

**STATE OF TEXAS
MEDICAID MANAGED CARE
STAR+PLUS PROGRAM RATE SETTING
STATE FISCAL YEAR 2018**

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 2018 (FY2018, September 1, 2017 through August 31, 2018) 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 and older. STAR+PLUS members get Medicaid health-care and long-term services and supports through a medical plan that they choose. The STAR+PLUS program expanded to include individuals with Intellectual and Developmental Disabilities (IDD) on September 1, 2014 and to include individuals in a nursing facility on March 1, 2015. 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 five health plans serving the various SDAs throughout the state. Effective September 1, 2017, members in the HHSC Medicaid for Breast and Cervical Cancer (MBCCP) program will begin getting their Medicaid services through managed care and will be a separate risk group in the STAR+PLUS program.

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 FY2018 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 2013 and a projection of future enrollment through August 2018. These projections were prepared by HHS System Forecasting staff.
- Detailed MCO encounter data for FY2016. The encounter data is a dataset that includes the detail claim information for every claim incurred during FY2016 and paid through November 30, 2016. The dataset includes but is not limited to (1) individual member information – date of birth, risk group, health plan; (2) provider information – type of provider, NPI, bill type, taxonomy code; (3) procedure information – diagnosis, procedure code, claim modifier; and (4) payment information – paid amount, billed amount. This information is used to identify the providers and services which will receive or have received reimbursement changes in order to determine the cost impact of such changes.
- Claim lag reports by SDA and risk group for each health plan for the period September 2013 through February 2017. These reports were prepared by the health plans and include monthly paid claims by month of service. These reports summarize the detail encounter data.
- Financial Statistical Reports (FSR) for each participating health plan for FY2015, FY2016 and the first six months of FY2017. The FSR contains detailed information regarding monthly enrollment, revenue, incurred claims and administrative expenses, as

reported by the health plan. These reports are prepared by the health plans and are audited by an external audit organization.

- 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 (FY2017) 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.
 - Subcapitated services make up less than 0.3% of total plan cost and are most commonly vision and behavioral health arrangements. Information about these arrangements was provided by the health plans and verified with the FSRs. These items were reviewed for reasonableness by comparing the reported expense amounts from the various health plans to those arrangements of other health plans.
- Information from the health plans regarding service coordination expenses.
 - Service Coordination expenses make up approximately 3.2% of total plan cost and are separate from the included administrative allowance. Information about service coordination expenses was provided by the health plans and verified with the FSRs. These items were reviewed for reasonableness by comparing the reported expense amounts from the various health plans to those arrangements of other health plans.
- FY2016 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 FY2016 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 FY2018 Medicaid provider reimbursement rates.
- A listing of individuals enrolled in the MBCCP program during the period September 2012 through February 2017.
- Monthly fee-for-service claims data for each MBCCP member.

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. We compared (i) the claim lag reports provided by the MCOs, (ii) the claim amounts reported in the FSRs and (iii) the claim amounts in the encounter data files. The three data sources are compared to ensure consistent results such that the three are considered interchangeable in aggregate. Although interchangeable in total, each data source has a unique role in the analysis. FSR data provides high level summary information of claims data, subcapitated expenses, reinsurance expenses and administrative costs. In some cases, this information is available at the risk group level while for

others it is only provided at an aggregated level. MCO summary reports provide HHSC-specified data points at a more granular level such as subcapitated expenses by service, claim lag data by service, other medical expenses and large claimant information. The detail encounter data provides claim data at the most granular level including information for individual claims such as provider, procedure code, diagnostic information, etc. The use of these multiple data sources allows for a dynamic, flexible rating model that is not constrained to the data limitation of a single source.

All data requested by the actuary was provided by HHSC and the participating MCOs. 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 External Quality Review Organization. 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/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.*

Based on the review of the data by the EQRO, HHSC and Rudd and Wisdom, we have concluded that all data sources are consistent, complete and accurate. It is our opinion that the data collected for the rate development is high quality and we have no concerns over the availability or applicability to the FY2018 rate development. The accumulation of data sources noted above have been assigned full credibility.

Given the history of managed care data available for the STAR+PLUS program, the rate development is based exclusively on managed care data with the exception of the MBCCP members which will be new to managed care effective September 1, 2017.

II. Overview of the Rate Setting Methodology

This report details the development of the medical (acute and long term care) and prescription drug components of the STAR+PLUS premium rate. The two components are developed separately but follow similar methodologies in their calculations.

The actuarial model used to derive the FY2018 STAR+PLUS premium rates relies primarily on historical health plan experience. The historical claims experience for the program was analyzed and estimates for the base period were developed. Due to the significant differences between claim run-out patterns, different base periods were selected for medical and prescription drug. The base period for the medical component was defined as FY2016 (September 1, 2015 through August 31, 2016) while the base period for the prescription drug component was defined as CY2016 (January 1, 2016 through December 31, 2016). The primary reason for varying the base periods between medical and prescription is that prescription drug claims complete much faster and therefore require minimal estimation of incurred but unpaid claims. Estimates of the base period include an estimate of incurred but unpaid claims (IBNR). The IBNR estimate is based on claims paid through February 2017 and represents the following percentage of claims by type of service:

- Medical - 0.39%
- Prescription Drug - 0.0%

These estimates were then projected forward to FY2018 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 FY2018 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
- Medicaid Only – Nursing Facility (NF)
- Dual Eligible – NF
- Intellectual and Developmentally Disabled over age 21 (IDD)
- Medicaid Breast and Cervical Cancer Program (MBCCP)

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
- 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
- Nursing Facilities

Services specifically excluded from the analysis include:

- Dental and Orthodontia Services with the exception of a small number of dental services provided to STAR+PLUS HCBS waiver members
- Early Childhood Intervention (ECI) case management/service coordination
- Texas School Health and Related Services (SHARS)
- Health and Human Services Commission's Medical Transportation
- Tuberculosis services provided by DSHS-approved providers (directly observed therapy and contact investigation)

All expenses related to these and any other non-capitated services are excluded from the FY2018 rating analysis.

We projected the FY2018 cost for each individual health plan by estimating their base period 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 such adjustments were deemed to be 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 FY2018 cost for each health plan in the service area. The weights used in this formula are the projected FY2018 number of clients enrolled in each health plan by risk group. Attachment 3 presents the summary community rating exhibit for each service area along with a description of the analysis.

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 Attachments 9 and 10.

The final FY2018 premium rates were defined as the community rates with acuity risk adjustment for acute care services, pharmacy services and long term care services. This is the same methodology that was used during the FY2017 STAR+PLUS rate development with the exception that the long term care component of the premium has been risk adjusted for FY2018. HHSC, the EQRO and the participating STAR+PLUS health plans having been working closely together in developing a risk adjustment model to be applied to the long term care component of the premium. The methodology applied in the FY2018 rate

development is the first step in this process which is ongoing and will continue to be refined for future rate developments.

Please note that the Dual Eligible risk groups include combined long term care experience for the STAR+PLUS and Dual Eligible Demonstration populations in order to calculate a single base rate that is applicable to both programs. This combined approach has been approved by CMS for past rate developments and has been utilized since the inception of the Dual Eligible Demonstration project. For FY2018 rating purposes the combined experience is treated equally throughout the rating process – base period, long term care trend analysis, rate adjustments and risk adjustment. Per CMS’s direction this approach will be reevaluated for the FY2019 rate development.

III. Adjustment Factors

This section contains a description of the adjustment factors used in the FY2018 STAR+PLUS rate setting process.

Trend Factors - Medical

The rating methodology uses assumed trend factors to adjust the base period claims cost to the projection period. The trend factors used in this analysis are a combination of utilization and inflation components. 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 (FY2017 and FY2018).

The trend analysis included a review of health plan claims experience data through February 2017. Based on this information, estimates of monthly incurred claims were made through December 2016. The claims cost and trend experience was reviewed separately by service area 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. 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 FY2016 trend has been calculated as the change in average cost per member per month during the period September 1, 2015 through August 31, 2016 (FY2016) compared to the average cost per member per month during the period September 1, 2014 through August 31, 2015 (FY2015). The experience trends for all time periods were adjusted to remove the impact of provider reimbursement changes and other revisions that have impacted the cost of the program.

The FY2017 trend assumptions were developed from two components: (i) the actual estimated trend for the period September 2016 through December 2016 and (ii) the projected trend for the period January 2017 through August 2017. The trends for the final eight months of FY2017 were projected using experience data from FY2014 (3/10 weight), FY2015 (3/10 weight), FY2016 (3/10 weight) and the first four months of FY2017 (1/10 weight). The weighting of each time period was based on the number of months within each time period.

The FY2018 trend assumptions were then developed from a simple average of the FY2014 trend, FY2015 trend, FY2016 trend and FY2017 trend.

The nursing facility trend assumptions were developed from an analysis of nursing facility claims previously paid on a fee-for-service basis. Based on this analysis, the FY2017 and FY2018 trend assumptions were developed as the average of the trends for the periods (FY2012, FY2013, FY2014 and FY2015). Only claims incurred prior to the carve-in of nursing facility services on March 1, 2015 were considered for the FY2015 experience period. Nursing facility claims after March 1, 2015 were not considered in the trend analysis due to the transition of these members to the managed care delivery model.

Attachment 4 is a summary of the trend analysis. The chart below presents the assumed annual trend rates for FY2017 and FY2018.

	<u>FY2017</u>	<u>FY2018</u>
<u>Acute Care</u>		
Medicaid Only - OCC	2.9%	1.5%
Medicaid Only - HCBS	0.3%	-0.4%
IDD	2.9%	1.5%
Medicaid Only - NF	0.3%	-0.4%
 <u>Long Term Care</u>		
Medicaid Only - OCC	7.8%	5.2%
Medicaid Only - HCBS	2.1%	-1.0%
Dual Eligible - OCC	5.5%	2.7%
Dual Eligible - HCBS	4.4%	1.7%
Medicaid Only - NF	3.0%	3.0%
Dual Eligible - NF	3.0%	3.0%

Trend Factors - Pharmacy

The rating methodology uses assumed pharmacy trend factors to adjust the base period (CY2016) claims cost to the rating period (FY2018). The trend rate assumptions were developed by the actuary based on an analysis of recent pharmacy claims experience under the STAR+PLUS program and the actuary's professional judgment regarding anticipated future cost changes. The trend rate assumptions vary by risk group but are the same for all service areas.

The trend analysis included a review of STAR+PLUS utilization and cost experience data paid through March 2017. Utilization (days supply per member) and cost per service (plan payments per days supply) statistics were developed by risk group and drug type (brand, generic and specialty) through February 2017. From this experience, the average annual utilization and cost per service were determined for each of the five 12-month periods ending February 2017.

Only those drugs covered under the capitated arrangement are included in the trend analysis. Anti-viral agents used for the treatment of Hepatitis C virus and the drug Orkambi are not included in the analysis as those drugs are carved out of the managed care contract. In addition, experience for the drugs Tamiflu and Makena were removed from our trend analysis. Tamiflu was removed due to the significant variation in the intensity of flu season from year to year. Makena was removed due to its one-time distortion of pharmacy trends for pregnant women. Please note that while excluded from the pharmacy trend analysis, the historical claims for Tamiflu and Makena were included in the base period experience used in developing the pharmacy component of the rates.

The STAR+PLUS pharmacy trend assumptions for the remainder of FY2017 and all of FY2018 were developed by risk group using the following formula. For the OCC and HCBS risk groups, the utilization and cost per service trend assumptions were set equal to one-sixth of the experience trend rate for the 12-month period ending February 2015 plus two-sixths of the experience trend rate for the 12-month period ending February 2016 plus three-sixths of the experience trend rate for the 12-month period ending February 2017. For the IDD and NF risk groups, since they only entered STAR+PLUS in September 2014

and March 2015, respectively, their trend assumption is based solely on the most recent 12-month period. The final cost trend assumptions were then determined by applying the assumed utilization and cost per service trends by individual drug type to actual experience for the 12-month period ending February 2017 and combining the results into a single trend assumption for each risk group.

Exhibit D in Attachment 4 includes a summary of the pharmacy trend analysis for STAR+PLUS. The chart below presents the assumed annual pharmacy trend rates applicable for the period 1/1/2017 through 8/31/2018.

	<u>OCC</u>	<u>HCBS</u>	<u>IDD</u>	<u>NF</u>
All SDAs	6.0 %	6.1 %	2.4 %	0.0 %

Please note that the MCOs were provided a detailed trend analysis file which included the historical utilization and cost experience as well as all of the formulas and assumptions used in developing the trend assumptions.

Provider Reimbursement Adjustments – Acute Care

Medicaid provider reimbursement changes were recognized for the following services: hospital inpatient reimbursement revisions, potentially preventable readmission reimbursement reductions, potentially preventable complications reimbursement reductions, therapy reimbursement revisions, therapy policy revisions, radiology reimbursement reductions, and labor and delivery surgery revisions

The rating adjustments for these provider reimbursement changes were calculated by applying actual health plan encounter data to the old and new reimbursement bases and the resulting impact determined. Attachment 5 presents a summary of the derivation of these adjustment factors.

Elimination of the NorthSTAR Program

Effective January 1, 2017 the NorthSTAR program was discontinued. Historically the NorthSTAR program provided all behavioral health services for Medicaid clients residing in the Dallas service area. Due to the elimination of the NorthSTAR program, behavioral health services are now carved into the STAR+PLUS program for the Dallas service area as with all other service areas. As a result, it is necessary to adjust the Dallas service area base period data to include these behavioral health services. Exhibit H of Attachment 5 presents a summary of these adjustment factors.

IMD Cost Removal

By regulation, cost for managed care members ages 21 through 64 who have an IMD stay in excess of 15 days during a month may not be used in the rate development. Claims data for all such members has been identified and removed from the rate analysis. A summary of the derivation of these adjustment factors is presented in Attachment 5 - Exhibit I.1 for medical services and Exhibit I.2 for pharmacy services.

FQHC Wrap Payment Removal

Effective September 1, 2017, MCOs are no longer required to reimburse FQHCs the full encounter rate. The MCO will be expected to reimburse FQHCs at a rate that is comparable to the reimbursement of all other non-FQHC providers providing similar services. Subsequently, the FQHC will be reimbursed up to their full encounter rate outside of the capitation rate. The rating adjustment was calculated by repricing all FQHC claims at the fee-for-service equivalent paid for non-FQHC providers for the same services. The difference between the full encounter rate and this estimated fee-for-service equivalent was assumed to be the wrap payment that is no longer covered under the capitation rate. Exhibit J of Attachment 5 presents a summary of the derivation of these adjustment factors.

Community First Choice Initiative (CFC)

Effective June 1, 2015, Texas implemented a CFC initiative within the STAR+PLUS program that expanded access to certain habilitation and attendant care services. As a result of CFC, Texas will receive an enhanced federal medical assistance percentage (FMAP) on CFC eligible clients and services. Attachment 6 along with Attachment 12 detail the development of (1) the CFC adjustment factors applied to the base period and (2) the CFC portion of the premium eligible for an enhanced FMAP.

Removal of STAR+PLUS Members Under Age 21

Effective November 1, 2016 STAR+PLUS members under age 21 were removed from the STAR+PLUS program and enrolled in the STAR Kids program. Attachment 7 presents a summary of the adjustment factors applicable to the base period data as a result of this eligibility change.

Carve in Relocation Services

Effective September 1, 2017 relocation services will be carved into the STAR+PLUS program. Currently relocation services which assist Medicaid-eligible nursing facility residents to relocate from nursing facilities to community-based settings, are carved out and reimbursed through the Fee-for-Service program. This adjustment impacts the nursing facility populations only.

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 and pharmacy portions 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 this acuity risk adjustment is included in Attachment 9.

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.

The long term 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. In all prior STAR+PLUS rate developments, the long term care portion of the premium was not risk adjusted because no acuity model was readily available on which to measure the relative differences among the health plans. HHSC, the EQRO and the health plans formed a workgroup tasked with developing a long term care acuity model. The workgroup analyzed available long term care data and publicly available models and developed a preliminary model to be applied in FY2018. Given this is the first year of implementation, the long term care acuity factors have been given 75% credibility. Additional information regarding this acuity risk adjustment is included in Attachment 10.

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 higher quality, well-coordinated, and continuous care.

Attachment 13 presents the development of the NAIP add-on amounts to be included in the capitation rates effective September 1, 2017 along with additional information concerning the NAIP program.

Quality Incentive Payment Program for Nursing Facilities (QIPP)

Effective September 1, 2017 HHSC will implement the QIPP program which is designed to incentivize nursing facilities to improve quality and innovation in the provision of nursing facility services, using the CMS five-star rating system as its measure of success. The QIPP provides enhanced payment for nursing facilities which demonstrate improvement on specific quality goals.

Attachment 14 presents the development of the QIPP add-on amounts to be included in the capitation rates effective September 1, 2017 along with additional information concerning the QIPP program.

IV. Administrative Fees, Taxes and Risk Margin

The rating methodology includes an explicit provision for administrative expenses. The amount allocated for administrative expenses is \$18.00 pmpm plus 5.75% of gross premium for medical services and \$1.80 pmpm for pharmacy services. This amount is intended to provide for all administrative-related services performed by the health plan. The administrative allowance for medical services is split between a fixed and variable component in order to allocate a larger percentage of the administrative dollars to the higher cost risk groups.

The administrative fee amounts were determined based on a review of the administrative expenses of the STAR+PLUS health plans as reported in their audited Financial Statistical Reports (FSRs). The table below summarizes the reported administrative expenses for the past three fiscal years for the STAR+PLUS program.

	Avg. Administrative Expense	
	All Health <u>Plans</u>	Excluding <u>Outlier</u>
FY13	74.10	69.99
FY14	83.05	76.90
FY15	83.02	78.35
FY16	99.19	93.42
4 Year Average	84.84	79.66

One of the health plans in the STAR+PLUS program reports administrative expenses that are in excess of 130% of the average of the other four participating health plans. Because of this large disparity we have reported the average administrative expenses above both with and without this outlier. Based on the administrative formula included in the rate development, the average administrative expense included in the capitation rates (medical and pharmacy combined) is approximately \$86 which is in line with the historical averages. This formula is reviewed annually to ensure consistency with the reported administrative costs.

The premium rates also include an amount for premium tax (1.75% of premium), maintenance tax (\$0.06 pmpm) and a risk margin (1.75% of premium). The premium tax and maintenance tax are based on Texas Department of Insurance requirements.

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 FY2018 STAR+PLUS rating analysis and includes all components of the premium – acute care, long term care, prescription drugs NAIP and QIPP. Texas is eligible for an enhanced FMAP rate for CFC services. Attachment 12 details the development of the CFC component of the total premium rate.

Health Plan	Medicaid Only	Medicaid Only	Dual Eligible	Dual Eligible
	OCC	HCBS	OCC	HCBS
Monthly Premium Rates				
Amerigroup - Bexar	\$1,308.30	\$4,364.92	\$365.54	\$1,989.10
Molina - Bexar	1,112.96	3,735.23	372.14	1,893.19
Superior - Bexar	1,392.21	4,199.87	424.35	1,957.32
Molina - Dallas	1,391.19	4,188.08	364.07	1,767.51
Superior - Dallas	1,310.35	4,185.64	339.38	1,761.20
Amerigroup - El Paso	1,346.75	4,125.26	470.49	1,878.39
Molina - El Paso	1,530.82	4,044.30	523.51	1,978.41
Amerigroup - Harris	1,491.49	4,975.34	333.60	1,932.80
Molina - Harris	1,397.37	4,791.64	330.41	1,960.33
United - Harris	1,741.94	4,815.25	356.07	1,977.68
Health Spring - Hidalgo	1,832.90	4,295.18	952.49	2,286.24
Molina - Hidalgo	1,816.56	4,430.77	882.30	2,251.34
Superior - Hidalgo	1,958.20	4,544.18	1,109.95	2,282.44
Amerigroup - Jefferson	1,199.57	4,387.10	274.13	1,674.87
Molina - Jefferson	1,245.97	3,817.59	259.78	1,603.59
United - Jefferson	1,435.59	4,218.73	161.63	1,524.22
Amerigroup - Lubbock	1,178.57	3,539.42	144.53	1,401.05
Superior - Lubbock	1,132.53	4,075.09	170.72	1,471.93
Superior - Nueces	1,447.72	4,021.21	551.48	1,980.53
United - Nueces	1,587.00	4,262.79	441.66	1,946.75
Amerigroup - Tarrant	1,426.21	4,353.09	266.00	1,668.24
Health Spring - Tarrant	1,219.60	4,197.16	225.23	1,715.59
Amerigroup - Travis	1,289.46	4,755.69	319.81	1,784.48
United - Travis	1,292.61	4,695.90	185.00	1,750.06
Superior - MRSA Central	1,196.88	4,082.14	233.25	1,743.94
United - MRSA Central	1,122.49	4,441.66	229.78	1,815.73
Health Spring - MRSA Northeast	1,099.11	3,780.01	214.76	1,589.54
United - MRSA Northeast	1,221.68	4,214.99	212.02	1,501.10
Amerigroup - MRSA West	1,125.17	3,989.78	251.68	1,561.57
Superior - MRSA West	1,231.55	3,716.31	253.28	1,511.84

Health Plan	Medicaid Only NF	Dual Eligible NF	IDD Over 21	MBCCP
Monthly Premium Rates				
Amerigroup - Bexar	\$7,561.42	\$4,848.45	\$871.27	\$2,154.52
Molina - Bexar	7,561.42	4,848.45	710.98	2,154.52
Superior - Bexar	7,561.42	4,848.45	1,025.54	2,154.52
Molina - Dallas	7,774.31	4,807.76	690.28	2,264.84
Superior - Dallas	7,774.31	4,807.76	695.72	2,264.84
Amerigroup - El Paso	7,419.45	4,529.87	1,368.51	1,838.23
Molina - El Paso	7,419.45	4,529.87	1,487.11	1,838.23
Amerigroup - Harris	7,547.53	4,689.70	917.80	2,391.52
Molina - Harris	7,547.53	4,689.70	885.63	2,391.52
United - Harris	7,547.53	4,689.70	1,039.92	2,391.52
Health Spring - Hidalgo	7,666.58	5,127.72	795.48	2,293.47
Molina - Hidalgo	7,666.58	5,127.72	988.07	2,293.47
Superior - Hidalgo	7,666.58	5,127.72	1,056.06	2,293.47
Amerigroup - Jefferson	7,300.65	4,488.53	825.20	2,894.88
Molina - Jefferson	7,300.65	4,488.53	770.40	2,894.88
United - Jefferson	7,300.65	4,488.53	930.30	2,894.88
Amerigroup - Lubbock	7,231.19	4,647.40	774.69	1,771.47
Superior - Lubbock	7,231.19	4,647.40	837.27	1,771.47
Superior - Nueces	7,075.30	4,807.73	1,078.89	2,205.78
United - Nueces	7,075.30	4,807.73	1,151.35	2,205.78
Amerigroup - Tarrant	7,281.31	4,619.67	910.62	2,332.52
Health Spring - Tarrant	7,281.31	4,619.67	737.53	2,332.52
Amerigroup - Travis	7,448.01	4,871.93	727.16	2,250.22
United - Travis	7,448.01	4,871.93	1,038.86	2,250.22
Superior - MRSA Central	6,676.91	4,580.14	888.31	2,824.81
United - MRSA Central	6,676.91	4,580.14	887.70	2,824.81
Health Spring - MRSA Northeast	7,171.55	4,595.64	804.60	2,382.83
United - MRSA Northeast	7,171.55	4,595.64	898.81	2,382.83
Amerigroup - MRSA West	7,264.46	4,728.29	891.97	1,917.72
Superior - MRSA West	7,264.46	4,728.29	879.33	1,917.72

Attachment 1 presents additional information regarding the breakdown of the components of the FY2018 rates.

Attachment 16 presents the required rating index summarizing the applicable sections from the 2017-2018 Medicaid Managed Care Rate Development Guide.

VI. Actuarial Certification of FY2018 STAR+PLUS Health Plan Premium Rates

We, Evan L. Dial, Khiem D. Ngo and David G. Wilkes are principals with the firm of Rudd and Wisdom, Inc., Consulting Actuaries (Rudd and Wisdom). We are Fellows of the Society of Actuaries and members of the American Academy of Actuaries. We 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 the STAR+PLUS premium rates for the period September 1, 2017 through August 31, 2018 and to provide the actuarial certification required under Centers for Medicare and Medicaid Services (CMS) requirements 42 CFR 438.4.

I certify that the FY2018 premium rates developed by HHSC and Rudd and Wisdom satisfy the following:

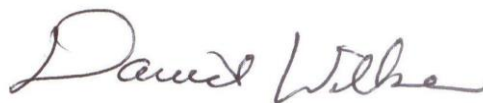
- (a) The premium rates have been developed in accordance with generally accepted actuarial principles and practices;
- (b) The premium rates are appropriate for the populations and services covered under the managed care contract; and
- (c) The premium rates are actuarially sound as defined in the regulations.

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 438.3(c), 438.3(e), 438.4, 438.5, 438.6 and 438.7. Any health plan contracting with the State should analyze its own projected premium needs before deciding whether to contract with the State.



Evan L. Dial, F.S.A., M.A.A.A.



David G. Wilkes, F.S.A., M.A.A.A.



Khiem D. Ngo, F.S.A., M.A.A.A.

VII. Attachments

Attachment 1

Summary of FY2018 STAR+PLUS Rating Analysis

Exhibit A. This exhibit presents summary information regarding the FY2018 rates. Included on the exhibit are current premium rates split between medical (acute care and long term care), prescription drug, NAIP and QIPP rates; FY2018 premium rates split between medical (acute care and long term care), prescription drug, NAIP and QIPP rates; and a comparison of FY2017 and FY2018 premium rates.

Exhibit B. This exhibit presents a comparison of the projected expenditures under the current premiums rates and the FY2018 premium rates. The projection is split by medical, pharmacy and NAIP/QIPP.

