo	1.0002	1.0006
Superior - Hidalgo	1.0002	1.0006
Amerigroup - Jefferson	0.9888	1.0003
Molina - Jefferson	0.9888	1.0003
United - Jefferson	0.9888	1.0003
Amerigroup - Lubbock	0.9992	1.0140
Superior - Lubbock	0.9992	1.0140
Superior - Nueces	0.9994	1.0057
United - Nueces	0.9994	1.0057
Amerigroup - Tarrant	1.0032	1.0025
Health Spring - Tarrant	1.0032	1.0025
Amerigroup - Travis	0.9993	0.9977
United - Travis	0.9993	0.9977

FY2016 STAR+PLUS Rating  
Adjusted Acuity Scores

	<u>Medicaid Only OCC</u>	<u>Medicaid Only HCBS</u>
Budget Neutral Acuity Scores (3)		
Amerigroup - Bexar	1.0032	1.0013
Molina - Bexar	0.8764	0.9295
Superior - Bexar	1.0178	1.0150
Molina - Dallas	1.0055	0.9970
Superior - Dallas	0.9938	1.0074
Amerigroup - El Paso	1.0033	1.0039
Molina - El Paso	0.9942	0.9924
Amerigroup - Harris	0.9295	1.0489
Molina - Harris	0.8909	1.0108
United - Harris	1.1058	0.9719
Health Spring - Hidalgo	1.0016	0.9751
Molina - Hidalgo	0.9666	1.0223
Superior - Hidalgo	1.0116	1.0085
Amerigroup - Jefferson	0.9260	0.9919
Molina - Jefferson	0.9760	1.0083
United - Jefferson	1.1552	0.9884
Amerigroup - Lubbock	1.0718	0.9500
Superior - Lubbock	0.9641	1.0812
Superior - Nueces	0.9911	1.0629
United - Nueces	1.0117	0.9241
Amerigroup - Tarrant	1.0400	1.0132
Health Spring - Tarrant	0.8654	0.9173
Amerigroup - Travis	0.9907	1.0206
United - Travis	1.0109	0.9741

Footnotes:

- (1) Raw acuity scores as developed by ICHP. Equals the case mix factors from Exhibits A-B.
- (2) Budget neutral adjustment applied uniformly within each service area to ensure acuity adjustment is budget neutral in total.
- (3) Adjusted acuity scores applied to FY2016 Community Rates.

## **Attachment 9**

### **Medicaid Rural Service Area Expansion**

Effective September 1, 2014, the STAR+PLUS program expanded into the Medicaid Rural Service Area (MRSA) which includes 164 counties. The MRSA is split into three separate areas: Central, Northeast and West. During the period March 1, 2012 through August 31, 2014 the acute care services for the MRSA were covered under the Medicaid STAR program. During this time, long term care services and supports continued to be covered under the fee-for-service (FFS) program.

The actuarial model used to derive the FY2016 (September 1, 2015 through August 31, 2016) MRSA premium rates relies primarily on managed care (STAR) data during the period September 1, 2013 through August 31, 2014 for acute care services and managed care (STAR+PLUS) data during the period September 1, 2014 through February 28, 2014 for long term care services. Acute care services provided under the STAR+PLUS model during the period September 1, 2014 through February 28, 2014 were not used due to the lengthy lag associated with the claim payment and the seasonality of acute care claims.

The historical claims experience by risk group was analyzed and estimates for the base period (FY2014 for acute care and the first six months of FY2015 for long term care) were developed. These estimates were then projected forward to FY2016 using assumed trend rates. Adjustments to the claim costs were made to reflect benefit and provider reimbursement changes. Exhibits A and B present the acute care and long term care community rate exhibits for the MRSA.

### **Base Period Data**

STAR managed care claims data for FY2014 was used as the base period for developing the acute care portion of the FY2016 premium rates. During this time period the acute care services for the Medicaid Only population were provided under the STAR program. This data was collected from the STAR health plans which participated in the MRSA and the analysis described in Attachment 2 was performed. STAR+PLUS managed care claims data for the first six months of FY2015 was used as the base period for developing the long term care portion of the FY2016 premium rates. This data was collected from the STAR+PLUS health plans newly participating in the MRSA and the analysis described in Attachment 2 was performed. Unlike FY2015, when FFS data was utilized as the long term care base period, no adjustments are necessary for managed care efficiencies since these cost savings have already been reflected in the base data utilized.

### **Trend Factors**

The cost trend factors used in this analysis are a combination of utilization and inflation components. Separate trend factors were developed by type of service – acute care (inpatient and non inpatient combined) and long term care. The projected trend rate assumptions were developed by the actuary based on an analysis of recent experience under the various health plans in the current STAR+PLUS areas as described in Attachment 5. The trend assumptions are the average of the OCC and HCBS trends described in Attachment 5 to develop single trend assumptions by type of service for the Medicaid Only and Dual Eligible populations. The chart below presents the assumed annual trend rates for FY2015 and FY2016 by type of service.

	<u>FY2015*</u>	<u>FY2016</u>
<u>Acute Care</u>		
Medicaid Only <21	1.2%	1.1%
Medicaid Only >21	1.2%	1.1%
 <u>Long Term Care</u>		
Medicaid Only OCC		9.2%
Medicaid Only HCBS		0.7%
Dual Eligible OCC		5.5%
Dual Eligible HCBS		0.6%

\*FY2015 long term care trend assumptions are not needed since the base period data used was 9/2014-2/2015 (the first 6 months of FY2015).

### **Provider Reimbursement Adjustments**

The types of adjustments for benefit and provider reimbursement changes are the same as those detailed in Attachments 6 and 7. The rating adjustments for these provider reimbursement changes were calculated by applying actual health plan encounter data to the old and new reimbursement basis and the resulting impact determined. The acute care adjustments are based on the MRSA data previously covered under the STAR program during FY2014. The long term care adjustments are based on the average adjustment for the existing STAR+PLUS areas with the exception of EVV. No EVV adjustment is necessary for the MRSA because EVV was implemented in the MRSA counties prior to the base period used in developing the FY2016 rates and is therefore reflected in the existing claims data. Exhibit C presents a summary of the acute care adjustment factors. The statewide average long term care adjustment factors can be found in Attachment 7, Exhibits C, D and E.

### **Removal of Intellectual and Developmentally Disabled (IDD) Members**

During the FY2014 acute care base period, IDD members were managed under the STAR program in the MRSA only. Because these clients now have a separate risk group their acute care claims data must be removed from the base period data included in developing the FY2016 MRSA premium rates. Exhibit D presents a summary of the rate adjustment factors.

### **Seasonality**

Due to the seasonal nature of long term care claims an adjustment for seasonality is necessary because the long term care base period used in the rate development only includes six months of data. The adjustment factor was determined through a review of the average long term care costs per member per month in the non-MRSA service areas during FY2013 and FY2014. The average claims per member per month during the period September through February was compared to the entire fiscal year and the resulting adjustment factor determined. Exhibit E presents a summary of the rate adjustment factor.

### ***OCC/HCBS Adjustment***

The base period experience data for acute care services is categorized as Medicaid-only but does

not further stratify the data between the OCC and HCBS risk groups. In order to develop the acute care portion of the capitation rates for the appropriate risk groups, an estimated HCBS to OCC ratio has been calculated. This ratio is based on the current relationship between the OCC and HCBS acute care claims during the first three months of FY2015 in the MRSA. Exhibit F presents the derivation of this adjustment and Exhibit G presents its application to split the acute care premium into the applicable OCC and HCBS components. It is estimated that 40% of the acute care rate is applicable to inpatient services.

### **Administrative Fees and Risk Margin**

The rating methodology includes the same provision for health plan administrative services, risk margin, and taxes as the existing STAR+PLUS program as described in Section IV. For the Medicaid only OCC and HCBS risk groups the fixed administrative fee has been split evenly between the acute care and long term care portion of the premium rate.

### **Risk Adjustment**

The acute care community rates have been adjusted for acuity differences based on the acuity analysis performed on the SSI population previously managed under the STAR program in the MRSA. Because the participating plans changed with the transition from STAR to STAR+PLUS, the application of the risk adjustment factors in these areas requires assumptions regarding FY2016 enrollment distribution. We have assumed an enrollment distribution and applied acuity factors as described below:

1. Plans that previously served and remain a participating health plan in an area are assumed to enroll 100% of their previous membership and acuity scores.
2. If there are no new plans in a service area, membership (and its associated acuity) in departing plans is assumed to move to remaining plans in proportion to the remaining plan's current membership.
3. If there are new plans in a service area, membership (and its associated acuity) in departing plans is assumed to be distributed among the remaining and new plans in the service area based on their relative proportion of the enrollment.

The acuity risk adjustment factors for STAR+PLUS MRSA expansion members are defined as those for the current STAR MRSA SSI population. Exhibit H provides the summary results for the acuity analysis performed for the SSI population previously managed under the STAR program. Exhibit I provides a summary of the raw, redistributed acuity scores, the budget neutral adjustment and the final adjusted acuity scores which are applied to the community rate. The need for the budget neutral adjustment has been detailed in Attachment 8.

### **Summary**

Attachment 1, presented earlier in this report, includes a summary of the FY2016 MRSA premium rates by component along with a comparison to the current (FY2015) premium rates.



## FY2016 STAR+PLUS MRSA Rating Summary - Acute Care

	MRSA Central SDA		MRSA Northeast SDA		MRSA West SDA	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2014 Experience Period						
Member Months	173,172		265,409		189,139	
Estimated Incurred Claims	82,201,255	474.68	132,124,983	497.82	93,836,513	496.13
Projected FY2016 Member Months	137,669		221,891		152,894	
Annual Cost Trend Assumptions						
FY2015	1.2 %		1.2 %		1.2 %	
FY2016	1.1 %		1.1 %		1.1 %	
Provider Reimbursement Adjustment		1.0078		1.0092		1.0144
Other Reimbursement Changes		1.0350		1.0398		1.0508
Inpatient Reimbursement Changes		1.0421		1.0249		1.0169
Projected Incurred Claims	72,676,014	527.90	121,548,223	547.78	84,124,513	550.21
Capitation Expenses & Refunds	159,943	1.16	382,039	1.72	165,542	1.08
Net Reinsurance Cost	38,712	0.28	13,322	0.06	51,973	0.34
Administrative Expenses						
Fixed Amount	980,890	7.13	1,580,972	7.13	1,089,373	7.13
Percentage of Premium	4,693,093	5.75%	7,849,232	5.75%	5,428,642	5.75%
Total	5,673,983	41.21	9,430,204	42.50	6,518,015	42.63
Risk Margin	1,632,380	2.00%	2,730,168	2.00%	1,888,223	2.00%
Premium Tax	1,428,333	1.75%	2,388,897	1.75%	1,652,195	1.75%
Maintenance Tax	9,637	0.07	15,532	0.07	10,703	0.07
Projected Total Cost	81,619,001	592.87	136,508,385	615.21	94,411,164	617.49

FY2016 STAR+PLUS MRSA Rating Summary - Long Term Care  
MRSA Central

	Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
9/1/2014-2/28/2015 Experience Period										
Member Months	66,346		1,620		62,597		8,072		138,634	
Estimated Incurred Claims	3,785,542	57.06	2,912,544	1,798.12	7,197,930	114.99	10,421,798	1,291.16	24,317,814	175.41
Projected FY2016 Member Months	134,535		3,134		125,159		15,401		278,228	
Annual Cost Trend Assumptions	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment	1.3359		1.1015		1.0557		1.0733			
Seasonality Adjustment	1.0165		1.0165		1.0165		1.0165			
Projected Incurred Claims	11,636,111	86.49	6,364,676	2,030.95	16,513,143	131.94	21,857,069	1,419.24	56,370,998	202.61
Service Coordination & Other Expenses	2,116,110	15.73	48,288	15.41	2,586,617	20.67	337,856	21.94	5,088,871	18.29
Administrative Expenses										
Fixed Amount	958,561	7.13	22,329	7.13	1,783,515	14.25	219,458	14.25	2,983,863	10.72
Percentage of Premium	934,663	5.75%	408,872	5.75%	1,326,838	5.75%	1,424,118	5.75%	4,094,491	5.75%
Total	1,893,224	14.07	431,201	137.59	3,110,353	24.85	1,643,576	106.72	7,078,354	25.44
Risk Margin	325,100	2.00%	142,216	2.00%	461,509	2.00%	495,345	2.00%	1,424,171	2.00%
Premium Tax	284,463	1.75%	124,439	1.75%	403,820	1.75%	433,427	1.75%	1,246,150	1.75%
Projected Total Cost	16,255,008	120.82	7,110,820	2,269.04	23,075,442	184.37	24,767,273	1,608.21	71,208,544	255.94