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
Current (6/17-8/17) Acute Care Premium Rates pmpm								
Amerigroup - Bexar	540.12	1,365.80	0.00	0.00	1,854.41	0.00	291.94	NA
Molina - Bexar	467.33	1,265.74	0.00	0.00	1,854.41	0.00	220.54	NA
Superior - Bexar	576.17	1,440.40	0.00	0.00	1,854.41	0.00	361.89	NA
Molina - Dallas	663.94	1,538.16	0.00	0.00	1,592.78	0.00	349.77	NA
Superior - Dallas	653.18	1,631.30	0.00	0.00	1,592.78	0.00	355.43	NA
Amerigroup - El Paso	600.11	1,515.11	0.00	0.00	1,860.76	0.00	505.80	NA
Molina - El Paso	664.95	1,374.78	0.00	0.00	1,860.76	0.00	526.85	NA
Amerigroup - Harris	651.91	1,914.91	0.00	0.00	1,973.12	0.00	413.45	NA
Molina - Harris	593.30	1,805.58	0.00	0.00	1,973.12	0.00	454.59	NA
United - Harris	728.27	1,795.90	0.00	0.00	1,973.12	0.00	440.98	NA
Health Spring - Hidalgo	480.69	1,167.86	0.00	0.00	1,906.44	0.00	406.66	NA
Molina - Hidalgo	493.87	1,353.53	0.00	0.00	1,906.44	0.00	485.42	NA
Superior - Hidalgo	533.28	1,316.89	0.00	0.00	1,906.44	0.00	510.03	NA
Amerigroup - Jefferson	578.76	1,755.07	0.00	0.00	1,576.78	0.00	434.09	NA
Molina - Jefferson	584.43	1,609.11	0.00	0.00	1,576.78	0.00	386.52	NA
United - Jefferson	685.75	1,618.33	0.00	0.00	1,576.78	0.00	411.15	NA
Amerigroup - Lubbock	600.81	1,138.22	0.00	0.00	1,297.59	0.00	328.89	NA
Superior - Lubbock	580.24	1,488.27	0.00	0.00	1,297.59	0.00	327.41	NA
Superior - Nueces	525.98	1,309.43	0.00	0.00	1,387.42	0.00	543.26	NA
United - Nueces	564.40	1,346.61	0.00	0.00	1,387.42	0.00	603.69	NA
Amerigroup - Tarrant	684.84	1,549.56	0.00	0.00	1,842.51	0.00	392.17	NA
Health Spring - Tarrant	560.92	1,434.17	0.00	0.00	1,842.51	0.00	308.48	NA
Amerigroup - Travis	591.11	1,576.68	0.00	0.00	1,165.51	0.00	263.65	NA
United - Travis	591.61	1,552.37	0.00	0.00	1,165.51	0.00	401.41	NA
Superior - MRSA Central	583.12	1,258.88	0.00	0.00	1,351.45	0.00	335.74	NA
United - MRSA Central	521.00	1,408.37	0.00	0.00	1,351.45	0.00	318.98	NA
Health Spring - MRSA Northeast	520.37	1,208.98	0.00	0.00	1,897.27	0.00	366.55	NA
United - MRSA Northeast	576.16	1,327.33	0.00	0.00	1,897.27	0.00	378.29	NA
Amerigroup - MRSA West	515.09	1,226.31	0.00	0.00	1,356.91	0.00	358.55	NA
Superior - MRSA West	557.67	1,234.45	0.00	0.00	1,356.91	0.00	409.57	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
Current (6/17-8/17) Long Term Care Premium Rates pmpm								
Amerigroup - Bexar	291.13	1,945.00	360.40	1,900.20	4,822.31	3,979.71	0.00	NA
Molina - Bexar	291.13	1,945.00	360.40	1,900.20	4,822.31	3,979.71	0.00	NA
Superior - Bexar	291.13	1,945.00	360.40	1,900.20	4,822.31	3,979.71	0.00	NA
Molina - Dallas	266.16	1,725.92	315.07	1,726.72	4,526.68	4,109.37	0.00	NA
Superior - Dallas	266.16	1,725.92	315.07	1,726.72	4,526.68	4,109.37	0.00	NA
Amerigroup - El Paso	328.66	1,532.83	445.81	1,912.34	5,850.91	4,460.05	0.00	NA
Molina - El Paso	328.66	1,532.83	445.81	1,912.34	5,850.91	4,460.05	0.00	NA
Amerigroup - Harris	314.94	1,877.85	307.84	1,839.13	4,638.08	4,086.16	0.00	NA
Molina - Harris	314.94	1,877.85	307.84	1,839.13	4,638.08	4,086.16	0.00	NA
United - Harris	314.94	1,877.85	307.84	1,839.13	4,638.08	4,086.16	0.00	NA
Health Spring - Hidalgo	723.90	2,105.33	901.41	2,139.70	4,619.67	4,547.35	0.00	NA
Molina - Hidalgo	723.90	2,105.33	901.41	2,139.70	4,619.67	4,547.35	0.00	NA
Superior - Hidalgo	723.90	2,105.33	901.41	2,139.70	4,619.67	4,547.35	0.00	NA
Amerigroup - Jefferson	189.92	1,515.18	232.64	1,559.75	4,466.56	3,876.19	0.00	NA
Molina - Jefferson	189.92	1,515.18	232.64	1,559.75	4,466.56	3,876.19	0.00	NA
United - Jefferson	189.92	1,515.18	232.64	1,559.75	4,466.56	3,876.19	0.00	NA
Amerigroup - Lubbock	169.59	1,227.62	162.79	1,251.74	4,541.78	3,894.22	0.00	NA
Superior - Lubbock	169.59	1,227.62	162.79	1,251.74	4,541.78	3,894.22	0.00	NA
Superior - Nueces	351.36	1,765.18	443.32	1,783.94	4,157.20	4,054.43	0.00	NA
United - Nueces	351.36	1,765.18	443.32	1,783.94	4,157.20	4,054.43	0.00	NA
Amerigroup - Tarrant	243.49	1,505.42	238.48	1,560.49	4,363.77	3,918.66	0.00	NA
Health Spring - Tarrant	243.49	1,505.42	238.48	1,560.49	4,363.77	3,918.66	0.00	NA
Amerigroup - Travis	262.75	1,905.25	247.95	1,707.73	4,311.09	4,033.61	0.00	NA
United - Travis	262.75	1,905.25	247.95	1,707.73	4,311.09	4,033.61	0.00	NA
Superior - MRSA Central	193.36	2,197.46	221.36	1,690.05	4,119.22	3,898.61	0.00	NA
United - MRSA Central	193.36	2,197.46	221.36	1,690.05	4,119.22	3,898.61	0.00	NA
Health Spring - MRSA Northeast	184.86	1,706.33	200.98	1,406.56	4,057.33	3,894.69	0.00	NA
United - MRSA Northeast	184.86	1,706.33	200.98	1,406.56	4,057.33	3,894.69	0.00	NA
Amerigroup - MRSA West	181.36	1,648.96	251.38	1,437.01	4,307.39	3,771.33	0.00	NA
Superior - MRSA West	181.36	1,648.96	251.38	1,437.01	4,307.39	3,771.33	0.00	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
Current (6/17-8/17) Prescription Drug Premium Rates pmpm								
Amerigroup - Bexar	440.67	926.65	0.00	0.00	808.89	0.00	506.54	NA
Molina - Bexar	381.25	858.76	0.00	0.00	808.89	0.00	382.68	NA
Superior - Bexar	470.08	977.27	0.00	0.00	808.89	0.00	627.87	NA
Molina - Dallas	393.72	775.48	0.00	0.00	676.93	0.00	369.83	NA
Superior - Dallas	386.26	825.60	0.00	0.00	676.93	0.00	377.13	NA
Amerigroup - El Paso	475.21	1,039.67	0.00	0.00	639.01	0.00	653.67	NA
Molina - El Paso	526.56	943.39	0.00	0.00	639.01	0.00	680.86	NA
Amerigroup - Harris	482.22	1,036.87	0.00	0.00	762.56	0.00	551.73	NA
Molina - Harris	438.84	977.68	0.00	0.00	762.56	0.00	606.66	NA
United - Harris	538.71	972.42	0.00	0.00	762.56	0.00	588.47	NA
Health Spring - Hidalgo	482.14	943.63	0.00	0.00	655.25	0.00	392.29	NA
Molina - Hidalgo	495.37	1,093.64	0.00	0.00	655.25	0.00	468.28	NA
Superior - Hidalgo	534.92	1,064.06	0.00	0.00	655.25	0.00	492.04	NA
Amerigroup - Jefferson	427.71	967.74	0.00	0.00	722.38	0.00	500.18	NA
Molina - Jefferson	431.91	887.25	0.00	0.00	722.38	0.00	445.35	NA
United - Jefferson	506.80	892.35	0.00	0.00	722.38	0.00	473.72	NA
Amerigroup - Lubbock	456.71	816.40	0.00	0.00	966.77	0.00	454.81	NA
Superior - Lubbock	441.06	1,067.50	0.00	0.00	966.77	0.00	452.80	NA
Superior - Nueces	451.94	897.28	0.00	0.00	793.54	0.00	533.72	NA
United - Nueces	484.97	922.77	0.00	0.00	793.54	0.00	593.10	NA
Amerigroup - Tarrant	486.57	1,103.05	0.00	0.00	843.87	0.00	537.46	NA
Health Spring - Tarrant	398.51	1,020.90	0.00	0.00	843.87	0.00	422.76	NA
Amerigroup - Travis	486.49	1,132.22	0.00	0.00	1,038.15	0.00	434.14	NA
United - Travis	486.88	1,114.75	0.00	0.00	1,038.15	0.00	661.01	NA
Superior - MRSA Central	414.56	814.24	0.00	0.00	651.42	0.00	468.29	NA
United - MRSA Central	370.38	910.92	0.00	0.00	651.42	0.00	444.91	NA
Health Spring - MRSA Northeast	381.31	920.32	0.00	0.00	740.67	0.00	477.30	NA
United - MRSA Northeast	422.22	1,010.43	0.00	0.00	740.67	0.00	492.56	NA
Amerigroup - MRSA West	410.39	827.85	0.00	0.00	786.77	0.00	492.61	NA
Superior - MRSA West	444.34	833.33	0.00	0.00	786.77	0.00	562.73	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
Current (6/17-8/17) NAIP pmpm								
Amerigroup - Bexar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - Bexar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - Bexar	8.19	8.19	0.00	0.00	0.00	0.00	8.19	NA
Molina - Dallas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - Dallas	2.12	2.12	0.00	0.00	0.00	0.00	2.12	NA
Amerigroup - El Paso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - El Paso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - Harris	27.88	27.88	0.00	0.00	0.00	0.00	27.88	NA
Molina - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - Harris	34.16	34.16	0.00	0.00	0.00	0.00	34.16	NA
Health Spring - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - Hidalgo	3.42	3.42	0.00	0.00	0.00	0.00	3.42	NA
Amerigroup - Jefferson	4.69	4.69	0.00	0.00	0.00	0.00	4.69	NA
Molina - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - Jefferson	31.24	31.24	0.00	0.00	0.00	0.00	31.24	NA
Amerigroup - Lubbock	24.07	24.07	0.00	0.00	0.00	0.00	24.07	NA
Superior - Lubbock	17.18	17.18	0.00	0.00	0.00	0.00	17.18	NA
Superior - Nueces	38.42	38.42	0.00	0.00	0.00	0.00	38.42	NA
United - Nueces	115.24	115.24	0.00	0.00	0.00	0.00	115.24	NA
Amerigroup - Tarrant	4.64	4.64	0.00	0.00	0.00	0.00	4.64	NA
Health Spring - Tarrant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - MRSA Central	4.09	4.09	0.00	0.00	0.00	0.00	4.09	NA
United - MRSA Central	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Health Spring - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - MRSA West	32.61	32.61	0.00	0.00	0.00	0.00	32.61	NA
Superior - MRSA West	20.60	20.60	0.00	0.00	0.00	0.00	20.60	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
Current (6/17-8/17) QIPP pmpm								
Amerigroup - Bexar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - Bexar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - Bexar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - Dallas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - Dallas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - El Paso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - El Paso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Health Spring - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Molina - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - Lubbock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - Lubbock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - Nueces	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - Nueces	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - Tarrant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Health Spring - Tarrant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - MRSA Central	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - MRSA Central	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Health Spring - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
United - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Amerigroup - MRSA West	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA
Superior - MRSA West	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
Current (6/17-8/17) Total Premium Rates pmpm								
Amerigroup - Bexar	1,271.92	4,237.45	360.40	1,900.20	7,485.61	3,979.71	798.48	NA
Molina - Bexar	1,139.71	4,069.50	360.40	1,900.20	7,485.61	3,979.71	603.22	NA
Superior - Bexar	1,345.57	4,370.86	360.40	1,900.20	7,485.61	3,979.71	997.95	NA
Molina - Dallas	1,323.82	4,039.56	315.07	1,726.72	6,796.39	4,109.37	719.60	NA
Superior - Dallas	1,307.72	4,184.94	315.07	1,726.72	6,796.39	4,109.37	734.68	NA
Amerigroup - El Paso	1,403.98	4,087.61	445.81	1,912.34	8,350.68	4,460.05	1,159.47	NA
Molina - El Paso	1,520.17	3,851.00	445.81	1,912.34	8,350.68	4,460.05	1,207.71	NA
Amerigroup - Harris	1,476.95	4,857.51	307.84	1,839.13	7,373.76	4,086.16	993.06	NA
Molina - Harris	1,347.08	4,661.11	307.84	1,839.13	7,373.76	4,086.16	1,061.25	NA
United - Harris	1,616.08	4,680.33	307.84	1,839.13	7,373.76	4,086.16	1,063.61	NA
Health Spring - Hidalgo	1,686.73	4,216.82	901.41	2,139.70	7,181.36	4,547.35	798.95	NA
Molina - Hidalgo	1,713.14	4,552.50	901.41	2,139.70	7,181.36	4,547.35	953.70	NA
Superior - Hidalgo	1,795.52	4,489.70	901.41	2,139.70	7,181.36	4,547.35	1,005.49	NA
Amerigroup - Jefferson	1,201.08	4,242.68	232.64	1,559.75	6,765.72	3,876.19	938.96	NA
Molina - Jefferson	1,206.26	4,011.54	232.64	1,559.75	6,765.72	3,876.19	831.87	NA
United - Jefferson	1,413.71	4,057.10	232.64	1,559.75	6,765.72	3,876.19	916.11	NA
Amerigroup - Lubbock	1,251.18	3,206.31	162.79	1,251.74	6,806.14	3,894.22	807.77	NA
Superior - Lubbock	1,208.07	3,800.57	162.79	1,251.74	6,806.14	3,894.22	797.39	NA
Superior - Nueces	1,367.70	4,010.31	443.32	1,783.94	6,338.16	4,054.43	1,115.40	NA
United - Nueces	1,515.97	4,149.80	443.32	1,783.94	6,338.16	4,054.43	1,312.03	NA
Amerigroup - Tarrant	1,419.54	4,162.67	238.48	1,560.49	7,050.15	3,918.66	934.27	NA
Health Spring - Tarrant	1,202.92	3,960.49	238.48	1,560.49	7,050.15	3,918.66	731.24	NA
Amerigroup - Travis	1,340.35	4,614.15	247.95	1,707.73	6,514.75	4,033.61	697.79	NA
United - Travis	1,341.24	4,572.37	247.95	1,707.73	6,514.75	4,033.61	1,062.42	NA
Superior - MRSA Central	1,195.13	4,274.67	221.36	1,690.05	6,122.09	3,898.61	808.12	NA
United - MRSA Central	1,084.74	4,516.75	221.36	1,690.05	6,122.09	3,898.61	763.89	NA
Health Spring - MRSA Northeast	1,086.54	3,835.63	200.98	1,406.56	6,695.27	3,894.69	843.85	NA
United - MRSA Northeast	1,183.24	4,044.09	200.98	1,406.56	6,695.27	3,894.69	870.85	NA
Amerigroup - MRSA West	1,139.45	3,735.73	251.38	1,437.01	6,451.07	3,771.33	883.77	NA
Superior - MRSA West	1,203.97	3,737.34	251.38	1,437.01	6,451.07	3,771.33	992.90	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 Acute Care Premium Rates pmpm (Community Rates with Risk Adjustment)								
Amerigroup - Bexar	585.25	1,400.68	0.00	0.00	1,396.99	0.00	379.59	1,702.64
Molina - Bexar	483.65	1,180.80	0.00	0.00	1,396.99	0.00	309.76	1,702.64
Superior - Bexar	598.92	1,296.23	0.00	0.00	1,396.99	0.00	443.33	1,702.64
Molina - Dallas	719.46	1,824.38	0.00	0.00	1,885.66	0.00	363.75	1,925.11
Superior - Dallas	697.49	1,874.31	0.00	0.00	1,885.66	0.00	366.62	1,925.11
Amerigroup - El Paso	615.74	1,593.93	0.00	0.00	1,828.51	0.00	515.88	1,180.50
Molina - El Paso	675.37	1,484.16	0.00	0.00	1,828.51	0.00	560.59	1,180.50
Amerigroup - Harris	709.55	1,953.72	0.00	0.00	1,572.09	0.00	392.12	1,966.73
Molina - Harris	664.99	1,884.07	0.00	0.00	1,572.09	0.00	390.70	1,966.73
United - Harris	814.80	1,867.99	0.00	0.00	1,572.09	0.00	445.03	1,966.73
Health Spring - Hidalgo	519.54	1,244.42	0.00	0.00	1,707.95	0.00	415.06	1,892.97
Molina - Hidalgo	558.00	1,341.87	0.00	0.00	1,707.95	0.00	515.55	1,892.97
Superior - Hidalgo	576.69	1,382.39	0.00	0.00	1,707.95	0.00	549.26	1,892.97
Amerigroup - Jefferson	590.33	1,923.50	0.00	0.00	1,505.40	0.00	373.20	2,279.43
Molina - Jefferson	604.88	1,634.37	0.00	0.00	1,505.40	0.00	350.48	2,279.43
United - Jefferson	712.92	1,870.60	0.00	0.00	1,505.40	0.00	409.86	2,279.43
Amerigroup - Lubbock	594.30	1,458.95	0.00	0.00	1,184.35	0.00	364.97	1,366.98
Superior - Lubbock	564.31	1,677.27	0.00	0.00	1,184.35	0.00	398.45	1,366.98
Superior - Nueces	565.52	1,303.00	0.00	0.00	1,410.44	0.00	562.32	1,807.40
United - Nueces	599.72	1,389.98	0.00	0.00	1,410.44	0.00	557.57	1,807.40
Amerigroup - Tarrant	749.15	1,651.04	0.00	0.00	1,494.91	0.00	396.91	1,700.29
Health Spring - Tarrant	605.64	1,528.16	0.00	0.00	1,494.91	0.00	323.11	1,700.29
Amerigroup - Travis	557.30	1,701.65	0.00	0.00	961.69	0.00	298.20	1,670.63
United - Travis	608.91	1,687.92	0.00	0.00	961.69	0.00	426.02	1,670.63
Superior - MRSA Central	601.78	1,297.53	0.00	0.00	1,186.56	0.00	425.57	2,207.75
United - MRSA Central	575.72	1,466.92	0.00	0.00	1,186.56	0.00	427.22	2,207.75
Health Spring - MRSA Northeast	552.05	1,339.63	0.00	0.00	1,361.68	0.00	352.67	1,942.20
United - MRSA Northeast	627.67	1,577.01	0.00	0.00	1,361.68	0.00	393.97	1,942.20
Amerigroup - MRSA West	563.15	1,293.86	0.00	0.00	1,321.68	0.00	385.42	1,589.19
Superior - MRSA West	614.90	1,229.42	0.00	0.00	1,321.68	0.00	384.70	1,589.19

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 Long Term Care Premium Rates pmpm (Community Rates with Risk Adjustment)								
Amerigroup - Bexar	243.44	1,871.28	365.54	1,989.10	4,855.57	4,214.00	0.00	0.00
Molina - Bexar	232.96	1,633.03	372.14	1,893.19	4,855.57	4,214.00	0.00	0.00
Superior - Bexar	294.50	1,884.21	424.35	1,957.32	4,855.57	4,214.00	0.00	0.00
Molina - Dallas	269.53	1,607.80	364.07	1,767.51	4,696.51	4,170.56	0.00	0.00
Superior - Dallas	222.94	1,534.73	339.38	1,761.20	4,696.51	4,170.56	0.00	0.00
Amerigroup - El Paso	263.09	1,479.81	470.49	1,878.39	5,119.26	4,469.37	0.00	0.00
Molina - El Paso	342.21	1,581.04	523.51	1,978.41	5,119.26	4,469.37	0.00	0.00
Amerigroup - Harris	233.93	1,923.76	333.60	1,932.80	4,753.99	4,159.30	0.00	0.00
Molina - Harris	245.93	1,876.78	330.41	1,960.33	4,753.99	4,159.30	0.00	0.00
United - Harris	299.97	1,894.12	356.07	1,977.68	4,753.99	4,159.30	0.00	0.00
Health Spring - Hidalgo	786.87	2,114.72	952.49	2,286.24	4,779.49	4,571.24	0.00	0.00
Molina - Hidalgo	693.10	2,079.56	882.30	2,251.34	4,779.49	4,571.24	0.00	0.00
Superior - Hidalgo	793.73	2,118.60	1,109.95	2,282.44	4,779.49	4,571.24	0.00	0.00
Amerigroup - Jefferson	165.51	1,486.30	274.13	1,674.87	4,512.69	3,926.98	0.00	0.00
Molina - Jefferson	191.41	1,356.95	259.78	1,603.59	4,512.69	3,926.98	0.00	0.00
United - Jefferson	163.28	1,373.06	161.63	1,524.22	4,512.69	3,926.98	0.00	0.00
Amerigroup - Lubbock	97.92	1,131.15	144.53	1,401.05	4,531.65	3,938.70	0.00	0.00
Superior - Lubbock	111.66	1,316.23	170.72	1,471.93	4,531.65	3,938.70	0.00	0.00
Superior - Nueces	364.08	1,798.82	551.48	1,980.53	4,435.12	4,227.08	0.00	0.00
United - Nueces	358.81	1,813.26	441.66	1,946.75	4,435.12	4,227.08	0.00	0.00
Amerigroup - Tarrant	151.44	1,537.66	266.00	1,668.24	4,451.14	4,005.83	0.00	0.00
Health Spring - Tarrant	192.77	1,595.55	225.23	1,715.59	4,451.14	4,005.83	0.00	0.00
Amerigroup - Travis	260.55	1,934.81	319.81	1,784.48	4,752.45	4,135.95	0.00	0.00
United - Travis	168.42	1,897.78	185.00	1,750.06	4,752.45	4,135.95	0.00	0.00
Superior - MRSA Central	156.09	1,967.75	233.25	1,743.94	4,330.23	3,998.45	0.00	0.00
United - MRSA Central	130.63	2,055.80	229.78	1,815.73	4,330.23	3,998.45	0.00	0.00
Health Spring - MRSA Northeast	154.47	1,567.52	214.76	1,589.54	4,532.80	4,033.89	0.00	0.00
United - MRSA Northeast	147.65	1,610.45	212.02	1,501.10	4,532.80	4,033.89	0.00	0.00
Amerigroup - MRSA West	115.92	1,719.02	251.68	1,561.57	4,402.07	3,893.23	0.00	0.00
Superior - MRSA West	143.43	1,568.15	253.28	1,511.84	4,402.07	3,893.23	0.00	0.00

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 Prescription Drug Premium Rates pmpm (Community Rates with Risk Adjustment)								
Amerigroup - Bexar	479.61	1,092.96	0.00	0.00	674.41	0.00	491.68	451.88
Molina - Bexar	396.35	921.40	0.00	0.00	674.41	0.00	401.22	451.88
Superior - Bexar	490.82	1,011.46	0.00	0.00	674.41	0.00	574.24	451.88
Molina - Dallas	402.20	755.90	0.00	0.00	554.94	0.00	326.53	339.73
Superior - Dallas	389.92	776.60	0.00	0.00	554.94	0.00	329.10	339.73
Amerigroup - El Paso	467.92	1,051.52	0.00	0.00	411.18	0.00	852.63	657.73
Molina - El Paso	513.24	979.10	0.00	0.00	411.18	0.00	926.52	657.73
Amerigroup - Harris	519.05	1,068.90	0.00	0.00	691.05	0.00	496.72	424.79
Molina - Harris	486.45	1,030.79	0.00	0.00	691.05	0.00	494.93	424.79
United - Harris	596.03	1,022.00	0.00	0.00	691.05	0.00	563.75	424.79
Health Spring - Hidalgo	526.49	936.04	0.00	0.00	622.66	0.00	380.42	400.50
Molina - Hidalgo	565.46	1,009.34	0.00	0.00	622.66	0.00	472.52	400.50
Superior - Hidalgo	584.40	1,039.81	0.00	0.00	622.66	0.00	503.42	400.50
Amerigroup - Jefferson	438.87	972.44	0.00	0.00	721.01	0.00	447.14	615.45
Molina - Jefferson	449.68	826.27	0.00	0.00	721.01	0.00	419.92	615.45
United - Jefferson	530.01	945.69	0.00	0.00	721.01	0.00	491.06	615.45
Amerigroup - Lubbock	463.65	926.62	0.00	0.00	806.49	0.00	387.02	404.49
Superior - Lubbock	440.25	1,065.28	0.00	0.00	806.49	0.00	422.51	404.49
Superior - Nueces	481.17	882.44	0.00	0.00	649.09	0.00	479.62	398.38
United - Nueces	510.27	941.35	0.00	0.00	649.09	0.00	475.58	398.38
Amerigroup - Tarrant	520.99	1,159.76	0.00	0.00	721.42	0.00	509.08	632.23
Health Spring - Tarrant	421.19	1,073.45	0.00	0.00	721.42	0.00	414.42	632.23
Amerigroup - Travis	471.61	1,119.23	0.00	0.00	997.89	0.00	428.96	579.59
United - Travis	515.28	1,110.20	0.00	0.00	997.89	0.00	612.84	579.59
Superior - MRSA Central	434.98	812.83	0.00	0.00	578.43	0.00	458.71	617.06
United - MRSA Central	416.14	918.94	0.00	0.00	578.43	0.00	460.48	617.06
Health Spring - MRSA Northeast	392.59	872.86	0.00	0.00	715.32	0.00	451.93	440.63
United - MRSA Northeast	446.36	1,027.53	0.00	0.00	715.32	0.00	504.84	440.63
Amerigroup - MRSA West	415.37	946.17	0.00	0.00	705.65	0.00	475.82	328.53
Superior - MRSA West	453.53	899.05	0.00	0.00	705.65	0.00	474.94	328.53

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 NAIP Rates pmpm								
Amerigroup - Bexar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Molina - Bexar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Superior - Bexar	7.97	7.97	0.00	0.00	0.00	0.00	7.97	0.00
Molina - Dallas	0.00	0.00	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	0.00	0.00
Amerigroup - El Paso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Molina - El Paso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Harris	28.96	28.96	0.00	0.00	0.00	0.00	28.96	0.00
Molina - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
United - Harris	31.14	31.14	0.00	0.00	0.00	0.00	31.14	0.00
Health Spring - Hidalgo	0.00	0.00	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	0.00	0.00
Superior - Hidalgo	3.38	3.38	0.00	0.00	0.00	0.00	3.38	0.00
Amerigroup - Jefferson	4.86	4.86	0.00	0.00	0.00	0.00	4.86	0.00
Molina - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
United - Jefferson	29.38	29.38	0.00	0.00	0.00	0.00	29.38	0.00
Amerigroup - Lubbock	22.70	22.70	0.00	0.00	0.00	0.00	22.70	0.00
Superior - Lubbock	16.31	16.31	0.00	0.00	0.00	0.00	16.31	0.00
Superior - Nueces	36.95	36.95	0.00	0.00	0.00	0.00	36.95	0.00
United - Nueces	118.20	118.20	0.00	0.00	0.00	0.00	118.20	0.00
Amerigroup - Tarrant	4.63	4.63	0.00	0.00	0.00	0.00	4.63	0.00
Health Spring - Tarrant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
United - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Superior - MRSA Central	4.03	4.03	0.00	0.00	0.00	0.00	4.03	0.00
United - MRSA Central	0.00	0.00	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	0.00	0.00
United - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amerigroup - MRSA West	30.73	30.73	0.00	0.00	0.00	0.00	30.73	0.00
Superior - MRSA West	19.69	19.69	0.00	0.00	0.00	0.00	19.69	0.00

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 QIPP Rates pmpm								
Amerigroup - Bexar	0.00	0.00	0.00	0.00	634.45	634.45	0.00	0.00
Molina - Bexar	0.00	0.00	0.00	0.00	634.45	634.45	0.00	0.00
Superior - Bexar	0.00	0.00	0.00	0.00	634.45	634.45	0.00	0.00
Molina - Dallas	0.00	0.00	0.00	0.00	637.20	637.20	0.00	0.00
Superior - Dallas	0.00	0.00	0.00	0.00	637.20	637.20	0.00	0.00
Amerigroup - El Paso	0.00	0.00	0.00	0.00	60.50	60.50	0.00	0.00
Molina - El Paso	0.00	0.00	0.00	0.00	60.50	60.50	0.00	0.00
Amerigroup - Harris	0.00	0.00	0.00	0.00	530.40	530.40	0.00	0.00
Molina - Harris	0.00	0.00	0.00	0.00	530.40	530.40	0.00	0.00
United - Harris	0.00	0.00	0.00	0.00	530.40	530.40	0.00	0.00
Health Spring - Hidalgo	0.00	0.00	0.00	0.00	556.48	556.48	0.00	0.00
Molina - Hidalgo	0.00	0.00	0.00	0.00	556.48	556.48	0.00	0.00
Superior - Hidalgo	0.00	0.00	0.00	0.00	556.48	556.48	0.00	0.00
Amerigroup - Jefferson	0.00	0.00	0.00	0.00	561.55	561.55	0.00	0.00
Molina - Jefferson	0.00	0.00	0.00	0.00	561.55	561.55	0.00	0.00
United - Jefferson	0.00	0.00	0.00	0.00	561.55	561.55	0.00	0.00
Amerigroup - Lubbock	0.00	0.00	0.00	0.00	708.70	708.70	0.00	0.00
Superior - Lubbock	0.00	0.00	0.00	0.00	708.70	708.70	0.00	0.00
Superior - Nueces	0.00	0.00	0.00	0.00	580.65	580.65	0.00	0.00
United - Nueces	0.00	0.00	0.00	0.00	580.65	580.65	0.00	0.00
Amerigroup - Tarrant	0.00	0.00	0.00	0.00	613.84	613.84	0.00	0.00
Health Spring - Tarrant	0.00	0.00	0.00	0.00	613.84	613.84	0.00	0.00
Amerigroup - Travis	0.00	0.00	0.00	0.00	735.98	735.98	0.00	0.00
United - Travis	0.00	0.00	0.00	0.00	735.98	735.98	0.00	0.00
Superior - MRSA Central	0.00	0.00	0.00	0.00	581.69	581.69	0.00	0.00
United - MRSA Central	0.00	0.00	0.00	0.00	581.69	581.69	0.00	0.00
Health Spring - MRSA Northeast	0.00	0.00	0.00	0.00	561.75	561.75	0.00	0.00
United - MRSA Northeast	0.00	0.00	0.00	0.00	561.75	561.75	0.00	0.00
Amerigroup - MRSA West	0.00	0.00	0.00	0.00	835.06	835.06	0.00	0.00
Superior - MRSA West	0.00	0.00	0.00	0.00	835.06	835.06	0.00	0.00

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 Total Premium Rates pmpm								
Amerigroup - Bexar	1,308.30	4,364.92	365.54	1,989.10	7,561.42	4,848.45	871.27	2,154.52
Molina - Bexar	1,112.96	3,735.23	372.14	1,893.19	7,561.42	4,848.45	710.98	2,154.52
Superior - Bexar	1,392.21	4,199.87	424.35	1,957.32	7,561.42	4,848.45	1,025.54	2,154.52
Molina - Dallas	1,391.19	4,188.08	364.07	1,767.51	7,774.31	4,807.76	690.28	2,264.84
Superior - Dallas	1,310.35	4,185.64	339.38	1,761.20	7,774.31	4,807.76	695.72	2,264.84
Amerigroup - El Paso	1,346.75	4,125.26	470.49	1,878.39	7,419.45	4,529.87	1,368.51	1,838.23
Molina - El Paso	1,530.82	4,044.30	523.51	1,978.41	7,419.45	4,529.87	1,487.11	1,838.23
Amerigroup - Harris	1,491.49	4,975.34	333.60	1,932.80	7,547.53	4,689.70	917.80	2,391.52
Molina - Harris	1,397.37	4,791.64	330.41	1,960.33	7,547.53	4,689.70	885.63	2,391.52
United - Harris	1,741.94	4,815.25	356.07	1,977.68	7,547.53	4,689.70	1,039.92	2,391.52
Health Spring - Hidalgo	1,832.90	4,295.18	952.49	2,286.24	7,666.58	5,127.72	795.48	2,293.47
Molina - Hidalgo	1,816.56	4,430.77	882.30	2,251.34	7,666.58	5,127.72	988.07	2,293.47
Superior - Hidalgo	1,958.20	4,544.18	1,109.95	2,282.44	7,666.58	5,127.72	1,056.06	2,293.47
Amerigroup - Jefferson	1,199.57	4,387.10	274.13	1,674.87	7,300.65	4,488.53	825.20	2,894.88
Molina - Jefferson	1,245.97	3,817.59	259.78	1,603.59	7,300.65	4,488.53	770.40	2,894.88
United - Jefferson	1,435.59	4,218.73	161.63	1,524.22	7,300.65	4,488.53	930.30	2,894.88
Amerigroup - Lubbock	1,178.57	3,539.42	144.53	1,401.05	7,231.19	4,647.40	774.69	1,771.47
Superior - Lubbock	1,132.53	4,075.09	170.72	1,471.93	7,231.19	4,647.40	837.27	1,771.47
Superior - Nueces	1,447.72	4,021.21	551.48	1,980.53	7,075.30	4,807.73	1,078.89	2,205.78
United - Nueces	1,587.00	4,262.79	441.66	1,946.75	7,075.30	4,807.73	1,151.35	2,205.78
Amerigroup - Tarrant	1,426.21	4,353.09	266.00	1,668.24	7,281.31	4,619.67	910.62	2,332.52
Health Spring - Tarrant	1,219.60	4,197.16	225.23	1,715.59	7,281.31	4,619.67	737.53	2,332.52
Amerigroup - Travis	1,289.46	4,755.69	319.81	1,784.48	7,448.01	4,871.93	727.16	2,250.22
United - Travis	1,292.61	4,695.90	185.00	1,750.06	7,448.01	4,871.93	1,038.86	2,250.22
Superior - MRSA Central	1,196.88	4,082.14	233.25	1,743.94	6,676.91	4,580.14	888.31	2,824.81
United - MRSA Central	1,122.49	4,441.66	229.78	1,815.73	6,676.91	4,580.14	887.70	2,824.81
Health Spring - MRSA Northeast	1,099.11	3,780.01	214.76	1,589.54	7,171.55	4,595.64	804.60	2,382.83
United - MRSA Northeast	1,221.68	4,214.99	212.02	1,501.10	7,171.55	4,595.64	898.81	2,382.83
Amerigroup - MRSA West	1,125.17	3,989.78	251.68	1,561.57	7,264.46	4,728.29	891.97	1,917.72
Superior - MRSA West	1,231.55	3,716.31	253.28	1,511.84	7,264.46	4,728.29	879.33	1,917.72

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 Acute Care Premium Rate Change								
Amerigroup - Bexar	8.4%	2.6%	0.0%	0.0%	-24.7%	0.0%	30.0%	NA
Molina - Bexar	3.5%	-6.7%	0.0%	0.0%	-24.7%	0.0%	40.5%	NA
Superior - Bexar	3.9%	-10.0%	0.0%	0.0%	-24.7%	0.0%	22.5%	NA
Molina - Dallas	8.4%	18.6%	0.0%	0.0%	18.4%	0.0%	4.0%	NA
Superior - Dallas	6.8%	14.9%	0.0%	0.0%	18.4%	0.0%	3.1%	NA
Amerigroup - El Paso	2.6%	5.2%	0.0%	0.0%	-1.7%	0.0%	2.0%	NA
Molina - El Paso	1.6%	8.0%	0.0%	0.0%	-1.7%	0.0%	6.4%	NA
Amerigroup - Harris	8.8%	2.0%	0.0%	0.0%	-20.3%	0.0%	-5.2%	NA
Molina - Harris	12.1%	4.3%	0.0%	0.0%	-20.3%	0.0%	-14.1%	NA
United - Harris	11.9%	4.0%	0.0%	0.0%	-20.3%	0.0%	0.9%	NA
Health Spring - Hidalgo	8.1%	6.6%	0.0%	0.0%	-10.4%	0.0%	2.1%	NA
Molina - Hidalgo	13.0%	-0.9%	0.0%	0.0%	-10.4%	0.0%	6.2%	NA
Superior - Hidalgo	8.1%	5.0%	0.0%	0.0%	-10.4%	0.0%	7.7%	NA
Amerigroup - Jefferson	2.0%	9.6%	0.0%	0.0%	-4.5%	0.0%	-14.0%	NA
Molina - Jefferson	3.5%	1.6%	0.0%	0.0%	-4.5%	0.0%	-9.3%	NA
United - Jefferson	4.0%	15.6%	0.0%	0.0%	-4.5%	0.0%	-0.3%	NA
Amerigroup - Lubbock	-1.1%	28.2%	0.0%	0.0%	-8.7%	0.0%	11.0%	NA
Superior - Lubbock	-2.7%	12.7%	0.0%	0.0%	-8.7%	0.0%	21.7%	NA
Superior - Nueces	7.5%	-0.5%	0.0%	0.0%	1.7%	0.0%	3.5%	NA
United - Nueces	6.3%	3.2%	0.0%	0.0%	1.7%	0.0%	-7.6%	NA
Amerigroup - Tarrant	9.4%	6.5%	0.0%	0.0%	-18.9%	0.0%	1.2%	NA
Health Spring - Tarrant	8.0%	6.6%	0.0%	0.0%	-18.9%	0.0%	4.7%	NA
Amerigroup - Travis	-5.7%	7.9%	0.0%	0.0%	-17.5%	0.0%	13.1%	NA
United - Travis	2.9%	8.7%	0.0%	0.0%	-17.5%	0.0%	6.1%	NA
Superior - MRSA Central	3.2%	3.1%	0.0%	0.0%	-12.2%	0.0%	26.8%	NA
United - MRSA Central	10.5%	4.2%	0.0%	0.0%	-12.2%	0.0%	33.9%	NA
Health Spring - MRSA Northeast	6.1%	10.8%	0.0%	0.0%	-28.2%	0.0%	-3.8%	NA
United - MRSA Northeast	8.9%	18.8%	0.0%	0.0%	-28.2%	0.0%	4.1%	NA
Amerigroup - MRSA West	9.3%	5.5%	0.0%	0.0%	-2.6%	0.0%	7.5%	NA
Superior - MRSA West	10.3%	-0.4%	0.0%	0.0%	-2.6%	0.0%	-6.1%	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 Long Term Care Premium Rate Change								
Amerigroup - Bexar	-16.4%	-3.8%	1.4%	4.7%	0.7%	5.9%	0.0%	NA
Molina - Bexar	-20.0%	-16.0%	3.3%	-0.4%	0.7%	5.9%	0.0%	NA
Superior - Bexar	1.2%	-3.1%	17.7%	3.0%	0.7%	5.9%	0.0%	NA
Molina - Dallas	1.3%	-6.8%	15.6%	2.4%	3.8%	1.5%	0.0%	NA
Superior - Dallas	-16.2%	-11.1%	7.7%	2.0%	3.8%	1.5%	0.0%	NA
Amerigroup - El Paso	-20.0%	-3.5%	5.5%	-1.8%	-12.5%	0.2%	0.0%	NA
Molina - El Paso	4.1%	3.1%	17.4%	3.5%	-12.5%	0.2%	0.0%	NA
Amerigroup - Harris	-25.7%	2.4%	8.4%	5.1%	2.5%	1.8%	0.0%	NA
Molina - Harris	-21.9%	-0.1%	7.3%	6.6%	2.5%	1.8%	0.0%	NA
United - Harris	-4.8%	0.9%	15.7%	7.5%	2.5%	1.8%	0.0%	NA
Health Spring - Hidalgo	8.7%	0.4%	5.7%	6.8%	3.5%	0.5%	0.0%	NA
Molina - Hidalgo	-4.3%	-1.2%	-2.1%	5.2%	3.5%	0.5%	0.0%	NA
Superior - Hidalgo	9.6%	0.6%	23.1%	6.7%	3.5%	0.5%	0.0%	NA
Amerigroup - Jefferson	-12.9%	-1.9%	17.8%	7.4%	1.0%	1.3%	0.0%	NA
Molina - Jefferson	0.8%	-10.4%	11.7%	2.8%	1.0%	1.3%	0.0%	NA
United - Jefferson	-14.0%	-9.4%	-30.5%	-2.3%	1.0%	1.3%	0.0%	NA
Amerigroup - Lubbock	-42.3%	-7.9%	-11.2%	11.9%	-0.2%	1.1%	0.0%	NA
Superior - Lubbock	-34.2%	7.2%	4.9%	17.6%	-0.2%	1.1%	0.0%	NA
Superior - Nueces	3.6%	1.9%	24.4%	11.0%	6.7%	4.3%	0.0%	NA
United - Nueces	2.1%	2.7%	-0.4%	9.1%	6.7%	4.3%	0.0%	NA
Amerigroup - Tarrant	-37.8%	2.1%	11.5%	6.9%	2.0%	2.2%	0.0%	NA
Health Spring - Tarrant	-20.8%	6.0%	-5.6%	9.9%	2.0%	2.2%	0.0%	NA
Amerigroup - Travis	-0.8%	1.6%	29.0%	4.5%	10.2%	2.5%	0.0%	NA
United - Travis	-35.9%	-0.4%	-25.4%	2.5%	10.2%	2.5%	0.0%	NA
Superior - MRSA Central	-19.3%	-10.5%	5.4%	3.2%	5.1%	2.6%	0.0%	NA
United - MRSA Central	-32.4%	-6.4%	3.8%	7.4%	5.1%	2.6%	0.0%	NA
Health Spring - MRSA Northeast	-16.4%	-8.1%	6.9%	13.0%	11.7%	3.6%	0.0%	NA
United - MRSA Northeast	-20.1%	-5.6%	5.5%	6.7%	11.7%	3.6%	0.0%	NA
Amerigroup - MRSA West	-36.1%	4.2%	0.1%	8.7%	2.2%	3.2%	0.0%	NA
Superior - MRSA West	-20.9%	-4.9%	0.8%	5.2%	2.2%	3.2%	0.0%	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 Prescription Drug Premium Rate Change								
Amerigroup - Bexar	8.8%	17.9%	0.0%	0.0%	-16.6%	0.0%	-2.9%	NA
Molina - Bexar	4.0%	7.3%	0.0%	0.0%	-16.6%	0.0%	4.8%	NA
Superior - Bexar	4.4%	3.5%	0.0%	0.0%	-16.6%	0.0%	-8.5%	NA
Molina - Dallas	2.2%	-2.5%	0.0%	0.0%	-18.0%	0.0%	-11.7%	NA
Superior - Dallas	0.9%	-5.9%	0.0%	0.0%	-18.0%	0.0%	-12.7%	NA
Amerigroup - El Paso	-1.5%	1.1%	0.0%	0.0%	-35.7%	0.0%	30.4%	NA
Molina - El Paso	-2.5%	3.8%	0.0%	0.0%	-35.7%	0.0%	36.1%	NA
Amerigroup - Harris	7.6%	3.1%	0.0%	0.0%	-9.4%	0.0%	-10.0%	NA
Molina - Harris	10.8%	5.4%	0.0%	0.0%	-9.4%	0.0%	-18.4%	NA
United - Harris	10.6%	5.1%	0.0%	0.0%	-9.4%	0.0%	-4.2%	NA
Health Spring - Hidalgo	9.2%	-0.8%	0.0%	0.0%	-5.0%	0.0%	-3.0%	NA
Molina - Hidalgo	14.1%	-7.7%	0.0%	0.0%	-5.0%	0.0%	0.9%	NA
Superior - Hidalgo	9.2%	-2.3%	0.0%	0.0%	-5.0%	0.0%	2.3%	NA
Amerigroup - Jefferson	2.6%	0.5%	0.0%	0.0%	-0.2%	0.0%	-10.6%	NA
Molina - Jefferson	4.1%	-6.9%	0.0%	0.0%	-0.2%	0.0%	-5.7%	NA
United - Jefferson	4.6%	6.0%	0.0%	0.0%	-0.2%	0.0%	3.7%	NA
Amerigroup - Lubbock	1.5%	13.5%	0.0%	0.0%	-16.6%	0.0%	-14.9%	NA
Superior - Lubbock	-0.2%	-0.2%	0.0%	0.0%	-16.6%	0.0%	-6.7%	NA
Superior - Nueces	6.5%	-1.7%	0.0%	0.0%	-18.2%	0.0%	-10.1%	NA
United - Nueces	5.2%	2.0%	0.0%	0.0%	-18.2%	0.0%	-19.8%	NA
Amerigroup - Tarrant	7.1%	5.1%	0.0%	0.0%	-14.5%	0.0%	-5.3%	NA
Health Spring - Tarrant	5.7%	5.1%	0.0%	0.0%	-14.5%	0.0%	-2.0%	NA
Amerigroup - Travis	-3.1%	-1.1%	0.0%	0.0%	-3.9%	0.0%	-1.2%	NA
United - Travis	5.8%	-0.4%	0.0%	0.0%	-3.9%	0.0%	-7.3%	NA
Superior - MRSA Central	4.9%	-0.2%	0.0%	0.0%	-11.2%	0.0%	-2.0%	NA
United - MRSA Central	12.4%	0.9%	0.0%	0.0%	-11.2%	0.0%	3.5%	NA
Health Spring - MRSA Northeast	3.0%	-5.2%	0.0%	0.0%	-3.4%	0.0%	-5.3%	NA
United - MRSA Northeast	5.7%	1.7%	0.0%	0.0%	-3.4%	0.0%	2.5%	NA
Amerigroup - MRSA West	1.2%	14.3%	0.0%	0.0%	-10.3%	0.0%	-3.4%	NA
Superior - MRSA West	2.1%	7.9%	0.0%	0.0%	-10.3%	0.0%	-15.6%	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 NAIP Premium Rate Change								
Amerigroup - Bexar	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Molina - Bexar	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Superior - Bexar	-2.7%	-2.7%	0.0%	0.0%	0.0%	0.0%	-2.7%	NA
Molina - Dallas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Superior - Dallas	-100.0%	-100.0%	0.0%	0.0%	0.0%	0.0%	-100.0%	NA
Amerigroup - El Paso	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Molina - El Paso	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Amerigroup - Harris	3.9%	3.9%	0.0%	0.0%	0.0%	0.0%	3.9%	NA
Molina - Harris	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
United - Harris	-8.8%	-8.8%	0.0%	0.0%	0.0%	0.0%	-8.8%	NA
Health Spring - Hidalgo	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Molina - Hidalgo	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Superior - Hidalgo	-1.2%	-1.2%	0.0%	0.0%	0.0%	0.0%	-1.2%	NA
Amerigroup - Jefferson	3.6%	3.6%	0.0%	0.0%	0.0%	0.0%	3.6%	NA
Molina - Jefferson	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
United - Jefferson	-6.0%	-6.0%	0.0%	0.0%	0.0%	0.0%	-6.0%	NA
Amerigroup - Lubbock	-5.7%	-5.7%	0.0%	0.0%	0.0%	0.0%	-5.7%	NA
Superior - Lubbock	-5.1%	-5.1%	0.0%	0.0%	0.0%	0.0%	-5.1%	NA
Superior - Nueces	-3.8%	-3.8%	0.0%	0.0%	0.0%	0.0%	-3.8%	NA
United - Nueces	2.6%	2.6%	0.0%	0.0%	0.0%	0.0%	2.6%	NA
Amerigroup - Tarrant	-0.2%	-0.2%	0.0%	0.0%	0.0%	0.0%	-0.2%	NA
Health Spring - Tarrant	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Amerigroup - Travis	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
United - Travis	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Superior - MRSA Central	-1.5%	-1.5%	0.0%	0.0%	0.0%	0.0%	-1.5%	NA
United - MRSA Central	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Health Spring - MRSA Northeast	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
United - MRSA Northeast	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	NA
Amerigroup - MRSA West	-5.8%	-5.8%	0.0%	0.0%	0.0%	0.0%	-5.8%	NA
Superior - MRSA West	-4.4%	-4.4%	0.0%	0.0%	0.0%	0.0%	-4.4%	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 QIPP Premium Rate Change								
Amerigroup - Bexar	NA	NA	NA	NA	NA	NA	NA	NA
Molina - Bexar	NA	NA	NA	NA	NA	NA	NA	NA
Superior - Bexar	NA	NA	NA	NA	NA	NA	NA	NA
Molina - Dallas	NA	NA	NA	NA	NA	NA	NA	NA
Superior - Dallas	NA	NA	NA	NA	NA	NA	NA	NA
Amerigroup - El Paso	NA	NA	NA	NA	NA	NA	NA	NA
Molina - El Paso	NA	NA	NA	NA	NA	NA	NA	NA
Amerigroup - Harris	NA	NA	NA	NA	NA	NA	NA	NA
Molina - Harris	NA	NA	NA	NA	NA	NA	NA	NA
United - Harris	NA	NA	NA	NA	NA	NA	NA	NA
Health Spring - Hidalgo	NA	NA	NA	NA	NA	NA	NA	NA
Molina - Hidalgo	NA	NA	NA	NA	NA	NA	NA	NA
Superior - Hidalgo	NA	NA	NA	NA	NA	NA	NA	NA
Amerigroup - Jefferson	NA	NA	NA	NA	NA	NA	NA	NA
Molina - Jefferson	NA	NA	NA	NA	NA	NA	NA	NA
United - Jefferson	NA	NA	NA	NA	NA	NA	NA	NA
Amerigroup - Lubbock	NA	NA	NA	NA	NA	NA	NA	NA
Superior - Lubbock	NA	NA	NA	NA	NA	NA	NA	NA
Superior - Nueces	NA	NA	NA	NA	NA	NA	NA	NA
United - Nueces	NA	NA	NA	NA	NA	NA	NA	NA
Amerigroup - Tarrant	NA	NA	NA	NA	NA	NA	NA	NA
Health Spring - Tarrant	NA	NA	NA	NA	NA	NA	NA	NA
Amerigroup - Travis	NA	NA	NA	NA	NA	NA	NA	NA
United - Travis	NA	NA	NA	NA	NA	NA	NA	NA
Superior - MRSA Central	NA	NA	NA	NA	NA	NA	NA	NA
United - MRSA Central	NA	NA	NA	NA	NA	NA	NA	NA
Health Spring - MRSA Northeast	NA	NA	NA	NA	NA	NA	NA	NA
United - MRSA Northeast	NA	NA	NA	NA	NA	NA	NA	NA
Amerigroup - MRSA West	NA	NA	NA	NA	NA	NA	NA	NA
Superior - MRSA West	NA	NA	NA	NA	NA	NA	NA	NA

FY2018 STAR+PLUS Rating Summary

	Medicaid Only		Dual Eligible		Nursing Facility		IDD	MBCCP
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible		
FY2018 Total Premium Rate Change								
Amerigroup - Bexar	2.9%	3.0%	1.4%	4.7%	1.0%	21.8%	9.1%	NA
Molina - Bexar	-2.3%	-8.2%	3.3%	-0.4%	1.0%	21.8%	17.9%	NA
Superior - Bexar	3.5%	-3.9%	17.7%	3.0%	1.0%	21.8%	2.8%	NA
Molina - Dallas	5.1%	3.7%	15.6%	2.4%	14.4%	17.0%	-4.1%	NA
Superior - Dallas	0.2%	0.0%	7.7%	2.0%	14.4%	17.0%	-5.3%	NA
Amerigroup - El Paso	-4.1%	0.9%	5.5%	-1.8%	-11.2%	1.6%	18.0%	NA
Molina - El Paso	0.7%	5.0%	17.4%	3.5%	-11.2%	1.6%	23.1%	NA
Amerigroup - Harris	1.0%	2.4%	8.4%	5.1%	2.4%	14.8%	-7.6%	NA
Molina - Harris	3.7%	2.8%	7.3%	6.6%	2.4%	14.8%	-16.5%	NA
United - Harris	7.8%	2.9%	15.7%	7.5%	2.4%	14.8%	-2.2%	NA
Health Spring - Hidalgo	8.7%	1.9%	5.7%	6.8%	6.8%	12.8%	-0.4%	NA
Molina - Hidalgo	6.0%	-2.7%	-2.1%	5.2%	6.8%	12.8%	3.6%	NA
Superior - Hidalgo	9.1%	1.2%	23.1%	6.7%	6.8%	12.8%	5.0%	NA
Amerigroup - Jefferson	-0.1%	3.4%	17.8%	7.4%	7.9%	15.8%	-12.1%	NA
Molina - Jefferson	3.3%	-4.8%	11.7%	2.8%	7.9%	15.8%	-7.4%	NA
United - Jefferson	1.5%	4.0%	-30.5%	-2.3%	7.9%	15.8%	1.5%	NA
Amerigroup - Lubbock	-5.8%	10.4%	-11.2%	11.9%	6.2%	19.3%	-4.1%	NA
Superior - Lubbock	-6.3%	7.2%	4.9%	17.6%	6.2%	19.3%	5.0%	NA
Superior - Nueces	5.9%	0.3%	24.4%	11.0%	11.6%	18.6%	-3.3%	NA
United - Nueces	4.7%	2.7%	-0.4%	9.1%	11.6%	18.6%	-12.2%	NA
Amerigroup - Tarrant	0.5%	4.6%	11.5%	6.9%	3.3%	17.9%	-2.5%	NA
Health Spring - Tarrant	1.4%	6.0%	-5.6%	9.9%	3.3%	17.9%	0.9%	NA
Amerigroup - Travis	-3.8%	3.1%	29.0%	4.5%	14.3%	20.8%	4.2%	NA
United - Travis	-3.6%	2.7%	-25.4%	2.5%	14.3%	20.8%	-2.2%	NA
Superior - MRSA Central	0.1%	-4.5%	5.4%	3.2%	9.1%	17.5%	9.9%	NA
United - MRSA Central	3.5%	-1.7%	3.8%	7.4%	9.1%	17.5%	16.2%	NA
Health Spring - MRSA Northeast	1.2%	-1.5%	6.9%	13.0%	7.1%	18.0%	-4.7%	NA
United - MRSA Northeast	3.2%	4.2%	5.5%	6.7%	7.1%	18.0%	3.2%	NA
Amerigroup - MRSA West	-1.3%	6.8%	0.1%	8.7%	12.6%	25.4%	0.9%	NA
Superior - MRSA West	2.3%	-0.6%	0.8%	5.2%	12.6%	25.4%	-11.4%	NA

FY2018 STAR+PLUS Rating Summary

	Projected PMPM		Projected FY2018 Premium		% Rate Change
	FY2017 Rates	FY2018 Rates	FY2017 Rates	FY2018 Rates	
Non-Nursing Facility					
Medical (1)	812.10	840.15	4,674,347,113	4,835,833,559	3.5%
Pharmacy	234.29	244.06	1,348,575,738	1,404,797,041	4.2%
NAIP	5.89	5.67	33,903,565	32,612,529	-3.8%
Total	1,052.28	1,089.88	6,056,826,416	6,273,243,129	3.6%
Nursing Facility					
Medical (1)	4,235.61	4,317.72	2,544,987,652	2,594,325,162	1.9%
Pharmacy	86.35	76.60	51,881,597	46,026,782	-11.3%
QIPP	0.00	618.45	0	371,600,123	NA
Total	4,321.96	5,012.78	2,596,869,249	3,011,952,067	16.0%
Total - Excluding MBCCP					
Medical (1)	1,135.69	1,168.86	7,219,334,765	7,430,158,721	2.9%
Pharmacy	220.31	228.23	1,400,457,334	1,450,823,823	3.6%
NAIP & QIPP	5.33	63.59	33,903,565	404,212,652	1092.2%
Total	1,361.34	1,460.68	8,653,695,665	9,285,195,196	7.3%
MBCCP					
Medical	NA	1,812.38	NA	100,295,610	NA
Pharmacy	NA	464.50	NA	25,704,940	NA
NAIP & QIPP	NA	0.00	NA	0	NA
Total	NA	2,276.88	NA	126,000,550	NA

Notes:

(1) Includes LTSS.

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 by risk group for the period September 2013 through February 2017. 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 2013 through February 2017.

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, 2017, (iii) estimated proportion of that month's incurred claims paid through February 28, 2017 (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 FY2018 cost based on the health plan's actual experience. The top of the exhibit shows summary base period (FY2016) enrollment, premium and claims experience. Next are projected FY2018 enrollment and premium based on current rates. Trend assumptions for FY2017 and FY2018 are used to project the average base period claims cost to FY2018. Adjustment factors are used to recognize the cost impact of benefit and provider reimbursement changes. Combining these factors results in projected FY2018 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. The cost of reinsurance is also considered. In developing the cost of reinsurance, an assumption is made regarding how much the health plan is expected to receive in reinsurance recoveries (reimbursements from the reinsurance company for large claims). 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) \$0.50 pmpm.

A provision for administrative expenses is included in the amount of \$18.00 pmpm and 5.75% of gross premium. Additional provisions are also included for premium tax (1.75% of premium), maintenance tax (\$0.06 pmpm) and risk margin (1.75% of premium).

At the bottom of Exhibit D is a summary of the projected FY2018 cost based on the above assumptions. Cost projections are presented separately for acute care and long term care services.

Sample HMO
Enrollment and Premium Experience
Number of Members

Month	Medicaid Only		Dual Eligible		Total Members
	OCC	HCBS	OCC	HCBS	
Sep-13	3,520	131	5,019	537	9,207
Oct-13	3,611	132	5,026	536	9,305
Nov-13	3,642	142	5,078	542	9,404
Dec-13	3,655	141	5,057	536	9,389
Jan-14	3,638	144	5,145	529	9,456
Feb-14	3,648	156	5,167	521	9,492
Mar-14	3,658	157	5,204	517	9,536
Apr-14	3,685	161	5,223	517	9,586
May-14	3,722	163	5,234	515	9,634
Jun-14	3,739	161	5,243	517	9,660
Jul-14	3,761	161	5,300	513	9,735
Aug-14	3,750	169	5,268	525	9,712
Sep-14	3,772	168	5,306	525	9,771
Oct-14	3,790	168	5,288	532	9,778
Nov-14	3,782	167	5,326	537	9,812
Dec-14	3,805	167	5,238	542	9,752
Jan-15	3,778	170	5,289	544	9,781
Feb-15	3,830	170	5,274	555	9,829
Mar-15	3,810	172	5,274	554	9,810
Apr-15	3,837	176	5,250	559	9,822
May-15	3,862	180	5,231	564	9,837
Jun-15	3,866	190	5,242	592	9,890
Jul-15	3,876	195	5,250	607	9,928
Aug-15	3,865	208	5,226	629	9,928
Sep-15	3,921	208	5,271	626	10,026
Oct-15	3,897	212	5,243	642	9,994
Nov-15	3,905	220	5,215	652	9,992
Dec-15	3,915	216	5,186	646	9,963
Jan-16	3,913	214	5,190	644	9,961
Feb-16	3,849	218	5,187	642	9,896
Mar-16	3,894	216	5,311	642	10,063
Apr-16	3,892	220	5,409	642	10,163
May-16	3,915	217	5,532	650	10,314
Jun-16	3,929	220	5,611	655	10,415
Jul-16	3,933	213	5,687	654	10,487
Aug-16	3,913	212	5,770	668	10,563
Sep-16	3,928	216	5,749	670	10,563
Oct-16	3,998	220	5,774	679	10,671
Nov-16	4,061	214	5,786	677	10,738
Dec-16	4,096	222	5,778	673	10,769
Jan-17	4,101	226	5,785	682	10,794
Feb-17	4,122	223	5,801	677	10,823
FY2014	44,029	1,818	61,964	6,305	114,116
FY2015	45,873	2,131	63,194	6,740	117,938
FY2016	46,876	2,586	64,612	7,763	121,837

Sample HMO
Claims Lag Report

Month Incurred	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Sep-14	1,773	31	-111	268	9,038	0	0	776	-1,303	0	0	0	0	0	40	0
Oct-14	-3,331	0	-270	11,125	45	-11,639	0	-118	0	-2,136	0	0	0	-7,900	0	0
Nov-14	4,648	309	119	36	12	0	57	319	0	767	0	0	0	0	0	0
Dec-14	1,838	1,996	182	-623	122	0	57	20	0	0	0	0	0	40	0	0
Jan-15	7,771	745	467	83	-104	0	42	-197	58	221	148	234	1,785	-87	0	0
Feb-15	3,361	357	128	576	0	0	-114	945	9	105	0	80	1,216	255	0	0
Mar-15	6,713	652	90	-4,907	178	350	3,695	412	47	0	3	-6,748	1,603	44	3	0
Apr-15	5,776	-1,274	9,646	-569	322	-94	438	-244	4,471	-867	-22	-12	1,325	-50	0	-75
May-15	47,600	14,221	3,420	1,695	4,352	-2,782	-106	18,923	4,863	-1,263	95	-84	1,551	-95	0	0
Jun-15	21,378	1,537	514	-5,273	188	1,562	1,853	-6,764	4,491	-51	59	67	2,015	-964	0	0
Jul-15	52,435	21,211	21,434	8,643	9,639	-682	3,023	-4,590	-7,456	-3,642	-6	368	1,907	180	0	442
Aug-15	497,278	77,599	58,964	7,238	10,248	4,095	485	494	-791	-610	-440	2,148	2,008	53	0	139
Sep-15	310,494	502,812	103,585	24,213	12,821	8,457	2,418	10,981	-11,292	6,095	-202	-17,295	1,535	-4,092	0	1,430
Oct-15		366,702	359,134	68,816	14,422	10,189	39,521	1,852	11,886	-1,226	15,728	878	1,225	-50	122	194
Nov-15			168,391	485,984	71,896	42,292	36,276	12,989	-864	-843	-1,716	248	976	-3,597	34	659
Dec-15				344,982	585,788	66,222	27,843	64,205	7,628	-444	-233	613	435	2,705	47	10,039
Jan-16					352,416	692,578	105,139	16,867	11,003	47,286	15,393	1,743	1,172	222	191	1,922
Feb-16						278,443	505,052	116,595	27,781	14,176	3,965	1,872	14,572	-4,761	129	-990
Mar-16							297,818	699,949	72,000	32,641	23,738	4,619	22,124	-28,284	-2,039	299
Apr-16								327,269	588,088	159,240	52,311	33,800	28,680	-6,791	15,614	51
May-16									295,553	662,547	216,472	75,435	2,333	12,815	-113	-847
Jun-16										326,735	723,882	66,734	7,424	89,732	17,714	-401
Jul-16											408,905	437,228	96,100	67,194	8,028	20,367
Aug-16												313,702	567,308	71,642	12,982	9,164
Sep-16													335,111	420,796	57,931	31,420
Oct-16														378,163	517,548	83,812
Nov-16															301,129	658,996
Dec-16																466,444
Jan-17																
Feb-17																
	963,358	984,840	726,501	938,677	1,067,965	1,090,671	1,023,347	1,260,908	1,005,680	1,240,384	1,458,081	915,631	1,092,404	987,186	924,456	1,284,126

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-13	3,520	1,444,667	1.000	1,444,667	410.42	
Oct-13	3,611	1,177,163	1.000	1,177,163	325.99	
Nov-13	3,642	1,133,086	1.000	1,133,086	311.12	
Dec-13	3,655	1,090,305	1.000	1,090,305	298.31	
Jan-14	3,638	1,373,505	1.000	1,373,505	377.54	
Feb-14	3,648	1,035,658	1.000	1,035,658	283.90	
Mar-14	3,658	1,094,079	1.000	1,094,079	299.09	
Apr-14	3,685	1,004,928	1.000	1,004,928	272.71	
May-14	3,722	1,103,922	1.000	1,103,922	296.59	
Jun-14	3,739	1,209,549	1.000	1,209,549	323.50	
Jul-14	3,761	1,215,489	1.000	1,215,489	323.18	
Aug-14	3,750	1,125,431	1.000	1,125,431	300.12	
Sep-14	3,772	927,416	1.000	927,416	245.87	0.599
Oct-14	3,790	1,041,067	1.000	1,041,067	274.69	0.843
Nov-14	3,782	851,373	1.000	851,373	225.11	0.724
Dec-14	3,805	1,082,105	1.000	1,082,105	284.39	0.953
Jan-15	3,778	999,526	1.000	999,526	264.56	0.701
Feb-15	3,830	896,270	1.000	896,270	234.01	0.824
Mar-15	3,810	867,686	1.000	867,686	227.74	0.761
Apr-15	3,837	807,156	1.000	807,156	210.36	0.771
May-15	3,862	772,415	1.000	772,415	200.00	0.674
Jun-15	3,866	973,053	1.000	973,053	251.69	0.778
Jul-15	3,876	990,055	1.000	990,055	255.43	0.790
Aug-15	3,865	1,003,186	1.000	1,003,186	259.56	0.865
Sep-15	3,921	952,049	1.000	952,049	242.81	0.988
Oct-15	3,897	889,599	0.999	890,490	228.51	0.832
Nov-15	3,905	813,010	0.999	813,824	208.41	0.926
Dec-15	3,915	1,108,937	0.999	1,110,047	283.54	0.997
Jan-16	3,913	1,241,536	0.999	1,242,779	317.60	1.200
Feb-16	3,849	954,540	0.998	956,453	248.49	1.062
Mar-16	3,894	1,118,765	0.998	1,121,007	287.88	1.264
Apr-16	3,892	1,194,560	0.998	1,196,954	307.54	1.462
May-16	3,915	1,266,956	0.999	1,268,224	323.94	1.620
Jun-16	3,929	1,232,428	0.999	1,233,662	313.99	1.247
Jul-16	3,933	1,036,223	1.000	1,036,223	263.47	1.031
Aug-16	3,913	983,191	0.998	985,161	251.77	0.970
Sep-16	3,928	881,928	0.996	885,470	225.43	0.928
Oct-16	3,998	1,022,332	0.984	1,038,955	259.87	1.137
Nov-16	4,061	1,094,390	0.953	1,148,363	282.78	1.357
Dec-16	4,096	1,154,501	0.921	1,253,530	306.04	1.079
FY2014	44,029	14,007,782		14,007,782	318.15	
FY2015	45,873	11,211,307		11,211,307	244.40	0.768
FY2016	46,876	12,791,796		12,806,874	273.21	1.118

Sample HMO
Experienced Based Renewal Rating

	Medicaid Only - OCC		Medicaid Only - HCBS	
	Amount	pmpm	Amount	pmpm
FY2016 Experience Period				
Member Months	46,876		2,586	
Premium Revenue	41,595,658	887.36	8,401,522	3,248.85
Estimated FY2016 Incurred Claims				
Acute Care	12,806,874	273.21	1,930,319	746.45
Long Term Care	5,741,611	122.49	2,721,627	1,052.45
Total	18,548,485	395.69	4,651,946	1,798.90
Projected FY2018 Member Months	47,616		2,537	
Projected FY2018 Premium				
At Current Rates	22,629,737	475.25	6,223,622	2,453.18
Annual Cost Trend Assumptions				
Acute Care				
FY2017	2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %	
Long Term Care				
FY2017	7.8 %		2.1 %	
FY2018	5.2 %		-1.0 %	
Provider Reimbursement Adjustment				
Acute Care - Non Inpatient		0.9578		0.9813
Acute Care - Inpatient		0.9987		0.9985
Long Term Care		1.0209		1.0000
Other Reimbursement Adjustment		1.0182		1.0000
Projected Incurred Claims				
Acute Care	13,233,999	277.93	1,853,636	730.65
LTC	6,875,561	144.39	2,698,825	1,063.80
Total	20,109,560	422.32	4,552,461	1,794.45
Capitation Expenses				
Vision	59,521	1.25	3,171	1.25
Behavioral Health	21,427	0.45	1,142	0.45
Radiology	0	0.00	0	0.00
Other - Settlements	8,571	0.18	457	0.18
Total	89,519	1.88	4,769	1.88

Sample HMO
Experienced Based Renewal Rating

	Medicaid Only - OCC		Medicaid Only - HCBS	
	Amount	pmpm	Amount	pmpm
Other Expenses				
Service Coordination	1,159,462	24.35	61,775	24.35
Other	0	0.00	31,864	12.56
Total	1,159,462	24.35	93,639	36.91
Reinsurance Expenses				
Gross Premium	59,521	1.25	3,171	1.25
Projected Reinsurance Recoveries	35,712	0.75	1,903	0.75
Net Reinsurance Cost	23,808	0.50	1,268	0.50
Administrative Expenses				
Fixed Amount	857,097	18.00	41,226	16.25
Percentage of Premium	1,409,284	5.75%	297,385	5.75%
Total	2,266,381		338,611	
Risk Margin	428,913	1.75%	90,508	1.75%
Premium Tax	428,913	1.75%	90,508	1.75%
Maintenance Tax	2,738	0.06	146	0.06
Projected Total Cost				
Acute Care	15,331,327	321.98	2,067,790	815.07
LTC	9,177,966	192.75	3,104,122	1,223.56
Total	24,509,293	514.72	5,171,912	2,038.62

Attachment 3

Community Experience Analysis – Medical

The following exhibits present a summary of the 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 FY2018 cost for each health plan in the service area. The weights used in this formula are the projected number of FY2018 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 FY2018 STAR+PLUS community rates for the following service areas:

Exhibit A.1 – Bexar Service Area
Exhibit B.1 – Dallas Service Area
Exhibit C.1 – El Paso Service Area
Exhibit D.1 – Harris Service Area
Exhibit E.1 – Hidalgo Service Area
Exhibit F.1 – Jefferson Service Area
Exhibit G.1 – Lubbock Service Area
Exhibit H.1 – Nueces Service Area
Exhibit I.1 – Tarrant Service Area
Exhibit J.1 – Travis Service Area
Exhibit K.1 – MRSA Central Service Area
Exhibit L.1 – MRSA Northeast Service Area
Exhibit M.1 – MRSA West Service Area

These exhibits show projected FY2018 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 (FY2016) experience and projected FY2018 enrollment, 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. Other expenses such as those related to the coordination of care are also included.

The cost of reinsurance is also considered. In developing the cost of reinsurance we make an assumption regarding how much the health plan is expected to receive in reinsurance recoveries (reimbursements from the reinsurance company for large claims). 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) \$0.50 pmpm.

A provision for administrative expenses is included in the amount of \$18.00 pmpm and 5.75% of

gross premium. Additional provisions are also included for premium tax (1.75% of premium), maintenance tax (\$0.06 pmpm) and risk margin (1.75% of premium).

The bottom of the exhibit shows a summary of the projected FY2018 cost based on these assumptions. Cost projections are presented separately for acute care and long term care services.

Long term care services are carved out of managed care for the IDD risk group. As a result, these services are not included in the rate development for this risk group and the premium is for acute care services only.

Community Experience Analysis – Pharmacy

The following exhibits present a summary of the pharmacy experience analysis performed for each STAR+PLUS service area for pharmacy services. As with medical, HHSC utilizes a community rating methodology in setting the pharmacy capitation rates. The base community rates by risk group vary by service area but are the same for each health plan in a service area.

Below is a brief description of the exhibits contained in this attachment. The exhibits present the derivation of the FY2018 STAR+PLUS pharmacy community capitation rates for the following service areas:

Exhibit A.2 – Bexar Service Area
Exhibit B.2 – Dallas Service Area
Exhibit C.2 – El Paso Service Area
Exhibit D.2 – Harris Service Area
Exhibit E.2 – Hidalgo Service Area
Exhibit F.2 – Jefferson Service Area
Exhibit G.2 – Lubbock Service Area
Exhibit H.2 – Nueces Service Area
Exhibit I.2 – Tarrant Service Area
Exhibit J.2 – Travis Service Area
Exhibit K.2 – MRSA Central Service Area
Exhibit L.2 – MRSA Northeast Service Area
Exhibit M.2 – MRSA West Service Area

These exhibits present projected FY2018 experience for each service area and risk group. 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 (CY2016) experience and projected FY2018 enrollment and incurred claims experience.

A provision for administrative expenses is included in the amount of \$1.80 pmpm. Additional provisions are also included for premium tax (1.75% of premium) and risk margin (1.75% of premium).

The bottom of the exhibit shows a summary of the projected FY2018 cost based on these assumptions.

Information on the medical and pharmacy rate development for the MBCCP population can be

found in Attachment 11.

FY2018 STAR+PLUS Rating Summary
Bexar SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	259,704		20,064		267,911		40,290	
Estimated Incurred Claims - Acute Care								
Professional	36,545,794	140.72	5,282,961	263.31	0	0.00	0	0.00
Emergency Room	12,082,495	46.52	1,565,501	78.03	0	0.00	0	0.00
Outpatient Facility	10,804,752	41.60	2,029,652	101.16	0	0.00	0	0.00
Inpatient Facility	45,510,263	175.24	8,250,803	411.23	0	0.00	0	0.00
Other Acute Care	21,463,839	82.65	6,437,584	320.86	0	0.00	0	0.00
Acute Care Total	126,407,143	486.74	23,566,501	1,174.58	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	42,011,500	161.77	29,608,396	1,475.71	69,917,074	260.97	57,509,292	1,427.40
Nursing Facility	197,818	0.76	452,953	22.58	1,329,653	4.96	1,165,610	28.93
Other Long Term Care	2,589,361	9.97	2,009,383	100.15	4,602,110	17.18	5,889,245	146.17
Long Term Care Total	44,798,680	172.50	32,070,732	1,598.44	75,848,837	283.11	64,564,147	1,602.50
Total - All Claims	171,205,823	659.23	55,637,233	2,773.02	75,848,837	283.11	64,564,147	1,602.50
Projected FY2018 Member Months	233,421		22,278		268,476		42,366	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9722		0.9870		1.0000		1.0000	
Acute Care - Inpatient	1.0014		0.9998		1.0000		1.0000	
Long Term Care	1.0331		1.0000		1.0108		1.0000	
Other Adjustment - Removal of < Age 21	1.0299		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Bexar SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	118,975,142	509.70	25,795,981	1,157.90	0	0.00	0	0.00
LTC	48,582,748	208.13	35,994,504	1,615.68	83,243,724	310.06	72,083,430	1,701.45
Total	167,557,890	717.84	61,790,485	2,773.59	83,243,724	310.06	72,083,430	1,701.45
Capitation Expenses & Refunds	1,597,875	6.85	182,502	8.19	137,847	0.51	56,117	1.32
Service Coordination & Other Expenses	8,926,619	38.24	1,139,889	51.17	8,663,185	32.27	2,007,129	47.38
Net Reinsurance Cost	20,679	0.09	2,262	0.10	36,755	0.14	6,194	0.15
Administrative Expenses								
Fixed Amount	4,201,575	18.00	401,007	18.00	4,832,565	18.00	762,584	18.00
Percentage of Premium	11,551,833	5.75%	4,024,520	5.75%	6,141,539	5.75%	4,746,863	5.75%
Total	15,753,408	67.49	4,425,527	198.65	10,974,105	40.88	5,509,447	130.04
Risk Margin	3,515,775	1.75%	1,224,854	1.75%	1,869,164	1.75%	1,444,698	1.75%
Premium Tax	3,515,775	1.75%	1,224,854	1.75%	1,869,164	1.75%	1,444,698	1.75%
Maintenance Tax	13,422	0.06	1,281	0.06	15,437	0.06	2,436	0.06
Projected Total Cost								
Acute Care	136,183,551	583.43	28,813,984	1,293.37	192,399	0.72	68,661	1.62
LTC	64,717,893	277.26	41,177,670	1,848.34	106,616,983	397.12	82,485,486	1,946.98
Total	200,901,444	860.68	69,991,654	3,141.71	106,809,382	397.84	82,554,148	1,948.61

FY2018 STAR+PLUS Rating Summary

Bexar SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	6,230		47,221		20,232		661,653	
Estimated Incurred Claims - Acute Care								
Professional	1,676,115	269.02	0	0.00	1,389,027	68.65	44,893,897	67.85
Emergency Room	264,032	42.38	0	0.00	417,371	20.63	14,329,399	21.66
Outpatient Facility	390,546	62.68	0	0.00	484,607	23.95	13,709,557	20.72
Inpatient Facility	4,796,952	769.93	0	0.00	1,702,589	84.15	60,260,607	91.08
Other Acute Care	864,123	138.69	0	0.00	2,437,456	120.47	31,203,001	47.16
Acute Care Total	7,991,767	1,282.71	0	0.00	6,431,050	317.86	164,396,461	248.46
Estimated Incurred Claims - Long Term Care								
Attendant Care	41,361	6.64	194,635	4.12	0	0.00	199,282,258	301.19
Nursing Facility	25,275,914	4,056.87	164,781,598	3,489.55	0	0.00	193,203,546	292.00
Other Long Term Care	1,753	0.28	714,831	15.14	0	0.00	15,806,683	23.89
Long Term Care Total	25,319,028	4,063.79	165,691,063	3,508.81	0	0.00	408,292,488	617.08
Total - All Claims	33,310,795	5,346.50	165,691,063	3,508.81	6,431,050	317.86	572,688,949	865.54
Projected FY2018 Member Months	6,321		48,019		21,552		642,433	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9799		1.0000		0.9788			
Acute Care - Inpatient	1.0013		1.0000		1.0006			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Bexar SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	7,947,249	1,257.29	0	0.00	7,007,494	325.14	159,725,867	248.63
LTC	27,251,428	4,311.28	178,750,635	3,722.49	0	0.00	445,906,469	694.09
Total	35,198,678	5,568.56	178,750,635	3,722.49	7,007,494	325.14	605,632,335	942.72
Capitation Expenses & Refunds	39,534	6.25	183,890	3.83	22,087	1.02	2,219,852	3.46
Service Coordination & Other Expenses	513,079	81.17	3,823,839	79.63	852,191	39.54	25,925,932	40.36
Net Reinsurance Cost	981	0.16	9,124	0.19	1,564	0.07	77,560	0.12
Administrative Expenses								
Fixed Amount	113,777	18.00	864,343	18.00	387,936	18.00	11,563,787	18.00
Percentage of Premium	2,272,528	5.75%	11,635,250	5.75%	524,154	5.75%	40,896,687	5.75%
Total	2,386,305	377.52	12,499,593	260.30	912,090	42.32	52,460,474	81.66
Risk Margin	691,639	1.75%	3,541,163	1.75%	159,525	1.75%	12,446,818	1.75%
Premium Tax	691,639	1.75%	3,541,163	1.75%	159,525	1.75%	12,446,818	1.75%
Maintenance Tax	363	0.06	2,761	0.06	1,239	0.06	36,940	0.06
Projected Total Cost								
Acute Care	8,830,343	1,396.99	212,688	4.43	8,176,661	379.39	182,478,286	284.04
LTC	30,691,875	4,855.57	202,139,481	4,209.57	939,053	43.57	528,768,442	823.07
Total	39,522,218	6,252.56	202,352,169	4,214.00	9,115,714	422.96	711,246,729	1,107.11

FY2018 STAR+PLUS Rating Summary

Bexar SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	253,441		20,531		6,296		20,485	
Experience Period Cost								
Estimated Incurred Claims	102,415,158	404.10	18,143,165	883.70	4,108,751	652.60	10,427,868	509.06
Other Costs/Refunds	-642,775	-2.54	-56,798	-2.77	-17,731	-2.82	-52,086	-2.54
Total Cost	101,772,383	401.56	18,086,367	880.93	4,091,020	649.79	10,375,781	506.51
Projected FY2018 Member Months	233,421		22,278		6,321		21,552	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0390		1.0000		1.0000		1.0000	
IMD Adjustment	0.9996		0.9998		0.9988		0.9999	
Projected FY2018 Incurred Claims	107,278,060	459.59	21,656,835	972.11	4,102,346	649.01	11,355,359	526.88
Administrative Expenses	420,157	1.80	40,101	1.80	11,378	1.80	38,794	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	111,604,370	478.13	22,483,871	1,009.23	4,262,926	674.41	11,807,412	547.86