FY2016 STAR+PLUS MRSA Rating Summary - Long Term Care  
MRSA Northeast

	Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
9/1/2014-2/28/2015 Experience Period										
Member Months	103,693		5,928		87,879		31,008		228,508	
Estimated Incurred Claims	5,901,763	56.92	7,785,346	1,313.22	8,771,782	99.82	31,699,542	1,022.29	54,158,434	237.01
Projected FY2016 Member Months	209,813		12,078		176,825		61,104		459,820	
Annual Cost Trend Assumptions	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment	1.3359		1.1015		1.0557		1.0733			
Seasonality Adjustment	1.0165		1.0165		1.0165		1.0165			
Projected Incurred Claims	18,101,956	86.28	17,914,693	1,483.25	20,251,753	114.53	68,662,492	1,123.70	124,930,894	271.70
Service Coordination & Other Expenses	3,242,049	15.45	506,830	41.96	3,179,062	17.98	2,403,554	39.34	9,331,495	20.29
Administrative Expenses										
Fixed Amount	1,494,917	7.13	86,056	7.13	2,519,761	14.25	870,731	14.25	4,971,465	10.81
Percentage of Premium	1,451,092	5.75%	1,175,896	5.75%	1,648,794	5.75%	4,570,569	5.75%	8,846,350	5.75%
Total	2,946,008	14.04	1,261,951	104.48	4,168,555	23.57	5,441,300	89.05	13,817,815	30.05
Risk Margin	504,728	2.00%	409,007	2.00%	573,493	2.00%	1,589,763	2.00%	3,076,991	2.00%
Premium Tax	441,637	1.75%	357,881	1.75%	501,807	1.75%	1,391,043	1.75%	2,692,367	1.75%
Projected Total Cost	25,236,378	120.28	20,450,363	1,693.19	28,674,670	162.16	79,488,151	1,300.87	153,849,562	334.59

FY2016 STAR+PLUS MRSA Rating Summary - Long Term Care  
MRSA West

	Long Term Care									
	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
9/1/2014-2/28/2015 Experience Period										
Member Months	73,374		2,609		99,932		16,310		192,224	
Estimated Incurred Claims	4,751,314	64.75	3,334,450	1,278.30	16,501,456	165.13	18,822,586	1,154.08	43,409,806	225.83
Projected FY2016 Member Months	147,841		5,054		197,818		31,146		381,859	
Annual Cost Trend Assumptions	9.2 %		0.7 %		5.5 %		0.6 %			
Provider Reimbursement Adjustment	1.3359		1.1015		1.0557		1.0733			
Seasonality Adjustment	1.0165		1.0165		1.0165		1.0165			
Projected Incurred Claims	14,511,894	98.16	7,296,812	1,443.82	37,479,886	189.47	39,510,988	1,268.56	98,799,579	258.73
Service Coordination & Other Expenses	1,521,910	10.29	56,726	11.22	2,055,716	10.39	334,466	10.74	3,968,817	10.39
Administrative Expenses										
Fixed Amount	1,053,364	7.13	36,009	7.13	2,818,910	14.25	443,834	14.25	4,352,117	11.40
Percentage of Premium	1,085,649	5.75%	469,502	5.75%	2,691,033	5.75%	2,559,817	5.75%	6,805,999	5.75%
Total	2,139,013	14.47	505,510	100.03	5,509,943	27.85	3,003,651	96.44	11,158,116	29.22
Risk Margin	377,617	2.00%	163,305	2.00%	936,011	2.00%	890,371	2.00%	2,367,304	2.00%
Premium Tax	330,415	1.75%	142,892	1.75%	819,010	1.75%	779,075	1.75%	2,071,391	1.75%
Projected Total Cost	18,880,848	127.71	8,165,244	1,615.65	46,800,565	236.58	44,518,550	1,429.34	118,365,208	309.97

FY2016 STAR+PLUS MRSA Rating  
Provider Reimbursement Adjustments

	<u>MRSA Central</u>	<u>MRSA Northeast</u>	<u>MRSA West</u>
Estimated Cost Impact (1)			
Therapy	-278,291	-264,868	-95,093
Outpatient Rural Hospital - Non Imaging	763,312	1,318,965	1,292,634
Outpatient Rural Hospital - Imaging	48,147	112,042	85,867
MH Rehab	1,656,996	3,174,204	3,291,329
Inpatient SDA Changes	2,976,129	3,522,293	2,109,659
PPR	10,744	-33,681	-18,605
PPC	-79,720	-314,389	-562,409
 FY2013 Total Incurred Claims (2)	 69,051,705	 126,701,202	 89,392,328
Rate Adjustment (3)			
Therapy	-0.40%	-0.21%	-0.11%
Outpatient Rural Hospital - Non Imaging	1.11%	1.04%	1.45%
Outpatient Rural Hospital - Imaging	0.07%	0.09%	0.10%
MH Rehab	2.40%	2.51%	3.68%
Inpatient SDA Changes	4.31%	2.78%	2.36%
PPR	0.02%	-0.03%	-0.02%
PPC	-0.12%	-0.25%	-0.63%
Combined Adjustment Factors - Exhibit A Headings (4)			
Provider Reimbursement Adjustment (5)	1.0078	1.0092	1.0144
Other Reimbursement Changes (6)	1.0350	1.0398	1.0508
Inpatient Reimbursement Changes (7)	1.0421	1.0249	1.0169

Footnotes:

- (1) Equals the cost adjustment resulting from each provider reimbursement change.
- (2) Equals FY2014 health plan fee-for-service claims for all services (ICHP provided encounter data).
- (3) Additional cost divided by FY2014 Total Incurred Claims.
- (4) Adjustment factors categorized according to headings used in Exhibit A.
- (5) Combined therapy and outpatient rural hospital adjustments.
- (6) Combined MH Rehab and IDD adjustment from Exhibit D.
- (7) Combined Inpatient SDA, PPR and PPC adjustments

FY2016 STAR+PLUS MRSA Rating  
IDD Adjustment

	<u>MRSA Central</u>	<u>MRSA Northeast</u>	<u>MRSA West</u>
Average Claims PMPM (1)			
Non-IDD Clients	459.35	484.20	479.01
IDD Clients	346.88	284.53	356.17
All Clients	454.50	477.38	472.63
Adjustment Factor (2)	1.0107	1.0143	1.0135

(1) Average claims incurred and paid through November, 2014.

(2) Ratio of Non-IDD clients to All clients.

FY2016 STAR+PLUS MRSA Rating  
Seasonality Adjustment

	<u>September - February (2)</u>	<u>September - August (3)</u>	<u>Ratio (4)</u>
Average Long Term Claims PMPM (1)			
FY2013	343.95	348.78	1.0140
FY2014	363.01	369.91	1.0190
Average (5)			1.0165

(1) Average STAR+PLUS non-MRSA long term care claims.

(2) Average claims pmpm during the period September through February during the applicable fiscal year.

(3) Average fiscal year claims pmpm.

(4) Ratio of fiscal year total to first six months (September - February).

(5) Average seasonality adjustment during FY2013 and FY2014.

FY2016 STAR+PLUS MRSA Rating  
OCC/HCBS Ratio - Acute Care

	<u>OCC</u>	<u>HCBS</u>	<u>Ratio (2)</u>
Average Claims PMPM (1)			
Central	430.45	1,115.96	2.59
Northeast	452.12	1,016.45	2.25
West	429.89	862.18	2.01
Total	439.50	991.98	2.26

(1) Average acute care claims paid during the period September 2014 through November 2014.

(2) Ratio of HCBS average claims to OCC average claims per member per month.



## FY2015 STAR+PLUS MRSA Rating

	Medicaid Only		
	OCC	HCBS	Total
Projected Caseload (1)			
MRSA Central	134,535	3,134	137,669
MRSA Northeast	209,813	12,078	221,891
MRSA West	147,841	5,054	152,894
CBA/OCC Ratio (2)		226%	
FY2016 Acute Community Rate - Total (3)			
MRSA Central	576.33	1,302.52	592.87
MRSA Northeast	575.72	1,301.13	615.21
MRSA West	592.80	1,339.74	617.49
FY2016 Non-Inpatient Acute Community Rate (4)			
MRSA Central	345.80	781.51	
MRSA Northeast	345.43	780.68	
MRSA West	355.68	803.84	
FY2016 Inpatient Acute Community Rate (4)			
MRSA Central	230.53	521.01	
MRSA Northeast	230.29	520.45	
MRSA West	237.12	535.89	

## Footnotes

(1) From Exhibit B.

(2) From Exhibit F.

(3) Community rate distributed between OCC and HCBS risk groups based on projected caseload and HCBS/OCC Ratio

**TEXAS STAR MCO CDPS SDA/Health Plan Risk****Reporting Period: Sep 1, 2013 to Aug 31, 2014**

<b>STAR MCO</b>						
<b>SDA/Health Plan</b>	<b>Number of Enrollees</b>	<b>Percent Affected</b>	<b>Actual PMPM Expenditures Based on Paid Amounts</b>	<b>Predicted PMPM Payment</b>	<b>Case Mix</b>	<b>Spend Ratio</b>
<b>CDPS</b>						
<b>TEXAS STAR MCO (SSI in MRSA)</b>	52,941	100.00	774.12	774.12	1.00	1.00
<b>MRSA Central</b>	14,576	100.00	742.70	770.33	1.00	0.96
Amerigroup	2,930	20.10	742.90	668.17	0.87	1.11
Scott & White	4,797	32.91	760.80	823.71	1.07	0.92
Superior	6,849	46.99	730.04	776.79	1.01	0.94
<b>MRSA Northeast</b>	22,364	100.00	786.14	775.35	1.00	1.01
Amerigroup	8,993	40.21	804.68	771.42	0.99	1.04
Superior	13,371	59.79	773.65	778.01	1.00	0.99
<b>MRSA West</b>	16,001	100.00	785.82	775.83	1.00	1.01
Amerigroup	3,165	19.78	743.15	704.88	0.91	1.05
FirstCare	6,569	41.05	843.24	818.28	1.05	1.03
Superior	6,267	39.17	746.72	766.74	0.99	0.97

Note: CDPS results are based on information in enrollment and encounter datasets. CDPS results were obtained for those enrollees who had been in the program for at least 1 months (age<1) and for those who had been in the program for at least 6 months (age≥1) (permitting one month lapse in enrollment within the 6 months period).

FY2015 STAR+PLUS MRSA Rating  
Acuity Adjustment Factors

	Medicaid Only OCC	Medicaid Only HCBS
Unadjusted Acuity Scores (1)		
Superior - MRSA Central	1.0028	1.0022
United - MRSA Central	0.9908	0.9908
Health Spring - MRSA Northeast	1.0000	1.0000
United - MRSA Northeast	1.0000	1.0000
Amerigroup - MRSA West	0.9727	0.9672
Superior - MRSA West	1.0143	1.0156
Budget Neutrality Adjustment (2)		
Superior - MRSA Central	1.0010	1.0010
United - MRSA Central	1.0010	1.0010
Health Spring - MRSA Northeast	1.0000	1.0000
United - MRSA Northeast	1.0000	1.0000
Amerigroup - MRSA West	1.0006	1.0006
Superior - MRSA West	1.0006	1.0006
Budget Neutral Acuity Scores (3)		
Superior - MRSA Central	1.0038	1.0031
United - MRSA Central	0.9918	0.9918
Health Spring - MRSA Northeast	1.0000	1.0000
United - MRSA Northeast	1.0000	1.0000
Amerigroup - MRSA West	0.9733	0.9678
Superior - MRSA West	1.0148	1.0162

Footnotes:

- (1) Raw acuity scores as developed by ICHP. Equals the case mix factors from Exhibits G. Exiting plan acuity redistributed based on proportional enrollment.
- (2) Budget neutral adjustment applied uniformly within each service area to ensure acuity adjustment is budget neutral in total.
- (3) Adjusted acuity scores applied to FY2016 Community Rates.

## **Attachment 10**

### **Intellectual and Developmentally Disabled (IDD) Expansion**

Effective September 1, 2014, IDD individuals who were previously excluded from STAR+PLUS were carved into the program. Individuals under the age of 21 are voluntary while members age 21 and over are mandatory. Prior to September 1, 2014, IDD members were excluded from managed care with the exception of those individuals living in the Medicaid Rural Service Areas (MRSA). These IDD members in the MRSA were covered under the STAR program. The STAR+PLUS benefits provided to the IDD population are limited to acute care services only. The long term care services and supports continue to be carved out and paid on a fee-for-service (FFS) basis.

The actuarial model used to develop the IDD premium rates relies on FY2014 FFS data for IDD members residing in the non-MRSA and FY2014 managed care data for members residing in the MRSA areas. Below is a description of the trend, benefit and provider reimbursement adjustments and administrative provisions included in the IDD rates.

#### **Trend Factors**

The trend assumptions are the same as the average acute care trend assumptions described in Attachment 5. The chart below presents the assumed annual trend rates for FY2015 and FY2016 by area and type of service.

	<u>FY2015</u>	<u>FY2016</u>
Non-Inpatient	0.1%	0.0%
Inpatient	2.9%	2.9%

#### **Provider Reimbursement Adjustment**

The types of adjustments for benefit and provider reimbursement changes are the same as those detailed in Attachment 6 for the non-MRSA and Attachment 9 Exhibit C for the MRSA. The adjustment factors used for the IDD rate development are the SDA average factors used in developing the STAR+PLUS rates as previously described. For the non-MRSA no adjustment is necessary for the carve-in of mental health rehabilitation and targeted case management since these claims have been included in the FFS base claims data. For all service areas no adjustment is necessary for the spell of illness at inpatient psychiatric facilities since no such limitation was included in the base period claims data. Exhibit N presents a summary of the adjustment factors.

#### **Administrative Fees and Risk Margin**

The rating methodology includes the same provision for health plan administrative services, risk margin, and taxes as the existing STAR+PLUS program as described in Section IV. In addition to administrative fees the FY2016 IDD rates include a provision for service coordination in the amount of \$17.14. This was determined based on the average service coordination expense reported for the existing STAR+PLUS population.

## **Summary**

Attachment 1, included earlier in this report, includes a summary of the FY2016 premium rates by component along with a comparison to the current (FY2015) premium rates. Exhibits A through M in this attachment present a summary of the community rating exhibit for each service area. FY2016 premium rates will vary between service delivery areas and age group (under age 21 and age 21 and over) but will be the same for all health plans within a given area plus any applicable NAIP premium.

FY2016 STAR+PLUS IDD Rate Setting  
Bexar SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	6,088		17,360		23,448	
Estimated Incurred Claims						
Non-Inpatient	7,947,641	1,305.46	3,553,704	204.71	11,501,344	490.50
Inpatient	579,293	95.15	990,334	57.05	1,569,627	66.94
Total	8,526,934	1,400.61	4,544,037	261.75	13,070,971	557.45
Projected FY2015 Member Months	359		17,744		18,103	
Projected FY2016 Premium						
At Current Rates	593,655	1,651.76	5,734,895	323.21	6,328,550	349.59
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	0.9975		0.9975			
Acute Care - Inpatient	1.0573		1.0573			
Projected Incurred Claims						
Non-Inpatient	468,487	1,303.50	3,626,763	204.40	4,095,250	226.22
Inpatient	38,286	106.53	1,133,187	63.86	1,171,473	64.71
Total	506,773	1,410.02	4,759,950	268.26	5,266,723	290.93
Service Coordination Expense	6,160	17.14	304,125	17.14	310,285	17.14
Administrative Expenses						
Fixed Amount	5,122	14.25	252,846	14.25	257,967	14.25
Percentage of Premium	32,917	5.75%	337,894	5.75%	370,811	5.75%
Total	38,038	105.84	590,740	33.29	628,778	34.73
Risk Margin	11,449	2.00%	117,528	2.00%	128,978	2.00%
Premium Tax	10,018	1.75%	102,837	1.75%	112,856	1.75%
Maintenance Tax	25	0.07	1,242	0.07	1,267	0.07
Projected Total Cost						
Non Inpatient	529,215	1,472.47	4,477,440	252.34	5,006,655	276.57
Inpatient	43,249	120.33	1,398,982	78.84	1,442,231	79.67
Total	572,464	1,592.80	5,876,422	331.19	6,448,886	356.23
Experience Rate Increase		-3.6%		2.5%		1.9%

FY2016 STAR+PLUS IDD Rate Setting  
Dallas SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	9,106		21,042		30,148	
Estimated Incurred Claims						
Non-Inpatient	12,361,110	1,357.47	3,512,633	166.93	15,873,743	526.53
Inpatient	2,520,753	276.82	1,162,116	55.23	3,682,869	122.16
Total	14,881,863	1,634.29	4,674,749	222.16	19,556,612	648.69
Projected FY2015 Member Months	282		21,422		21,705	
Projected FY2016 Premium						
At Current Rates	448,891	1,589.02	5,884,417	274.69	6,333,308	291.80
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0003		1.0003			
Acute Care - Inpatient	1.0809		1.0809			
Projected Incurred Claims						
Non-Inpatient	383,978	1,359.23	3,580,722	167.15	3,964,700	182.67
Inpatient	89,502	316.82	1,354,065	63.21	1,443,566	66.51
Total	473,479	1,676.06	4,934,787	230.36	5,408,266	249.18
Service Coordination Expense	4,842	17.14	367,174	17.14	372,016	17.14
Administrative Expenses						
Fixed Amount	4,026	14.25	305,264	14.25	309,289	14.25
Percentage of Premium	30,648	5.75%	356,355	5.75%	387,003	5.75%
Total	34,673	122.74	661,619	30.88	696,292	32.08
Risk Margin	10,660	2.00%	123,950	2.00%	134,610	2.00%
Premium Tax	9,328	1.75%	108,456	1.75%	117,784	1.75%
Maintenance Tax	20	0.07	1,500	0.07	1,519	0.07
Projected Total Cost						
Non Inpatient	432,249	1,530.11	4,496,947	209.92	4,929,195	227.10
Inpatient	100,753	356.65	1,700,539	79.38	1,801,292	82.99
Total	533,002	1,886.76	6,197,485	289.30	6,730,487	310.10
Experience Rate Increase		18.7%		5.3%		6.3%

FY2016 STAR+PLUS IDD Rate Setting  
El Paso SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	1,144		5,713		6,857	
Estimated Incurred Claims						
Non-Inpatient	1,718,337	1,502.04	1,766,891	309.28	3,485,228	508.27
Inpatient	87,379	76.38	406,218	71.10	493,597	71.98
Total	1,805,716	1,578.42	2,173,110	380.38	3,978,826	580.26
Projected FY2015 Member Months	25		5,654		5,679	
Projected FY2016 Premium						
At Current Rates	38,656	1,573.94	2,491,576	440.67	2,530,232	445.57
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	0.9989		0.9989			
Acute Care - Inpatient	1.1161		1.1161			
Projected Incurred Claims						
Non-Inpatient	36,887	1,501.89	1,748,487	309.24	1,785,374	314.40
Inpatient	2,217	90.26	475,105	84.03	477,322	84.06
Total	39,103	1,592.16	2,223,592	393.27	2,262,695	398.46
Service Coordination Expense	421	17.14	96,911	17.14	97,332	17.14
Administrative Expenses						
Fixed Amount	350	14.25	80,570	14.25	80,920	14.25
Percentage of Premium	2,534	5.75%	152,580	5.75%	155,113	5.75%
Total	2,884	117.41	233,150	41.24	236,033	41.57
Risk Margin	881	2.00%	53,071	2.00%	53,952	2.00%
Premium Tax	771	1.75%	46,437	1.75%	47,208	1.75%
Maintenance Tax	2	0.07	396	0.07	398	0.07
Projected Total Cost						
Non Inpatient	41,564	1,692.34	2,086,583	369.04	2,128,147	374.76
Inpatient	2,498	101.71	566,974	100.28	569,472	100.28
Total	44,062	1,794.05	2,653,557	469.32	2,697,619	475.05
Experience Rate Increase		14.0%		6.5%		6.6%



FY2016 STAR+PLUS IDD Rate Setting  
Harris SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	13,708		35,062		48,770	
Estimated Incurred Claims						
Non-Inpatient	19,172,452	1,398.63	7,846,449	223.79	27,018,901	554.01
Inpatient	2,736,154	199.60	2,620,541	74.74	5,356,695	109.84
Total	21,908,606	1,598.24	10,466,990	298.53	32,375,596	663.84
Projected FY2015 Member Months	786		36,186		36,972	
Projected FY2016 Premium						
At Current Rates	1,370,030	1,742.23	12,961,082	358.18	14,331,112	387.62
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	0.9995		0.9995			
Acute Care - Inpatient	1.0493		1.0493			
Projected Incurred Claims						
Non-Inpatient	1,100,386	1,399.33	8,102,019	223.90	9,202,405	248.90
Inpatient	174,390	221.77	3,004,863	83.04	3,179,253	85.99
Total	1,274,776	1,621.10	11,106,882	306.94	12,381,657	334.89
Service Coordination Expense	13,478	17.14	620,227	17.14	633,705	17.14
Administrative Expenses						
Fixed Amount	11,206	14.25	515,650	14.25	526,855	14.25
Percentage of Premium	82,566	5.75%	778,016	5.75%	860,582	5.75%
Total	93,772	119.25	1,293,665	35.75	1,387,437	37.53
Risk Margin	28,719	2.00%	270,614	2.00%	299,333	2.00%
Premium Tax	25,129	1.75%	236,787	1.75%	261,916	1.75%
Maintenance Tax	55	0.07	2,533	0.07	2,588	0.07
Projected Total Cost						
Non Inpatient	1,239,492	1,576.23	9,870,102	272.76	11,109,595	300.48
Inpatient	196,436	249.80	3,660,606	101.16	3,857,042	104.32
Total	1,435,928	1,826.03	13,530,709	373.92	14,966,636	404.81
Experience Rate Increase		4.8%		4.4%		4.4%

FY2016 STAR+PLUS IDD Rate Setting  
Hidalgo SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	3,146		9,477		12,623	
Estimated Incurred Claims						
Non-Inpatient	7,063,665	2,245.28	2,623,989	276.88	9,687,654	767.46
Inpatient	504,985	160.52	649,786	68.56	1,154,771	91.48
Total	7,568,650	2,405.80	3,273,776	345.44	10,842,426	858.94
Projected FY2015 Member Months	255		10,143		10,398	
Projected FY2016 Premium						
At Current Rates	680,979	2,669.46	4,641,959	457.65	5,322,937	511.91
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	0.9924		0.9924			
Acute Care - Inpatient	1.0748		1.0748			
Projected Incurred Claims						
Non-Inpatient	568,987	2,230.45	2,789,843	275.05	3,358,830	323.02
Inpatient	46,600	182.67	791,455	78.03	838,055	80.60
Total	615,587	2,413.12	3,581,298	353.08	4,196,885	403.62
Service Coordination Expense	4,372	17.14	173,852	17.14	178,224	17.14
Administrative Expenses						
Fixed Amount	3,635	14.25	144,538	14.25	148,173	14.25
Percentage of Premium	39,622	5.75%	247,815	5.75%	287,437	5.75%
Total	43,257	169.57	392,354	38.68	435,611	41.89
Risk Margin	13,781	2.00%	86,197	2.00%	99,978	2.00%
Premium Tax	12,059	1.75%	75,422	1.75%	87,481	1.75%
Maintenance Tax	18	0.07	710	0.07	728	0.07
Projected Total Cost						
Non Inpatient	636,911	2,496.71	3,357,374	331.00	3,994,285	384.13
Inpatient	52,163	204.48	952,458	93.90	1,004,621	96.62
Total	689,075	2,701.20	4,309,832	424.91	4,998,907	480.75
Experience Rate Increase		1.2%		-7.2%		-6.1%

FY2016 STAR+PLUS IDD Rate Setting  
Jefferson SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	1,226		4,510		5,736	
Estimated Incurred Claims						
Non-Inpatient	1,618,591	1,320.22	858,457	190.35	2,477,048	431.84
Inpatient	169,944	138.62	313,257	69.46	483,201	84.24
Total	1,788,535	1,458.84	1,171,714	259.80	2,960,249	516.08
Projected FY2015 Member Months	91		4,692		4,783	
Projected FY2016 Premium						
At Current Rates	131,835	1,444.84	1,338,116	285.21	1,469,952	307.33
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0073		1.0073			
Acute Care - Inpatient	1.0402		1.0402			
Projected Incurred Claims						
Non-Inpatient	121,465	1,331.19	900,459	191.93	1,021,924	213.66
Inpatient	13,931	152.67	358,923	76.50	372,854	77.96
Total	135,396	1,483.86	1,259,382	268.43	1,394,778	291.62
Service Coordination Expense	1,564	17.14	80,416	17.14	81,979	17.14
Administrative Expenses						
Fixed Amount	1,300	14.25	66,857	14.25	68,157	14.25
Percentage of Premium	8,785	5.75%	89,394	5.75%	98,179	5.75%
Total	10,085	110.53	156,250	33.30	166,336	34.78
Risk Margin	3,056	2.00%	31,094	2.00%	34,149	2.00%
Premium Tax	2,674	1.75%	27,207	1.75%	29,881	1.75%
Maintenance Tax	6	0.07	328	0.07	335	0.07
Projected Total Cost						
Non Inpatient	137,061	1,502.11	1,111,595	236.93	1,248,656	261.06
Inpatient	15,719	172.28	443,082	94.44	458,801	95.92
Total	152,780	1,674.39	1,554,677	331.37	1,707,457	356.99
Experience Rate Increase		15.9%		16.2%		16.2%