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary

Bexar SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	300,753	
Experience Period Cost		
Estimated Incurred Claims	135,094,941	449.19
Other Costs/Refunds	-769,390	-2.56
Total Cost	134,325,552	446.63
Projected FY2018 Member Months	283,572	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	144,392,600	509.19
Administrative Expenses	510,430	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	150,158,580	529.53

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Dallas SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	344,906		20,798		313,882		47,350	
Estimated Incurred Claims - Acute Care								
Professional	36,939,451	107.10	5,828,611	280.24	0	0.00	0	0.00
Emergency Room	20,850,627	60.45	2,074,366	99.74	0	0.00	0	0.00
Outpatient Facility	32,823,601	95.17	4,322,474	207.83	0	0.00	0	0.00
Inpatient Facility	72,042,645	208.88	11,668,602	561.03	0	0.00	0	0.00
Other Acute Care	15,835,868	45.91	5,892,930	283.33	0	0.00	0	0.00
Acute Care Total	178,492,191	517.51	29,786,982	1,432.17	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	53,337,826	154.64	22,440,076	1,078.93	72,868,070	232.15	55,538,564	1,172.93
Nursing Facility	831,386	2.41	1,473,282	70.84	2,291,855	7.30	3,343,592	70.61
Other Long Term Care	1,484,932	4.31	3,884,202	186.75	4,740,907	15.10	9,487,508	200.37
Long Term Care Total	55,654,144	161.36	27,797,560	1,336.52	79,900,831	254.56	68,369,663	1,443.92
Total - All Claims	234,146,336	678.87	57,584,542	2,768.69	79,900,831	254.56	68,369,663	1,443.92
Projected FY2018 Member Months	330,213		24,374		317,785		51,824	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	1.1483		1.1546		1.0000		1.0000	
Acute Care - Inpatient	0.9988		0.9991		1.0000		1.0000	
Long Term Care	1.0283		1.0000		1.0181		1.0000	
Other Adjustment - Removal of < Age 21	1.0088		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Dallas SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	206,514,520	625.40	40,227,726	1,650.43	0	0.00	0	0.00
LTC	62,685,617	189.83	32,928,034	1,350.94	89,234,353	280.80	79,449,792	1,533.07
Total	269,200,136	815.23	73,155,761	3,001.37	89,234,353	280.80	79,449,792	1,533.07
Capitation Expenses & Refunds	1,386,753	4.20	219,146	8.99	-191,553	-0.60	117,639	2.27
Service Coordination & Other Expenses	10,267,629	31.09	1,935,351	79.40	7,307,669	23.00	2,516,540	48.56
Net Reinsurance Cost	95,184	0.29	8,703	0.36	101,304	0.32	18,885	0.36
Administrative Expenses								
Fixed Amount	5,943,843	18.00	438,734	18.00	5,720,137	18.00	932,829	18.00
Percentage of Premium	18,179,031	5.75%	4,800,163	5.75%	6,474,860	5.75%	5,261,403	5.75%
Total	24,122,874	73.05	5,238,898	214.94	12,194,997	38.37	6,194,232	119.52
Risk Margin	5,532,749	1.75%	1,460,919	1.75%	1,970,610	1.75%	1,601,297	1.75%
Premium Tax	5,532,749	1.75%	1,460,919	1.75%	1,970,610	1.75%	1,601,297	1.75%
Maintenance Tax	18,987	0.06	1,402	0.06	18,273	0.06	2,980	0.06
Projected Total Cost								
Acute Care	234,237,784	709.35	44,845,842	1,839.89	-99,448	-0.31	150,439	2.90
LTC	81,919,276	248.08	38,635,255	1,585.09	112,705,710	354.66	91,352,221	1,762.75
Total	316,157,060	957.43	83,481,097	3,424.99	112,606,262	354.35	91,502,661	1,765.65

FY2018 STAR+PLUS Rating Summary
Dallas SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	8,877		66,340		25,341		827,494	
Estimated Incurred Claims - Acute Care								
Professional	2,213,404	249.35	0	0.00	1,108,916	43.76	46,090,381	55.70
Emergency Room	630,025	70.97	0	0.00	445,301	17.57	24,000,318	29.00
Outpatient Facility	1,692,698	190.69	0	0.00	639,674	25.24	39,478,447	47.71
Inpatient Facility	7,499,735	844.87	0	0.00	1,444,864	57.02	92,655,847	111.97
Other Acute Care	1,034,405	116.53	0	0.00	2,400,394	94.72	25,163,597	30.41
Acute Care Total	13,070,267	1,472.41	0	0.00	6,039,149	238.32	227,388,590	274.79
Estimated Incurred Claims - Long Term Care								
Attendant Care	79,680	8.98	150,259	2.26	0	0.00	204,414,474	247.03
Nursing Facility	34,405,101	3,875.85	227,263,045	3,425.74	0	0.00	269,608,261	325.81
Other Long Term Care	9,617	1.08	465,191	7.01	0	0.00	20,072,357	24.26
Long Term Care Total	34,494,398	3,885.91	227,878,495	3,435.02	0	0.00	494,095,092	597.10
Total - All Claims	47,564,665	5,358.32	227,878,495	3,435.02	6,039,149	238.32	721,483,681	871.89
Projected FY2018 Member Months	9,002		67,467		26,217		826,883	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	1.1531		1.0000		1.1522			
Acute Care - Inpatient	0.9990		1.0000		1.0002			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Dallas SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	15,253,342	1,694.42	0	0.00	7,520,151	286.85	269,515,739	325.94
LTC	37,111,699	4,122.56	245,863,894	3,644.21	0	0.00	547,273,389	661.85
Total	52,365,041	5,816.98	245,863,894	3,644.21	7,520,151	286.85	816,789,128	987.79
Capitation Expenses & Refunds	101,404	11.26	436,786	6.47	-21,123	-0.81	2,049,053	2.48
Service Coordination & Other Expenses	1,140,776	126.72	7,807,075	115.72	713,669	27.22	31,688,710	38.32
Net Reinsurance Cost	2,666	0.30	22,130	0.33	6,345	0.24	255,216	0.31
Administrative Expenses								
Fixed Amount	162,038	18.00	1,214,406	18.00	471,901	18.00	14,883,888	18.00
Percentage of Premium	3,407,069	5.75%	16,179,085	5.75%	550,761	5.75%	54,852,373	5.75%
Total	3,569,107	396.47	17,393,491	257.81	1,022,662	39.01	69,736,261	84.34
Risk Margin	1,036,934	1.75%	4,924,069	1.75%	167,623	1.75%	16,694,201	1.75%
Premium Tax	1,036,934	1.75%	4,924,069	1.75%	167,623	1.75%	16,694,201	1.75%
Maintenance Tax	518	0.06	3,879	0.06	1,507	0.06	47,546	0.06
Projected Total Cost								
Acute Care	16,974,945	1,885.66	505,693	7.50	8,792,046	335.36	305,407,301	369.35
LTC	42,278,436	4,696.51	280,869,702	4,163.07	786,413	30.00	648,547,013	784.33
Total	59,253,381	6,582.17	281,375,396	4,170.56	9,578,458	365.36	953,954,314	1,153.68

FY2018 STAR+PLUS Rating Summary
Dallas SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	340,198		22,093		9,094		25,571	
Experience Period Cost								
Estimated Incurred Claims	116,564,636	342.64	14,788,128	669.37	4,894,190	538.18	7,848,753	306.93
Other Costs/Refunds	-1,516,041	-4.46	-98,981	-4.48	-40,551	-4.46	-113,544	-4.44
Total Cost	115,048,595	338.18	14,689,147	664.89	4,853,639	533.72	7,735,209	302.49
Projected FY2018 Member Months	330,213		24,374		9,002		26,217	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0220		1.0000		1.0000		1.0000	
IMD Adjustment	1.0000		1.0000		1.0000		1.0000	
Projected FY2018 Incurred Claims	125,768,405	380.87	17,887,026	733.85	4,804,586	533.72	8,250,148	314.69
Administrative Expenses	594,384	1.80	43,873	1.80	16,204	1.80	47,190	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	130,945,895	396.55	18,581,243	762.33	4,995,637	554.94	8,598,277	327.97

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Dallas SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	396,956	
Experience Period Cost		
Estimated Incurred Claims	144,095,707	363.00
Other Costs/Refunds	-1,769,117	-4.46
Total Cost	142,326,590	358.54
Projected FY2018 Member Months	389,806	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	156,710,164	402.02
Administrative Expenses	701,652	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	163,121,052	418.47

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
El Paso SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	78,700		8,098		189,616		19,296	
Estimated Incurred Claims - Acute Care								
Professional	12,330,156	156.67	2,499,704	308.70	0	0.00	0	0.00
Emergency Room	3,102,821	39.43	788,514	97.38	0	0.00	0	0.00
Outpatient Facility	3,253,794	41.34	678,897	83.84	0	0.00	0	0.00
Inpatient Facility	12,307,584	156.39	3,372,429	416.47	0	0.00	0	0.00
Other Acute Care	13,033,930	165.62	4,139,371	511.18	0	0.00	0	0.00
Acute Care Total	44,028,285	559.45	11,478,916	1,417.56	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	13,682,380	173.86	8,380,850	1,034.97	59,853,502	315.66	24,438,347	1,266.50
Nursing Facility	44,903	0.57	292,209	36.09	496,870	2.62	654,299	33.91
Other Long Term Care	2,358,032	29.96	1,863,795	230.17	11,767,020	62.06	5,260,121	272.60
Long Term Care Total	16,085,316	204.39	10,536,854	1,301.23	72,117,392	380.33	30,352,767	1,573.01
Total - All Claims	60,113,601	763.84	22,015,770	2,718.79	72,117,392	380.33	30,352,767	1,573.01
Projected FY2018 Member Months	74,952		8,510		190,379		20,554	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9553		0.9794		1.0000		1.0000	
Acute Care - Inpatient	0.9955		0.9958		1.0000		1.0000	
Long Term Care	1.0229		1.0000		1.0036		1.0000	
Other Adjustment - Removal of < Age 21	1.0118		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
El Paso SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	42,138,689	562.21	11,753,256	1,381.13	0	0.00	0	0.00
LTC	17,979,767	239.88	11,192,748	1,315.27	78,735,038	413.57	34,327,691	1,670.14
Total	60,118,457	802.09	22,946,004	2,696.40	78,735,038	413.57	34,327,691	1,670.14
Capitation Expenses & Refunds	270,138	3.60	100,269	11.78	261,635	1.37	111,964	5.45
Service Coordination & Other Expenses	1,488,378	19.86	506,452	59.51	3,213,059	16.88	1,155,512	56.22
Net Reinsurance Cost	15,196	0.20	2,026	0.24	48,788	0.26	5,458	0.27
Administrative Expenses								
Fixed Amount	1,349,133	18.00	153,178	18.00	3,426,823	18.00	369,968	18.00
Percentage of Premium	4,007,298	5.75%	1,502,186	5.75%	5,429,792	5.75%	2,279,203	5.75%
Total	5,356,430	71.46	1,655,364	194.52	8,856,615	46.52	2,649,171	128.89
Risk Margin	1,219,612	1.75%	457,187	1.75%	1,652,546	1.75%	693,671	1.75%
Premium Tax	1,219,612	1.75%	457,187	1.75%	1,652,546	1.75%	693,671	1.75%
Maintenance Tax	4,310	0.06	489	0.06	10,947	0.06	1,182	0.06
Projected Total Cost								
Acute Care	47,793,596	637.66	13,150,701	1,545.35	342,063	1.80	129,391	6.30
LTC	21,898,538	292.17	12,974,277	1,524.61	94,089,110	494.22	39,508,929	1,922.22
Total	69,692,134	929.83	26,124,979	3,069.96	94,431,173	496.02	39,638,319	1,928.52

FY2018 STAR+PLUS Rating Summary
El Paso SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	694		9,801		6,010		312,214	
Estimated Incurred Claims - Acute Care								
Professional	226,350	326.32	0	0.00	592,039	98.51	15,648,249	50.12
Emergency Room	27,345	39.42	0	0.00	121,682	20.25	4,040,363	12.94
Outpatient Facility	22,782	32.84	0	0.00	103,242	17.18	4,058,716	13.00
Inpatient Facility	724,903	1,045.05	0	0.00	529,365	88.08	16,934,281	54.24
Other Acute Care	164,620	237.32	0	0.00	1,268,819	211.12	18,606,740	59.60
Acute Care Total	1,166,001	1,680.95	0	0.00	2,615,147	435.13	59,288,348	189.90
Estimated Incurred Claims - Long Term Care								
Attendant Care	9,630	13.88	102,685	10.48	0	0.00	106,467,393	341.01
Nursing Facility	2,956,002	4,261.49	36,113,908	3,684.55	0	0.00	40,558,192	129.90
Other Long Term Care	12,343	17.79	124,503	12.70	0	0.00	21,385,815	68.50
Long Term Care Total	2,977,975	4,293.16	36,341,097	3,707.73	0	0.00	168,411,400	539.41
Total - All Claims	4,143,976	5,974.11	36,341,097	3,707.73	2,615,147	435.13	227,699,748	729.31
Projected FY2018 Member Months	702		9,850		6,466		311,413	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9805		1.0000		0.9771			
Acute Care - Inpatient	0.9919		1.0000		0.9963			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
El Paso SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	1,147,021	1,633.17	0	0.00	2,860,756	442.42	57,899,722	185.93
LTC	3,198,840	4,554.62	38,745,376	3,933.53	0	0.00	184,179,460	591.43
Total	4,345,861	6,187.78	38,745,376	3,933.53	2,860,756	442.42	242,079,182	777.36
Capitation Expenses & Refunds	14,899	21.21	107,987	10.96	11,867	1.84	878,759	2.82
Service Coordination & Other Expenses	54,656	77.82	917,285	93.13	104,490	16.16	7,439,834	23.89
Net Reinsurance Cost	155	0.22	2,734	0.28	977	0.15	75,334	0.24
Administrative Expenses								
Fixed Amount	12,642	18.00	177,300	18.00	116,391	18.00	5,605,435	18.00
Percentage of Premium	280,578	5.75%	2,531,346	5.75%	196,093	5.75%	16,226,497	5.75%
Total	293,220	417.50	2,708,647	274.99	312,484	48.33	21,831,932	70.11
Risk Margin	85,393	1.75%	770,410	1.75%	59,680	1.75%	4,938,499	1.75%
Premium Tax	85,393	1.75%	770,410	1.75%	59,680	1.75%	4,938,499	1.75%
Maintenance Tax	40	0.06	566	0.06	372	0.06	17,906	0.06
Projected Total Cost								
Acute Care	1,284,212	1,828.50	122,007	12.39	3,295,166	509.60	66,117,136	212.31
LTC	3,595,406	5,119.26	43,901,409	4,456.99	115,141	17.81	216,082,809	693.88
Total	4,879,617	6,947.77	44,023,416	4,469.37	3,410,307	527.41	282,199,945	906.19

FY2018 STAR+PLUS Rating Summary
El Paso SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	77,944		8,077		697		6,108	
Experience Period Cost								
Estimated Incurred Claims	32,427,052	416.03	7,222,535	894.16	282,224	404.89	4,942,611	809.24
Other Costs/Refunds	-228,200	-2.93	-27,390	-3.39	-2,201	-3.16	-13,744	-2.25
Total Cost	32,198,852	413.10	7,195,145	890.77	280,023	401.73	4,928,867	806.99
Projected FY2018 Member Months	74,952		8,510		702		6,466	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0250		1.0000		1.0000		1.0000	
IMD Adjustment	0.9983		0.9988		0.9832		0.9998	
Projected FY2018 Incurred Claims	34,913,973	465.82	8,356,565	981.98	277,409	394.98	5,427,487	839.36
Administrative Expenses	134,913	1.80	15,318	1.80	1,264	1.80	11,639	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	36,320,090	484.58	8,675,526	1,019.47	288,781	411.18	5,636,400	871.67

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
El Paso SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	92,826	
Experience Period Cost		
Estimated Incurred Claims	44,874,422	483.42
Other Costs/Refunds	-271,535	-2.93
Total Cost	44,602,887	480.50
Projected FY2018 Member Months	90,630	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	48,975,434	540.39
Administrative Expenses	163,134	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	50,920,797	561.85

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Harris SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	554,007		33,759		604,511		66,073	
Estimated Incurred Claims - Acute Care								
Professional	101,521,007	183.25	19,187,359	568.37	0	0.00	0	0.00
Emergency Room	34,370,179	62.04	4,224,204	125.13	0	0.00	0	0.00
Outpatient Facility	37,002,079	66.79	5,971,124	176.88	0	0.00	0	0.00
Inpatient Facility	137,318,735	247.86	20,786,346	615.74	0	0.00	0	0.00
Other Acute Care	36,358,319	65.63	8,374,778	248.08	0	0.00	0	0.00
Acute Care Total	346,570,319	625.57	58,543,812	1,734.19	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	77,261,632	139.46	37,806,094	1,119.90	128,783,350	213.04	88,493,088	1,339.32
Nursing Facility	742,502	1.34	2,167,289	64.20	2,438,621	4.03	3,768,821	57.04
Other Long Term Care	13,117,606	23.68	15,088,472	446.95	11,391,426	18.84	13,460,811	203.73
Long Term Care Total	91,121,740	164.48	55,061,855	1,631.05	142,613,398	235.92	105,722,721	1,600.08
Total - All Claims	437,692,059	790.05	113,605,667	3,365.24	142,613,398	235.92	105,722,721	1,600.08
Projected FY2018 Member Months	494,732		34,165		619,212		66,643	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9704		0.9853		1.0000		1.0000	
Acute Care - Inpatient	0.9986		0.9986		1.0000		1.0000	
Long Term Care	1.0204		1.0000		1.0066		1.0000	
Other Adjustment - Removal of < Age 21	1.0529		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Harris SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	329,817,806	666.66	58,236,284	1,704.58	0	0.00	0	0.00
LTC	99,148,448	200.41	56,325,379	1,648.65	159,321,810	257.30	113,219,190	1,698.88
Total	428,966,254	867.07	114,561,662	3,353.23	159,321,810	257.30	113,219,190	1,698.88
Capitation Expenses & Refunds	2,181,246	4.41	217,988	6.38	905,457	1.46	172,246	2.58
Service Coordination & Other Expenses	18,575,300	37.55	2,267,399	66.37	21,429,231	34.61	4,119,991	61.82
Net Reinsurance Cost	33,688	0.07	3,318	0.10	45,426	0.07	5,615	0.08
Administrative Expenses								
Fixed Amount	8,905,183	18.00	614,962	18.00	11,145,819	18.00	1,199,579	18.00
Percentage of Premium	29,063,010	5.75%	7,455,503	5.75%	12,221,259	5.75%	7,522,233	5.75%
Total	37,968,193	76.74	8,070,465	236.22	23,367,078	37.74	8,721,812	130.87
Risk Margin	8,845,264	1.75%	2,269,066	1.75%	3,719,514	1.75%	2,289,375	1.75%
Premium Tax	8,845,264	1.75%	2,269,066	1.75%	3,719,514	1.75%	2,289,375	1.75%
Maintenance Tax	28,447	0.06	1,964	0.06	35,605	0.06	3,832	0.06
Projected Total Cost								
Acute Care	373,445,189	754.84	64,761,651	1,895.58	1,047,804	1.69	195,990	2.94
LTC	131,998,467	266.81	64,899,279	1,899.61	211,495,830	341.56	130,625,446	1,960.07
Total	505,443,655	1,021.65	129,660,930	3,795.19	212,543,634	343.25	130,821,437	1,963.01

FY2018 STAR+PLUS Rating Summary
Harris SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	10,291		83,375		42,452		1,394,469	
Estimated Incurred Claims - Acute Care								
Professional	3,721,716	361.63	0	0.00	4,606,537	108.51	129,036,619	92.53
Emergency Room	667,706	64.88	0	0.00	882,558	20.79	40,144,646	28.79
Outpatient Facility	1,022,298	99.34	0	0.00	859,282	20.24	44,854,784	32.17
Inpatient Facility	7,624,550	740.87	0	0.00	3,704,721	87.27	169,434,352	121.50
Other Acute Care	1,616,716	157.09	0	0.00	3,257,121	76.72	49,606,935	35.57
Acute Care Total	14,652,986	1,423.81	0	0.00	13,310,219	313.53	433,077,336	310.57
Estimated Incurred Claims - Long Term Care								
Attendant Care	67,241	6.53	400,980	4.81	0	0.00	332,812,386	238.67
Nursing Facility	40,892,864	3,973.50	287,236,976	3,445.11	0	0.00	337,247,072	241.85
Other Long Term Care	38,896	3.78	1,692,725	20.30	0	0.00	54,789,937	39.29
Long Term Care Total	40,999,001	3,983.81	289,330,681	3,470.22	0	0.00	724,849,395	519.80
Total - All Claims	55,651,987	5,407.62	289,330,681	3,470.22	13,310,219	313.53	1,157,926,731	830.37
Projected FY2018 Member Months	10,658		84,609		45,227		1,355,247	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9954		1.0000		0.9783			
Acute Care - Inpatient	0.9992		1.0000		0.9994			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Harris SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	15,077,578	1,414.69	0	0.00	14,480,213	320.17	417,611,881	308.14
LTC	45,044,610	4,226.43	311,493,986	3,681.56	0	0.00	784,553,422	578.90
Total	60,122,188	5,641.12	311,493,986	3,681.56	14,480,213	320.17	1,202,165,303	887.05
Capitation Expenses & Refunds	78,191	7.34	300,657	3.55	204,293	4.52	4,060,077	3.00
Service Coordination & Other Expenses	791,769	74.29	6,030,962	71.28	1,697,369	37.53	54,912,022	40.52
Net Reinsurance Cost	1,178	0.11	10,221	0.12	2,808	0.06	102,254	0.08
Administrative Expenses								
Fixed Amount	191,841	18.00	1,522,968	18.00	814,087	18.00	24,394,440	18.00
Percentage of Premium	3,876,785	5.75%	20,235,163	5.75%	1,089,894	5.75%	81,463,847	5.75%
Total	4,068,626	381.75	21,758,131	257.16	1,903,982	42.10	105,858,287	78.11
Risk Margin	1,179,891	1.75%	6,158,528	1.75%	331,707	1.75%	24,793,345	1.75%
Premium Tax	1,179,891	1.75%	6,158,528	1.75%	331,707	1.75%	24,793,345	1.75%
Maintenance Tax	613	0.06	4,865	0.06	2,601	0.06	77,927	0.06
Projected Total Cost								
Acute Care	16,755,053	1,572.09	342,566	4.05	17,084,300	377.74	473,632,552	349.48
LTC	50,667,294	4,753.99	351,573,312	4,155.25	1,870,379	41.36	943,130,006	695.91
Total	67,422,346	6,326.08	351,915,878	4,159.30	18,954,679	419.10	1,416,762,558	1,045.39

FY2018 STAR+PLUS Rating Summary
Harris SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	541,038		33,826		10,289		43,296	
Experience Period Cost								
Estimated Incurred Claims	247,087,030	456.69	30,703,788	907.71	6,866,496	667.36	21,325,746	492.56
Other Costs/Refunds	-896,146	-1.66	-66,432	-1.96	-18,883	-1.84	-72,750	-1.68
Total Cost	246,190,884	455.03	30,637,356	905.75	6,847,614	665.53	21,252,996	490.88
Projected FY2018 Member Months	494,732		34,165		10,658		45,227	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0600		1.0000		1.0000		1.0000	
IMD Adjustment	0.9991		0.9993		0.9993		0.9997	
Projected FY2018 Incurred Claims	262,727,560	531.05	34,130,061	998.99	7,088,124	665.06	23,089,360	510.52
Administrative Expenses	890,518	1.80	61,496	1.80	19,184	1.80	81,409	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	273,179,355	552.18	35,431,666	1,037.09	7,365,086	691.05	24,011,159	530.90

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Harris SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	628,448	
Experience Period Cost		
Estimated Incurred Claims	305,983,060	486.89
Other Costs/Refunds	-1,054,211	-1.68
Total Cost	304,928,850	485.21
Projected FY2018 Member Months	584,782	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	327,035,104	559.24
Administrative Expenses	1,052,607	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	339,987,266	581.39

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Hidalgo SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	227,782		25,480		491,284		120,004	
Estimated Incurred Claims - Acute Care								
Professional	32,553,589	142.92	7,237,793	284.06	0	0.00	0	0.00
Emergency Room	5,171,206	22.70	1,112,728	43.67	0	0.00	0	0.00
Outpatient Facility	13,333,075	58.53	4,430,987	173.90	0	0.00	0	0.00
Inpatient Facility	29,353,047	128.86	9,893,014	388.27	0	0.00	0	0.00
Other Acute Care	15,784,592	69.30	8,399,617	329.66	0	0.00	0	0.00
Acute Care Total	96,195,509	422.31	31,074,139	1,219.55	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	96,665,154	424.38	41,728,084	1,637.68	326,286,813	664.15	200,173,789	1,668.06
Nursing Facility	148,705	0.65	416,073	16.33	895,594	1.82	2,014,360	16.79
Other Long Term Care	17,108,815	75.11	4,608,223	180.86	60,696,644	123.55	23,932,712	199.43
Long Term Care Total	113,922,673	500.14	46,752,380	1,834.87	387,879,051	789.52	226,120,860	1,884.28
Total - All Claims	210,118,182	922.45	77,826,519	3,054.42	387,879,051	789.52	226,120,860	1,884.28
Projected FY2018 Member Months	179,434		27,051		491,129		129,617	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9742		0.9851		1.0000		1.0000	
Acute Care - Inpatient	0.9986		0.9978		1.0000		1.0000	
Long Term Care	1.0094		1.0000		1.0026		1.0000	
Other Adjustment - Removal of < Age 21	1.1410		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Hidalgo SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	87,854,521	489.62	32,394,640	1,197.52	0	0.00	0	0.00
LTC	117,218,506	653.27	50,171,215	1,854.66	421,221,591	857.66	259,316,023	2,000.63
Total	205,073,027	1,142.89	82,565,855	3,052.19	421,221,591	857.66	259,316,023	2,000.63
Capitation Expenses & Refunds	1,469,345	8.19	259,494	9.59	1,249,005	2.54	481,225	3.71
Service Coordination & Other Expenses	6,441,280	35.90	1,328,243	49.10	17,270,510	35.16	5,676,016	43.79
Net Reinsurance Cost	22,509	0.13	3,243	0.12	74,970	0.15	16,322	0.13
Administrative Expenses								
Fixed Amount	3,229,806	18.00	486,925	18.00	8,840,330	18.00	2,333,113	18.00
Percentage of Premium	13,701,555	5.75%	5,363,202	5.75%	28,429,055	5.75%	16,969,955	5.75%
Total	16,931,361	94.36	5,850,126	216.26	37,269,384	75.89	19,303,067	148.92
Risk Margin	4,170,039	1.75%	1,632,279	1.75%	8,652,321	1.75%	5,164,769	1.75%
Premium Tax	4,170,039	1.75%	1,632,279	1.75%	8,652,321	1.75%	5,164,769	1.75%
Maintenance Tax	10,317	0.06	1,555	0.06	28,240	0.06	7,453	0.06
Projected Total Cost								
Acute Care	99,982,880	557.21	36,197,280	1,338.09	1,458,926	2.97	548,261	4.23
LTC	138,305,036	770.79	57,075,794	2,109.90	492,959,417	1,003.73	294,581,384	2,272.70
Total	238,287,916	1,328.00	93,273,075	3,448.00	494,418,343	1,006.70	295,129,645	2,276.93

FY2018 STAR+PLUS Rating Summary
Hidalgo SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	2,349		32,060		11,503		910,463	
Estimated Incurred Claims - Acute Care								
Professional	611,574	260.35	0	0.00	855,229	74.35	41,258,185	45.32
Emergency Room	69,912	29.76	0	0.00	131,013	11.39	6,484,860	7.12
Outpatient Facility	394,227	167.82	0	0.00	402,175	34.96	18,560,464	20.39
Inpatient Facility	2,249,523	957.62	0	0.00	1,043,334	90.70	42,538,918	46.72
Other Acute Care	326,289	138.90	0	0.00	2,076,857	180.54	26,587,355	29.20
Acute Care Total	3,651,525	1,554.45	0	0.00	4,508,608	391.93	135,429,781	148.75
Estimated Incurred Claims - Long Term Care								
Attendant Care	42,263	17.99	325,291	10.15	0	0.00	665,221,393	730.64
Nursing Facility	9,316,084	3,965.86	120,218,855	3,749.76	0	0.00	133,009,670	146.09
Other Long Term Care	12,101	5.15	1,719,152	53.62	0	0.00	108,077,648	118.71
Long Term Care Total	9,370,448	3,989.00	122,263,298	3,813.53	0	0.00	906,308,711	995.44
Total - All Claims	13,021,973	5,543.45	122,263,298	3,813.53	4,508,608	391.93	1,041,738,492	1,144.19
Projected FY2018 Member Months	2,388		32,955		12,295		874,870	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9918		1.0000		0.9876			
Acute Care - Inpatient	0.9976		1.0000		0.9981			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Hidalgo SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	3,668,918	1,536.45	0	0.00	4,961,247	403.51	128,879,326	147.31
LTC	10,105,500	4,231.93	133,326,453	4,045.77	0	0.00	991,359,288	1,133.15
Total	13,774,418	5,768.38	133,326,453	4,045.77	4,961,247	403.51	1,120,238,614	1,280.46
Capitation Expenses & Refunds	20,395	8.54	180,912	5.49	40,043	3.26	3,700,418	4.23
Service Coordination & Other Expenses	220,198	92.21	2,600,362	78.91	398,044	32.37	33,934,654	38.79
Net Reinsurance Cost	396	0.17	5,897	0.18	1,476	0.12	124,814	0.14
Administrative Expenses								
Fixed Amount	42,983	18.00	593,182	18.00	221,317	18.00	15,747,654	18.00
Percentage of Premium	890,761	5.75%	8,661,984	5.75%	356,268	5.75%	74,372,778	5.75%
Total	933,743	391.03	9,255,165	280.85	577,584	46.98	90,120,432	103.01
Risk Margin	271,101	1.75%	2,636,256	1.75%	108,429	1.75%	22,635,193	1.75%
Premium Tax	271,101	1.75%	2,636,256	1.75%	108,429	1.75%	22,635,193	1.75%
Maintenance Tax	137	0.06	1,895	0.06	707	0.06	50,305	0.06
Projected Total Cost								
Acute Care	4,078,452	1,707.95	205,849	6.25	5,757,344	468.25	148,228,993	169.43
LTC	11,413,038	4,779.49	150,437,346	4,565.00	438,616	35.67	1,145,210,632	1,309.01
Total	15,491,489	6,487.44	150,643,195	4,571.24	6,195,961	503.93	1,293,439,624	1,478.44

FY2018 STAR+PLUS Rating Summary
Hidalgo SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	217,603		26,036		2,392		11,675	
Experience Period Cost								
Estimated Incurred Claims	95,229,752	437.63	22,933,481	880.84	1,439,128	601.75	5,006,340	428.80
Other Costs/Refunds	-473,466	-2.18	-55,409	-2.13	-6,255	-2.62	-24,531	-2.10
Total Cost	94,756,286	435.46	22,878,073	878.71	1,432,873	599.13	4,981,809	426.70
Projected FY2018 Member Months	179,434		27,051		2,388		12,295	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.1320		1.0000		1.0000		1.0000	
IMD Adjustment	0.9998		0.9996		0.9999		1.0000	
Projected FY2018 Incurred Claims	97,450,436	543.10	26,225,370	969.47	1,430,533	599.07	5,457,971	443.90
Administrative Expenses	322,981	1.80	48,692	1.80	4,298	1.80	22,132	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	101,319,603	564.66	27,227,008	1,006.49	1,486,872	622.66	5,678,863	461.87

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Hidalgo SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	257,705	
Experience Period Cost		
Estimated Incurred Claims	124,608,701	483.53
Other Costs/Refunds	-559,661	-2.17
Total Cost	124,049,040	481.36
Projected FY2018 Member Months	221,168	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	130,564,311	590.34
Administrative Expenses	398,103	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	135,712,346	613.62

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Jefferson SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	105,919		6,215		86,719		15,409	
Estimated Incurred Claims - Acute Care								
Professional	17,205,497	162.44	2,497,411	401.83	0	0.00	0	0.00
Emergency Room	5,187,419	48.98	619,538	99.68	0	0.00	0	0.00
Outpatient Facility	6,648,225	62.77	1,280,202	205.98	0	0.00	0	0.00
Inpatient Facility	20,477,072	193.33	3,924,409	631.43	0	0.00	0	0.00
Other Acute Care	6,207,382	58.61	1,566,796	252.09	0	0.00	0	0.00
Acute Care Total	55,725,595	526.12	9,888,356	1,591.01	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	9,006,439	85.03	5,727,425	921.52	13,439,722	154.98	17,175,992	1,114.66
Nursing Facility	135,812	1.28	93,864	15.10	511,203	5.89	569,980	36.99
Other Long Term Care	1,423,280	13.44	1,366,932	219.94	581,585	6.71	2,574,965	167.11
Long Term Care Total	10,565,530	99.75	7,188,222	1,156.56	14,532,510	167.58	20,320,937	1,318.76
Total - All Claims	66,291,126	625.87	17,076,578	2,747.57	14,532,510	167.58	20,320,937	1,318.76
Projected FY2018 Member Months	98,991		6,608		87,673		15,805	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9758		0.9874		1.0000		1.0000	
Acute Care - Inpatient	0.9991		0.9994		1.0000		1.0000	
Long Term Care	1.0421		1.0000		1.0313		1.0000	
Other Adjustment - Removal of < Age 21	1.0428		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Jefferson SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	55,300,547	558.64	10,364,784	1,568.43	0	0.00	0	0.00
LTC	12,169,107	122.93	7,725,486	1,169.04	16,417,169	187.25	22,130,042	1,400.19
Total	67,469,654	681.57	18,090,270	2,737.47	16,417,169	187.25	22,130,042	1,400.19
Capitation Expenses & Refunds	284,042	2.87	69,015	10.44	23,245	0.27	52,729	3.34
Service Coordination & Other Expenses	2,990,595	30.21	547,533	82.85	1,638,447	18.69	737,448	46.66
Net Reinsurance Cost	15,581	0.16	1,863	0.28	18,780	0.21	3,920	0.25
Administrative Expenses								
Fixed Amount	1,781,843	18.00	118,951	18.00	1,578,110	18.00	284,491	18.00
Percentage of Premium	4,596,668	5.75%	1,192,959	5.75%	1,246,992	5.75%	1,470,577	5.75%
Total	6,378,511	64.44	1,311,911	198.52	2,825,103	32.22	1,755,068	111.04
Risk Margin	1,398,986	1.75%	363,075	1.75%	379,519	1.75%	447,567	1.75%
Premium Tax	1,398,986	1.75%	363,075	1.75%	379,519	1.75%	447,567	1.75%
Maintenance Tax	5,692	0.06	380	0.06	5,041	0.06	909	0.06
Projected Total Cost								
Acute Care	62,881,871	635.23	11,574,692	1,751.51	46,308	0.53	62,422	3.95
LTC	17,060,176	172.34	9,172,429	1,388.00	21,640,515	246.83	25,512,827	1,614.22
Total	79,942,048	807.57	20,747,121	3,139.51	21,686,824	247.36	25,575,249	1,618.17