FY2016 STAR+PLUS IDD Rate Setting  
Lubbock SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	1,616		6,295		7,911	
Estimated Incurred Claims						
Non-Inpatient	2,403,394	1,487.25	1,371,273	217.84	3,774,667	477.14
Inpatient	171,898	106.37	441,281	70.10	613,179	77.51
Total	2,575,292	1,593.62	1,812,554	287.94	4,387,846	554.65
Projected FY2015 Member Months	165		6,498		6,663	
Projected FY2016 Premium						
At Current Rates	265,592	1,609.17	2,272,493	349.74	2,538,085	380.94
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0073		1.0073			
Acute Care - Inpatient	1.0756		1.0756			
Projected Incurred Claims						
Non-Inpatient	247,508	1,499.60	1,427,178	219.64	1,674,687	251.35
Inpatient	19,995	121.15	518,750	79.84	538,745	80.86
Total	267,503	1,620.75	1,945,928	299.48	2,213,432	332.21
Service Coordination Expense	2,829	17.14	111,370	17.14	114,199	17.14
Administrative Expenses						
Fixed Amount	2,352	14.25	92,592	14.25	94,944	14.25
Percentage of Premium	17,326	5.75%	136,624	5.75%	153,950	5.75%
Total	19,678	119.22	229,216	35.28	248,894	37.36
Risk Margin	6,026	2.00%	47,521	2.00%	53,548	2.00%
Premium Tax	5,273	1.75%	41,581	1.75%	46,854	1.75%
Maintenance Tax	12	0.07	455	0.07	466	0.07
Projected Total Cost						
Non Inpatient	278,798	1,689.19	1,742,653	268.20	2,021,452	303.40
Inpatient	22,523	136.46	633,419	97.48	655,941	98.45
Total	301,321	1,825.65	2,376,072	365.68	2,677,393	401.85
Experience Rate Increase		13.5%		4.6%		5.5%

FY2016 STAR+PLUS IDD Rate Setting  
Nueces SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	1,651		5,481		7,132	
Estimated Incurred Claims						
Non-Inpatient	1,181,956	715.90	1,421,057	259.27	2,603,013	364.98
Inpatient	391,394	237.06	514,512	93.87	905,906	127.02
Total	1,573,350	952.97	1,935,569	353.14	3,508,919	492.00
Projected FY2015 Member Months	48		5,516		5,565	
Projected FY2016 Premium						
At Current Rates	46,899	970.60	2,367,609	429.19	2,414,508	433.89
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0069		1.0069			
Acute Care - Inpatient	1.0833		1.0833			
Projected Incurred Claims						
Non-Inpatient	34,866	721.56	1,441,559	261.32	1,476,425	265.32
Inpatient	13,139	271.92	593,985	107.68	607,124	109.10
Total	48,005	993.49	2,035,544	368.99	2,083,549	374.42
Service Coordination Expense	828	17.14	94,552	17.14	95,380	17.14
Administrative Expenses						
Fixed Amount	689	14.25	78,610	14.25	79,298	14.25
Percentage of Premium	3,147	5.75%	140,357	5.75%	143,503	5.75%
Total	3,835	79.37	218,966	39.69	222,801	40.04
Risk Margin	1,094	2.00%	48,820	2.00%	49,914	2.00%
Premium Tax	958	1.75%	42,717	1.75%	43,675	1.75%
Maintenance Tax	3	0.07	386	0.07	390	0.07
Projected Total Cost						
Non Inpatient	39,745	822.56	1,728,690	313.37	1,768,435	317.79
Inpatient	14,978	309.98	712,295	129.12	727,274	130.69
Total	54,724	1,132.54	2,440,985	442.49	2,495,709	448.48
Experience Rate Increase		16.7%		3.1%		3.4%

FY2016 STAR+PLUS IDD Rate Setting  
Tarrant SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	7,320		18,855		26,175	
Estimated Incurred Claims						
Non-Inpatient	5,986,135	817.78	3,589,227	190.36	9,575,362	365.82
Inpatient	921,072	125.83	968,967	51.39	1,890,038	72.21
Total	6,907,207	943.61	4,558,194	241.75	11,465,401	438.03
Projected FY2015 Member Months	477		19,417		19,894	
Projected FY2016 Premium						
At Current Rates	486,911	1,020.43	6,159,761	317.23	6,646,672	334.10
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0009		1.0009			
Acute Care - Inpatient	1.0768		1.0768			
Projected Incurred Claims						
Non-Inpatient	390,955	819.33	3,703,299	190.72	4,094,253	205.80
Inpatient	68,456	143.47	1,137,726	58.59	1,206,183	60.63
Total	459,411	962.80	4,841,025	249.31	5,300,436	266.43
Service Coordination Expense	8,179	17.14	332,813	17.14	340,992	17.14
Administrative Expenses						
Fixed Amount	6,800	14.25	276,697	14.25	283,497	14.25
Percentage of Premium	30,143	5.75%	346,391	5.75%	376,534	5.75%
Total	36,942	77.42	623,088	32.09	660,031	33.18
Risk Margin	10,484	2.00%	120,484	2.00%	130,968	2.00%
Premium Tax	9,174	1.75%	105,423	1.75%	114,597	1.75%
Maintenance Tax	33	0.07	1,359	0.07	1,393	0.07
Projected Total Cost						
Non Inpatient	446,110	934.92	4,608,401	237.33	5,054,511	254.07
Inpatient	78,114	163.71	1,415,792	72.91	1,493,906	75.09
Total	524,224	1,098.63	6,024,193	310.25	6,548,416	329.16
Experience Rate Increase		7.7%		-2.2%		-1.5%

FY2016 STAR+PLUS IDD Rate Setting  
Travis SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	5,061		12,078		17,139	
Estimated Incurred Claims						
Non-Inpatient	5,923,655	1,170.45	2,407,925	199.36	8,331,580	486.12
Inpatient	1,778,003	351.31	635,008	52.58	2,413,011	140.79
Total	7,701,657	1,521.77	3,042,933	251.94	10,744,591	626.91
Projected FY2015 Member Months	283		11,940		12,223	
Projected FY2016 Premium						
At Current Rates	424,569	1,502.67	3,985,819	333.82	4,410,388	360.84
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0025		1.0025			
Acute Care - Inpatient	1.0687		1.0687			
Projected Incurred Claims						
Non-Inpatient	331,861	1,174.55	2,388,755	200.06	2,720,617	222.59
Inpatient	112,323	397.54	710,356	59.49	822,678	67.31
Total	444,184	1,572.09	3,099,111	259.56	3,543,295	289.90
Service Coordination Expense	4,843	17.14	204,652	17.14	209,495	17.14
Administrative Expenses						
Fixed Amount	4,026	14.25	170,145	14.25	174,172	14.25
Percentage of Premium	28,786	5.75%	220,771	5.75%	249,557	5.75%
Total	32,813	116.13	390,916	32.74	423,729	34.67
Risk Margin	10,013	2.00%	76,790	2.00%	86,803	2.00%
Premium Tax	8,761	1.75%	67,191	1.75%	75,952	1.75%
Maintenance Tax	20	0.07	836	0.07	856	0.07
Projected Total Cost						
Non Inpatient	374,036	1,323.82	2,959,435	247.86	3,333,471	272.73
Inpatient	126,597	448.06	880,062	73.71	1,006,659	82.36
Total	500,633	1,771.88	3,839,496	321.57	4,340,129	355.09
Experience Rate Increase		17.9%		-3.7%		-1.6%

FY2016 STAR+PLUS IDD Rate Setting  
MRSA Central SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	404		7,061		7,465	
Estimated Incurred Claims						
Non-Inpatient	122,452	303.10	1,748,746	247.66	1,871,198	250.66
Inpatient	11,048	27.35	707,250	100.16	718,298	96.22
Total	133,499	330.44	2,455,996	347.83	2,589,496	346.88
Projected FY2015 Member Months	161		8,999		9,160	
Projected FY2016 Premium						
At Current Rates	96,117	597.24	3,944,011	438.27	4,040,128	441.06
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0444		1.0444			
Acute Care - Inpatient	1.1511		1.1511			
Projected Incurred Claims						
Non-Inpatient	50,996	316.87	2,330,011	258.92	2,381,006	259.94
Inpatient	5,364	33.33	1,098,618	122.08	1,103,982	120.52
Total	56,360	350.20	3,428,629	381.00	3,484,989	380.46
Service Coordination Expense	2,758	17.14	154,244	17.14	157,002	17.14
Administrative Expenses						
Fixed Amount	2,293	14.25	128,236	14.25	130,530	14.25
Percentage of Premium	3,903	5.75%	235,829	5.75%	239,731	5.75%
Total	6,196	38.50	364,065	40.46	370,261	40.42
Risk Margin	1,357	2.00%	82,027	2.00%	83,385	2.00%
Premium Tax	1,188	1.75%	71,774	1.75%	72,962	1.75%
Maintenance Tax	11	0.07	630	0.07	641	0.07
Projected Total Cost						
Non Inpatient	61,411	381.59	2,787,188	309.72	2,848,599	310.98
Inpatient	6,460	40.14	1,314,181	146.04	1,320,640	144.18
Total	67,871	421.73	4,101,369	455.76	4,169,239	455.16
Experience Rate Increase		-29.4%		4.0%		3.2%



FY2016 STAR+PLUS IDD Rate Setting  
MRSA Northeast SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	546		8,516		9,062	
Estimated Incurred Claims						
Non-Inpatient	113,770	208.37	1,771,742	208.05	1,885,512	208.07
Inpatient	8,417	15.42	684,507	80.38	692,924	76.46
Total	122,187	223.79	2,456,249	288.43	2,578,436	284.53
Projected FY2015 Member Months	313		12,560		12,873	
Projected FY2016 Premium						
At Current Rates	157,895	504.66	4,817,627	383.57	4,975,521	386.51
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0472		1.0472			
Acute Care - Inpatient	1.0919		1.0919			
Projected Incurred Claims						
Non-Inpatient	68,339	218.42	2,739,157	218.09	2,807,496	218.09
Inpatient	5,576	17.82	1,167,198	92.93	1,172,774	91.10
Total	73,915	236.25	3,906,355	311.02	3,980,270	309.20
Service Coordination Expense	5,363	17.14	215,278	17.14	220,640	17.14
Administrative Expenses						
Fixed Amount	4,458	14.25	178,980	14.25	183,438	14.25
Percentage of Premium	5,322	5.75%	273,299	5.75%	278,621	5.75%
Total	9,780	31.26	452,279	36.01	462,059	35.89
Risk Margin	1,851	2.00%	95,061	2.00%	96,912	2.00%
Premium Tax	1,620	1.75%	83,178	1.75%	84,798	1.75%
Maintenance Tax	22	0.07	879	0.07	901	0.07
Projected Total Cost						
Non Inpatient	85,569	273.49	3,332,850	265.35	3,418,418	265.55
Inpatient	6,982	22.32	1,420,180	113.07	1,427,162	110.87
Total	92,550	295.81	4,753,029	378.43	4,845,580	376.42
Experience Rate Increase		-41.4%		-1.3%		-2.6%

FY2016 STAR+PLUS IDD Rate Setting  
MRSA West SDA

	Under Age 21		Age 21 and Over		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm
Estimated Experience 9/1/2013 - 8/31/2014						
Member Months	551		9,278		9,829	
Estimated Incurred Claims						
Non-Inpatient	154,673	280.71	2,118,560	228.34	2,273,234	231.28
Inpatient	55,903	101.46	1,171,637	126.28	1,227,540	124.89
Total	210,576	382.17	3,290,198	354.62	3,500,774	356.17
Projected FY2015 Member Months	259		12,810		13,069	
Projected FY2016 Premium						
At Current Rates	151,189	583.12	5,219,919	407.49	5,371,107	410.97
Annual Trend Assumption - Non Inpatient						
FY2015	0.1 %		0.1 %			
FY2016	0.0 %		0.0 %			
Annual Trend Assumption - Inpatient						
FY2015	2.9 %		2.9 %			
FY2016	2.9 %		2.9 %			
Provider Reimbursement Adjustment						
Acute Care - Non Inpatient	1.0800		1.0800			
Acute Care - Inpatient	1.0475		1.0475			
Projected Incurred Claims						
Non-Inpatient	78,683	303.47	3,162,213	246.86	3,240,896	247.98
Inpatient	29,176	112.53	1,794,198	140.06	1,823,374	139.52
Total	107,859	416.00	4,956,411	386.92	5,064,270	387.50
Service Coordination Expense	4,444	17.14	219,562	17.14	224,006	17.14
Administrative Expenses						
Fixed Amount	3,695	14.25	182,542	14.25	186,236	14.25
Percentage of Premium	7,371	5.75%	340,515	5.75%	347,886	5.75%
Total	11,066	42.68	523,057	40.83	534,122	40.87
Risk Margin	2,564	2.00%	118,440	2.00%	121,004	2.00%
Premium Tax	2,243	1.75%	103,635	1.75%	105,878	1.75%
Maintenance Tax	18	0.07	897	0.07	915	0.07
Projected Total Cost						
Non Inpatient	93,518	360.69	3,778,264	294.95	3,871,782	296.25
Inpatient	34,677	133.75	2,143,737	167.35	2,178,414	166.68
Total	128,195	494.44	5,922,001	462.30	6,050,196	462.94
Experience Rate Increase		-15.2%		13.5%		12.6%