FY2018 STAR+PLUS Rating Summary
Jefferson SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	2,715		22,905		5,043		244,925	
Estimated Incurred Claims - Acute Care								
Professional	762,262	280.80	0	0.00	606,811	120.34	21,071,982	86.03
Emergency Room	139,046	51.22	0	0.00	81,380	16.14	6,027,382	24.61
Outpatient Facility	338,996	124.88	0	0.00	171,720	34.05	8,439,143	34.46
Inpatient Facility	2,152,904	793.07	0	0.00	345,466	68.51	26,899,851	109.83
Other Acute Care	294,092	108.34	0	0.00	230,188	45.65	8,298,458	33.88
Acute Care Total	3,687,299	1,358.30	0	0.00	1,435,565	284.68	70,736,816	288.81
Estimated Incurred Claims - Long Term Care								
Attendant Care	7,498	2.76	46,783	2.04	0	0.00	45,403,860	185.38
Nursing Facility	10,161,469	3,743.20	74,138,069	3,236.73	0	0.00	85,610,397	349.54
Other Long Term Care	26,876	9.90	689,356	30.10	0	0.00	6,662,993	27.20
Long Term Care Total	10,195,843	3,755.86	74,874,208	3,268.87	0	0.00	137,677,250	562.12
Total - All Claims	13,883,142	5,114.16	74,874,208	3,268.87	1,435,565	284.68	208,414,066	850.93
Projected FY2018 Member Months	2,736		23,148		5,166		240,127	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9958		1.0000		0.9883			
Acute Care - Inpatient	0.9970		1.0000		1.0004			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Jefferson SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	3,685,281	1,347.17	0	0.00	1,518,742	293.97	70,869,354	295.13
LTC	10,900,143	3,984.59	80,275,948	3,467.95	0	0.00	149,617,896	623.08
Total	14,585,423	5,331.76	80,275,948	3,467.95	1,518,742	293.97	220,487,250	918.21
Capitation Expenses & Refunds	38,900	14.22	157,835	6.82	16,298	3.15	642,064	2.67
Service Coordination & Other Expenses	265,845	97.18	1,637,523	70.74	201,594	39.02	8,018,987	33.39
Net Reinsurance Cost	527	0.19	3,981	0.17	511	0.10	45,164	0.19
Administrative Expenses								
Fixed Amount	49,240	18.00	416,664	18.00	92,993	18.00	4,322,293	18.00
Percentage of Premium	946,617	5.75%	5,226,847	5.75%	115,978	5.75%	14,796,639	5.75%
Total	995,858	364.04	5,643,511	243.80	208,971	40.45	19,118,932	79.62
Risk Margin	288,101	1.75%	1,590,780	1.75%	35,298	1.75%	4,503,325	1.75%
Premium Tax	288,101	1.75%	1,590,780	1.75%	35,298	1.75%	4,503,325	1.75%
Maintenance Tax	157	0.06	1,331	0.06	297	0.06	13,807	0.06
Projected Total Cost								
Acute Care	4,118,114	1,505.39	178,310	7.70	1,794,867	347.42	80,656,585	335.89
LTC	12,344,799	4,512.69	90,723,379	3,919.28	222,143	43.00	176,676,268	735.76
Total	16,462,912	6,018.09	90,901,689	3,926.98	2,017,010	390.42	257,332,853	1,071.65

FY2018 STAR+PLUS Rating Summary
Jefferson SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	103,986		6,365		2,756		5,058	
Experience Period Cost								
Estimated Incurred Claims	41,683,319	400.86	4,935,624	775.40	1,919,145	696.23	2,195,797	434.10
Other Costs/Refunds	-206,462	-1.99	-18,046	-2.84	-6,229	-2.26	-9,748	-1.93
Total Cost	41,476,857	398.87	4,917,578	772.57	1,912,917	693.97	2,186,050	432.17
Projected FY2018 Member Months	98,991		6,608		2,736		5,166	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0330		1.0000		1.0000		1.0000	
IMD Adjustment	0.9997		1.0000		1.0000		1.0000	
Projected FY2018 Incurred Claims	44,934,001	453.92	5,634,963	852.70	1,898,417	693.97	2,322,724	449.59
Administrative Expenses	178,184	1.80	11,895	1.80	4,924	1.80	9,299	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	46,748,379	472.25	5,851,666	885.49	1,972,374	721.01	2,416,604	467.77

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Jefferson SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	118,166	
Experience Period Cost		
Estimated Incurred Claims	50,733,885	429.34
Other Costs/Refunds	-240,484	-2.04
Total Cost	50,493,401	427.31
Projected FY2018 Member Months	113,502	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	54,790,104	482.73
Administrative Expenses	204,303	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	56,989,023	502.10

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Lubbock SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	61,627		3,375		64,684		7,736	
Estimated Incurred Claims - Acute Care								
Professional	7,216,253	117.10	705,785	209.10	0	0.00	0	0.00
Emergency Room	2,267,586	36.80	236,206	69.98	0	0.00	0	0.00
Outpatient Facility	2,699,068	43.80	207,025	61.33	0	0.00	0	0.00
Inpatient Facility	11,906,172	193.20	2,067,943	612.66	0	0.00	0	0.00
Other Acute Care	6,622,898	107.47	1,619,169	479.71	0	0.00	0	0.00
Acute Care Total	30,711,976	498.36	4,836,129	1,432.78	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	2,925,216	47.47	2,994,808	887.26	4,523,657	69.93	6,838,990	884.07
Nursing Facility	61,337	1.00	95,712	28.36	170,332	2.63	487,168	62.98
Other Long Term Care	538,823	8.74	494,953	146.64	941,364	14.55	1,765,194	228.18
Long Term Care Total	3,525,376	57.21	3,585,472	1,062.26	5,635,354	87.12	9,091,352	1,175.22
Total - All Claims	34,237,353	555.56	8,421,601	2,495.04	5,635,354	87.12	9,091,352	1,175.22
Projected FY2018 Member Months	57,763		3,536		64,668		7,235	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9647		0.9886		1.0000		1.0000	
Acute Care - Inpatient	0.9992		0.9989		1.0000		1.0000	
Long Term Care	1.0467		1.0000		1.0704		1.0000	
Other Adjustment - Removal of < Age 21	1.0005		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Lubbock SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	28,996,912	502.00	4,997,650	1,413.46	0	0.00	0	0.00
LTC	3,924,461	67.94	3,796,404	1,073.72	6,533,974	101.04	9,027,320	1,247.79
Total	32,921,373	569.94	8,794,054	2,487.18	6,533,974	101.04	9,027,320	1,247.79
Capitation Expenses & Refunds	269,319	4.66	14,571	4.12	-69,221	-1.07	-7,108	-0.98
Service Coordination & Other Expenses	1,526,863	26.43	116,936	33.07	1,538,282	23.79	239,507	33.11
Net Reinsurance Cost	2,088	0.04	125	0.04	2,231	0.03	247	0.03
Administrative Expenses								
Fixed Amount	1,039,732	18.00	63,644	18.00	1,164,016	18.00	130,223	18.00
Percentage of Premium	2,265,956	5.75%	569,585	5.75%	581,209	5.75%	594,997	5.75%
Total	3,305,688	57.23	633,228	179.09	1,745,225	26.99	725,220	100.24
Risk Margin	689,639	1.75%	173,352	1.75%	176,890	1.75%	181,086	1.75%
Premium Tax	689,639	1.75%	173,352	1.75%	176,890	1.75%	181,086	1.75%
Maintenance Tax	3,321	0.06	203	0.06	3,718	0.06	416	0.06
Projected Total Cost								
Acute Care	33,263,948	575.87	5,563,229	1,573.42	-73,818	-1.14	-7,561	-1.05
LTC	6,143,982	106.37	4,342,592	1,228.19	10,181,808	157.45	10,355,335	1,431.36
Total	39,407,930	682.24	9,905,821	2,801.61	10,107,990	156.31	10,347,774	1,430.31

FY2018 STAR+PLUS Rating Summary
Lubbock SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	2,355		18,936		7,001		165,714	
Estimated Incurred Claims - Acute Care								
Professional	512,731	217.69	0	0.00	538,041	76.85	8,972,810	54.15
Emergency Room	107,468	45.63	0	0.00	111,508	15.93	2,722,768	16.43
Outpatient Facility	145,571	61.81	0	0.00	108,724	15.53	3,160,388	19.07
Inpatient Facility	1,336,935	567.63	0	0.00	465,150	66.44	15,776,200	95.20
Other Acute Care	483,241	205.17	0	0.00	909,971	129.97	9,635,278	58.14
Acute Care Total	2,585,946	1,097.93	0	0.00	2,133,394	304.72	40,267,445	242.99
Estimated Incurred Claims - Long Term Care								
Attendant Care	1,023	0.43	5,570	0.29	0	0.00	17,289,264	104.33
Nursing Facility	9,025,055	3,831.82	62,743,554	3,313.50	0	0.00	72,583,158	438.00
Other Long Term Care	1,056	0.45	194,262	10.26	0	0.00	3,935,652	23.75
Long Term Care Total	9,027,134	3,832.70	62,943,386	3,324.06	0	0.00	93,808,073	566.08
Total - All Claims	11,613,079	4,930.64	62,943,386	3,324.06	2,133,394	304.72	134,075,518	809.08
Projected FY2018 Member Months	2,411		19,345		7,277		162,234	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9784		1.0000		0.9627			
Acute Care - Inpatient	0.9982		1.0000		0.9984			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Lubbock SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	2,582,381	1,071.20	0	0.00	2,225,903	305.90	38,802,846	239.18
LTC	9,802,367	4,066.12	68,221,186	3,526.49	0	0.00	101,305,713	624.44
Total	12,384,748	5,137.31	68,221,186	3,526.49	2,225,903	305.90	140,108,558	863.62
Capitation Expenses & Refunds	-481	-0.20	-18,699	-0.97	-4,962	-0.68	183,419	1.13
Service Coordination & Other Expenses	77,291	32.06	594,997	30.76	191,257	26.28	4,285,132	26.41
Net Reinsurance Cost	84	0.03	659	0.03	262	0.04	5,695	0.04
Administrative Expenses								
Fixed Amount	43,393	18.00	348,216	18.00	130,979	18.00	2,920,204	18.00
Percentage of Premium	792,339	5.75%	4,381,245	5.75%	161,181	5.75%	9,346,512	5.75%
Total	835,732	346.67	4,729,461	244.48	292,160	40.15	12,266,716	75.61
Risk Margin	241,147	1.75%	1,333,422	1.75%	49,055	1.75%	2,844,591	1.75%
Premium Tax	241,147	1.75%	1,333,422	1.75%	49,055	1.75%	2,844,591	1.75%
Maintenance Tax	139	0.06	1,112	0.06	418	0.06	9,328	0.06
Projected Total Cost								
Acute Care	2,855,164	1,184.35	-19,879	-1.03	2,592,398	356.26	44,173,480	272.28
LTC	10,924,642	4,531.65	76,215,439	3,939.73	210,751	28.96	118,374,550	729.66
Total	13,779,806	5,716.00	76,195,560	3,938.70	2,803,149	385.23	162,548,030	1,001.94

FY2018 STAR+PLUS Rating Summary
Lubbock SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	60,666		3,392		2,370		7,055	
Experience Period Cost								
Estimated Incurred Claims	23,302,950	384.12	2,961,992	873.16	1,843,257	777.65	2,669,629	378.38
Other Costs/Refunds	-70,544	-1.16	-3,630	-1.07	-2,446	-1.03	-8,137	-1.15
Total Cost	23,232,406	382.96	2,958,362	872.09	1,840,811	776.62	2,661,493	377.22
Projected FY2018 Member Months	57,763		3,536		2,411		7,277	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0240		1.0000		1.0000		1.0000	
IMD Adjustment	0.9991		1.0000		0.9998		0.9999	
Projected FY2018 Incurred Claims	24,939,182	431.75	3,403,325	962.54	1,871,847	776.46	2,855,301	392.39
Administrative Expenses	103,973	1.80	6,364	1.80	4,339	1.80	13,098	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	25,951,456	449.28	3,533,357	999.32	1,944,234	806.49	2,972,434	408.49

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Lubbock SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	73,484	
Experience Period Cost		
Estimated Incurred Claims	30,777,828	418.84
Other Costs/Refunds	-84,757	-1.15
Total Cost	30,693,072	417.68
Projected FY2018 Member Months	70,986	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	33,069,654	465.86
Administrative Expenses	127,775	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	34,401,481	484.62

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Nueces SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	94,668		9,193		101,349		28,564	
Estimated Incurred Claims - Acute Care								
Professional	14,566,014	153.86	3,037,623	330.42	0	0.00	0	0.00
Emergency Room	4,976,989	52.57	736,927	80.16	0	0.00	0	0.00
Outpatient Facility	5,569,500	58.83	1,190,766	129.53	0	0.00	0	0.00
Inpatient Facility	17,872,114	188.79	4,204,000	457.30	0	0.00	0	0.00
Other Acute Care	3,175,911	33.55	1,935,347	210.52	0	0.00	0	0.00
Acute Care Total	46,160,528	487.60	11,104,663	1,207.93	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	19,450,689	205.46	13,222,241	1,438.27	32,467,190	320.35	41,731,659	1,461.00
Nursing Facility	33,183	0.35	123,278	13.41	137,237	1.35	431,264	15.10
Other Long Term Care	2,938,838	31.04	1,005,261	109.35	3,690,592	36.41	3,611,554	126.44
Long Term Care Total	22,422,711	236.86	14,350,781	1,561.03	36,295,019	358.12	45,774,477	1,602.53
Total - All Claims	68,583,239	724.46	25,455,443	2,768.95	36,295,019	358.12	45,774,477	1,602.53
Projected FY2018 Member Months	87,525		9,942		101,687		29,674	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9762		0.9893		1.0000		1.0000	
Acute Care - Inpatient	1.0024		1.0031		1.0000		1.0000	
Long Term Care	1.0065		1.0000		1.0073		1.0000	
Other Adjustment - Removal of < Age 21	1.0213		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Nueces SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	44,547,059	508.96	11,905,245	1,197.49	0	0.00	0	0.00
LTC	24,167,036	276.12	15,686,893	1,577.87	39,744,543	390.85	50,489,937	1,701.49
Total	68,714,095	785.08	27,592,138	2,775.36	39,744,543	390.85	50,489,937	1,701.49
Capitation Expenses & Refunds	657,174	7.51	79,638	8.01	71,688	0.70	19,209	0.65
Service Coordination & Other Expenses	3,993,328	45.62	491,240	49.41	4,562,184	44.86	1,828,202	61.61
Net Reinsurance Cost	1,811	0.02	242	0.02	2,191	0.02	586	0.02
Administrative Expenses								
Fixed Amount	1,575,454	18.00	178,953	18.00	1,830,375	18.00	534,132	18.00
Percentage of Premium	4,748,701	5.75%	1,795,824	5.75%	2,928,339	5.75%	3,350,129	5.75%
Total	6,324,156	72.26	1,974,776	198.63	4,758,714	46.80	3,884,261	130.90
Risk Margin	1,445,257	1.75%	546,555	1.75%	891,234	1.75%	1,019,604	1.75%
Premium Tax	1,445,257	1.75%	546,555	1.75%	891,234	1.75%	1,019,604	1.75%
Maintenance Tax	5,033	0.06	572	0.06	5,847	0.06	1,706	0.06
Projected Total Cost								
Acute Care	50,942,884	582.04	13,292,105	1,336.99	81,410	0.80	21,814	0.74
LTC	31,643,226	361.53	17,939,611	1,804.46	50,846,224	500.02	58,241,297	1,962.70
Total	82,586,110	943.57	31,231,717	3,141.45	50,927,634	500.82	58,263,110	1,963.44

FY2018 STAR+PLUS Rating Summary
Nueces SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	2,319		23,124		5,751		264,967	
Estimated Incurred Claims - Acute Care								
Professional	686,314	295.98	0	0.00	877,841	152.64	19,167,793	72.34
Emergency Room	97,925	42.23	0	0.00	113,380	19.71	5,925,222	22.36
Outpatient Facility	136,144	58.71	0	0.00	76,794	13.35	6,973,203	26.32
Inpatient Facility	1,883,942	812.47	0	0.00	1,015,320	176.55	24,975,376	94.26
Other Acute Care	175,369	75.63	0	0.00	395,865	68.83	5,682,493	21.45
Acute Care Total	2,979,694	1,285.02	0	0.00	2,479,201	431.09	62,724,086	236.72
Estimated Incurred Claims - Long Term Care								
Attendant Care	17,904	7.72	93,594	4.05	0	0.00	106,983,278	403.76
Nursing Facility	8,609,425	3,712.90	81,404,280	3,520.41	0	0.00	90,738,666	342.45
Other Long Term Care	26,393	11.38	514,068	22.23	0	0.00	11,786,707	44.48
Long Term Care Total	8,653,722	3,732.00	82,011,941	3,546.69	0	0.00	209,508,651	790.70
Total - All Claims	11,633,416	5,017.03	82,011,941	3,546.69	2,479,201	431.09	272,232,737	1,027.42
Projected FY2018 Member Months	2,316		23,270		5,957		260,371	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9875		1.0000		0.9791			
Acute Care - Inpatient	1.0036		1.0000		1.0012			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Nueces SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	2,946,417	1,272.24	0	0.00	2,629,150	441.36	62,027,872	238.23
LTC	9,169,421	3,959.28	87,556,396	3,762.68	0	0.00	226,814,226	871.12
Total	12,115,839	5,231.52	87,556,396	3,762.68	2,629,150	441.36	288,842,097	1,109.35
Capitation Expenses & Refunds	7,686	3.32	13,928	0.60	19,448	3.26	868,773	3.34
Service Coordination & Other Expenses	120,244	51.92	1,273,260	54.72	271,077	45.51	12,539,534	48.16
Net Reinsurance Cost	52	0.02	425	0.02	123	0.02	5,430	0.02
Administrative Expenses								
Fixed Amount	41,687	18.00	418,855	18.00	107,224	18.00	4,686,679	18.00
Percentage of Premium	778,429	5.75%	5,655,859	5.75%	191,816	5.75%	19,449,097	5.75%
Total	820,116	354.12	6,074,713	261.06	299,040	50.20	24,135,776	92.70
Risk Margin	236,913	1.75%	1,721,348	1.75%	58,379	1.75%	5,919,290	1.75%
Premium Tax	236,913	1.75%	1,721,348	1.75%	58,379	1.75%	5,919,290	1.75%
Maintenance Tax	133	0.06	1,338	0.06	343	0.06	14,971	0.06
Projected Total Cost								
Acute Care	3,266,475	1,410.44	15,816	0.68	3,037,230	509.87	70,657,734	271.37
LTC	10,271,422	4,435.12	98,346,941	4,226.40	298,707	50.15	267,587,428	1,027.72
Total	13,537,897	5,845.56	98,362,757	4,227.08	3,335,938	560.02	338,245,161	1,299.09

FY2018 STAR+PLUS Rating Summary
Nueces SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	92,782		9,458		2,394		5,762	
Experience Period Cost								
Estimated Incurred Claims	40,080,997	431.99	7,500,228	792.99	1,502,250	627.53	2,560,302	444.35
Other Costs/Refunds	-262,881	-2.83	-27,983	-2.96	-6,929	-2.89	-16,304	-2.83
Total Cost	39,818,116	429.16	7,472,245	790.03	1,495,322	624.64	2,543,997	441.52
Projected FY2018 Member Months	87,525		9,942		2,316		5,957	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0070		1.0000		1.0000		1.0000	
IMD Adjustment	0.9997		1.0000		0.9999		0.9996	
Projected FY2018 Incurred Claims	41,670,101	476.09	8,668,955	871.97	1,446,472	624.57	2,735,040	459.14
Administrative Expenses	157,545	1.80	17,895	1.80	4,169	1.80	10,722	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	43,344,712	495.23	9,001,918	905.46	1,503,254	649.09	2,845,350	477.66

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Nueces SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	110,396	
Experience Period Cost		
Estimated Incurred Claims	51,643,777	467.80
Other Costs/Refunds	-314,096	-2.85
Total Cost	51,329,680	464.96
Projected FY2018 Member Months	105,740	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	54,520,568	515.61
Administrative Expenses	190,332	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	56,695,233	536.18

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Tarrant SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	204,857		13,811		188,890		28,127	
Estimated Incurred Claims - Acute Care								
Professional	27,654,811	135.00	4,127,465	298.85	0	0.00	0	0.00
Emergency Room	18,141,303	88.56	2,500,075	181.02	0	0.00	0	0.00
Outpatient Facility	10,505,170	51.28	1,761,295	127.53	0	0.00	0	0.00
Inpatient Facility	41,560,608	202.88	6,346,618	459.53	0	0.00	0	0.00
Other Acute Care	28,025,412	136.81	5,863,412	424.55	0	0.00	0	0.00
Acute Care Total	125,887,303	614.51	20,598,865	1,491.48	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	18,613,413	90.86	13,467,630	975.14	29,832,374	157.94	30,801,555	1,095.07
Nursing Facility	250,187	1.22	566,127	40.99	1,532,141	8.11	1,455,564	51.75
Other Long Term Care	1,322,198	6.45	4,568,679	330.80	2,095,733	11.10	6,688,713	237.80
Long Term Care Total	20,185,798	98.54	18,602,436	1,346.93	33,460,248	177.14	38,945,832	1,384.62
Total - All Claims	146,073,101	713.05	39,201,301	2,838.41	33,460,248	177.14	38,945,832	1,384.62
Projected FY2018 Member Months	193,872		13,065		194,384		28,159	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9765		0.9845		1.0000		1.0000	
Acute Care - Inpatient	0.9970		0.9976		1.0000		1.0000	
Long Term Care	1.0976		1.0000		1.0269		1.0000	
Other Adjustment - Removal of < Age 21	1.0129		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Tarrant SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	122,710,529	632.95	19,118,651	1,463.36	0	0.00	0	0.00
LTC	24,086,605	124.24	17,787,392	1,361.46	38,311,868	197.09	41,397,493	1,470.12
Total	146,797,134	757.19	36,906,042	2,824.82	38,311,868	197.09	41,397,493	1,470.12
Capitation Expenses & Refunds	231,437	1.19	15,406	1.18	1,573	0.01	11,278	0.40
Service Coordination & Other Expenses	3,691,493	19.04	480,322	36.76	3,721,589	19.15	964,567	34.25
Net Reinsurance Cost	4,450	0.02	306	0.02	4,718	0.02	669	0.02
Administrative Expenses								
Fixed Amount	3,489,688	18.00	235,169	18.00	3,498,919	18.00	506,867	18.00
Percentage of Premium	9,771,854	5.75%	2,384,777	5.75%	2,886,078	5.75%	2,717,073	5.75%
Total	13,261,543	68.40	2,619,945	200.53	6,384,997	32.85	3,223,939	114.49
Risk Margin	2,974,043	1.75%	725,802	1.75%	878,372	1.75%	826,935	1.75%
Premium Tax	2,974,043	1.75%	725,802	1.75%	878,372	1.75%	826,935	1.75%
Maintenance Tax	11,148	0.06	751	0.06	11,177	0.06	1,619	0.06
Projected Total Cost								
Acute Care	138,702,845	715.44	21,219,369	1,624.15	6,932	0.04	13,165	0.47
LTC	31,242,445	161.15	20,255,007	1,550.33	50,185,733	258.18	47,240,271	1,677.61
Total	169,945,290	876.59	41,474,376	3,174.48	50,192,665	258.21	47,253,437	1,678.08

FY2018 STAR+PLUS Rating Summary
Tarrant SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	7,929		60,610		21,918		526,142	
Estimated Incurred Claims - Acute Care								
Professional	2,118,283	267.17	0	0.00	1,115,738	50.90	35,016,297	66.55
Emergency Room	667,227	84.15	0	0.00	593,627	27.08	21,902,231	41.63
Outpatient Facility	543,358	68.53	0	0.00	395,720	18.05	13,205,542	25.10
Inpatient Facility	5,701,814	719.14	0	0.00	1,387,749	63.32	54,996,789	104.53
Other Acute Care	1,871,371	236.03	0	0.00	3,014,153	137.52	38,774,349	73.70
Acute Care Total	10,902,053	1,375.01	0	0.00	6,506,987	296.88	163,895,208	311.50
Estimated Incurred Claims - Long Term Care								
Attendant Care	31,546	3.98	105,179	1.74	0	0.00	92,851,697	176.48
Nursing Facility	29,850,226	3,764.84	201,304,793	3,321.30	0	0.00	234,959,039	446.57
Other Long Term Care	6,588	0.83	3,727,183	61.49	0	0.00	18,409,093	34.99
Long Term Care Total	29,888,360	3,769.65	205,137,154	3,384.53	0	0.00	346,219,829	658.04
Total - All Claims	40,790,414	5,144.66	205,137,154	3,384.53	6,506,987	296.88	510,115,037	969.54
Projected FY2018 Member Months	7,991		61,494		23,080		522,045	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9884		1.0000		0.9777			
Acute Care - Inpatient	0.9953		1.0000		0.9985			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Tarrant SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	10,797,960	1,351.31	0	0.00	6,986,197	302.70	159,613,337	305.75
LTC	31,956,777	3,999.22	220,804,376	3,590.64	0	0.00	374,344,511	717.07
Total	42,754,737	5,350.53	220,804,376	3,590.64	6,986,197	302.70	533,957,848	1,022.82
Capitation Expenses & Refunds	5,924	0.74	432	0.01	28,658	1.24	294,708	0.56
Service Coordination & Other Expenses	213,276	26.69	1,633,398	26.56	436,565	18.92	11,141,211	21.34
Net Reinsurance Cost	181	0.02	1,296	0.02	493	0.02	12,114	0.02
Administrative Expenses								
Fixed Amount	143,833	18.00	1,106,899	18.00	415,434	18.00	9,396,809	18.00
Percentage of Premium	2,732,021	5.75%	14,164,321	5.75%	498,566	5.75%	35,154,689	5.75%
Total	2,875,854	359.90	15,271,220	248.34	914,001	39.60	44,551,499	85.34
Risk Margin	831,485	1.75%	4,310,880	1.75%	151,738	1.75%	10,699,253	1.75%
Premium Tax	831,485	1.75%	4,310,880	1.75%	151,738	1.75%	10,699,253	1.75%
Maintenance Tax	459	0.06	3,536	0.06	1,327	0.06	30,018	0.06
Projected Total Cost								
Acute Care	11,945,463	1,494.91	1,904	0.03	8,189,652	354.84	180,079,331	344.95
LTC	35,567,938	4,451.14	246,334,115	4,005.80	481,063	20.84	431,306,573	826.19
Total	47,513,401	5,946.05	246,336,019	4,005.83	8,670,716	375.69	611,385,904	1,171.14

FY2018 STAR+PLUS Rating Summary
Tarrant SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	203,587		13,343		8,019		22,113	
Experience Period Cost								
Estimated Incurred Claims	85,218,659	418.59	13,308,710	997.40	5,574,177	695.10	9,858,700	445.82
Other Costs/Refunds	-49,844	-0.24	-3,335	-0.25	-1,941	-0.24	-5,041	-0.23
Total Cost	85,168,814	418.34	13,305,375	997.15	5,572,236	694.86	9,853,659	445.60
Projected FY2018 Member Months	193,872		13,065		7,991		23,080	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0380		1.0000		1.0000		1.0000	
IMD Adjustment	0.9996		0.9987		0.9993		0.9992	
Projected FY2018 Incurred Claims	92,735,106	478.33	14,360,232	1,099.14	5,548,559	694.37	10,690,299	463.19
Administrative Expenses	348,969	1.80	23,517	1.80	14,383	1.80	41,543	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	96,460,181	497.55	14,905,439	1,140.87	5,764,707	721.42	11,121,080	481.86

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Tarrant SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	247,063	
Experience Period Cost		
Estimated Incurred Claims	113,960,246	461.26
Other Costs/Refunds	-60,162	-0.24
Total Cost	113,900,084	461.02
Projected FY2018 Member Months	238,007	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	123,334,196	518.20
Administrative Expenses	428,413	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	128,251,408	538.86

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Travis SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	119,110		8,214		110,946		20,396	
Estimated Incurred Claims - Acute Care								
Professional	21,051,132	176.74	5,075,881	617.98	0	0.00	0	0.00
Emergency Room	7,515,402	63.10	730,643	88.95	0	0.00	0	0.00
Outpatient Facility	3,804,310	31.94	758,296	92.32	0	0.00	0	0.00
Inpatient Facility	20,788,963	174.54	4,142,120	504.30	0	0.00	0	0.00
Other Acute Care	9,552,883	80.20	2,249,460	273.87	0	0.00	0	0.00
Acute Care Total	62,712,690	526.51	12,956,401	1,577.43	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	12,154,560	102.05	9,824,674	1,196.14	17,000,868	153.24	25,623,408	1,256.32
Nursing Facility	60,771	0.51	177,857	21.65	254,396	2.29	711,608	34.89
Other Long Term Care	2,737,113	22.98	3,587,535	436.78	566,879	5.11	2,832,091	138.86
Long Term Care Total	14,952,444	125.54	13,590,066	1,654.57	17,822,144	160.64	29,167,107	1,430.07
Total - All Claims	77,665,135	652.05	26,546,467	3,232.00	17,822,144	160.64	29,167,107	1,430.07
Projected FY2018 Member Months	112,467		8,023		113,825		20,266	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9193		0.9654		1.0000		1.0000	
Acute Care - Inpatient	1.0008		1.0020		1.0000		1.0000	
Long Term Care	1.0543		1.0000		1.0200		1.0000	
Other Adjustment - Removal of < Age 21	1.0103		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
Travis SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	57,484,701	511.13	12,229,634	1,524.35	0	0.00	0	0.00
LTC	17,053,824	151.63	13,417,646	1,672.43	20,207,384	177.53	30,770,706	1,518.38
Total	74,538,524	662.76	25,647,280	3,196.78	20,207,384	177.53	30,770,706	1,518.38
Capitation Expenses & Refunds	503,117	4.47	36,018	4.49	201,028	1.77	30,600	1.51
Service Coordination & Other Expenses	4,298,286	38.22	446,701	55.68	4,122,215	36.22	1,308,171	64.55
Net Reinsurance Cost	1,660	0.01	110	0.01	1,834	0.02	279	0.01
Administrative Expenses								
Fixed Amount	2,024,401	18.00	144,411	18.00	2,048,852	18.00	364,780	18.00
Percentage of Premium	5,155,831	5.75%	1,664,806	5.75%	1,684,630	5.75%	2,057,689	5.75%
Total	7,180,231	63.84	1,809,217	225.51	3,733,482	32.80	2,422,469	119.54
Risk Margin	1,569,166	1.75%	506,680	1.75%	512,714	1.75%	626,253	1.75%
Premium Tax	1,569,166	1.75%	506,680	1.75%	512,714	1.75%	626,253	1.75%
Maintenance Tax	6,467	0.06	461	0.06	6,545	0.06	1,165	0.06
Projected Total Cost								
Acute Care	65,626,115	583.52	13,592,114	1,694.17	223,539	1.96	34,027	1.68
LTC	24,040,503	213.76	15,361,034	1,914.66	29,074,376	255.43	35,751,870	1,764.17
Total	89,666,618	797.27	28,953,148	3,608.83	29,297,915	257.39	35,785,897	1,765.85

FY2018 STAR+PLUS Rating Summary
Travis SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	3,913		35,548		13,521		311,647	
Estimated Incurred Claims - Acute Care								
Professional	818,647	209.19	0	0.00	1,855,342	137.22	28,801,003	92.42
Emergency Room	130,186	33.27	0	0.00	303,506	22.45	8,679,736	27.85
Outpatient Facility	191,558	48.95	0	0.00	156,345	11.56	4,910,508	15.76
Inpatient Facility	1,814,871	463.76	0	0.00	905,404	66.96	27,651,358	88.73
Other Acute Care	470,409	120.20	0	0.00	657,456	48.63	12,930,207	41.49
Acute Care Total	3,425,670	875.37	0	0.00	3,878,052	286.82	82,972,813	266.24
Estimated Incurred Claims - Long Term Care								
Attendant Care	41,453	10.59	129,442	3.64	0	0.00	64,774,405	207.85
Nursing Facility	15,621,167	3,991.72	122,171,825	3,436.82	0	0.00	138,997,626	446.01
Other Long Term Care	25,342	6.48	1,214,503	34.17	0	0.00	10,963,463	35.18
Long Term Care Total	15,687,963	4,008.79	123,515,771	3,474.63	0	0.00	214,735,494	689.04
Total - All Claims	19,113,632	4,884.16	123,515,771	3,474.63	3,878,052	286.82	297,708,307	955.28
Projected FY2018 Member Months	3,891		35,905		14,427		308,803	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9880		1.0000		0.9491			
Acute Care - Inpatient	1.0014		1.0000		1.0024			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
Travis SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	3,366,415	865.20	0	0.00	4,111,662	285.00	77,192,412	249.97
LTC	16,547,727	4,252.93	132,355,017	3,686.24	0	0.00	230,352,303	745.95
Total	19,914,142	5,118.13	132,355,017	3,686.24	4,111,662	285.00	307,544,715	995.92
Capitation Expenses & Refunds	17,370	4.46	53,228	1.48	65,943	4.57	907,306	2.94
Service Coordination & Other Expenses	174,759	44.91	1,708,542	47.58	686,329	47.57	12,745,004	41.27
Net Reinsurance Cost	60	0.02	485	0.01	117	0.01	4,545	0.01
Administrative Expenses								
Fixed Amount	70,036	18.00	646,294	18.00	259,684	18.00	5,558,457	18.00
Percentage of Premium	1,278,407	5.75%	8,538,869	5.75%	324,697	5.75%	20,704,928	5.75%
Total	1,348,443	346.56	9,185,163	255.82	584,381	40.51	26,263,386	85.05
Risk Margin	389,080	1.75%	2,598,786	1.75%	98,821	1.75%	6,301,500	1.75%
Premium Tax	389,080	1.75%	2,598,786	1.75%	98,821	1.75%	6,301,500	1.75%
Maintenance Tax	224	0.06	2,065	0.06	830	0.06	17,756	0.06
Projected Total Cost								
Acute Care	3,741,843	961.69	59,188	1.65	4,890,618	338.99	88,167,444	285.51
LTC	18,491,316	4,752.45	148,442,884	4,134.30	756,286	52.42	271,918,268	880.56
Total	22,233,159	5,714.14	148,502,072	4,135.95	5,646,904	391.42	360,085,713	1,166.07

FY2018 STAR+PLUS Rating Summary
Travis SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	117,337		8,085		4,035		13,733	
Experience Period Cost								
Estimated Incurred Claims	49,667,438	423.29	7,890,611	975.93	3,885,561	963.01	7,174,515	522.44
Other Costs/Refunds	-152,496	-1.30	-10,866	-1.34	-5,141	-1.27	-21,556	-1.57
Total Cost	49,514,942	421.99	7,879,745	974.58	3,880,420	961.74	7,152,959	520.87
Projected FY2018 Member Months	112,467		8,023		3,891		14,427	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0240		1.0000		1.0000		1.0000	
IMD Adjustment	0.9969		0.9980		0.9994		0.9994	
Projected FY2018 Incurred Claims	53,389,057	474.71	8,612,650	1,073.51	3,739,790	961.16	7,812,852	541.55
Administrative Expenses	202,440	1.80	14,441	1.80	7,004	1.80	25,968	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	55,535,230	493.79	8,939,991	1,114.31	3,882,688	997.89	8,123,130	563.06

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
Travis SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	143,190	
Experience Period Cost		
Estimated Incurred Claims	68,618,126	479.21
Other Costs/Refunds	-190,060	-1.33
Total Cost	68,428,066	477.88
Projected FY2018 Member Months	138,807	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	73,554,350	529.90
Administrative Expenses	249,853	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	76,481,040	550.99

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
MRSA Central SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	138,662		5,210		131,203		15,538	
Estimated Incurred Claims - Acute Care								
Professional	18,988,770	136.94	1,559,443	299.33	0	0.00	0	0.00
Emergency Room	6,800,253	49.04	394,338	75.69	0	0.00	0	0.00
Outpatient Facility	10,942,812	78.92	729,292	139.98	0	0.00	0	0.00
Inpatient Facility	28,710,385	207.05	2,549,050	489.28	0	0.00	0	0.00
Other Acute Care	4,984,810	35.95	1,204,665	231.23	0	0.00	0	0.00
Acute Care Total	70,427,031	507.90	6,436,788	1,235.51	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	8,874,750	64.00	7,511,193	1,441.74	16,708,040	127.34	20,284,357	1,305.49
Nursing Facility	85,569	0.62	200,466	38.48	233,240	1.78	921,772	59.32
Other Long Term Care	1,430,646	10.32	1,325,109	254.35	626,725	4.78	1,421,910	91.51
Long Term Care Total	10,390,964	74.94	9,036,768	1,734.57	17,568,005	133.90	22,628,038	1,456.33
Total - All Claims	80,817,995	582.84	15,473,556	2,970.08	17,568,005	133.90	22,628,038	1,456.33
Projected FY2018 Member Months	134,795		6,870		131,894		17,236	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9578		0.9813		1.0000		1.0000	
Acute Care - Inpatient	0.9987		0.9985		1.0000		1.0000	
Long Term Care	1.0209		1.0000		1.0043		1.0000	
Other Adjustment - Removal of < Age 21	1.0182		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
 MRSA Central SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	69,646,021	516.68	8,308,622	1,209.36	0	0.00	0	0.00
LTC	11,908,010	88.34	12,045,470	1,753.28	19,217,132	145.70	26,651,208	1,546.26
Total	81,554,031	605.02	20,354,093	2,962.65	19,217,132	145.70	26,651,208	1,546.26
Capitation Expenses & Refunds	730,037	5.42	37,782	5.50	-202,273	-1.53	-26,046	-1.51
Service Coordination & Other Expenses	5,701,265	42.30	309,381	45.03	6,284,401	47.65	984,065	57.09
Net Reinsurance Cost	3,437	0.03	195	0.03	2,290	0.02	295	0.02
Administrative Expenses								
Fixed Amount	2,426,313	18.00	123,664	18.00	2,374,090	18.00	310,247	18.00
Percentage of Premium	5,729,270	5.75%	1,319,523	5.75%	1,754,033	5.75%	1,769,084	5.75%
Total	8,155,583	60.50	1,443,187	210.06	4,128,124	31.30	2,079,331	120.64
Risk Margin	1,743,691	1.75%	401,594	1.75%	533,836	1.75%	538,417	1.75%
Premium Tax	1,743,691	1.75%	401,594	1.75%	533,836	1.75%	538,417	1.75%
Maintenance Tax	7,751	0.06	395	0.06	7,584	0.06	991	0.06
Projected Total Cost								
Acute Care	79,843,694	592.33	9,253,158	1,346.85	-220,367	-1.67	-28,376	-1.65
LTC	19,795,792	146.86	13,695,062	1,993.39	30,725,297	232.95	30,795,054	1,786.67
Total	99,639,486	739.19	22,948,220	3,340.23	30,504,930	231.28	30,766,678	1,785.03

FY2018 STAR+PLUS Rating Summary
MRSA Central SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	5,451		51,445		9,914		357,423	
Estimated Incurred Claims - Acute Care								
Professional	1,437,280	263.69	0	0.00	888,551	89.62	22,874,044	64.00
Emergency Room	282,909	51.90	0	0.00	192,424	19.41	7,669,924	21.46
Outpatient Facility	434,708	79.75	0	0.00	331,786	33.47	12,438,598	34.80
Inpatient Facility	3,312,148	607.65	0	0.00	1,066,677	107.59	35,638,259	99.71
Other Acute Care	482,921	88.60	0	0.00	758,673	76.52	7,431,070	20.79
Acute Care Total	5,949,966	1,091.59	0	0.00	3,238,110	326.61	86,051,896	240.76
Estimated Incurred Claims - Long Term Care								
Attendant Care	39,200	7.19	105,184	2.04	0	0.00	53,522,723	149.75
Nursing Facility	19,613,208	3,598.27	171,389,560	3,331.51	0	0.00	192,443,813	538.42
Other Long Term Care	197,523	36.24	975,400	18.96	0	0.00	5,977,314	16.72
Long Term Care Total	19,849,931	3,641.70	172,470,144	3,352.52	0	0.00	251,943,850	704.89
Total - All Claims	25,799,897	4,733.30	172,470,144	3,352.52	3,238,110	326.61	337,995,746	945.65
Projected FY2018 Member Months	5,571		52,576		10,293		359,236	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9867		1.0000		0.9697			
Acute Care - Inpatient	0.9965		1.0000		0.9989			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
 MRSA Central SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	5,973,564	1,072.22	0	0.00	3,401,060	330.43	87,329,268	243.10
LTC	21,524,336	3,863.48	186,997,414	3,556.68	0	0.00	278,343,570	774.82
Total	27,497,900	4,935.70	186,997,414	3,556.68	3,401,060	330.43	365,672,838	1,017.92
Capitation Expenses & Refunds	3,546	0.64	-80,324	-1.53	-10,904	-1.06	451,818	1.26
Service Coordination & Other Expenses	290,070	52.07	2,910,703	55.36	402,623	39.12	16,882,507	47.00
Net Reinsurance Cost	124	0.02	909	0.02	312	0.03	7,562	0.02
Administrative Expenses								
Fixed Amount	100,282	18.00	946,374	18.00	185,272	18.00	6,466,243	18.00
Percentage of Premium	1,767,277	5.75%	12,087,869	5.75%	252,110	5.75%	24,679,166	5.75%
Total	1,867,559	335.22	13,034,243	247.91	437,382	42.49	31,145,410	86.70
Risk Margin	537,867	1.75%	3,678,917	1.75%	76,729	1.75%	7,511,051	1.75%
Premium Tax	537,867	1.75%	3,678,917	1.75%	76,729	1.75%	7,511,051	1.75%
Maintenance Tax	320	0.06	3,023	0.06	592	0.06	20,656	0.06
Projected Total Cost								
Acute Care	6,610,567	1,186.56	-87,509	-1.66	3,940,862	382.87	99,312,028	276.45
LTC	24,124,687	4,330.23	210,311,310	4,000.11	443,661	43.10	329,890,864	918.31
Total	30,735,254	5,516.79	210,223,801	3,998.45	4,384,524	425.98	429,202,893	1,194.77

FY2018 STAR+PLUS Rating Summary
MRSA Central SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	138,381		5,803		5,495		10,028	
Experience Period Cost								
Estimated Incurred Claims	50,854,028	367.49	4,281,181	737.78	3,068,258	558.41	4,270,870	425.88
Other Costs/Refunds	-244,605	-1.77	-10,054	-1.73	-9,929	-1.81	-17,140	-1.71
Total Cost	50,609,424	365.73	4,271,127	736.05	3,058,329	556.60	4,253,730	424.17
Projected FY2018 Member Months	134,795		6,870		5,571		10,293	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0210		1.0000		1.0000		1.0000	
IMD Adjustment	0.9997		1.0000		0.9996		1.0000	
Projected FY2018 Incurred Claims	55,449,924	411.36	5,581,339	812.39	3,099,727	556.38	4,541,952	441.27
Administrative Expenses	242,631	1.80	12,366	1.80	10,028	1.80	18,527	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	57,712,492	428.15	5,796,586	843.72	3,222,544	578.43	4,725,885	459.14

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
 MRSA Central SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	159,707	
Experience Period Cost		
Estimated Incurred Claims	62,474,337	391.18
Other Costs/Refunds	-281,728	-1.76
Total Cost	62,192,610	389.42
Projected FY2018 Member Months	157,530	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	68,672,942	435.94
Administrative Expenses	283,553	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	71,457,508	453.61

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
MRSA Northeast SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	209,807		15,179		186,847		55,613	
Estimated Incurred Claims - Acute Care								
Professional	29,548,289	140.84	5,668,092	373.42	0	0.00	0	0.00
Emergency Room	9,083,707	43.30	1,124,980	74.11	0	0.00	0	0.00
Outpatient Facility	19,299,377	91.99	3,635,842	239.53	0	0.00	0	0.00
Inpatient Facility	42,768,977	203.85	7,178,516	472.93	0	0.00	0	0.00
Other Acute Care	5,185,493	24.72	2,478,014	163.25	0	0.00	0	0.00
Acute Care Total	105,885,843	504.68	20,085,444	1,323.24	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	14,147,461	67.43	16,481,424	1,085.81	21,777,320	116.55	56,984,129	1,024.65
Nursing Facility	224,906	1.07	1,016,431	66.96	664,476	3.56	5,634,941	101.32
Other Long Term Care	2,922,065	13.93	3,271,292	215.51	1,194,689	6.39	7,023,362	126.29
Long Term Care Total	17,294,432	82.43	20,769,147	1,368.28	23,636,485	126.50	69,642,432	1,252.26
Total - All Claims	123,180,275	587.11	40,854,591	2,691.53	23,636,485	126.50	69,642,432	1,252.26
Projected FY2018 Member Months	208,967		16,532		188,648		55,502	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9717		0.9858		1.0000		1.0000	
Acute Care - Inpatient	0.9970		0.9978		1.0000		1.0000	
Long Term Care	1.0115		1.0000		1.0013		1.0000	
Other Adjustment - Removal of < Age 21	1.0121		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
 MRSA Northeast SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	107,997,366	516.82	21,496,543	1,300.26	0	0.00	0	0.00
LTC	19,997,384	95.70	22,865,158	1,383.05	25,890,200	137.24	73,794,549	1,329.58
Total	127,994,750	612.51	44,361,701	2,683.31	25,890,200	137.24	73,794,549	1,329.58
Capitation Expenses & Refunds	677,011	3.24	51,221	3.10	-8,433	-0.04	46,351	0.84
Service Coordination & Other Expenses	8,060,259	38.57	786,957	47.60	7,244,813	38.40	2,845,796	51.27
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses								
Fixed Amount	3,761,409	18.00	297,584	18.00	3,395,668	18.00	999,037	18.00
Percentage of Premium	8,902,549	5.75%	2,882,820	5.75%	2,314,769	5.75%	4,922,439	5.75%
Total	12,663,957	60.60	3,180,403	192.37	5,710,437	30.27	5,921,476	106.69
Risk Margin	2,709,471	1.75%	877,380	1.75%	704,495	1.75%	1,498,134	1.75%
Premium Tax	2,709,471	1.75%	877,380	1.75%	704,495	1.75%	1,498,134	1.75%
Maintenance Tax	12,016	0.06	951	0.06	10,847	0.06	3,191	0.06
Projected Total Cost								
Acute Care	123,259,787	589.85	23,903,500	1,445.85	-9,293	-0.05	51,076	0.92
LTC	31,567,149	151.06	26,232,493	1,586.73	40,266,146	213.45	85,556,555	1,541.50
Total	154,826,936	740.92	50,135,993	3,032.58	40,256,854	213.40	85,607,631	1,542.42

FY2018 STAR+PLUS Rating Summary
MRSA Northeast SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	7,479		69,259		12,952		557,136	
Estimated Incurred Claims - Acute Care								
Professional	1,925,380	257.45	0	0.00	1,161,936	89.71	38,303,698	68.75
Emergency Room	401,370	53.67	0	0.00	221,349	17.09	10,831,406	19.44
Outpatient Facility	1,272,432	170.14	0	0.00	479,524	37.02	24,687,175	44.31
Inpatient Facility	5,371,186	718.21	0	0.00	898,445	69.37	56,217,124	100.90
Other Acute Care	395,463	52.88	0	0.00	790,159	61.01	8,849,129	15.88
Acute Care Total	9,365,832	1,252.35	0	0.00	3,551,412	274.19	138,888,531	249.29
Estimated Incurred Claims - Long Term Care								
Attendant Care	81,632	10.92	168,992	2.44	0	0.00	109,640,959	196.79
Nursing Facility	28,418,365	3,799.95	227,846,708	3,289.78	0	0.00	263,805,827	473.50
Other Long Term Care	61,948	8.28	6,561,876	94.74	0	0.00	21,035,232	37.76
Long Term Care Total	28,561,944	3,819.15	234,577,577	3,386.97	0	0.00	394,482,017	708.05
Total - All Claims	37,927,776	5,071.50	234,577,577	3,386.97	3,551,412	274.19	533,370,548	957.34
Projected FY2018 Member Months	7,610		70,758		13,588		561,606	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9906		1.0000		0.9774			
Acute Care - Inpatient	0.9917		1.0000		0.9968			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
 MRSA Northeast SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	9,352,636	1,229.04	0	0.00	3,791,156	279.01	142,637,701	253.98
LTC	30,832,658	4,051.74	254,251,495	3,593.23	0	0.00	427,631,444	761.44
Total	40,185,294	5,280.77	254,251,495	3,593.23	3,791,156	279.01	570,269,144	1,015.43
Capitation Expenses & Refunds	18,921	2.49	-3,695	-0.05	43,684	3.21	825,059	1.47
Service Coordination & Other Expenses	364,704	47.93	3,503,568	49.51	518,485	38.16	23,324,583	41.53
Net Reinsurance Cost	0	0.00	0	0.00	0	0.00	0	0.00
Administrative Expenses								
Fixed Amount	136,975	18.00	1,273,652	18.00	244,582	18.00	10,108,906	18.00
Percentage of Premium	2,579,189	5.75%	16,412,311	5.75%	291,377	5.75%	38,305,454	5.75%
Total	2,716,164	356.93	17,685,963	249.95	535,958	39.44	48,414,360	86.21
Risk Margin	784,971	1.75%	4,995,051	1.75%	88,680	1.75%	11,658,182	1.75%
Premium Tax	784,971	1.75%	4,995,051	1.75%	88,680	1.75%	11,658,182	1.75%
Maintenance Tax	438	0.06	4,069	0.06	781	0.06	32,292	0.06
Projected Total Cost								
Acute Care	10,362,025	1,361.68	-4,072	-0.06	4,496,091	330.89	162,059,114	288.56
LTC	34,493,437	4,532.80	285,435,574	4,033.94	571,334	42.05	504,122,688	897.64
Total	44,855,461	5,894.48	285,431,502	4,033.89	5,067,425	372.94	666,181,802	1,186.21

FY2018 STAR+PLUS Rating Summary
 MRSA Northeast SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	209,272		15,780		7,536		13,063	
Experience Period Cost								
Estimated Incurred Claims	75,733,056	361.89	12,982,490	822.74	5,195,158	689.40	5,778,301	442.33
Other Costs/Refunds	-163,208	-0.78	-11,015	-0.70	-6,368	-0.85	-10,000	-0.77
Total Cost	75,569,848	361.11	12,971,475	822.04	5,188,790	688.55	5,768,300	441.56
Projected FY2018 Member Months	208,967		16,532		7,610		13,588	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0130		1.0000		1.0000		1.0000	
IMD Adjustment	0.9997		1.0000		0.9999		1.0000	
Projected FY2018 Incurred Claims	84,211,311	402.99	14,999,862	907.30	5,239,160	688.48	6,241,828	459.37
Administrative Expenses	376,141	1.80	29,758	1.80	13,698	1.80	24,458	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	87,655,390	419.47	15,574,736	942.07	5,443,376	715.32	6,493,561	477.89

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
 MRSA Northeast SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	245,651	
Experience Period Cost		
Estimated Incurred Claims	99,689,005	405.82
Other Costs/Refunds	-190,591	-0.78
Total Cost	99,498,413	405.04
Projected FY2018 Member Months	246,697	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	110,692,161	448.70
Administrative Expenses	444,055	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	115,167,063	466.84

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
MRSA West SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	148,550		6,630		199,364		32,248	
Estimated Incurred Claims - Acute Care								
Professional	20,174,961	135.81	1,366,032	206.02	0	0.00	0	0.00
Emergency Room	6,501,803	43.77	449,034	67.72	0	0.00	0	0.00
Outpatient Facility	6,182,875	41.62	465,814	70.25	0	0.00	0	0.00
Inpatient Facility	29,869,431	201.07	2,675,247	403.48	0	0.00	0	0.00
Other Acute Care	14,412,793	97.02	2,605,745	392.99	0	0.00	0	0.00
Acute Care Total	77,141,864	519.30	7,561,871	1,140.47	0	0.00	0	0.00
Estimated Incurred Claims - Long Term Care								
Attendant Care	10,957,522	73.76	8,342,070	1,258.14	30,619,586	153.59	34,858,391	1,080.93
Nursing Facility	203,230	1.37	312,027	47.06	507,983	2.55	2,013,612	62.44
Other Long Term Care	497,926	3.35	749,016	112.97	2,180,094	10.94	4,273,541	132.52
Long Term Care Total	11,658,678	78.48	9,403,113	1,418.16	33,307,663	167.07	41,145,544	1,275.89
Total - All Claims	88,800,542	597.78	16,964,983	2,558.63	33,307,663	167.07	41,145,544	1,275.89
Projected FY2018 Member Months	143,700		7,168		201,103		32,198	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	2.9 %		0.3 %		2.9 %		0.3 %	
FY2018	1.5 %		-0.4 %		1.5 %		-0.4 %	
Long Term Care								
FY2017	7.8 %		2.1 %		5.5 %		4.4 %	
FY2018	5.2 %		-1.0 %		2.7 %		1.7 %	
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9630		0.9810		1.0000		1.0000	
Acute Care - Inpatient	1.0045		1.0062		1.0000		1.0000	
Long Term Care	1.0414		1.0000		1.0433		1.0000	
Other Adjustment - Removal of < Age 21	0.9940		1.0000		1.0000		1.0000	

FY2018 STAR+PLUS Rating Summary
 MRSA West SDA Total - Medical

	Medicaid Only - OCC		Medicaid Only - HCBS		Dual Eligible - OCC		Dual Eligible - HCBS	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	74,941,058	521.51	8,061,280	1,124.60	0	0.00	0	0.00
LTC	13,239,557	92.13	10,275,282	1,433.47	37,979,491	188.86	43,617,848	1,354.68
Total	88,180,615	613.64	18,336,562	2,558.06	37,979,491	188.86	43,617,848	1,354.68
Capitation Expenses & Refunds	659,715	4.59	32,367	4.52	-265,796	-1.32	-35,828	-1.11
Service Coordination & Other Expenses	3,811,387	26.52	212,108	29.59	4,717,271	23.46	886,601	27.54
Net Reinsurance Cost	5,242	0.04	261	0.04	6,982	0.03	1,094	0.03
Administrative Expenses								
Fixed Amount	2,586,600	18.00	129,027	18.00	3,619,857	18.00	579,563	18.00
Percentage of Premium	6,035,239	5.75%	1,185,529	5.75%	2,918,996	5.75%	2,854,479	5.75%
Total	8,621,839	60.00	1,314,555	183.39	6,538,853	32.51	3,434,043	106.65
Risk Margin	1,836,812	1.75%	360,813	1.75%	888,390	1.75%	868,755	1.75%
Premium Tax	1,836,812	1.75%	360,813	1.75%	888,390	1.75%	868,755	1.75%
Maintenance Tax	8,263	0.06	412	0.06	11,563	0.06	1,851	0.06
Projected Total Cost								
Acute Care	85,742,459	596.68	8,981,612	1,252.99	-285,195	-1.42	-38,275	-1.19
LTC	19,218,226	133.74	11,636,279	1,623.33	51,050,339	253.85	49,681,393	1,543.00
Total	104,960,684	730.42	20,617,891	2,876.32	50,765,144	252.43	49,643,118	1,541.81

FY2018 STAR+PLUS Rating Summary
MRSA West SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	5,477		54,808		13,045		460,122	
Estimated Incurred Claims - Acute Care								
Professional	1,201,039	219.29	0	0.00	1,121,498	85.97	23,863,530	51.86
Emergency Room	315,351	57.58	0	0.00	227,286	17.42	7,493,473	16.29
Outpatient Facility	388,630	70.96	0	0.00	261,774	20.07	7,299,094	15.86
Inpatient Facility	3,700,486	675.66	0	0.00	1,023,594	78.47	37,268,758	81.00
Other Acute Care	1,048,830	191.50	0	0.00	1,374,872	105.40	19,442,240	42.25
Acute Care Total	6,654,336	1,214.99	0	0.00	4,009,024	307.33	95,367,095	207.26
Estimated Incurred Claims - Long Term Care								
Attendant Care	15,579	2.84	65,115	1.19	0	0.00	84,858,264	184.43
Nursing Facility	20,362,696	3,717.96	179,680,180	3,278.38	0	0.00	203,079,727	441.36
Other Long Term Care	603	0.11	267,736	4.89	0	0.00	7,968,916	17.32
Long Term Care Total	20,378,878	3,720.91	180,013,031	3,284.46	0	0.00	295,906,907	643.11
Total - All Claims	27,033,214	4,935.91	180,013,031	3,284.46	4,009,024	307.33	391,274,002	850.37
Projected FY2018 Member Months	5,564		55,576		13,284		458,593	
Annual Cost Trend Assumptions								
Acute Care								
FY2017	0.3 %		0.3 %		2.9 %			
FY2018	-0.4 %		-0.4 %		1.5 %			
Long Term Care								
FY2017	3.0 %		3.0 %		0.0 %			
FY2018	3.0 %		3.0 %		0.0 %			
Provider Reimbursement Adjustment								
Acute Care - Non Inpatient	0.9771		1.0000		0.9436			
Acute Care - Inpatient	1.0084		1.0000		1.0043			
Long Term Care	1.0000		1.0000		1.0000			
Other Adjustment - Removal of < Age 21	1.0000		1.0000		1.0000			

FY2018 STAR+PLUS Rating Summary
 MRSA West SDA Total - Medical

	Medicaid Only - NF		Dual Eligible - NF		IDD		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
Projected FY2018 Incurred Claims								
Acute Care	6,654,403	1,195.93	0	0.00	4,040,732	304.19	93,697,473	204.32
LTC	21,964,785	3,947.52	193,652,270	3,484.48	0	0.00	320,729,232	699.38
Total	28,619,188	5,143.45	193,652,270	3,484.48	4,040,732	304.19	414,426,706	903.69
Capitation Expenses & Refunds	-4,148	-0.75	-81,234	-1.46	-18,728	-1.41	286,347	0.62
Service Coordination & Other Expenses	186,428	33.50	1,778,390	32.00	377,305	28.40	11,969,489	26.10
Net Reinsurance Cost	201	0.04	1,957	0.04	499	0.04	16,236	0.04
Administrative Expenses								
Fixed Amount	100,156	18.00	1,000,362	18.00	239,105	18.00	8,254,669	18.00
Percentage of Premium	1,831,265	5.75%	12,441,222	5.75%	293,974	5.75%	27,560,705	5.75%
Total	1,931,421	347.12	13,441,584	241.86	533,079	40.13	35,815,374	78.10
Risk Margin	557,342	1.75%	3,786,459	1.75%	89,470	1.75%	8,388,041	1.75%
Premium Tax	557,342	1.75%	3,786,459	1.75%	89,470	1.75%	8,388,041	1.75%
Maintenance Tax	320	0.06	3,196	0.06	764	0.06	26,369	0.06
Projected Total Cost								
Acute Care	7,354,070	1,321.68	-87,357	-1.57	4,696,828	353.58	106,364,141	231.94
LTC	24,494,023	4,402.07	216,456,438	3,894.81	415,763	31.30	372,952,460	813.25
Total	31,848,092	5,723.75	216,369,081	3,893.23	5,112,590	384.88	479,316,601	1,045.19

FY2018 STAR+PLUS Rating Summary
MRSA West SDA Total - Pharmacy

	Medicaid Only - OCC		Medicaid Only - HCBS		Medicaid Only - NF		IDD	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	147,039		6,819		5,487		13,051	
Experience Period Cost								
Estimated Incurred Claims	56,375,078	383.40	5,464,979	801.49	3,739,905	681.56	5,755,007	440.97
Other Costs/Refunds	-201,832	-1.37	-9,242	-1.36	-7,257	-1.32	-19,700	-1.51
Total Cost	56,173,246	382.03	5,455,736	800.13	3,732,648	680.24	5,735,307	439.46
Projected FY2018 Member Months	143,700		7,168		5,564		13,284	
Annual Trend Assumption	6.0 %		6.1 %		0.0 %		2.4 %	
Adjustment Factors								
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Removal of < Age 21	1.0050		1.0000		1.0000		1.0000	
IMD Adjustment	0.9995		0.9992		0.9984		0.9990	
Projected FY2018 Incurred Claims	60,768,538	422.88	6,325,264	882.41	3,778,924	679.15	6,066,902	456.72
Administrative Expenses	258,660	1.80	12,903	1.80	10,016	1.80	23,910	1.80
Risk Margin	1.75 %		1.75 %		1.75 %		1.75 %	
Premium Tax	1.75 %		1.75 %		1.75 %		1.75 %	
Projected Total Cost	63,240,620	440.09	6,568,049	916.28	3,926,363	705.65	6,311,722	475.15

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

FY2018 STAR+PLUS Rating Summary
 MRSA West SDA Total - Pharmacy

	Total*	
	Amount	pmpm
CY2016 Experience Period		
Member Months	172,396	
Experience Period Cost		
Estimated Incurred Claims	71,334,969	413.79
Other Costs/Refunds	-238,032	-1.38
Total Cost	71,096,937	412.41
Projected FY2018 Member Months	169,716	
Annual Trend Assumption		
Adjustment Factors		
Makena Adjustment		
Removal of < Age 21		
IMD Adjustment		
Projected FY2018 Incurred Claims	76,939,628	453.34
Administrative Expenses	305,489	1.80
Risk Margin		
Premium Tax		
Projected Total Cost	80,046,754	471.65

*Excludes Dual Eligible risk groups which do not receive prescription drug coverage through the STAR+PLUS program.

Attachment 4

Trend Analysis - Medical

The FY2018 rating methodology uses assumed trend factors to adjust the base period claims cost to the projection period. The 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 type of service, risk group and year.

The trend analysis included a review of health plan claims experience data through February 2017. Based on this information, estimates of monthly incurred claims were made through December 2016. 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 FY2014, FY2015, FY2016 and FY2017 trends by service area, type of service and risk group. The FY2017 trend represents the trend during the period September 2016 through December 2016. 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 from the prior year. For example, the FY2016 trend is calculated as the average cost per member per month during FY2016 divided by the average cost per member per month during FY2015.

All trends have been adjusted to remove the impact of the various provider reimbursement changes that have impacted the program. These adjustments are made for all items that have materially impacted historical costs and have distorted the trend from one time period to the next. For example, the carve in of mental health rehabilitation services and targeted case management on September 1, 2014 distorts the FY2015 trend given that the carve in of these services increases the average cost. As a result, the FY2015 observed trends were adjusted to remove the impact of the increased cost associated with these services to ensure the average cost during FY2014 and FY2015 are based on comparable services and reimbursement levels and the underlying trend is calculated.

On Exhibit A, the service area trends have been combined into a statewide weighted average by weighting the service area specific trends by each area's proportion of the total incurred claims.

The FY2017 trend assumptions were developed from two components: (i) the actual estimated trend for the period September 2016 through December 2016 and (ii) the projected trend for the period January 2017 through August 2017. The trends for the final eight months of FY2017 were projected using statewide experience from FY2014 (3/10 weight), FY2015 (3/10 weight), FY2016 (3/10 weight) and 9/2016-12/2016 (1/10 weight). The weighting of each time period was based on the number of months within each time period.

The FY2018 trend assumptions were then developed from a simple average of the FY2014, FY2015, FY2016 and FY2017 trends. Exhibit B provides a summary of the statewide average trends by type of service and risk group for FY2014, FY2015, FY2016 and the first four months of FY2017. In addition, the exhibit includes the trend assumptions developed based on the

described methodology for FY2017 and FY2018.

The IDD risk group was new to managed care effective September 1, 2014. As a result, there is limited historical information available to evaluate the acute care trends for this population. Given the limited data availability we have assumed the IDD trends will be comparable to the average Medicaid Only OCC trend assumptions discussed above. Based on an analysis of the limited trend information available on the IDD population this appears to be a reasonable assumption. As additional IDD claims data becomes available in future time periods, the trend information will be analyzed and we anticipate estimating separate trend assumptions for this risk group.

The nursing facility risk groups were new to managed care effective March 1, 2015. Given the limited information available regarding acute care trends under managed care for this risk group we have selected the Medicaid Only HCBS risk group trend assumptions as a reasonable estimate of the acute care trend. The HCBS population most closely matches the nursing facility risk group since one of the HCBS eligibility criteria is that the member has a nursing facility level of care need.

The trend assumption for nursing facility services was developed from an analysis of nursing facility claims previously paid by the fee-for-service program. Nursing facility claims were reviewed for claims incurred during the period September 2010 through December 2014 and paid through February 2015. Trends for FY2012, FY2013, FY2014 and FY2015 were developed based on a comparison of the average nursing facility claims per member per month incurred during each fiscal year. The FY2015 trend was estimated as the average trend during the first four months of the fiscal year compared to the same time period in the prior fiscal year. The impact of provider reimbursement changes were accounted for and removed from the trend analysis. Exhibit C provides a summary of the average adjusted trends net of reimbursement changes by service area during these four fiscal years. The nursing facility trend assumption is defined as the average trend during these four fiscal years, with equal weighting applied to each. This is the same methodology and trend assumption used during the FY2017 rate development. As additional nursing facility claims data provided under managed care becomes available in future time periods, the trend information will be analyzed and we anticipate estimating separate trend assumptions for this risk group and type of service.

Although the acute care medical trends were reviewed by component, a single acute care trend assumption was selected and applied in aggregate. The MCO is paid a single capitation rate that does not vary by medical component. Splitting the analysis into separate components does not add any additional accuracy to the analysis but could increase the probability of distortions in the projection due to reporting differences among fiscal years, small sample sizes in a given category of service, or variations in the trend projections that could emerge for a category. There is significant interaction amongst all categories of service as MCOs may shift cost away from inpatient toward outpatient and looking at an individual category in isolation could lead to overgeneralizations.

Use of the aggregate trend captures all interactions between categories of service, including the ongoing shifts that occur, and is reflective of the expected level of trend in future periods. Because historical trends are adjusted to account for provider reimbursement changes, the primary driver of the trend assumptions is utilization changes. As a result, we have not

separated the trend assumption into separate utilization and inflation components. Rather our trend combines the full impact of inflation, utilization, changes in mixes of services and all other cost drivers into a single assumption.

Although trends were reviewed at the SDA level, it was determined that a statewide average trend is appropriate as the long term variation in average trends among the service areas is relatively small. SDA trends will continue to be monitored in future rate developments.

Trend Analysis - Pharmacy

The rating methodology uses assumed pharmacy trend factors to adjust the base period (CY2016) claims cost to the rating period (FY2018). The trend rate assumptions were developed by the actuary based on an analysis of recent pharmacy claims experience under the STAR+PLUS program and the actuary's professional judgment regarding anticipated future cost changes. The trend rate assumptions vary by risk group but are the same for all service areas.

The trend analysis included a review of STAR+PLUS utilization and cost experience data paid through March 2017. Utilization (days supply per member) and cost per service (plan payments per days supply) statistics were developed by risk group and drug type (brand, generic and specialty) through February 2017. From this experience, the average annual utilization and cost per service were determined for each of the five 12-month periods ending February 2017.

Only those drugs covered under the capitated arrangement are included in the trend analysis. Anti-viral agents used for the treatment of Hepatitis C virus and the drug Orkambi are not included in the analysis as those drugs are carved out of the managed care contract. In addition, experience for the drugs Tamiflu and Makena were removed from our trend analysis. Tamiflu was removed due to the significant variation in the intensity of flu season from year to year. Makena was removed due to its one-time distortion of pharmacy trends for pregnant women. Please note that while excluded from the pharmacy trend analysis, the historical claims for Tamiflu and Makena were included in the base period experience used in developing the pharmacy component of the rates.

The STAR+PLUS pharmacy trend assumptions for the remainder of FY2017 and all of FY2018 were developed by risk group using the following formula. For the OCC and HCBS risk groups, the utilization and cost per service trend assumptions were set equal to one-sixth of the experience trend rate for the 12-month period ending February 2015 plus two-sixths of the experience trend rate for the 12-month period ending February 2016 plus three-sixths of the experience trend rate for the 12-month period ending February 2017. For the IDD and NF risk groups, since they only entered STAR+PLUS in September 2014 and March 2015, respectively, their trend assumption is based solely on the most recent 12-month period. The final cost trend assumptions were then determined by applying the assumed utilization and cost per service trends by individual drug type to actual experience for the 12-month period ending February 2017 and combining the results into a single trend assumption for each risk group.

Exhibit D includes a summary of the STAR+PLUS pharmacy trend analysis and the derivation of the trend assumptions used in the rating analysis.

Information on the medical and pharmacy trend assumptions for the MBCCP population can be found in Attachment 11.