## FY2016 STAR+PLUS IDD Rating Assumptions

	<u>MH Rehab</u>	<u>Therapy</u>	<u>Outpatient Rural Hospital</u>	<u>Outpatient Rural Hospital Imaging</u>	<u>Total - Non- Inpatient (1)</u>
Bexar SDA	1.0000	0.9952	1.0022	1.0001	0.9975
Dallas SDA	1.0000	0.9989	1.0013	1.0001	1.0003
El Paso SDA	1.0000	0.9989	1.0000	1.0000	0.9989
Harris SDA	1.0000	0.9980	1.0014	1.0001	0.9995
Hidalgo SDA	1.0000	0.9896	1.0026	1.0002	0.9924
Jefferson SDA	1.0000	0.9977	1.0089	1.0007	1.0073
Lubbock SDA	1.0000	0.9991	1.0076	1.0006	1.0073
Nueces SDA	1.0000	0.9980	1.0082	1.0007	1.0069
Tarrant SDA	1.0000	0.9988	1.0018	1.0003	1.0009
Travis SDA	1.0000	0.9992	1.0030	1.0003	1.0025
MRSA Central SDA	1.0332	0.9945	1.0154	1.0010	1.0444
MRSA Northeast SDA	1.0343	0.9971	1.0142	1.0012	1.0472
MRSA West SDA	1.0567	0.9983	1.0223	1.0015	1.0800

	<u>Inpatient Hospital - SDA</u>	<u>Spell of Illness</u>	<u>PPR</u>	<u>PPC</u>	<u>Total - Inpatient (1)</u>
Bexar SDA	1.0721	1.0000	0.9999	0.9863	1.0573
Dallas SDA	1.0873	1.0000	0.9990	0.9951	1.0809
El Paso SDA	1.1111	1.0000	1.0027	1.0018	1.1161
Harris SDA	1.0540	1.0000	1.0006	0.9949	1.0493
Hidalgo SDA	1.0817	1.0000	0.9972	0.9964	1.0748
Jefferson SDA	1.0415	1.0000	1.0021	0.9967	1.0402
Lubbock SDA	1.0950	1.0000	0.9985	0.9838	1.0756
Nueces SDA	1.0977	1.0000	1.0005	0.9864	1.0833
Tarrant SDA	1.0770	1.0000	1.0014	0.9984	1.0768
Travis SDA	1.0745	1.0000	0.9990	0.9956	1.0687
MRSA Central SDA	1.1553	1.0000	1.0007	0.9957	1.1511
MRSA Northeast SDA	1.1034	1.0000	0.9989	0.9907	1.0919
MRSA West SDA	1.0673	1.0000	0.9994	0.9820	1.0475

## Footnotes:

(1) Combined adjustment factors included on Exhibits A-M.

## **Attachment 11**

### **Community First Choice Initiative (CFC)**

Effective June 1, 2015 Texas will provide CFC services to individuals who:

- have a physical or intellectual disability,
- meet categorical coverage requirements for Medicaid or meet financial eligibility for home and community based services, and
- meet an institutional level of care.

The CFC services will include:

- Help with activities of daily living and health-related tasks through hands-on assistance, supervision or cueing.
- Services to help the individual learn how to care for themselves.
- Backup systems or ways to ensure continuity of services and supports.
- Training on how to select, manage and dismiss attendants.

### **CFC Rate Adjustment**

Attachment A details the development of the adjustment factors applied to the FY2016 STAR+PLUS premium rates to account for the CFC implementation.

The premium impact and resulting adjustment factors associated with CFC have been divided into two components (1) existing HCBS population and (2) Newly eligible IDD interest list population. All estimates are based on the FY2014 base period data which includes all claims incurred during the period September 1, 2013 through August 31, 2014.

#### **1. Existing HCBS Population**

Many of the individuals who will be eligible for CFC are currently covered under the STAR+PLUS program. Many of these covered individuals currently receive long term services and supports (LTSS) through the HCBS risk group which, by definition, meets CFC's institutional level of care requirement.

The impact on the existing HCBS population due to CFC has been determined by comparing the FY2014 base period data at the pre-CFC reimbursement level to the projected reimbursement level post CFC. As a result of CFC, the reimbursement rate for attendant services for HCBS members will be increasing by approximately 12.0%. This estimated increase was determined based on a comparison of the per unit fee-for-service reimbursement levels for attendant care pre and post CFC implementation. In order to calculate the necessary rate adjustment, the base period claims data has been increased by the applicable amount and the resulting impact is then compared to overall base period long term care claims. Exhibit A.1 provides the adjustment factors resulting from this calculation.

## 2. Newly Eligible IDD Interest List Population

As a result of CFC, it is estimated that approximately 7,760 STAR+PLUS members who were not eligible for and did not receive LTSS during our rate development base period (FY2014) will become eligible for LTSS after the implementation of CFC. These individuals are currently on an IDD interest list and do not receive LTSS through STAR+PLUS. These individuals were identified by comparing the current IDD interest lists provided by the Department of Aging and Disability Services (DADS) with the STAR+PLUS eligibility files and determining which IDD interest list members were enrolled in STAR+PLUS during the base period and were not eligible to receive LTSS. Due to the lack of LTSS data for this population it has been assumed that the utilization of CFC services for these members will be similar to the current IDD populations who are eligible to and currently receive LTSS from DADS.

The IDD population eligible for LTSS through DADS receives an average of 109 hours of attendant care per month. Applying this assumed level of utilization at the CFC attendant care case reimbursement rate of \$12.69 per unit plus an average of \$1.33 per unit of enhancement for a total rate of \$14.02 we have calculated the estimated cost impact of the newly eligible population. Exhibit A.2 provides the adjustment factors resulting from this calculation.

The combined adjustment factors resulting from the CFC implementation are detailed in Exhibit A.3 and are the sum of the estimated impacts calculated in Exhibits A.1 and A.2. The MRSA service areas were new to the STAR+PLUS program effective September 1, 2014. Since no detailed IDD interest list managed care data was available for long term care services during the base period, the average CFC adjustment across all other service areas was applied to the MRSA service areas.

### **CFC Eligible Enhanced Match**

Attachment B details the development of the rate eligible for the enhanced federal match which has been determined on a per member per month (PMPM) basis.

As a result of CFC, Texas is eligible for an enhanced federal match rate on all CFC eligible services. The calculation of the CFC portion of the rate has been divided into two components (1) increased cost associated with CFC implementation and (2) CFC eligible services previously included in the STAR+PLUS premium rates.

#### 1. Increased Cost Due to CFC Implementation

The increased cost resulting from CFC has been determined by comparing the long term care component of the STAR+PLUS premium rates with and without the CFC adjustment factors discussed in the previous section. Exhibit B.1 compares the FY2016 long term care rates pre and post CFC adjustment and indicates the cost increase associated with CFC.

#### 2. CFC Eligible Services Previously Included in STAR+PLUS Premium Rate

Certain services such as personal attendant care for HCBS members are currently provided under the STAR+PLUS program and are currently included in the STAR+PLUS premium rates. These services will now be eligible for the enhanced federal match rate and must be identified. This calculation involved the following steps:

- a. Determine the percentage of all long term care services for the HCBS population which are attributed to the personal attendant care services now eligible for the enhanced CFC match. Exhibit B.2 provides the details of this calculation.
- b. Determine the percentage of HCBS personal attendant care services provided to non-Medical Assistance Only (non-MAO) members. MAO members are not eligible for CFC and must be excluded from the services eligible for the enhanced federal match. Exhibit B.3 provides the details of this calculation.
- c. The CFC eligible services previously included in the STAR+PLUS premium rate are then determined as the long term care portion of the premium rate prior to CFC multiplied by the percentage of long term care provided for personal attendant care services multiplied by the percentage of personal attendant care services provided to non-MAO members.

The details of this calculation for each service delivery area have been provided in Exhibit B.4. The MRSA service areas were new to the STAR+PLUS program effective September 1, 2014. Since no detailed IDD interest list managed care data was available for long term care services during the base period, the average adjustments across all service areas were applied to the MRSA service areas. Currently Texas does not apply any risk adjustment to the long term care portion of the STAR+PLUS premium. As a result, risk adjustment does not impact the CFC calculations discussed above.

The total portion of the long term care premium rate eligible for the enhanced federal match is equal to the sum of those amounts calculated for the two components discussed above. Exhibit B.5 provides the two components of the CFC enhanced match rate along with the total rate eligible for the enhanced federal match.

FY2016 STAR+PLUS Rating  
 Provider Reimbursement Adjustments  
 Community First Choice - Existing HCBS Impact

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Cost Impact of CFC on existing HCBS population (1)					
Bexar	0	1,421,987	0	2,866,430	4,288,418
Dallas	0	1,303,511	0	2,698,442	4,001,953
El Paso	0	523,651	0	1,593,075	2,116,726
Harris	0	2,794,622	0	6,004,018	8,798,640
Hidalgo	0	2,120,092	0	10,530,597	12,650,689
Jefferson	0	482,503	0	705,424	1,187,926
Lubbock	0	149,920	0	312,069	461,989
Nueces	0	871,670	0	1,993,313	2,864,982
Tarrant	0	866,455	0	1,197,001	2,063,456
Travis	0	634,547	0	1,090,061	1,724,608
Total	0	11,168,959	0	28,990,430	40,159,389

FY2014 Total Long Term Care Claims Paid (2)

Bexar	43,195,556	21,295,494	69,908,186	54,598,211	188,997,447
Dallas	42,490,819	18,716,615	65,031,711	56,924,351	183,163,497
El Paso	13,768,881	7,084,403	62,825,910	24,694,264	108,373,457
Harris	72,208,959	40,398,379	117,473,628	82,237,668	312,318,635
Hidalgo	111,631,753	26,642,802	383,103,730	162,221,895	683,600,180
Jefferson	7,295,340	5,694,526	12,549,945	19,269,255	44,809,065
Lubbock	3,090,421	2,530,530	5,523,475	8,926,690	20,071,116
Nueces	19,963,791	10,279,013	33,242,600	40,079,949	103,565,354
Tarrant	15,520,863	14,098,068	23,615,602	35,711,245	88,945,777
Travis	10,788,278	8,424,535	17,407,052	24,353,753	60,973,619
Total	339,954,661	155,164,365	790,681,839	509,017,281	1,794,818,146

Rate Adjustment Factor (3)

Bexar	0.00%	6.68%	0.00%	5.25%	2.27%
Dallas	0.00%	6.96%	0.00%	4.74%	2.18%
El Paso	0.00%	7.39%	0.00%	6.45%	1.95%
Harris	0.00%	6.92%	0.00%	7.30%	2.82%
Hidalgo	0.00%	7.96%	0.00%	6.49%	1.85%
Jefferson	0.00%	8.47%	0.00%	3.66%	2.65%
Lubbock	0.00%	5.92%	0.00%	3.50%	2.30%
Nueces	0.00%	8.48%	0.00%	4.97%	2.77%
Tarrant	0.00%	6.15%	0.00%	3.35%	2.32%
Travis	0.00%	7.53%	0.00%	4.48%	2.83%
Total	0.00%	7.20%	0.00%	5.70%	2.24%

Footnotes

(1) Equals the cost impact from application of CFC due to increased reimbursement for existing population.

(2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data).

(3) Equals Cost Impact divided by FY2014 Total Long Term Care Claims Paid.