FY2018 STAR+PLUS Rating
Analysis of HMO Trend Factors - Medical

	<u>Bexar</u>	<u>Dallas</u>	<u>El Paso</u>	<u>Harris</u>	<u>Hidalgo</u>	<u>Jefferson</u>	<u>Lubbock</u>	<u>Nueces</u>	<u>Tarrant</u>	<u>Travis</u>
Medicaid Only OCC										
FY2014										
-Professional	0.975	1.035	1.035	1.025	0.955	1.031	0.926	0.939	0.932	1.010
-Outpatient - ER	0.999	1.114	1.022	0.967	1.038	1.002	1.153	0.816	1.037	0.808
-Outpatient - Non ER	1.041	1.263	1.102	1.109	0.970	1.141	1.025	1.038	1.265	1.192
-Inpatient	1.026	1.059	1.068	1.176	0.971	1.009	0.946	1.124	0.975	0.932
-Other Acute Care	0.974	1.047	1.021	0.597	0.912	0.831	0.931	0.813	0.927	0.766
-Total Acute Care	0.998	1.091	1.044	0.992	0.955	0.997	0.957	0.990	0.977	0.920
-Long Term Care	1.085	1.163	1.137	0.955	1.109	1.117	1.041	1.037	1.041	1.111
FY2015										
-Professional	1.006	1.013	0.868	0.991	0.898	0.929	0.917	1.012	1.093	0.903
-Outpatient - ER	0.937	0.912	0.910	1.089	1.053	0.993	0.910	1.070	1.030	1.025
-Outpatient - Non ER	0.869	0.957	0.798	1.046	0.844	1.124	0.958	1.082	0.920	1.139
-Inpatient	0.954	0.950	0.940	0.960	0.946	0.980	1.131	0.875	1.002	1.043
-Other Acute Care	1.020	1.072	1.260	1.026	0.996	1.021	1.107	0.880	1.132	1.118
-Total Acute Care	0.967	0.970	0.978	0.998	0.927	0.988	1.038	0.955	1.042	1.001
-Long Term Care	0.998	1.099	1.062	1.046	1.035	1.121	0.961	1.053	1.079	1.024
FY2016										
-Professional	1.051	1.035	1.099	1.117	1.061	1.125	1.018	1.034	1.089	0.961
-Outpatient - ER	0.953	1.046	1.052	1.103	1.227	1.101	1.098	1.123	0.979	1.032
-Outpatient - Non ER	0.993	1.018	1.129	1.005	1.112	0.925	0.917	0.989	0.953	1.145
-Inpatient	1.054	1.071	0.926	1.080	1.043	0.966	0.848	1.007	1.085	1.017
-Other Acute Care	1.025	0.999	1.041	0.939	0.963	0.828	1.037	0.968	1.136	1.085
-Total Acute Care	1.029	1.041	1.027	1.065	1.050	0.996	0.945	1.019	1.066	1.014
-Long Term Care	0.961	1.056	1.047	1.033	0.991	1.064	0.886	1.022	0.880	1.072
FY2017										
-Professional	1.117	1.056	1.144	1.069	0.997	1.043	1.081	1.010	1.005	1.031
-Outpatient - ER	1.077	1.208	1.210	1.163	1.219	1.185	1.111	1.095	0.882	0.969
-Outpatient - Non ER	1.017	1.085	1.238	1.128	1.097	1.033	1.380	1.028	0.961	1.352
-Inpatient	1.065	1.007	1.079	1.066	0.966	1.046	1.133	1.030	0.969	1.104
-Other Acute Care	1.128	1.137	0.989	1.086	1.072	0.923	1.012	0.885	0.984	1.025
-Total Acute Care	1.088	1.066	1.090	1.085	1.026	1.041	1.115	1.019	0.966	1.063
-Long Term Care	1.162	1.141	1.120	1.134	1.089	1.136	1.004	1.149	1.103	1.052

FY2018 STAR+PLUS Rating
Analysis of HMO Trend Factors - Medical

	<u>MRSA Central</u>	<u>MRSA Northeast</u>	<u>MRSA West</u>	<u>Weighted Average</u>
Medicaid Only OCC				
FY2014				
-Professional				0.997
-Outpatient - ER				1.005
-Outpatient - Non ER				1.138
-Inpatient				1.074
-Other Acute Care				0.846
-Total Acute Care				1.001
-Long Term Care				1.072
FY2015				
-Professional				0.980
-Outpatient - ER				1.010
-Outpatient - Non ER				0.977
-Inpatient				0.967
-Other Acute Care				1.066
-Total Acute Care				0.987
-Long Term Care				1.047
FY2016				
-Professional	1.065	1.096	1.087	1.076
-Outpatient - ER	1.124	1.032	1.235	1.067
-Outpatient - Non ER	1.009	0.905	0.957	1.000
-Inpatient	1.011	1.083	1.085	1.053
-Other Acute Care	0.979	1.015	1.099	1.018
-Total Acute Care	1.030	1.040	1.085	1.044
-Long Term Care	1.123	1.005	1.035	1.013
FY2017				
-Professional	1.044	1.073	1.033	1.057
-Outpatient - ER	0.990	0.959	1.064	1.094
-Outpatient - Non ER	1.182	1.254	1.039	1.125
-Inpatient	0.990	0.994	0.984	1.031
-Other Acute Care	0.906	1.081	1.071	1.052
-Total Acute Care	1.027	1.066	1.024	1.056
-Long Term Care	1.156	1.288	1.096	1.129

FY2018 STAR+PLUS Rating
Analysis of HMO Trend Factors - Medical

	<u>Bexar</u>	<u>Dallas</u>	<u>El Paso</u>	<u>Harris</u>	<u>Hidalgo</u>	<u>Jefferson</u>	<u>Lubbock</u>	<u>Nueces</u>	<u>Tarrant</u>	<u>Travis</u>
Medicaid Only HCBS										
FY2014										
-Professional	0.941	1.001	0.817	0.994	1.193	1.140	1.172	0.928	1.057	0.974
-Outpatient - ER	1.008	1.257	0.897	1.005	1.110	1.036	1.830	0.815	1.389	0.687
-Outpatient - Non ER	0.877	1.002	0.649	1.019	1.153	1.706	1.095	1.266	1.817	1.075
-Inpatient	0.823	0.995	0.590	1.019	0.869	1.246	1.002	0.727	1.234	0.943
-Other Acute Care	0.855	0.958	0.781	0.772	0.842	0.749	1.012	0.865	0.872	0.929
-Total Acute Care	0.866	1.001	0.698	0.964	0.978	1.099	1.065	0.847	1.082	0.939
-Long Term Care	1.038	1.003	0.767	1.005	0.999	0.969	0.784	0.973	0.809	0.996
FY2015										
-Professional	0.998	0.981	0.933	1.015	0.947	0.979	0.792	0.999	1.104	1.033
-Outpatient - ER	0.797	0.856	1.229	1.053	1.122	0.934	0.774	1.004	1.009	1.123
-Outpatient - Non ER	0.973	0.815	0.806	0.871	0.954	1.056	0.573	1.006	1.148	0.906
-Inpatient	0.913	0.640	0.827	0.817	1.048	0.787	1.050	1.128	0.881	0.820
-Other Acute Care	1.098	0.985	1.088	1.083	1.099	0.965	1.129	0.885	1.002	0.983
-Total Acute Care	0.975	0.802	0.949	0.928	1.025	0.906	0.983	1.022	0.987	0.943
-Long Term Care	1.047	0.991	0.990	1.029	0.999	0.937	0.972	1.062	1.039	0.973
FY2016										
-Professional	1.148	1.164	1.191	1.119	1.142	1.129	1.195	1.066	1.192	1.160
-Outpatient - ER	1.055	1.034	1.145	1.234	1.232	1.097	1.337	1.231	1.129	1.162
-Outpatient - Non ER	0.866	0.915	0.769	0.941	1.020	1.026	1.554	1.076	1.184	0.990
-Inpatient	0.971	1.242	1.043	1.018	1.097	1.229	1.471	0.959	1.037	1.115
-Other Acute Care	0.918	1.030	1.165	1.034	0.996	0.831	1.112	1.065	1.030	0.993
-Total Acute Care	0.984	1.104	1.097	1.057	1.068	1.082	1.276	1.033	1.084	1.099
-Long Term Care	0.909	0.919	0.952	0.982	0.963	0.881	0.990	0.966	0.993	0.950
FY2017										
-Professional	1.137	1.033	1.033	0.969	1.077	0.842	1.016	0.954	1.046	0.927
-Outpatient - ER	1.238	1.098	0.951	1.159	1.263	1.112	0.712	1.190	0.807	0.927
-Outpatient - Non ER	0.987	1.044	1.286	0.966	1.106	0.937	0.891	0.987	1.333	1.135
-Inpatient	1.157	1.028	0.945	1.049	0.951	0.660	0.763	1.029	1.145	0.754
-Other Acute Care	0.991	1.034	1.115	0.975	1.075	0.937	1.084	0.999	0.988	0.938
-Total Acute Care	1.091	1.037	1.047	1.011	1.046	0.821	0.898	1.007	1.045	0.881
-Long Term Care	1.081	1.001	1.138	1.090	1.120	1.061	1.160	1.082	1.096	1.120

FY2018 STAR+PLUS Rating
Analysis of HMO Trend Factors - Medical

	<u>MRSA Central</u>	<u>MRSA Northeast</u>	<u>MRSA West</u>	<u>Weighted Average</u>
Medicaid Only HCBS				
FY2014				
-Professional				1.018
-Outpatient - ER				1.115
-Outpatient - Non ER				1.096
-Inpatient				0.988
-Other Acute Care				0.852
-Total Acute Care				0.962
-Long Term Care				0.972
FY2015				
-Professional				1.003
-Outpatient - ER				0.998
-Outpatient - Non ER				0.915
-Inpatient				0.863
-Other Acute Care				1.049
-Total Acute Care				0.944
-Long Term Care				1.015
FY2016				
-Professional	1.100	1.141	1.172	1.140
-Outpatient - ER	1.379	1.277	1.778	1.186
-Outpatient - Non ER	1.132	1.194	0.830	1.006
-Inpatient	1.096	1.067	1.045	1.084
-Other Acute Care	0.958	1.385	1.056	1.034
-Total Acute Care	1.082	1.153	1.081	1.077
-Long Term Care	0.882	0.934	0.973	0.951
FY2017				
-Professional	0.856	0.887	1.053	0.997
-Outpatient - ER	1.164	1.103	1.264	1.100
-Outpatient - Non ER	1.097	1.143	1.347	1.077
-Inpatient	0.922	1.008	1.066	1.012
-Other Acute Care	0.842	0.922	1.151	1.020
-Total Acute Care	0.924	0.990	1.118	1.017
-Long Term Care	0.940	1.102	1.075	1.084

FY2018 STAR+PLUS Rating
Analysis of HMO Trend Factors - Medical

	<u>Bexar</u>	<u>Dallas</u>	<u>El Paso</u>	<u>Harris</u>	<u>Hidalgo</u>	<u>Jefferson</u>	<u>Lubbock</u>	<u>Nueces</u>	<u>Tarrant</u>	<u>Travis</u>
Dual Eligible OCC										
FY2014										
-Long Term Care	1.067	1.103	1.086	0.948	1.041	1.009	0.959	1.015	0.985	1.065
FY2015										
-Long Term Care	1.002	1.054	1.048	1.011	0.993	1.021	0.954	1.014	1.032	0.928
FY2016										
-Long Term Care	0.987	1.025	1.028	1.053	0.996	0.998	0.920	1.034	1.053	0.989
FY2017										
-Long Term Care	1.151	1.097	1.157	1.137	1.063	1.087	1.082	1.120	1.286	1.087
Dual Eligible HCBS										
FY2014										
-Long Term Care	0.984	1.042	0.913	1.018	0.995	1.019	0.955	0.985	0.981	0.967
FY2015										
-Long Term Care	1.038	1.016	0.986	1.039	1.025	0.999	0.989	1.041	1.017	1.010
FY2016										
-Long Term Care	0.961	0.987	0.938	1.004	0.999	0.973	1.045	1.034	0.990	0.957
FY2017										
-Long Term Care	1.092	1.045	1.125	1.138	1.100	1.007	1.110	1.132	1.120	1.069

FY2018 STAR+PLUS Rating
Analysis of HMO Trend Factors - Medical

	<u>MRSA Central</u>	<u>MRSA Northeast</u>	<u>MRSA West</u>	<u>Weighted Average</u>
Dual Eligible OCC				
FY2014				
-Long Term Care				1.035
FY2015				
-Long Term Care				1.007
FY2016				
-Long Term Care	1.077	1.038	0.941	1.012
FY2017				
-Long Term Care	1.057	1.289	1.074	1.111
Dual Eligible HCBS				
FY2014				
-Long Term Care				0.996
FY2015				
-Long Term Care				1.024
FY2016				
-Long Term Care	1.035	1.097	1.030	1.005
FY2017				
-Long Term Care	1.018	1.126	1.041	1.097

FY2018 STAR+PLUS Rating
Trend Assumptions - Medical

	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>9/16-12/16 (2)</u>	<u>1/17-8/17 (3)</u>	<u>Trend Assumptions</u>	
						<u>FY2017 (4)</u>	<u>FY2018 (5)</u>
Statewide Average Trend (1)							
Acute Care							
Medicaid Only OCC	0.1 %	-1.3 %	4.4 %	5.6 %	1.5 %	2.9 %	1.5 %
Medicaid Only HCBS	-3.8 %	-5.6 %	7.7 %	1.7 %	-0.4 %	0.3 %	-0.4 %
Long Term Care							
Medicaid Only OCC	7.2 %	4.7 %	1.3 %	12.9 %	5.2 %	7.8 %	5.2 %
Medicaid Only HCBS	-2.8 %	1.5 %	-4.9 %	8.4 %	-1.0 %	2.1 %	-1.0 %
Dual Eligible OCC	3.5 %	0.7 %	1.2 %	11.1 %	2.7 %	5.5 %	2.7 %
Dual Eligible HCBS	-0.4 %	2.4 %	0.5 %	9.7 %	1.7 %	4.4 %	1.7 %

- Footnotes
- (1) All trends are net of reimbursement changes.
- (2) Average trend during the period 9/1/2016-12/31/2016.
- (3) Assumed trend during the period 1/1/2017-8/31/2017. Equals weighted average of the Statewide FY2014, FY2015, FY2016 and 9/16-12/16 trends.
Weighted based on number of months.
- (4) Combined 9/16-12/16 and 1/17-8/17 into single trend assumption based on number of months.
- (5) Average trend during FY2014-FY2016.

FY2018 STAR+PLUS Rating

Analysis of HMO Nursing Facility Trend Factors

	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Adjusted Trend - Net of Reimbursement Changes				
Bexar	0.8%	3.8%	2.9%	4.7%
Dallas	-2.5%	8.0%	1.2%	4.5%
El Paso	-4.7%	13.3%	0.8%	1.8%
Harris	-2.7%	9.0%	2.3%	4.8%
Hidalgo	-4.6%	11.4%	0.6%	3.1%
Jefferson	-0.1%	8.2%	2.1%	2.5%
Lubbock	2.1%	6.0%	2.1%	3.9%
MRSA Central	1.1%	5.1%	2.2%	2.3%
MRSA Northeast	1.0%	4.9%	2.9%	3.2%
MRSA West	-0.4%	8.1%	2.9%	5.2%
Nueces	-1.1%	7.3%	1.9%	3.4%
Tarrant	-1.6%	6.5%	1.9%	2.5%
Travis	-0.6%	5.0%	1.7%	3.0%
Total	-0.9%	7.0%	2.1%	3.7%
Trend Assumption (1)				3.0%

Footnotes:

(1) Average of the FY2012-FY2015 statewide trend factors.

FY2018 STAR+PLUS Rating
STAR+PLUS Pharmacy Trends

	<u>OCC</u>	<u>HCBS</u>	<u>IDD</u>	<u>NF</u>	<u>Total</u>	<u>Case-Mix Adjusted</u>
Annual Trend in Number of Scripts per Member per Month						
Brand Drugs						
3/2013-2/2014	-7.7 %	-6.7 %			-7.2 %	-7.6 %
3/2014-2/2015	-11.9 %	-10.2 %			-11.2 %	-4.6 %
3/2015-2/2016	-9.5 %	-5.6 %			-6.0 %	-4.1 %
3/2016-2/2017	-5.6 %	-5.7 %	-9.8 %	-11.9 %	-5.3 %	-6.2 %
Use	-7.9 %	-6.4 %	-9.8 %	-11.9 %	-1.1 %	-8.0 %
Generic Drugs						
3/2013-2/2014	10.0 %	9.3 %			10.5 %	9.9 %
3/2014-2/2015	1.4 %	2.6 %			2.3 %	10.1 %
3/2015-2/2016	0.8 %	3.6 %			6.0 %	8.1 %
3/2016-2/2017	4.0 %	2.2 %	3.0 %	-2.5 %	4.3 %	3.3 %
Use	2.5 %	2.8 %	3.0 %	-2.5 %	10.0 %	2.3 %
Specialty Drugs						
3/2013-2/2014	4.4 %	-3.4 %			4.1 %	3.5 %
3/2014-2/2015	-5.3 %	-4.6 %			-6.7 %	-2.0 %
3/2015-2/2016	-4.2 %	-6.0 %			-3.7 %	0.4 %
3/2016-2/2017	-1.0 %	-2.5 %	2.1 %	-8.4 %	-1.1 %	-1.4 %
Use	-2.8 %	-4.0 %	2.1 %	-8.4 %	3.9 %	-3.0 %
All Drugs						
3/2013-2/2014	5.6 %	5.2 %			6.0 %	5.5 %
3/2014-2/2015	-1.5 %	-0.3 %			-0.7 %	6.8 %
3/2015-2/2016	-1.2 %	1.7 %			3.5 %	5.7 %
3/2016-2/2017	2.2 %	0.7 %	0.9 %	-3.9 %	2.6 %	1.6 %
Use	0.8 %	1.2 %	1.1 %	0.0 %	8.1 %	0.6 %

Annual Trend in Days Supply per Member per Month

Brand Drugs						
3/2013-2/2014	-8.5 %	-7.4 %			-8.0 %	-8.4 %
3/2014-2/2015	-12.2 %	-10.5 %			-11.4 %	-4.9 %
3/2015-2/2016	-9.7 %	-6.2 %			-7.2 %	-5.5 %
3/2016-2/2017	-5.7 %	-5.7 %	-10.0 %	-11.0 %	-5.4 %	-6.2 %
Use	-8.1 %	-6.6 %	-10.0 %	-11.0 %	-1.3 %	-8.1 %
Generic Drugs						
3/2013-2/2014	12.1 %	10.3 %			12.5 %	11.9 %
3/2014-2/2015	2.7 %	3.0 %			3.8 %	2.8 %
3/2015-2/2016	2.6 %	4.8 %			7.2 %	2.9 %
3/2016-2/2017	4.8 %	2.8 %	3.7 %	-2.0 %	5.1 %	4.5 %
Use	3.7 %	3.5 %	3.7 %	-2.0 %	11.1 %	3.7 %

FY2018 STAR+PLUS Rating
STAR+PLUS Pharmacy Trends

	<u>OCC</u>	<u>HCBS</u>	<u>IDD</u>	<u>NF</u>	<u>Total</u>	<u>Case-Mix Adjusted</u>
Specialty Drugs						
3/2013-2/2014	4.8 %	-3.2 %			4.5 %	3.8 %
3/2014-2/2015	-5.3 %	-4.9 %			-6.7 %	-5.2 %
3/2015-2/2016	-3.7 %	-5.9 %			-4.4 %	-3.9 %
3/2016-2/2017	0.2 %	-1.8 %	3.5 %	-5.8 %	0.1 %	-0.1 %
Use	-2.0 %	-3.7 %	3.5 %	-5.8 %	4.8 %	-2.2 %
All Drugs						
3/2013-2/2014	6.6 %	5.5 %			7.0 %	6.4 %
3/2014-2/2015	-0.7 %	-0.2 %			0.2 %	-0.7 %
3/2015-2/2016	0.1 %	2.4 %			4.2 %	0.4 %
3/2016-2/2017	2.9 %	1.2 %	1.4 %	-3.2 %	3.2 %	2.6 %
Use	1.7 %	1.7 %	1.7 %	0.0 %	9.1 %	1.7 %

Annual Trend in Incurred Claims per Days Supply

Brand Drugs						
3/2013-2/2014	12.5 %	13.8 %			12.7 %	12.7 %
3/2014-2/2015	13.5 %	15.5 %			15.2 %	13.8 %
3/2015-2/2016	14.7 %	16.1 %			16.8 %	14.9 %
3/2016-2/2017	8.1 %	7.8 %	5.4 %	6.5 %	7.9 %	8.1 %
Use	11.2 %	11.9 %	5.4 %	6.5 %	10.7 %	11.3 %
Generic Drugs						
3/2013-2/2014	-2.3 %	-5.1 %			-2.5 %	-2.8 %
3/2014-2/2015	-0.1 %	5.2 %			2.3 %	0.7 %
3/2015-2/2016	10.8 %	12.0 %			12.3 %	11.0 %
3/2016-2/2017	2.5 %	3.8 %	-0.6 %	1.9 %	0.0 %	2.7 %
Use	4.8 %	6.8 %	-0.6 %	1.9 %	6.4 %	5.1 %
Specialty Drugs						
3/2013-2/2014	4.8 %	15.0 %			5.6 %	6.5 %
3/2014-2/2015	9.3 %	13.9 %			9.6 %	10.1 %
3/2015-2/2016	16.1 %	11.2 %			15.1 %	15.2 %
3/2016-2/2017	13.4 %	9.9 %	31.2 %	6.3 %	13.5 %	12.8 %
Use	13.6 %	11.0 %	31.2 %	6.3 %	13.9 %	13.2 %
All Drugs						
3/2013-2/2014	-0.9 %	1.0 %			-0.8 %	-0.7 %
3/2014-2/2015	1.8 %	5.4 %			2.5 %	2.4 %
3/2015-2/2016	7.2 %	6.6 %			6.1 %	7.1 %
3/2016-2/2017	3.1 %	2.7 %	-0.8 %	0.0 %	2.7 %	3.1 %
Use	4.2 %	4.3 %	0.7 %	0.0 %	3.9 %	4.2 %

FY2018 STAR+PLUS Rating
STAR+PLUS Pharmacy Trends

	<u>OCC</u>	<u>HCBS</u>	<u>IDD</u>	<u>NF</u>	<u>Total</u>	<u>Case-Mix Adjusted</u>
Annual Trend in Incurred Claims per Member per Month						
Brand Drugs						
3/2013-2/2014	2.9 %	5.3 %			3.7 %	3.3 %
3/2014-2/2015	-0.4 %	3.3 %			2.0 %	0.2 %
3/2015-2/2016	3.6 %	9.0 %			8.3 %	4.4 %
3/2016-2/2017	1.9 %	1.7 %	-5.1 %	-5.2 %	2.1 %	1.9 %
Use	1.7 %	4.7 %	-5.1 %	-5.2 %	9.3 %	2.6 %
Generic Drugs						
3/2013-2/2014	9.5 %	4.7 %			9.7 %	8.8 %
3/2014-2/2015	2.6 %	8.4 %			6.1 %	3.5 %
3/2015-2/2016	13.7 %	17.4 %			20.4 %	14.2 %
3/2016-2/2017	7.4 %	6.7 %	3.1 %	-0.1 %	7.9 %	7.3 %
Use	7.9 %	10.9 %	3.1 %	-0.1 %	16.2 %	9.0 %
Specialty Drugs						
3/2013-2/2014	9.8 %	11.4 %			10.4 %	10.0 %
3/2014-2/2015	3.5 %	8.3 %			2.2 %	4.1 %
3/2015-2/2016	11.9 %	4.7 %			10.0 %	10.9 %
3/2016-2/2017	13.6 %	7.9 %	35.7 %	0.2 %	13.6 %	12.9 %
Use	9.6 %	7.0 %	35.7 %	0.2 %	19.4 %	10.8 %
All Drugs						
3/2013-2/2014	5.6 %	6.6 %			6.2 %	5.7 %
3/2014-2/2015	1.1 %	5.2 %			2.6 %	1.7 %
3/2015-2/2016	7.3 %	9.3 %			10.5 %	7.6 %
3/2016-2/2017	6.1 %	4.0 %	0.5 %	-3.2 %	6.0 %	5.8 %
Use	6.0 %	6.1 %	2.4 %	0.0 %	13.3 %	6.0 %

Generic Dispensing Rate (Days Supply)

3/2013-2/2014	75.8 %	76.0 %			75.8 %	75.8 %
3/2014-2/2015	78.5 %	78.4 %	80.7 %		78.5 %	75.0 %
3/2015-2/2016	80.5 %	80.2 %	82.6 %	86.0 %	80.8 %	80.9 %
3/2016-2/2017	82.0 %	81.5 %	84.5 %	87.1 %	82.4 %	82.4 %
FY2018	84.4 %	83.7 %	86.9 %	88.6 %	84.7 %	84.7 %

Attachment 5

Provider Reimbursement and Benefit Revisions Effective During FY2016, FY2017 and FY2018

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 base period used in rate setting and before the end of FY2018.

All adjustments have been calculated through an analysis of health plan encounter data repriced using the old and new reimbursement terms and the impact determined as the relative change in cost. For each adjustment, the applicable FY2016 encounter data was repriced using the FFS reimbursement in place during FY2016, the FFS reimbursement that will be in place during FY2018 and the applicable percentage change determined.

During FY2016 and FY2017 several hospitals have had their inpatient Standard Dollar Amount (SDA) revised as a result of annual reevaluations. Exhibit A presents a summary of the derivation of the rating adjustment factors.

Beginning 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 and can change from one fiscal year to the next. A new PPR reduction list will become effective September 1, 2017. As a result, the adjustment factors shown in Exhibit B represent the restoration of those reductions that were in place during FY2016 net of those reductions that will be in place during FY2018.

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 and can change from one fiscal year to the next. A new PPC reduction list will become effective September 1, 2017. As a result, the adjustment factors shown in Exhibit C represent the restoration of those reductions that were in place during FY2016 net of those reductions that will be in place during FY2018.

Effective December 15, 2016 HHSC made revisions to the reimbursement for certain speech, physical and occupational therapy services. Further revisions for these services will be effective September 1, 2017. Exhibit D presents a summary of the derivation of the rating adjustment factors as a result of the aggregated changes.

Effective December 1, 2017 HHSC will make revisions to the therapy policies which will impact the reimbursement for therapy services provided by an assistant. Therapy assistant services will be reimbursed at a rate that is 85% of the therapy fee schedule. Prior to May 1, 2016 the appropriate modifier used to identify therapy services provided by an assistant was not included in the submitted encounter data. As a result of this data limitation, the impact of this policy change has been determined by evaluating therapy assistant utilization as a percentage of total during the period May 1, 2016 through August 31, 2016 and assuming this is representative of the entire base period. Exhibit E presents a summary of the derivation of the rating adjustment factors.

Effective February 1, 2017 HHSC revised the fee schedule for diagnostic radiology services, which includes hospital outpatient diagnostic radiology services. Fee schedule changes varied for professional, urban hospitals and rural hospitals. Exhibit F presents a summary of the derivation of the rating adjustment factors.

Effective October 1, 2016 HHSC implemented reimbursement changes for various procedure codes associated with labor and delivery surgery. The impact of these changes is insignificant on the STAR+PLUS program.

Invalid clinician administered drugs (CAD) have been removed from the base period. HHSC has provided guidance to the MCOs which specifies the reporting requirements for a CAD to be considered a valid claim. Those claims not meeting these requirements are assumed to be invalid and have been removed from the rating analysis. Exhibit G presents a summary of the derivation of the rating adjustment factors.

On January 1, 2017, the NorthSTAR program which was a managed care program for the delivery of mental health services in the Dallas SDA was discontinued. As a result, behavioral health services previously carved out of the STAR+PLUS program for the Dallas SDA became capitated services like all other STAR+PLUS SDAs. As a result of data issues, the most recent complete, credible data for the NorthSTAR program that the Department of State Health Services (DSHS) could provide the actuaries was FY2013. Exhibit H presents a summary of the derivation of the rating adjustment factor in the Dallas SDA. The adjustment was calculated by comparing FY2013 NorthSTAR claims to all other STAR+PLUS claims in the Dallas SDA and assuming a comparable distribution moving forward. In aggregate, the resulting adjustment is around \$50 pmpm which was compared to the behavioral health services reported for the non-Dallas SDAs in the STAR+PLUS program. The other SDAs reported average behavioral health costs that ranged from \$21-75 with the overall average around \$48. Given that the FY2013 data produces a result that is within the range of the other SDAs, we believe this to be a reasonable proxy until actual utilization data is available. As behavioral health claims data emerges for the Dallas SDA this assumption will be reevaluated and updated with actual STAR+PLUS claims data for future rate developments.

Base period data has been analyzed and costs for members age 21 to 64 with an IMD stay in excess of 15 days in a month have been removed from the analysis. The rating adjustment factors were estimated by the following steps:

1. Identifying a list of all members age 21-64 who had an IMD stay in excess of 15 days in a month.
2. For these members and their applicable eligibility month, collect all IMD and non-IMD claims.
3. Remove these claims from the base period via the adjustment factors presented in Exhibit I.1 for medical and Exhibit I.2 for pharmacy.

Due to the availability of encounter data on which IMD utilization was identified, the pharmacy rate adjustment was calculated using FY2016 (September 1, 2015 through August 31, 2016) data. While CY2016 serves as the base period for the pharmacy rate development, due to the

relatively small impact of this adjustment we believe it is reasonable to assume that the FY2016 data is representative of CY2016.

Additional IMD utilization statistics:

Age	# of Unique Members	# of Months	Range of Months	Average Months	Admits	Days	Average LOS
>21	6,581	8,157	1-8	1.2	12,074	110,713	9.2

Overall, the impact of IMD utilization for members ages 21-64 is very small in the STAR+PLUS program. Total expenditures were \$51.8 million during the base period which is approximately 0.8% of total medical claims. The average cost per day at the IMD facilities was compared to the average cost per day for similar services at non IMD facilities and it was noted that, while IMD's were slightly less costly on average, the resulting difference was immaterial in the overall STAR+PLUS program. As a result, no further adjustment was deemed necessary to the IMD data other than removing those expenditures for members who had an IMD stay in excess of 15 days in a month.

Effective September 1, 2017 FQHC wrap payments will be carved out of managed care. HHSC is developing policy language to ensure that FQHCs are reimbursed their full encounter rate; however, the MCOs will only be responsible for reimbursing the FQHC an amount no less than the rate paid to non-FQHC providers providing similar services. This adjustment was calculated by repricing all FQHC claims to the corresponding fee-for-service equivalent using the Medicaid fee schedule by procedure code. The difference between the full encounter rate and the fee-for-service equivalent is assumed to be the wrap payment which will be carved out and paid outside the monthly capitation rate based on an HHSC-approved methodology. Exhibit J 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. The key below includes a description of where each adjustment has been included in Attachments 3.

Heading

Attachment 5 Exhibits

Acute Care – Non Inpatient

D, E, F, G, H, I.1 and J

Acute Care – Inpatient

A, B, and C

Please note that the incurred claims reported on Attachment 5 are developed from the FY2016 detail encounter data which only includes claims paid through November 2016. As a result, the incurred claims reported on Attachment 3 vary slightly from Attachment 5 amounts for several reasons including: (i) Attachment 3 incurred claims include claims paid through February 2017, (ii) Attachment 3 incurred claims include a small amount of IBNR and (iii) certain subcapitated expenses provided by affiliated providers are included in Attachment 3 incurred claims but not available in the detailed encounter data files. As noted on pages 1-3 of this report, multiple data sources were used in the rate development process with each being checked for consistency. The detail encounter data is necessary for the adjustment factors detailed in this attachment as it is the only data source that provides information at the claim level allowing for the repricing of

claims under varying reimbursement levels.

All adjustments were calculated independently by both HHSC and the Rudd and Wisdom actuaries to ensure consistent results.

The FFS data readily available for the MBCCP population does not provide procedure code or provider identification level of detail. Due to these data limitations, the impact of the rate adjustments listed above could not be calculated for the expansion MBCCP population. As a result, the rate adjustments for this population are assumed to be equal to the average rate adjustments for the Medicaid Only OCC and HCBS risk groups as calculated for the existing STAR+PLUS population. We believe this is a reasonable estimate of the impact of the various reimbursement changes as these populations most closely match MBCCP members.