FY2016 STAR+PLUS Rating  
 Provider Reimbursement Adjustments  
 Community First Choice - Newly Eligible Impact

	Medicaid Only		Dual Eligible		
	OCC	HCBS	OCC	HCBS	Grand Total
Cost Impact of CFC on newly eligible IDD population (1)					
Bexar	10,623,215	307,207	3,045,956	109,172	14,085,550
Dallas	15,974,763	253,711	4,402,921	68,081	20,699,477
El Paso	4,613,247	201,083	1,664,683	73,788	6,552,802
Harris	34,604,877	623,081	9,174,809	172,031	44,574,798
Hidalgo	6,922,048	442,946	1,924,198	257,159	9,546,350
Jefferson	4,301,524	54,491	1,774,191	34,516	6,164,721
Lubbock	4,156,332	59,861	1,534,389	9,292	5,759,873
Nueces	3,295,621	140,813	1,294,921	62,789	4,794,143
Tarrant	15,576,427	262,800	4,522,008	63,606	20,424,841
Travis	7,453,912	142,195	2,481,868	44,824	10,122,799
Total	107,521,966	2,488,188	31,819,944	895,257	142,725,355
FY2014 Total Long Term Care Claims Paid (2)					
Bexar	43,195,556	21,295,494	69,908,186	54,598,211	188,997,447
Dallas	42,490,819	18,716,615	65,031,711	56,924,351	183,163,497
El Paso	13,768,881	7,084,403	62,825,910	24,694,264	108,373,457
Harris	72,208,959	40,398,379	117,473,628	82,237,668	312,318,635
Hidalgo	111,631,753	26,642,802	383,103,730	162,221,895	683,600,180
Jefferson	7,295,340	5,694,526	12,549,945	19,269,255	44,809,065
Lubbock	3,090,421	2,530,530	5,523,475	8,926,690	20,071,116
Nueces	19,963,791	10,279,013	33,242,600	40,079,949	103,565,354
Tarrant	15,520,863	14,098,068	23,615,602	35,711,245	88,945,777
Travis	10,788,278	8,424,535	17,407,052	24,353,753	60,973,619
Total	339,954,661	155,164,365	790,681,839	509,017,281	1,794,818,146
Rate Adjustment Factor (3)					
Bexar	24.59%	1.44%	4.36%	0.20%	7.45%
Dallas	37.60%	1.36%	6.77%	0.12%	11.30%
El Paso	33.50%	2.84%	2.65%	0.30%	6.05%
Harris	47.92%	1.54%	7.81%	0.21%	14.27%
Hidalgo	6.20%	1.66%	0.50%	0.16%	1.40%
Jefferson	58.96%	0.96%	14.14%	0.18%	13.76%
Lubbock	134.49%	2.37%	27.78%	0.10%	28.70%
Nueces	16.51%	1.37%	3.90%	0.16%	4.63%
Tarrant	100.36%	1.86%	19.15%	0.18%	22.96%
Travis	69.09%	1.69%	14.26%	0.18%	16.60%
Total	31.63%	1.60%	4.02%	0.18%	7.95%

## Footnotes

(1) Equals the cost impact from application of CFC due to newly eligible population.

(2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data).

(3) Equals Cost Impact divided by FY2014 Total Long Term Care Claims Paid.



FY2016 STAR+PLUS Rating  
 Provider Reimbursement Adjustments  
 Community First Choice - Total Impact

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Cost Impact of CFC (1)					
Bexar	10,623,215	1,729,194	3,045,956	2,975,602	18,373,968
Dallas	15,974,763	1,557,222	4,402,921	2,766,523	24,701,430
El Paso	4,613,247	724,734	1,664,683	1,666,863	8,669,528
Harris	34,604,877	3,417,703	9,174,809	6,176,049	53,373,438
Hidalgo	6,922,048	2,563,038	1,924,198	10,787,756	22,197,039
Jefferson	4,301,524	536,994	1,774,191	739,939	7,352,648
Lubbock	4,156,332	209,781	1,534,389	321,361	6,221,862
Nueces	3,295,621	1,012,483	1,294,921	2,056,101	7,659,126
Tarrant	15,576,427	1,129,255	4,522,008	1,260,607	22,488,298
Travis	7,453,912	776,742	2,481,868	1,134,885	11,847,407
Total	107,521,966	13,657,146	31,819,944	29,885,687	182,884,744

FY2014 Total Long Term Care Claims Paid (2)

Bexar	43,195,556	21,295,494	69,908,186	54,598,211	188,997,447
Dallas	42,490,819	18,716,615	65,031,711	56,924,351	183,163,497
El Paso	13,768,881	7,084,403	62,825,910	24,694,264	108,373,457
Harris	72,208,959	40,398,379	117,473,628	82,237,668	312,318,635
Hidalgo	111,631,753	26,642,802	383,103,730	162,221,895	683,600,180
Jefferson	7,295,340	5,694,526	12,549,945	19,269,255	44,809,065
Lubbock	3,090,421	2,530,530	5,523,475	8,926,690	20,071,116
Nueces	19,963,791	10,279,013	33,242,600	40,079,949	103,565,354
Tarrant	15,520,863	14,098,068	23,615,602	35,711,245	88,945,777
Travis	10,788,278	8,424,535	17,407,052	24,353,753	60,973,619
Total	339,954,661	155,164,365	790,681,839	509,017,281	1,794,818,146

Rate Adjustment Factor (3)

Bexar	24.59%	8.12%	4.36%	5.45%	9.72%
Dallas	37.60%	8.32%	6.77%	4.86%	13.49%
El Paso	33.50%	10.23%	2.65%	6.75%	8.00%
Harris	47.92%	8.46%	7.81%	7.51%	17.09%
Hidalgo	6.20%	9.62%	0.50%	6.65%	3.25%
Jefferson	58.96%	9.43%	14.14%	3.84%	16.41%
Lubbock	134.49%	8.29%	27.78%	3.60%	31.00%
Nueces	16.51%	9.85%	3.90%	5.13%	7.40%
Tarrant	100.36%	8.01%	19.15%	3.53%	25.28%
Travis	69.09%	9.22%	14.26%	4.66%	19.43%
Total	31.63%	8.80%	4.02%	5.87%	10.19%

Footnotes

- (1) Equals the cost impact from application of CFC including (i) utilization for newly eligible population and (ii) increased reimbursement for existing population.
- (2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data).
- (3) Equals Cost Impact divided by FY2014 Total Long Term Care Claims Paid.

FY2016 STAR+PLUS Rating  
CFC Enhanced Match Rates  
Increased Cost Due to CFC Implementation

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
STAR+PLUS Rates Effective 9/1/2015 (LTC Only) prior to CFC Inclusion				
Amerigroup - Bexar	239.02	1,692.03	356.34	1,713.00
Molina - Bexar	239.02	1,692.03	356.34	1,713.00
Superior - Bexar	239.02	1,692.03	356.34	1,713.00
Molina - Dallas	190.30	1,572.12	296.69	1,559.77
Superior - Dallas	190.30	1,572.12	296.69	1,559.77
Amerigroup - El Paso	251.18	1,405.41	437.19	1,803.93
Molina - El Paso	251.18	1,405.41	437.19	1,803.93
Amerigroup - Harris	217.40	1,718.21	298.50	1,661.24
Molina - Harris	217.40	1,718.21	298.50	1,661.24
United - Harris	217.40	1,718.21	298.50	1,661.24
HealthSpring - Hidalgo	621.86	1,942.26	955.51	1,932.64
Molina - Hidalgo	621.86	1,942.26	955.51	1,932.64
Superior - Hidalgo	621.86	1,942.26	955.51	1,932.64
Amerigroup - Jefferson	116.67	1,437.05	209.59	1,470.69
Molina - Jefferson	116.67	1,437.05	209.59	1,470.69
United - Jefferson	116.67	1,437.05	209.59	1,470.69
Amerigroup - Lubbock	85.60	1,043.02	138.86	1,228.12
Superior - Lubbock	85.60	1,043.02	138.86	1,228.12
Superior - Nueces	295.09	1,512.59	428.49	1,592.18
United - Nueces	295.09	1,512.59	428.49	1,592.18
Amerigroup - Tarrant	131.02	1,366.16	202.46	1,501.22
HealthSpring - Tarrant	131.02	1,366.16	202.46	1,501.22
Amerigroup - Travis	156.92	1,800.21	228.26	1,599.88
United - Travis	156.92	1,800.21	228.26	1,599.88
Superior - Central SDA	97.86	2,087.51	178.73	1,521.27
United - Central SDA	97.86	2,087.51	178.73	1,521.27
Health Spring - Northeast SDA	97.37	1,560.62	157.27	1,232.03
United - Northeast SDA	97.37	1,560.62	157.27	1,232.03
Amerigroup - West SDA	101.65	1,486.60	228.49	1,351.63
Superior - West SDA	101.65	1,486.60	228.49	1,351.63

FY2016 STAR+PLUS Rating  
CFC Enhanced Match Rates  
Increased Cost Due to CFC Implementation

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
STAR+PLUS Rates Effective 9/1/2015 (LTC Only) post to CFC Inclusion				
Amerigroup - Bexar	293.33	1,826.53	370.55	1,804.11
Molina - Bexar	293.33	1,826.53	370.55	1,804.11
Superior - Bexar	293.33	1,826.53	370.55	1,804.11
Molina - Dallas	254.89	1,696.66	315.05	1,632.93
Superior - Dallas	254.89	1,696.66	315.05	1,632.93
Amerigroup - El Paso	328.67	1,543.69	448.02	1,921.98
Molina - El Paso	328.67	1,543.69	448.02	1,921.98
Amerigroup - Harris	307.29	1,856.51	318.49	1,779.50
Molina - Harris	307.29	1,856.51	318.49	1,779.50
United - Harris	307.29	1,856.51	318.49	1,779.50
HealthSpring - Hidalgo	658.67	2,124.80	960.11	2,057.96
Molina - Hidalgo	658.67	2,124.80	960.11	2,057.96
Superior - Hidalgo	658.67	2,124.80	960.11	2,057.96
Amerigroup - Jefferson	175.45	1,566.61	235.61	1,525.30
Molina - Jefferson	175.45	1,566.61	235.61	1,525.30
United - Jefferson	175.45	1,566.61	235.61	1,525.30
Amerigroup - Lubbock	183.50	1,127.50	169.67	1,271.21
Superior - Lubbock	183.50	1,127.50	169.67	1,271.21
Superior - Nueces	340.14	1,658.65	443.85	1,671.77
United - Nueces	340.14	1,658.65	443.85	1,671.77
Amerigroup - Tarrant	247.84	1,471.08	235.51	1,552.46
HealthSpring - Tarrant	247.84	1,471.08	235.51	1,552.46
Amerigroup - Travis	253.61	1,962.84	256.27	1,672.61
United - Travis	253.61	1,962.84	256.27	1,672.61
Superior - Central SDA	120.82	2,269.04	184.37	1,608.21
United - Central SDA	120.82	2,269.04	184.37	1,608.21
Health Spring - Northeast SDA	120.28	1,693.19	162.16	1,300.87
United - Northeast SDA	120.28	1,693.19	162.16	1,300.87
Amerigroup - West SDA	127.71	1,615.65	236.58	1,429.34
Superior - West SDA	127.71	1,615.65	236.58	1,429.34

FY2016 STAR+PLUS Rating  
CFC Enhanced Match Rates  
Increased Cost Due to CFC Implementation

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
CFC Impact				
Amerigroup - Bexar	54.31	134.50	14.21	91.11
Molina - Bexar	54.31	134.50	14.21	91.11
Superior - Bexar	54.31	134.50	14.21	91.11
Molina - Dallas	64.59	124.54	18.36	73.16
Superior - Dallas	64.59	124.54	18.36	73.16
Amerigroup - El Paso	77.49	138.28	10.83	118.05
Molina - El Paso	77.49	138.28	10.83	118.05
Amerigroup - Harris	89.89	138.30	19.99	118.26
Molina - Harris	89.89	138.30	19.99	118.26
United - Harris	89.89	138.30	19.99	118.26
HealthSpring - Hidalgo	36.81	182.54	4.60	125.32
Molina - Hidalgo	36.81	182.54	4.60	125.32
Superior - Hidalgo	36.81	182.54	4.60	125.32
Amerigroup - Jefferson	58.78	129.56	26.02	54.61
Molina - Jefferson	58.78	129.56	26.02	54.61
United - Jefferson	58.78	129.56	26.02	54.61
Amerigroup - Lubbock	97.90	84.48	30.81	43.09
Superior - Lubbock	97.90	84.48	30.81	43.09
Superior - Nueces	45.05	146.06	15.36	79.59
United - Nueces	45.05	146.06	15.36	79.59
Amerigroup - Tarrant	116.82	104.92	33.05	51.24
HealthSpring - Tarrant	116.82	104.92	33.05	51.24
Amerigroup - Travis	96.69	162.63	28.01	72.73
United - Travis	96.69	162.63	28.01	72.73
Superior - Central SDA	22.96	181.53	5.64	86.94
United - Central SDA	22.96	181.53	5.64	86.94
Health Spring - Northeast SDA	22.91	132.57	4.89	68.84
United - Northeast SDA	22.91	132.57	4.89	68.84
Amerigroup - West SDA	26.06	129.05	8.09	77.71
Superior - West SDA	26.06	129.05	8.09	77.71

## FY2016 STAR+PLUS Rating

## CFC Enhanced Match Rates

## Personal Attendant Care as a Percentage of Total Long Term Care

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Personal Attendant Services (1)					
Bexar	41,759,864	15,641,177	69,567,099	46,124,609	173,092,749
Dallas	42,608,554	14,011,677	64,734,256	48,919,355	170,273,841
El Paso	12,657,573	6,455,520	56,028,866	22,019,103	97,161,062
Harris	68,334,703	29,860,820	116,757,233	72,029,218	286,981,975
Hidalgo	97,429,889	22,531,248	337,939,199	147,529,738	605,430,074
Jefferson	7,091,875	4,936,072	12,985,612	17,414,965	42,428,525
Lubbock	2,811,197	2,058,218	5,354,111	7,919,478	18,143,005
Nueces	17,970,974	8,989,352	31,008,201	36,906,015	94,874,543
Tarrant	15,619,624	10,194,446	23,446,533	27,890,224	77,150,827
Travis	10,961,469	7,165,420	18,144,851	21,995,895	58,267,635
Total	317,245,722	121,843,949	735,965,962	448,748,602	1,623,804,236

## FY2014 Total Long Term Care Claims Paid (2)

Bexar	45,221,962	21,617,203	73,283,944	55,546,905	195,670,014
Dallas	44,558,408	19,004,808	68,172,955	57,930,528	189,666,699
El Paso	14,383,092	7,217,180	65,544,723	25,147,154	112,292,149
Harris	75,524,915	41,012,558	123,139,298	83,719,170	323,395,942
Hidalgo	116,359,560	27,106,226	399,502,302	165,256,297	708,224,384
Jefferson	7,639,474	5,796,052	13,180,075	19,627,447	46,243,047
Lubbock	3,226,835	2,572,864	5,783,284	9,089,578	20,672,561
Nueces	20,835,836	10,463,907	34,747,280	40,839,035	106,886,058
Tarrant	16,278,808	14,307,748	24,753,350	36,284,893	91,624,799
Travis	11,320,186	8,571,913	18,287,535	24,806,167	62,985,801
Total	355,349,077	157,670,460	826,394,745	518,247,174	1,857,661,456

## Personal Attendant Services Percentage of Total Long Term Care

Bexar	92.34%	72.36%	94.93%	83.04%	88.46%
Dallas	95.62%	73.73%	94.96%	84.44%	89.78%
El Paso	88.00%	89.45%	85.48%	87.56%	86.53%
Harris	90.48%	72.81%	94.82%	86.04%	88.74%
Hidalgo	83.73%	83.12%	84.59%	89.27%	85.49%
Jefferson	92.83%	85.16%	98.52%	88.73%	91.75%
Lubbock	87.12%	80.00%	92.58%	87.13%	87.76%
Nueces	86.25%	85.91%	89.24%	90.37%	88.76%
Tarrant	95.95%	71.25%	94.72%	76.86%	84.20%
Travis	96.83%	83.59%	99.22%	88.67%	92.51%
Total	89.28%	77.28%	89.06%	86.59%	87.41%

## Footnotes

(1) Equals FY2014 health plan fee-for-service claims for personal attendant care services (from MCO reported data) adjusted for FY2014, FY2015 and FY2016 reimbursement changes.

(2) Equals FY2014 health plan fee-for-service claims for all long term care services (from MCO reported data) adjusted for FY2014, FY2015 and FY2016 reimbursement changes.

FY2016 STAR+PLUS Rating  
CFC Enhanced Match Rates  
Non-MAO Percentage of Total Attendant Care

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
Non MAO Personal Attendant Services (1)					
Bexar	0	14,715,494	0	25,308,116	40,023,610
Dallas	0	13,241,609	0	23,534,801	36,776,411
El Paso	0	6,164,865	0	14,183,166	20,348,031
Harris	0	29,084,285	0	52,508,149	81,592,434
Hidalgo	0	21,811,104	0	91,712,849	113,523,953
Jefferson	0	4,567,459	0	6,293,228	10,860,687
Lubbock	0	1,784,453	0	2,740,180	4,524,633
Nueces	0	8,607,836	0	17,474,481	26,082,316
Tarrant	0	9,608,992	0	10,712,669	20,321,661
Travis	0	6,603,585	0	9,666,901	16,270,486
Total	0	116,189,682	0	254,134,539	370,324,222

FY2014 Personal Attendant Care Claims Paid (2)

Bexar	0	15,641,177	0	46,124,609	61,765,786
Dallas	0	14,011,677	0	48,919,355	62,931,032
El Paso	0	6,455,520	0	22,019,103	28,474,623
Harris	0	29,860,820	0	72,029,218	101,890,038
Hidalgo	0	22,531,248	0	147,529,738	170,060,985
Jefferson	0	4,936,072	0	17,414,965	22,351,037
Lubbock	0	2,058,218	0	7,919,478	9,977,697
Nueces	0	8,989,352	0	36,906,015	45,895,368
Tarrant	0	10,194,446	0	27,890,224	38,084,670
Travis	0	7,165,420	0	21,995,895	29,161,315
Total	0	121,843,949	0	448,748,602	570,592,551

Non-MAO Percentage of Total Personal Attendant Care Services

Bexar	0.00%	94.08%	0.00%	54.87%	64.80%
Dallas	0.00%	94.50%	0.00%	48.11%	58.44%
El Paso	0.00%	95.50%	0.00%	64.41%	71.46%
Harris	0.00%	97.40%	0.00%	72.90%	80.08%
Hidalgo	0.00%	96.80%	0.00%	62.17%	66.75%
Jefferson	0.00%	92.53%	0.00%	36.14%	48.59%
Lubbock	0.00%	86.70%	0.00%	34.60%	45.35%
Nueces	0.00%	95.76%	0.00%	47.35%	56.83%
Tarrant	0.00%	94.26%	0.00%	38.41%	53.36%
Travis	0.00%	92.16%	0.00%	43.95%	55.79%
Total	0.00%	95.36%	0.00%	56.63%	64.90%

Footnotes

- (1) Equals FY2014 health plan fee-for-service claims for personal attendant care services for non-MAO members (from MCO reported data) adjusted for FY2014 and FY2015 reimbursement changes.
- (2) Equals FY2014 health plan fee-for-service claims for all personal attendant care services (from MCO reported data) for FY2015 and FY2016 reimbursement changes.

FY2016 STAR+PLUS Rating

CFC Enhanced Match Rates

CFC Eligible Services Previously Included in STAR+PLUS Premium Rate

	Bexar		Dallas		El Paso	
	Medicaid Only	Dual Eligible	Medicaid Only	Dual Eligible	Medicaid Only	Dual Eligible
	HCBS	HCBS	HCBS	HCBS	HCBS	HCBS
FY2016 Long Term Care Premium Rate (1)	1,692.03	1,713.00	1,572.12	1,559.77	1,405.41	1,803.93
Personal Attendant Care % of Total LTC (2)	72.4%	83.0%	73.7%	84.4%	89.4%	87.6%
Non-MAO % of Total PAS (3)	94.1%	54.9%	94.5%	48.1%	95.5%	64.4%
CFC Eligible Services Currently Included in Premium Rate	1,151.82	780.47	1,095.38	633.67	1,200.49	1,017.43

## Footnotes

(1) LTC premium rate prior to inclusion of CFC Adjustments. From Exh. B.1

(2) Percentage of LTC provided for personal attendant care services. From Exh. B.2

(3) Percentage of personal attendant care provided to non-MAO members. From Exh. B.3

FY2016 STAR+PLUS Rating

CFC Enhanced Match Rates

CFC Eligible Services Previously Included in STAR+PLUS Premium Rate

	Harris		Hidalgo		Jefferson	
	Medicaid Only	Dual Eligible	Medicaid Only	Dual Eligible	Medicaid Only	Dual Eligible
	HCBS	HCBS	HCBS	HCBS	HCBS	HCBS
FY2016 Long Term Care Premium Rate (1)	1,718.21	1,661.24	1,942.26	1,932.64	1,437.05	1,470.69
Personal Attendant Care % of Total LTC (2)	72.8%	86.0%	83.1%	89.3%	85.2%	88.7%
Non-MAO % of Total PAS (3)	97.4%	72.9%	96.8%	62.2%	92.5%	36.1%
CFC Eligible Services Currently Included in Premium Rate	1,218.48	1,041.92	1,562.85	1,072.56	1,132.44	471.55

## Footnotes

(1) LTC premium rate prior to inclusion of CFC Adjustments. From Exh. B.1

(2) Percentage of LTC provided for personal attendant care services. From Exh. B.2

(3) Percentage of personal attendant care provided to non-MAO members. From Exh. B.3



FY2016 STAR+PLUS Rating

CFC Enhanced Match Rates

CFC Eligible Services Previously Included in STAR+PLUS Premium Rate

	Lubbock		Nueces		Tarrant	
	Medicaid Only	Dual Eligible	Medicaid Only	Dual Eligible	Medicaid Only	Dual Eligible
	HCBS	HCBS	HCBS	HCBS	HCBS	HCBS
FY2016 Long Term Care Premium Rate (1)	1,043.02	1,228.12	1,512.59	1,592.18	1,366.16	1,501.22
Personal Attendant Care % of Total LTC (2)	80.0%	87.1%	85.9%	90.4%	71.3%	76.9%
Non-MAO % of Total PAS (3)	86.7%	34.6%	95.8%	47.3%	94.3%	38.4%
CFC Eligible Services Currently Included in Premium Rate	723.40	370.23	1,244.29	681.27	917.50	443.22

## Footnotes

(1) LTC premium rate prior to inclusion of CFC Adjustments. From Exh. B.1

(2) Percentage of LTC provided for personal attendant care services. From Exh. B.2

(3) Percentage of personal attendant care provided to non-MAO members. From Exh. B.3

FY2016 STAR+PLUS Rating

CFC Enhanced Match Rates

CFC Eligible Services Previously Included in STAR+PLUS Premium Rate

	Travis		MRSA Central		MRSA Northeast	
	Medicaid Only	Dual Eligible	Medicaid Only	Dual Eligible	Medicaid Only	Dual Eligible
	HCBS	HCBS	HCBS	HCBS	HCBS	HCBS
FY2016 Long Term Care Premium Rate (1)	1,800.21	1,599.88	2,087.51	1,521.27	1,560.62	1,232.03
Personal Attendant Care % of Total LTC (2)	83.6%	88.7%	77.3%	86.6%	77.3%	86.6%
Non-MAO % of Total PAS (3)	92.2%	43.9%	95.4%	56.6%	95.4%	56.6%
CFC Eligible Services Currently Included in Premium Rate	1,386.84	623.47	1,538.32	746.00	1,150.04	604.16

## Footnotes

(1) LTC premium rate prior to inclusion of CFC Adjustments. From Exh. B.1

(2) Percentage of LTC provided for personal attendant care services. From Exh. B.2

(3) Percentage of personal attendant care provided to non-MAO members. From Exh. B.3

FY2016 STAR+PLUS Rating

CFC Enhanced Match Rates

CFC Eligible Services Previously Included in STAR+PLUS Premium Rate

	MRSA West	
	Medicaid Only HCBS	Dual Eligible HCBS
FY2016 Long Term Care Premium Rate (1)	1,486.60	1,351.63
Personal Attendant Care % of Total LTC (2)	77.3%	86.6%
Non-MAO % of Total PAS (3)	95.4%	56.6%
CFC Eligible Services Currently Included in Premium Rate	1,095.50	662.81

## Footnotes

(1) LTC premium rate prior to inclusion of CFC Adjustments. From Exh. B.1

(2) Percentage of LTC provided for personal attendant care services. From Exh. B.2

(3) Percentage of personal attendant care provided to non-MAO members. From Exh. B.3

FY2016 STAR+PLUS Rating  
CFC Enhanced Match Rates

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
CFC Eligible Services Previously Included in STAR+PLUS Premium Rate				
Amerigroup - Bexar	0.00	1,151.82	0.00	780.47
Molina - Bexar	0.00	1,151.82	0.00	780.47
Superior - Bexar	0.00	1,151.82	0.00	780.47
Molina - Dallas	0.00	1,095.38	0.00	633.67
Superior - Dallas	0.00	1,095.38	0.00	633.67
Amerigroup - El Paso	0.00	1,200.49	0.00	1,017.43
Molina - El Paso	0.00	1,200.49	0.00	1,017.43
Amerigroup - Harris	0.00	1,218.48	0.00	1,041.92
Molina - Harris	0.00	1,218.48	0.00	1,041.92
United - Harris	0.00	1,218.48	0.00	1,041.92
HealthSpring - Hidalgo	0.00	1,562.85	0.00	1,072.56
Molina - Hidalgo	0.00	1,562.85	0.00	1,072.56
Superior - Hidalgo	0.00	1,562.85	0.00	1,072.56
Amerigroup - Jefferson	0.00	1,132.44	0.00	471.55
Molina - Jefferson	0.00	1,132.44	0.00	471.55
United - Jefferson	0.00	1,132.44	0.00	471.55
Amerigroup - Lubbock	0.00	723.40	0.00	370.23
Superior - Lubbock	0.00	723.40	0.00	370.23
Superior - Nueces	0.00	1,244.29	0.00	681.27
United - Nueces	0.00	1,244.29	0.00	681.27
Amerigroup - Tarrant	0.00	917.50	0.00	443.22
HealthSpring - Tarrant	0.00	917.50	0.00	443.22
Amerigroup - Travis	0.00	1,386.84	0.00	623.47
United - Travis	0.00	1,386.84	0.00	623.47
Superior - Central SDA	0.00	1,538.32	0.00	746.00
United - Central SDA	0.00	1,538.32	0.00	746.00
Health Spring - Northeast SDA	0.00	1,150.04	0.00	604.16
United - Northeast SDA	0.00	1,150.04	0.00	604.16
Amerigroup - West SDA	0.00	1,095.50	0.00	662.81
Superior - West SDA	0.00	1,095.50	0.00	662.81

FY2016 STAR+PLUS Rating  
CFC Enhanced Match Rates

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
Increase Cost Due to CFC Implementation				
Amerigroup - Bexar	54.31	134.50	14.21	91.11
Molina - Bexar	54.31	134.50	14.21	91.11
Superior - Bexar	54.31	134.50	14.21	91.11
Molina - Dallas	64.59	124.54	18.36	73.16
Superior - Dallas	64.59	124.54	18.36	73.16
Amerigroup - El Paso	77.49	138.28	10.83	118.05
Molina - El Paso	77.49	138.28	10.83	118.05
Amerigroup - Harris	89.89	138.30	19.99	118.26
Molina - Harris	89.89	138.30	19.99	118.26
United - Harris	89.89	138.30	19.99	118.26
HealthSpring - Hidalgo	36.81	182.54	4.60	125.32
Molina - Hidalgo	36.81	182.54	4.60	125.32
Superior - Hidalgo	36.81	182.54	4.60	125.32
Amerigroup - Jefferson	58.78	129.56	26.02	54.61
Molina - Jefferson	58.78	129.56	26.02	54.61
United - Jefferson	58.78	129.56	26.02	54.61
Amerigroup - Lubbock	97.90	84.48	30.81	43.09
Superior - Lubbock	97.90	84.48	30.81	43.09
Superior - Nueces	45.05	146.06	15.36	79.59
United - Nueces	45.05	146.06	15.36	79.59
Amerigroup - Tarrant	116.82	104.92	33.05	51.24
HealthSpring - Tarrant	116.82	104.92	33.05	51.24
Amerigroup - Travis	96.69	162.63	28.01	72.73
United - Travis	96.69	162.63	28.01	72.73
Superior - Central SDA	22.96	181.53	5.64	86.94
United - Central SDA	22.96	181.53	5.64	86.94
Health Spring - Northeast SDA	22.91	132.57	4.89	68.84
United - Northeast SDA	22.91	132.57	4.89	68.84
Amerigroup - West SDA	26.06	129.05	8.09	77.71
Superior - West SDA	26.06	129.05	8.09	77.71

FY2016 STAR+PLUS Rating  
CFC Enhanced Match Rates

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
Total CFC Rate Eligible for Enhanced Federal Match				
Amerigroup - Bexar	54.31	1,286.32	14.21	871.58
Molina - Bexar	54.31	1,286.32	14.21	871.58
Superior - Bexar	54.31	1,286.32	14.21	871.58
Molina - Dallas	64.59	1,219.92	18.36	706.83
Superior - Dallas	64.59	1,219.92	18.36	706.83
Amerigroup - El Paso	77.49	1,338.77	10.83	1,135.48
Molina - El Paso	77.49	1,338.77	10.83	1,135.48
Amerigroup - Harris	89.89	1,356.78	19.99	1,160.18
Molina - Harris	89.89	1,356.78	19.99	1,160.18
United - Harris	89.89	1,356.78	19.99	1,160.18
HealthSpring - Hidalgo	36.81	1,745.39	4.60	1,197.88
Molina - Hidalgo	36.81	1,745.39	4.60	1,197.88
Superior - Hidalgo	36.81	1,745.39	4.60	1,197.88
Amerigroup - Jefferson	58.78	1,262.00	26.02	526.16
Molina - Jefferson	58.78	1,262.00	26.02	526.16
United - Jefferson	58.78	1,262.00	26.02	526.16
Amerigroup - Lubbock	97.90	807.88	30.81	413.32
Superior - Lubbock	97.90	807.88	30.81	413.32
Superior - Nueces	45.05	1,390.35	15.36	760.86
United - Nueces	45.05	1,390.35	15.36	760.86
Amerigroup - Tarrant	116.82	1,022.42	33.05	494.46
HealthSpring - Tarrant	116.82	1,022.42	33.05	494.46
Amerigroup - Travis	96.69	1,549.47	28.01	696.20
United - Travis	96.69	1,549.47	28.01	696.20
Superior - Central SDA	22.96	1,719.85	5.64	832.94
United - Central SDA	22.96	1,719.85	5.64	832.94
Health Spring - Northeast SDA	22.91	1,282.61	4.89	673.00
United - Northeast SDA	22.91	1,282.61	4.89	673.00
Amerigroup - West SDA	26.06	1,224.55	8.09	740.52
Superior - West SDA	26.06	1,224.55	8.09	740.52

## *Attachment 12*

### Network Access Improvement Program (NAIP)

Effective March 1, 2015 several health plans implemented programs aimed at improving network access for Medicaid members. The NAIP is designed to further the state's goal of increasing the availability and effectiveness of primary care for Medicaid beneficiaries by incentivizing various institutions to provide quality, well-coordinated, and continuous care. The NAIP is intended to achieve the following objectives regarding health-related institutions (HRI):

- Improve the availability of and Medicaid access to primary care physicians. This program may also target specialist physicians willing to provide a medical home to managed care members with special needs and conditions, and advanced practice registered nurses (APRNs) and physician assistants (PAs) practicing under the supervision of an HRI staff provider.
- Enhance the coordination and continuity of services and quality of care of Medicaid managed care members who receive primary care services through those physician practices.
- Increase access to primary care in these settings, underscoring the importance of primary care residency programs and influencing future physician participation.
- Promote provider education on Medicaid program requirements and the specialized needs of Medicaid recipients.
- Measure progress through increased primary care access and physician compliance with selected quality objectives, to be determined later.

Similarly, the NAIP is intended to achieve the following objectives relating to public hospitals:

- Improve the availability, quality and coordination of primary and specialty care services provided by public hospitals;
- Promote provider education on Medicaid program requirements and the specialized needs of Medicaid recipients;
- Measure progress through increased care access and physician compliance with quality objectives.

The above-stated objectives will lead to better health outcomes for Medicaid beneficiaries and decreased overall healthcare costs for the Medicaid program.

The NAIPs were developed independently by various health plans and providers. The NAIPs outline the services to be provided by the providers, measurements to evaluate their effectiveness and the cost to be paid by the managed care organizations. The NAIP amounts impact the following STAR+PLUS risk groups:

- Medicaid Only – Other Community Care (OCC)
- Medicaid Only – Home and Community Based Services (HCBS)
- Intellectual and Developmentally Disabled under age 21 – IDD <21
- Intellectual and Developmentally Disabled over age 21 – IDD >21

The attached exhibit summarizes each of the NAIPs by health plan, service area and program. The participating provider has been removed from the file in order to maintain the privacy of these negotiated arrangements.



FY2016 STAR+PLUS Rating  
Network Access Improvement Program (NAIP) Summary

MCO (1)	Impacted Programs	SDAs Impacted	Contracted Cost (2)	Projected Member Months (3)	PMPM Impact
Amerigroup	STAR, STAR+PLUS	Lubbock, MRSA West	7,522,250	531,315	14.16
Amerigroup	STAR, STAR+PLUS	Lubbock, MRSA West	2,189,980	531,315	4.12
Amerigroup	STAR, STAR+PLUS	Tarrant, MRSA West	4,782,360	2,085,291	2.29
Amerigroup	STAR	Dallas	22,780,000	2,557,783	8.91
Amerigroup	STAR, STAR+PLUS	Lubbock, MRSA West	11,525,954	531,315	21.69
Amerigroup	STAR, STAR+PLUS	El Paso, MRSA West	2,663,700	454,522	5.86
Amerigroup	STAR, STAR+PLUS	Lubbock, MRSA West	6,323,987	531,315	11.90
Amerigroup	STAR, STAR+PLUS	Harris	45,553,955	1,699,281	26.81
Amerigroup	STAR, STAR+PLUS	Jefferson	4,835,250	133,437	36.24
Amerigroup	STAR, STAR+PLUS	Harris, Jefferson	7,456,009	1,832,718	4.07
Amerigroup	STAR, STAR+PLUS	Dallas	1,400,000	2,557,783	0.55
Amerigroup	STAR, STAR+PLUS	Dallas, Tarrant	27,400,000	4,249,288	6.45
		Bexar, Dallas, El Paso, Harris, Jefferson, Lubbock, Tarrant, Travis, MRSAs	14,400,000	7,945,331	1.81
Amerigroup	STAR, STAR+PLUS	MRSAs	14,400,000	7,945,331	1.81
CFHP	STAR	Bexar	41,828,301	1,385,796	30.18
CHC	STAR	Harris	36,600,000	2,650,907	13.81
CHC	STAR	Harris	28,479,891	2,650,907	10.74
CHC	STAR	Jefferson	6,015,781	288,546	20.85
CHC	STAR	Harris, Jefferson	12,631,735	2,939,453	4.30
El Paso First	STAR	El Paso	27,000,000	806,632	33.47
El Paso First	STAR	El Paso	1,800,000	806,632	2.23
FirstCare	STAR	MRSA West	10,600,000	691,360	15.33
FirstCare	STAR	Lubbock, MRSA West	25,796,182	1,200,195	21.49
Molina	STAR	Dallas	3,779,681	243,865	15.50
Parkland	STAR	Dallas	34,990,000	2,291,169	15.27
Superior	STAR, STAR+PLUS	Bexar	27,286,963	1,528,854	17.85
Superior	STAR, STAR+PLUS	Bexar, Hidalgo, MRSA Central	22,488,634	4,563,659	4.93
Superior	STAR, STAR+PLUS	Travis, Nueces, MRSA West	7,184,766	2,449,044	2.93
Superior	STAR	El Paso	20,250,014	733,403	27.61
Superior	STAR, STAR+PLUS	Lubbock, MRSA West	23,326,336	1,310,818	17.80
Superior	STAR	El Paso	2,200,140	733,403	3.00
Superior	STAR, STAR+PLUS	Lubbock	3,498,950	380,567	9.19
Superior	STAR, STAR+PLUS	MRSA Central	559,832	912,213	0.61

## FY2016 STAR+PLUS Rating

## Network Access Improvement Program (NAIP) Summary

MCO (1)	Impacted Programs	SDAs Impacted	Contracted Cost (2)	Projected Member Months (3)	PMPM Impact
United	STAR	Harris	13,369,339	522,090	25.61
United	STAR, STAR+PLUS	Harris	10,299,178	804,544	12.80
United	STAR, STAR+PLUS	Jefferson	3,724,540	195,895	19.01
United	STAR, STAR+PLUS	Harris, Jefferson	4,239,824	1,000,439	4.24

## Footnotes:

(1) MCOs may have NAIP arrangements with multiple providers.

(2) Based on contracted amounts between MCOs and providers.

(3) Based on HHSC most recent caseload forecast. Includes all (i) all STAR Risk Groups, (ii) STAR+PLUS Medicaid Only OCC, (iii) STAR+PLUS Medicaid Only HCBS and (iv) IDD <21 and >21.

## ***Attachment 13***

### **Pay-for-Quality Program (P4Q)**

The Texas P4Q Program is based on the concept of incremental improvement where each health plan is (1) incentivized to improve its own quality performance each year and (2) evaluated based on its success in achieving such improvement. A gap closure approach to each P4Q quality measure is used where a minimum threshold is set, establishing a minimum quality score at which health plans become eligible to earn positive quality points. Health plans with scores below the minimum threshold for a measure will not be eligible to earn positive points for incremental improvement, but will not be penalized as long as they show year-to-year improvement in the measure. An attainment goal is specified which represents a recognized level of excellence for the specific quality measure. Both minimum thresholds and attainment goals are determined at the discretion of HHSC.

The P4Q measures include:

1. Healthcare Effectiveness Data Information Set Quality of Care Measures
  - Antidepressant Medication Management
  - Diabetes care measure
2. Potentially Preventable Events
  - Potentially Preventable Admissions
  - Potentially Preventable Readmissions
  - Potentially Preventable Emergency Department Visits
  - Potentially Preventable Complications

Each health plan is expected to close the gap between the attainment goal and the health plan's baseline performance by 15 percent each year. This 15 percent annual gap closure target is not referring to a 15 percentage point annual increase in the measure, but is 15 percent of the difference between the attainment goal and the health plan's 2013 (baseline) performance. For example, if a health plan's current performance is 60 percent for the measure and the attainment goal is 70 percent, the gap is 70 percent - 60 percent or 10 percentage points. Correspondingly, 15 percent of the gap equals  $0.15 \times 10$  percentage points or 1.5 percentage points. The 15 percent annual gap closure target will be achieved if the health plan improves from 60 percent to 61.5 percent on the measure. Higher scores on the Healthcare Effectiveness Data Information Set (HEDIS®) measures correspond to higher quality. However, lower Potentially Preventable Event (PPE) expenditures are indicative of higher quality. For this reason, improvement for the PPE measures is defined by a reduction in PPE expenditures. PPE expenditures are calculated using standardized resource units rather than paid amounts to eliminate any extraneous market-based variation that is present in the paid amounts.