FY2018 STAR+PLUS Rating - Medical

Provider Reimbursement Adjustments - Inpatient Acute Care

Hospital Reimbursement Changes - Standard Dollar Amount

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Reimbursement Change (1)								
Bexar	-244,676	-78,463	0	0	-30,063	0	-10,917	-364,119
Dallas	-156,902	-21,598	0	0	-16,510	0	-1,618	-196,629
El Paso	-31,645	-8,927	0	0	-1,864	0	-1,685	-44,120
Harris	-170,355	-35,770	0	0	-12,463	0	-300	-218,888
Hidalgo	-85,368	-31,336	0	0	-6,554	0	-3,484	-126,742
Jefferson	-21,009	-2,888	0	0	-2,043	0	-310	-26,249
Lubbock	-33,820	-5,154	0	0	-3,394	0	-1,373	-43,741
Nueces	-50,065	-13,737	0	0	-4,113	0	-2,883	-70,798
Tarrant	-79,350	-13,166	0	0	-13,840	0	-2,511	-108,866
Travis	41,734	18,219	0	0	4,154	0	9,370	73,478
MRSA Central	9,192	541	0	0	-1,767	0	-616	7,349
MRSA Northeast	-356,533	-53,234	0	0	-79,127	0	-12,399	-501,294
MRSA West	-34,647	-1,050	0	0	2,380	0	1,300	-32,017
Total	-1,213,444	-246,563	0	0	-165,204	0	-27,426	-1,652,637

FY2016 Total Acute Care Incurred Claims (2)

Bexar	113,851,165	22,535,497	0	0	8,649,124	0	5,889,059	150,924,844
Dallas	176,054,554	29,477,100	0	0	14,843,349	0	5,972,256	226,347,259
El Paso	43,863,520	11,448,428	0	0	1,212,433	0	2,687,626	59,212,007
Harris	326,612,650	58,021,438	0	0	16,240,950	0	12,297,057	413,172,095
Hidalgo	89,785,590	29,840,473	0	0	3,794,145	0	4,323,334	127,743,542
Jefferson	54,132,342	9,627,636	0	0	3,849,116	0	1,338,352	68,947,445
Lubbock	29,265,392	4,681,142	0	0	2,663,943	0	1,984,122	38,594,598
Nueces	42,146,453	11,145,040	0	0	3,117,389	0	1,899,952	58,308,834
Tarrant	125,861,298	20,570,553	0	0	10,892,451	0	6,563,071	163,887,373
Travis	58,216,883	13,188,880	0	0	3,937,585	0	4,090,663	79,434,011
MRSA Central	64,430,627	6,702,997	0	0	6,243,345	0	2,850,094	80,227,064
MRSA Northeast	98,815,770	19,862,854	0	0	10,347,266	0	3,444,519	132,470,409
MRSA West	72,811,988	7,650,561	0	0	6,719,710	0	3,535,002	90,717,262
Total	1,295,848,231	244,752,599	0	0	92,510,806	0	56,875,106	1,689,986,742

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Inpatient Acute Care
 Hospital Reimbursement Changes - Standard Dollar Amount

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.21%	-0.35%	0.00%	0.00%	-0.35%	0.00%	-0.19%	-0.24%
Dallas	-0.09%	-0.07%	0.00%	0.00%	-0.11%	0.00%	-0.03%	-0.09%
El Paso	-0.07%	-0.08%	0.00%	0.00%	-0.15%	0.00%	-0.06%	-0.07%
Harris	-0.05%	-0.06%	0.00%	0.00%	-0.08%	0.00%	0.00%	-0.05%
Hidalgo	-0.10%	-0.11%	0.00%	0.00%	-0.17%	0.00%	-0.08%	-0.10%
Jefferson	-0.04%	-0.03%	0.00%	0.00%	-0.05%	0.00%	-0.02%	-0.04%
Lubbock	-0.12%	-0.11%	0.00%	0.00%	-0.13%	0.00%	-0.07%	-0.11%
Nueces	-0.12%	-0.12%	0.00%	0.00%	-0.13%	0.00%	-0.15%	-0.12%
Tarrant	-0.06%	-0.06%	0.00%	0.00%	-0.13%	0.00%	-0.04%	-0.07%
Travis	0.07%	0.14%	0.00%	0.00%	0.11%	0.00%	0.23%	0.09%
MRSA Central	0.01%	0.01%	0.00%	0.00%	-0.03%	0.00%	-0.02%	0.01%
MRSA Northeast	-0.36%	-0.27%	0.00%	0.00%	-0.76%	0.00%	-0.36%	-0.38%
MRSA West	-0.05%	-0.01%	0.00%	0.00%	0.04%	0.00%	0.04%	-0.04%
Total	-0.09%	-0.10%	0.00%	0.00%	-0.18%	0.00%	-0.05%	-0.10%

Footnotes

- (1) Equals the cost impact from application of the revised hospital Standard Dollar Amounts effective 9/1/2016.
 (2) Equals FY2016 health plan fee-for-service claims for all acute care services (from Encounter database).
 (3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Inpatient Acute Care
 Potentially Preventable Readmission (PPR) Reductions

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Reimbursement Change (1)								
Bexar	-166,034	-31,447	0	0	-11,871	0	-7,092	-216,444
Dallas	14,338	15,548	0	0	6,916	0	3,386	40,188
El Paso	-93,479	-22,270	0	0	-4,100	0	-5,251	-125,101
Harris	-446,480	-58,877	0	0	-17,380	0	-10,128	-532,865
Hidalgo	-4,920	-3,601	0	0	3,490	0	-1,417	-6,448
Jefferson	-58,507	-8,455	0	0	-5,717	0	-788	-73,467
Lubbock	-57,369	-12,044	0	0	-9,423	0	-3,223	-82,059
Nueces	-20,939	-1,899	0	0	-2,923	0	-1,104	-26,865
Tarrant	-181,594	-38,084	0	0	-25,995	0	-7,816	-253,488
Travis	-62,099	-10,035	0	0	-7,830	0	-4,724	-84,687
MRSA Central	-19,265	-2,879	0	0	-1,971	0	-426	-24,541
MRSA Northeast	17,116	6,696	0	0	8,370	0	280	32,461
MRSA West	15,379	1,111	0	0	2,485	0	1,260	20,235
Total	-1,063,852	-166,237	0	0	-65,948	0	-37,044	-1,333,081
FY2016 Total Acute Care Incurred Claims (2)								
Bexar	113,851,165	22,535,497	0	0	8,649,124	0	5,889,059	150,924,844
Dallas	176,054,554	29,477,100	0	0	14,843,349	0	5,972,256	226,347,259
El Paso	43,863,520	11,448,428	0	0	1,212,433	0	2,687,626	59,212,007
Harris	326,612,650	58,021,438	0	0	16,240,950	0	12,297,057	413,172,095
Hidalgo	89,785,590	29,840,473	0	0	3,794,145	0	4,323,334	127,743,542
Jefferson	54,132,342	9,627,636	0	0	3,849,116	0	1,338,352	68,947,445
Lubbock	29,265,392	4,681,142	0	0	2,663,943	0	1,984,122	38,594,598
Nueces	42,146,453	11,145,040	0	0	3,117,389	0	1,899,952	58,308,834
Tarrant	125,861,298	20,570,553	0	0	10,892,451	0	6,563,071	163,887,373
Travis	58,216,883	13,188,880	0	0	3,937,585	0	4,090,663	79,434,011
MRSA Central	64,430,627	6,702,997	0	0	6,243,345	0	2,850,094	80,227,064
MRSA Northeast	98,815,770	19,862,854	0	0	10,347,266	0	3,444,519	132,470,409
MRSA West	72,811,988	7,650,561	0	0	6,719,710	0	3,535,002	90,717,262
Total	1,295,848,231	244,752,599	0	0	92,510,806	0	56,875,106	1,689,986,742

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Inpatient Acute Care
 Potentially Preventable Readmission (PPR) Reductions

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.15%	-0.14%	0.00%	0.00%	-0.14%	0.00%	-0.12%	-0.14%
Dallas	0.01%	0.05%	0.00%	0.00%	0.05%	0.00%	0.06%	0.02%
El Paso	-0.21%	-0.19%	0.00%	0.00%	-0.34%	0.00%	-0.20%	-0.21%
Harris	-0.14%	-0.10%	0.00%	0.00%	-0.11%	0.00%	-0.08%	-0.13%
Hidalgo	-0.01%	-0.01%	0.00%	0.00%	0.09%	0.00%	-0.03%	-0.01%
Jefferson	-0.11%	-0.09%	0.00%	0.00%	-0.15%	0.00%	-0.06%	-0.11%
Lubbock	-0.20%	-0.26%	0.00%	0.00%	-0.35%	0.00%	-0.16%	-0.21%
Nueces	-0.05%	-0.02%	0.00%	0.00%	-0.09%	0.00%	-0.06%	-0.05%
Tarrant	-0.14%	-0.19%	0.00%	0.00%	-0.24%	0.00%	-0.12%	-0.15%
Travis	-0.11%	-0.08%	0.00%	0.00%	-0.20%	0.00%	-0.12%	-0.11%
MRSA Central	-0.03%	-0.04%	0.00%	0.00%	-0.03%	0.00%	-0.01%	-0.03%
MRSA Northeast	0.02%	0.03%	0.00%	0.00%	0.08%	0.00%	0.01%	0.02%
MRSA West	0.02%	0.01%	0.00%	0.00%	0.04%	0.00%	0.04%	0.02%
Total	-0.08%	-0.07%	0.00%	0.00%	-0.07%	0.00%	-0.07%	-0.08%

Footnotes

- (1) Equals the net cost/savings resulting from PPR reductions that will become effective 9/1/2017 versus those effective during FY2016.
 (2) Equals FY2016 health plan fee-for-service claims for all acute care services (from Encounter database).
 (3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Inpatient Acute Care
 Potentially Preventable Complications (PPC) Reductions

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Reimbursement Change (1)								
Bexar	574,800	106,240	0	0	53,497	0	22,034	756,572
Dallas	-70,175	-19,524	0	0	-5,735	0	-708	-96,141
El Paso	-75,594	-17,645	0	0	-3,923	0	-3,030	-100,192
Harris	174,250	11,841	0	0	18,213	0	2,542	206,846
Hidalgo	-28,905	-30,319	0	0	-5,929	0	-3,282	-68,435
Jefferson	34,217	5,749	0	0	-3,911	0	1,614	37,669
Lubbock	70,778	12,122	0	0	8,051	0	1,366	92,316
Nueces	174,431	50,098	0	0	18,012	0	6,251	248,792
Tarrant	-125,706	1,452	0	0	-10,983	0	754	-134,484
Travis	70,196	18,308	0	0	8,931	0	5,306	102,741
MRSA Central	-70,532	-7,891	0	0	-17,905	0	-2,229	-98,558
MRSA Northeast	39,320	4,455	0	0	-15,612	0	1,182	29,345
MRSA West	349,566	47,809	0	0	51,027	0	12,339	460,742
Total	1,116,644	182,694	0	0	93,733	0	44,141	1,437,212

FY2016 Total Acute Care Incurred Claims (2)

Bexar	113,851,165	22,535,497	0	0	8,649,124	0	5,889,059	150,924,844
Dallas	176,054,554	29,477,100	0	0	14,843,349	0	5,972,256	226,347,259
El Paso	43,863,520	11,448,428	0	0	1,212,433	0	2,687,626	59,212,007
Harris	326,612,650	58,021,438	0	0	16,240,950	0	12,297,057	413,172,095
Hidalgo	89,785,590	29,840,473	0	0	3,794,145	0	4,323,334	127,743,542
Jefferson	54,132,342	9,627,636	0	0	3,849,116	0	1,338,352	68,947,445
Lubbock	29,265,392	4,681,142	0	0	2,663,943	0	1,984,122	38,594,598
Nueces	42,146,453	11,145,040	0	0	3,117,389	0	1,899,952	58,308,834
Tarrant	125,861,298	20,570,553	0	0	10,892,451	0	6,563,071	163,887,373
Travis	58,216,883	13,188,880	0	0	3,937,585	0	4,090,663	79,434,011
MRSA Central	64,430,627	6,702,997	0	0	6,243,345	0	2,850,094	80,227,064
MRSA Northeast	98,815,770	19,862,854	0	0	10,347,266	0	3,444,519	132,470,409
MRSA West	72,811,988	7,650,561	0	0	6,719,710	0	3,535,002	90,717,262
Total	1,295,848,231	244,752,599	0	0	92,510,806	0	56,875,106	1,689,986,742

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Inpatient Acute Care
 Potentially Preventable Complications (PPC) Reductions

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	0.50%	0.47%	0.00%	0.00%	0.62%	0.00%	0.37%	0.50%
Dallas	-0.04%	-0.07%	0.00%	0.00%	-0.04%	0.00%	-0.01%	-0.04%
El Paso	-0.17%	-0.15%	0.00%	0.00%	-0.32%	0.00%	-0.11%	-0.17%
Harris	0.05%	0.02%	0.00%	0.00%	0.11%	0.00%	0.02%	0.05%
Hidalgo	-0.03%	-0.10%	0.00%	0.00%	-0.16%	0.00%	-0.08%	-0.05%
Jefferson	0.06%	0.06%	0.00%	0.00%	-0.10%	0.00%	0.12%	0.05%
Lubbock	0.24%	0.26%	0.00%	0.00%	0.30%	0.00%	0.07%	0.24%
Nueces	0.41%	0.45%	0.00%	0.00%	0.58%	0.00%	0.33%	0.43%
Tarrant	-0.10%	0.01%	0.00%	0.00%	-0.10%	0.00%	0.01%	-0.08%
Travis	0.12%	0.14%	0.00%	0.00%	0.23%	0.00%	0.13%	0.13%
MRSA Central	-0.11%	-0.12%	0.00%	0.00%	-0.29%	0.00%	-0.08%	-0.12%
MRSA Northeast	0.04%	0.02%	0.00%	0.00%	-0.15%	0.00%	0.03%	0.02%
MRSA West	0.48%	0.62%	0.00%	0.00%	0.76%	0.00%	0.35%	0.51%
Total	0.09%	0.07%	0.00%	0.00%	0.10%	0.00%	0.08%	0.09%

Footnotes

- (1) Equals the net cost/savings resulting from PPC reductions that will become effective 9/1/2017 versus those effective during FY2016.
 (2) Equals FY2016 health plan fee-for-service claims for all acute care services (from Encounter database).
 (3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Therapy Reimbursement Reduction

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Reimbursement Change (1)								
Bexar	-148,686	-4,252	0	0	-9,091	0	-878	-162,907
Dallas	-58,367	-8,612	0	0	-62,852	0	-1,467	-131,298
El Paso	-18,791	-5,122	0	0	-2,854	0	-1,860	-28,628
Harris	-258,910	-13,989	0	0	-4,506	0	-3,341	-280,746
Hidalgo	-243,239	-21,303	0	0	-1,820	0	-1,911	-268,274
Jefferson	-20,260	-2,192	0	0	-1,785	0	-1,093	-25,329
Lubbock	-12,943	-527	0	0	-4,976	0	-63	-18,509
Nueces	-27,803	-3,060	0	0	-1,171	0	-467	-32,501
Tarrant	-88,154	-9,580	0	0	-21,503	0	-777	-120,015
Travis	-34,670	-4,337	0	0	-1,706	0	-2,354	-43,066
MRSA Central	-43,061	-1,334	0	0	-1,652	0	-216	-46,263
MRSA Northeast	-29,084	-4,799	0	0	-8,879	0	-261	-43,022
MRSA West	-23,083	-2,164	0	0	-5,410	0	-741	-31,399
Total	-1,007,051	-81,271	0	0	-128,205	0	-15,430	-1,231,957
FY2016 Total Acute Care Incurred Claims (2)								
Bexar	113,851,165	22,535,497	0	0	8,649,124	0	5,889,059	150,924,844
Dallas	176,054,554	29,477,100	0	0	14,843,349	0	5,972,256	226,347,259
El Paso	43,863,520	11,448,428	0	0	1,212,433	0	2,687,626	59,212,007
Harris	326,612,650	58,021,438	0	0	16,240,950	0	12,297,057	413,172,095
Hidalgo	89,785,590	29,840,473	0	0	3,794,145	0	4,323,334	127,743,542
Jefferson	54,132,342	9,627,636	0	0	3,849,116	0	1,338,352	68,947,445
Lubbock	29,265,392	4,681,142	0	0	2,663,943	0	1,984,122	38,594,598
Nueces	42,146,453	11,145,040	0	0	3,117,389	0	1,899,952	58,308,834
Tarrant	125,861,298	20,570,553	0	0	10,892,451	0	6,563,071	163,887,373
Travis	58,216,883	13,188,880	0	0	3,937,585	0	4,090,663	79,434,011
MRSA Central	64,430,627	6,702,997	0	0	6,243,345	0	2,850,094	80,227,064
MRSA Northeast	98,815,770	19,862,854	0	0	10,347,266	0	3,444,519	132,470,409
MRSA West	72,811,988	7,650,561	0	0	6,719,710	0	3,535,002	90,717,262
Total	1,295,848,231	244,752,599	0	0	92,510,806	0	56,875,106	1,689,986,742

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Therapy Reimbursement Reduction

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.13%	-0.02%	0.00%	0.00%	-0.11%	0.00%	-0.01%	-0.11%
Dallas	-0.03%	-0.03%	0.00%	0.00%	-0.42%	0.00%	-0.02%	-0.06%
El Paso	-0.04%	-0.04%	0.00%	0.00%	-0.24%	0.00%	-0.07%	-0.05%
Harris	-0.08%	-0.02%	0.00%	0.00%	-0.03%	0.00%	-0.03%	-0.07%
Hidalgo	-0.27%	-0.07%	0.00%	0.00%	-0.05%	0.00%	-0.04%	-0.21%
Jefferson	-0.04%	-0.02%	0.00%	0.00%	-0.05%	0.00%	-0.08%	-0.04%
Lubbock	-0.04%	-0.01%	0.00%	0.00%	-0.19%	0.00%	0.00%	-0.05%
Nueces	-0.07%	-0.03%	0.00%	0.00%	-0.04%	0.00%	-0.02%	-0.06%
Tarrant	-0.07%	-0.05%	0.00%	0.00%	-0.20%	0.00%	-0.01%	-0.07%
Travis	-0.06%	-0.03%	0.00%	0.00%	-0.04%	0.00%	-0.06%	-0.05%
MRSA Central	-0.07%	-0.02%	0.00%	0.00%	-0.03%	0.00%	-0.01%	-0.06%
MRSA Northeast	-0.03%	-0.02%	0.00%	0.00%	-0.09%	0.00%	-0.01%	-0.03%
MRSA West	-0.03%	-0.03%	0.00%	0.00%	-0.08%	0.00%	-0.02%	-0.03%
Total	-0.08%	-0.03%	0.00%	0.00%	-0.14%	0.00%	-0.03%	-0.07%

Footnotes

- (1) Equals the cost impact from reimbursement changes for therapy services effective 12/15/2016 and 9/1/2017.
 (2) Equals FY2016 health plan fee-for-service claims for all acute care services (from Encounter database).
 (3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Therapy Policy Changes

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Reimbursement Change (1)								
Bexar	-20,658	-2,029	0	0	0	0	-140	-22,826
Dallas	-4,848	0	0	0	0	0	0	-4,848
El Paso	-655	-38	0	0	0	0	0	-693
Harris	-10,645	0	0	0	0	0	0	-10,645
Hidalgo	-67,284	-5,934	0	0	-46	0	-549	-73,813
Jefferson	-518	0	0	0	0	0	0	-518
Lubbock	-849	0	0	0	0	0	0	-849
Nueces	-1,717	0	0	0	0	0	0	-1,717
Tarrant	-4,012	0	0	0	0	0	0	-4,012
Travis	-2,293	-166	0	0	0	0	-148	-2,608
MRSA Central	-2,677	0	0	0	0	0	0	-2,677
MRSA Northeast	-4,126	-1,878	0	0	-25	0	0	-6,030
MRSA West	-1,451	-220	0	0	0	0	0	-1,671
Total	-121,734	-10,264	0	0	-71	0	-837	-132,907
5/2016-8/2016 Total Acute Care Incurred Claims (2)								
Bexar	40,265,769	7,818,049	0	0	2,989,111	0	1,995,581	53,068,510
Dallas	58,301,969	10,211,187	0	0	5,060,539	0	1,960,513	75,534,209
El Paso	15,153,108	3,749,838	0	0	402,887	0	999,015	20,304,848
Harris	112,898,804	19,937,003	0	0	5,131,781	0	3,989,550	141,957,138
Hidalgo	30,390,957	10,665,834	0	0	1,297,903	0	1,672,169	44,026,863
Jefferson	18,336,162	3,184,669	0	0	1,291,140	0	506,736	23,318,707
Lubbock	9,945,984	1,566,979	0	0	863,447	0	637,905	13,014,315
Nueces	14,724,173	4,010,392	0	0	1,134,328	0	732,681	20,601,574
Tarrant	41,641,820	6,675,090	0	0	3,579,252	0	1,963,350	53,859,512
Travis	20,013,738	4,229,303	0	0	1,328,730	0	1,504,969	27,076,740
MRSA Central	22,800,757	2,475,900	0	0	2,045,100	0	917,570	28,239,327
MRSA Northeast	33,305,596	7,116,969	0	0	3,374,129	0	1,126,923	44,923,617
MRSA West	24,721,372	2,663,370	0	0	2,272,836	0	1,244,464	30,902,043
Total	442,500,209	84,304,584	0	0	30,771,184	0	19,251,426	576,827,403

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Therapy Policy Changes

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.05%	-0.03%	0.00%	0.00%	0.00%	0.00%	-0.01%	-0.04%
Dallas	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
El Paso	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Harris	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
Hidalgo	-0.22%	-0.06%	0.00%	0.00%	0.00%	0.00%	-0.03%	-0.17%
Jefferson	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Lubbock	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
Nueces	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
Tarrant	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
Travis	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%	-0.01%
MRSA Central	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
MRSA Northeast	-0.01%	-0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
MRSA West	-0.01%	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
Total	-0.03%	-0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.02%

Footnotes

- (1) Equals the cost reduction resulting from the therapy policy changes for assistant reimbursement effective 12/1/2017.
 (2) Equals May-August 2016 health plan fee-for-service claims for all acute care services (from Encounter database).
 (3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Radiology Reimbursement Changes

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Reimbursement Change (1)								
Bexar	-875,317	-134,976	0	0	-24,020	0	-28,347	-1,062,660
Dallas	-1,383,272	-145,562	0	0	-55,203	0	-33,140	-1,617,176
El Paso	-249,604	-40,685	0	0	-1,195	0	-5,488	-296,972
Harris	-2,258,200	-253,817	0	0	-40,375	0	-65,870	-2,618,261
Hidalgo	-475,708	-102,434	0	0	-10,379	0	-11,182	-599,704
Jefferson	-415,303	-58,170	0	0	-13,700	0	-7,300	-494,473
Lubbock	-149,792	-15,222	0	0	-9,060	0	-8,342	-182,417
Nueces	-310,482	-47,746	0	0	-10,022	0	-6,391	-374,641
Tarrant	-855,491	-104,512	0	0	-39,350	0	-24,364	-1,023,716
Travis	-328,206	-41,315	0	0	-8,053	0	-17,883	-395,457
MRSA Central	-514,861	-36,513	0	0	-26,148	0	-13,539	-591,061
MRSA Northeast	-783,473	-107,206	0	0	-39,738	0	-25,854	-956,271
MRSA West	-495,983	-36,901	0	0	-22,671	0	-18,147	-573,701
Total	-9,095,692	-1,125,058	0	0	-299,912	0	-265,849	-10,786,511
FY2016 Total Acute Care Incurred Claims (2)								
Bexar	113,851,165	22,535,497	0	0	8,649,124	0	5,889,059	150,924,844
Dallas	176,054,554	29,477,100	0	0	14,843,349	0	5,972,256	226,347,259
El Paso	43,863,520	11,448,428	0	0	1,212,433	0	2,687,626	59,212,007
Harris	326,612,650	58,021,438	0	0	16,240,950	0	12,297,057	413,172,095
Hidalgo	89,785,590	29,840,473	0	0	3,794,145	0	4,323,334	127,743,542
Jefferson	54,132,342	9,627,636	0	0	3,849,116	0	1,338,352	68,947,445
Lubbock	29,265,392	4,681,142	0	0	2,663,943	0	1,984,122	38,594,598
Nueces	42,146,453	11,145,040	0	0	3,117,389	0	1,899,952	58,308,834
Tarrant	125,861,298	20,570,553	0	0	10,892,451	0	6,563,071	163,887,373
Travis	58,216,883	13,188,880	0	0	3,937,585	0	4,090,663	79,434,011
MRSA Central	64,430,627	6,702,997	0	0	6,243,345	0	2,850,094	80,227,064
MRSA Northeast	98,815,770	19,862,854	0	0	10,347,266	0	3,444,519	132,470,409
MRSA West	72,811,988	7,650,561	0	0	6,719,710	0	3,535,002	90,717,262
Total	1,295,848,231	244,752,599	0	0	92,510,806	0	56,875,106	1,689,986,742

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Radiology Reimbursement Changes

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.77%	-0.60%	0.00%	0.00%	-0.28%	0.00%	-0.48%	-0.70%
Dallas	-0.79%	-0.49%	0.00%	0.00%	-0.37%	0.00%	-0.55%	-0.71%
El Paso	-0.57%	-0.36%	0.00%	0.00%	-0.10%	0.00%	-0.20%	-0.50%
Harris	-0.69%	-0.44%	0.00%	0.00%	-0.25%	0.00%	-0.54%	-0.63%
Hidalgo	-0.53%	-0.34%	0.00%	0.00%	-0.27%	0.00%	-0.26%	-0.47%
Jefferson	-0.77%	-0.60%	0.00%	0.00%	-0.36%	0.00%	-0.55%	-0.72%
Lubbock	-0.51%	-0.33%	0.00%	0.00%	-0.34%	0.00%	-0.42%	-0.47%
Nueces	-0.74%	-0.43%	0.00%	0.00%	-0.32%	0.00%	-0.34%	-0.64%
Tarrant	-0.68%	-0.51%	0.00%	0.00%	-0.36%	0.00%	-0.37%	-0.62%
Travis	-0.56%	-0.31%	0.00%	0.00%	-0.20%	0.00%	-0.44%	-0.50%
MRSA Central	-0.80%	-0.54%	0.00%	0.00%	-0.42%	0.00%	-0.48%	-0.74%
MRSA Northeast	-0.79%	-0.54%	0.00%	0.00%	-0.38%	0.00%	-0.75%	-0.72%
MRSA West	-0.68%	-0.48%	0.00%	0.00%	-0.34%	0.00%	-0.51%	-0.63%
Total	-0.70%	-0.46%	0.00%	0.00%	-0.32%	0.00%	-0.47%	-0.64%

Footnotes

- (1) Equals the cost resulting from the rural hospital reimbursement changes for outpatient radiology 2/1/2017.
 (2) Equals FY2016 health plan fee-for-service claims for all acute care services (from Encounter database).
 (3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Remove Invalid CAD Encounters

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Claim Removal (1)								
Bexar	-212,358	-15,517	0	0	-856	0	-3,228	-231,959
Dallas	-165,019	-14,340	0	0	-10,845	0	-1,635	-191,839
El Paso	-181,208	-15,267	0	0	-1,265	0	-1,688	-199,428
Harris	-874,618	-118,147	0	0	-8,458	0	-7,804	-1,009,028
Hidalgo	-480,527	-171,424	0	0	-9,244	0	-767	-661,963
Jefferson	-111,347	-24,228	0	0	-96	0	-190	-135,860
Lubbock	-67,827	-1,265	0	0	-444	0	-2,708	-72,243
Nueces	-67,260	-11,819	0	0	-323	0	-343	-79,746
Tarrant	-719,120	-63,455	0	0	-24,517	0	-7,401	-814,493
Travis	-74,392	-82,685	0	0	-689	0	-347	-158,114
MRSA Central	-40,033	-21,782	0	0	-396	0	-661	-62,871
MRSA Northeast	-525,202	-93,600	0	0	-15,708	0	-9,071	-643,580
MRSA West	-111,312	-4,710	0	0	-5,690	0	-2,978	-124,690
Total	-3,630,223	-638,239	0	0	-78,530	0	-38,821	-4,385,814
FY2016 Total Acute Care Incurred Claims (2)								
Bexar	113,851,165	22,535,497	0	0	8,649,124	0	5,889,059	150,924,844
Dallas	176,054,554	29,477,100	0	0	14,843,349	0	5,972,256	226,347,259
El Paso	43,863,520	11,448,428	0	0	1,212,433	0	2,687,626	59,212,007
Harris	326,612,650	58,021,438	0	0	16,240,950	0	12,297,057	413,172,095
Hidalgo	89,785,590	29,840,473	0	0	3,794,145	0	4,323,334	127,743,542
Jefferson	54,132,342	9,627,636	0	0	3,849,116	0	1,338,352	68,947,445
Lubbock	29,265,392	4,681,142	0	0	2,663,943	0	1,984,122	38,594,598
Nueces	42,146,453	11,145,040	0	0	3,117,389	0	1,899,952	58,308,834
Tarrant	125,861,298	20,570,553	0	0	10,892,451	0	6,563,071	163,887,373
Travis	58,216,883	13,188,880	0	0	3,937,585	0	4,090,663	79,434,011
MRSA Central	64,430,627	6,702,997	0	0	6,243,345	0	2,850,094	80,227,064
MRSA Northeast	98,815,770	19,862,854	0	0	10,347,266	0	3,444,519	132,470,409
MRSA West	72,811,988	7,650,561	0	0	6,719,710	0	3,535,002	90,717,262
Total	1,295,848,231	244,752,599	0	0	92,510,806	0	56,875,106	1,689,986,742

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Remove Invalid CAD Encounters

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.19%	-0.07%	0.00%	0.00%	-0.01%	0.00%	-0.05%	-0.15%
Dallas	-0.09%	-0.05%	0.00%	0.00%	-0.07%	0.00%	-0.03%	-0.08%
El Paso	-0.41%	-0.13%	0.00%	0.00%	-0.10%	0.00%	-0.06%	-0.34%
Harris	-0.27%	-0.20%	0.00%	0.00%	-0.05%	0.00%	-0.06%	-0.24%
Hidalgo	-0.54%	-0.57%	0.00%	0.00%	-0.24%	0.00%	-0.02%	-0.52%
Jefferson	-0.21%	-0.25%	0.00%	0.00%	0.00%	0.00%	-0.01%	-0.20%
Lubbock	-0.23%	-0.03%	0.00%	0.00%	-0.02%	0.00%	-0.14%	-0.19%
Nueces	-0.16%	-0.11%	0.00%	0.00%	-0.01%	0.00%	-0.02%	-0.14%
Tarrant	-0.57%	-0.31%	0.00%	0.00%	-0.23%	0.00%	-0.11%	-0.50%
Travis	-0.13%	-0.63%	0.00%	0.00%	-0.02%	0.00%	-0.01%	-0.20%
MRSA Central	-0.06%	-0.32%	0.00%	0.00%	-0.01%	0.00%	-0.02%	-0.08%
MRSA Northeast	-0.53%	-0.47%	0.00%	0.00%	-0.15%	0.00%	-0.26%	-0.49%
MRSA West	-0.15%	-0.06%	0.00%	0.00%	-0.08%	0.00%	-0.08%	-0.14%
Total	-0.28%	-0.26%	0.00%	0.00%	-0.08%	0.00%	-0.07%	-0.26%

Footnotes

- (1) Equals the cost impact from removing invalid CADs.
 (2) Equals FY2016 health plan fee-for-service claims for all acute care services (from Encounter database).
 (3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Elimination of NorthSTAR Program

Medicaid Only

FY2013 Claims Paid - Dallas SDA	
NorthSTAR BH (1)	29,222,219
STAR+PLUS Non-BH (2)	178,909,457
Adjustment Factor	0.1633

Footnotes:

- (1) Equals the total NorthSTAR cost for behavioral health service in FY2013.
 (2) Equals FY2013 health plan fee-for-service claims for all services excluding behavioral health.

FY2018 STAR+PLUS Rating - Medical

Provider Reimbursement Adjustments - Non-Inpatient Acute Care

Removal of Cost for Members with IMD in excess of 15 Days in a Month

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Cost Removal (1)								
Bexar	-990,642	-68,831	0	0	-138,360	0	-64,124	-1,261,957
Dallas	0	0	0	0	0	0	0	0
El Paso	-1,332,693	-160,728	0	0	-18,321	0	-47,983	-1,559,726
Harris	-4,116,035	-382,781	0	0	-15,416	0	-126,488	-4,640,719
Hidalgo	-289,255	-62,105	0	0	-6,097	0	-28,126	-385,583
Jefferson	-185,163	0	0	0	0	0	0	-185,163
Lubbock	-399,498	-7,231	0	0	-39,384	0	-18,748	-464,860
Nueces	-198,710	0	0	0	-26,736	0	-12,882	-238,328
Tarrant	-1,176,969	-131,781	0	0	-40,902	0	-104,191	-1,453,843
Travis	-1,765,019	-104,550	0	0	-28,008	0	-81,774	-1,979,351
MRSA Central	-803,571	0	0	0	-37,280	0	-31,375	-872,226
MRSA Northeast	-755,115	-14,206	0	0	-30,099	0	-11,108	-810,528
MRSA West	-749,592	-14,483	0	0	-116,170	0	-24,217	-904,462
Total	-12,762,262	-946,695	0	0	-496,773	0	-551,015	-14,756,746
FY2016 Total Acute Care Incurred Claims (2)								
Bexar	113,851,165	22,535,497	0	0	8,649,124	0	5,889,059	150,924,844
Dallas	176,054,554	29,477,100	0	0	14,843,349	0	5,972,256	226,347,259
El Paso	43,863,520	11,448,428	0	0	1,212,433	0	2,687,626	59,212,007
Harris	326,612,650	58,021,438	0	0	16,240,950	0	12,297,057	413,172,095
Hidalgo	89,785,590	29,840,473	0	0	3,794,145	0	4,323,334	127,743,542
Jefferson	54,132,342	9,627,636	0	0	3,849,116	0	1,338,352	68,947,445
Lubbock	29,265,392	4,681,142	0	0	2,663,943	0	1,984,122	38,594,598
Nueces	42,146,453	11,145,040	0	0	3,117,389	0	1,899,952	58,308,834
Tarrant	125,861,298	20,570,553	0	0	10,892,451	0	6,563,071	163,887,373
Travis	58,216,883	13,188,880	0	0	3,937,585	0	4,090,663	79,434,011
MRSA Central	64,430,627	6,702,997	0	0	6,243,345	0	2,850,094	80,227,064
MRSA Northeast	98,815,770	19,862,854	0	0	10,347,266	0	3,444,519	132,470,409
MRSA West	72,811,988	7,650,561	0	0	6,719,710	0	3,535,002	90,717,262
Total	1,295,848,231	244,752,599	0	0	92,510,806	0	56,875,106	1,689,986,742

FY2018 STAR+PLUS Rating - Medical

Provider Reimbursement Adjustments - Non-Inpatient Acute Care

Removal of Cost for Members with IMD in excess of 15 Days in a Month

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.87%	-0.31%	0.00%	0.00%	-1.60%	0.00%	-1.09%	-0.84%
Dallas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
El Paso	-3.04%	-1.40%	0.00%	0.00%	-1.51%	0.00%	-1.79%	-2.63%
Harris	-1.26%	-0.66%	0.00%	0.00%	-0.09%	0.00%	-1.03%	-1.12%
Hidalgo	-0.32%	-0.21%	0.00%	0.00%	-0.16%	0.00%	-0.65%	-0.30%
Jefferson	-0.34%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.27%
Lubbock	-1.37%	-0.15%	0.00%	0.00%	-1.48%	0.00%	-0.94%	-1.20%
Nueces	-0.47%	0.00%	0.00%	0.00%	-0.86%	0.00%	-0.68%	-0.41%
Tarrant	-0.94%	-0.64%	0.00%	0.00%	-0.38%	0.00%	-1.59%	-0.89%
Travis	-3.03%	-0.79%	0.00%	0.00%	-0.71%	0.00%	-2.00%	-2.49%
MRSA Central	-1.25%	0.00%	0.00%	0.00%	-0.60%	0.00%	-1.10%	-1.09%
MRSA Northeast	-0.76%	-0.07%	0.00%	0.00%	-0.29%	0.00%	-0.32%	-0.61%
MRSA West	-1.03%	-0.19%	0.00%	0.00%	-1.73%	0.00%	-0.69%	-1.00%
Total	-0.98%	-0.39%	0.00%	0.00%	-0.54%	0.00%	-0.97%	-0.87%

Footnotes

(1) Equals the cost impact resulting from the removal of claims for members with an IMD stay in excess of 15 days in a month.

(2) Equals FY2016 health plan fee-for-service claims for all acute care services (from Encounter database).

(3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

FY2018 STAR+PLUS Rating - Pharmacy

Rx Adjustments

Removal of Cost for Members with IMD in excess of 15 Days in a Month

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Cost Removal (1)								
Bexar	-41,631	-3,375	0	0	-5,185	0	-1,052	-51,243
Dallas	0	0	0	0	0	0	0	0
El Paso	-54,114	-8,441	0	0	-5,193	0	-1,013	-68,761
Harris	-220,385	-22,715	0	0	-4,679	0	-5,504	-253,283
Hidalgo	-14,706	-9,848	0	0	-117	0	-128	-24,799
Jefferson	-11,403	0	0	0	0	0	0	-11,403
Lubbock	-20,679	-96	0	0	-361	0	-353	-21,488
Nueces	-10,192	0	0	0	-191	0	-1,097	-11,479
Tarrant	-36,119	-18,024	0	0	-4,011	0	-7,959	-66,113
Travis	-154,623	-15,556	0	0	-2,236	0	-4,472	-176,886
MRSA Central	-15,401	0	0	0	-1,338	0	0	-16,739
MRSA Northeast	-22,321	-164	0	0	-361	0	-207	-23,053
MRSA West	-28,434	-3,952	0	0	-6,040	0	-5,920	-44,347
Total	-630,006	-82,172	0	0	-29,712	0	-27,705	-769,596
FY2016 Total Rx Incurred Claims (2)								
Bexar	102,754,084	17,206,568	0	0	4,304,250	0	10,361,791	134,626,692
Dallas	117,554,165	13,842,623	0	0	4,915,413	0	7,653,027	143,965,229
El Paso	32,051,465	6,892,016	0	0	309,700	0	4,422,607	43,675,788
Harris	247,613,413	30,675,971	0	0	7,008,623	0	21,125,651	306,423,658
Hidalgo	95,351,560	22,567,091	0	0	1,293,931	0	4,615,898	123,828,480
Jefferson	41,756,778	4,771,948	0	0	1,807,589	0	2,065,580	50,401,894
Lubbock	23,543,972	2,862,585	0	0	1,925,448	0	2,654,062	30,986,067
Nueces	40,655,888	7,459,193	0	0	1,566,553	0	2,628,413	52,310,047
Tarrant	84,187,119	13,496,845	0	0	5,543,280	0	9,684,406	112,911,650
Travis	49,970,419	7,725,791	0	0	3,730,590	0	7,074,639	68,501,439
MRSA Central	50,359,477	3,720,101	0	0	3,068,561	0	4,147,283	61,295,422
MRSA Northeast	74,509,779	12,670,828	0	0	5,216,175	0	5,668,473	98,065,254
MRSA West	56,817,324	5,104,030	0	0	3,713,817	0	5,890,288	71,525,459
Total	1,017,125,445	148,995,589	0	0	44,403,931	0	87,992,116	1,298,517,080

FY2018 STAR+PLUS Rating - Pharmacy

Rx Adjustments

Removal of Cost for Members with IMD in excess of 15 Days in a Month

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.04%	-0.02%	0.00%	0.00%	-0.12%	0.00%	-0.01%	-0.04%
Dallas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
El Paso	-0.17%	-0.12%	0.00%	0.00%	-1.68%	0.00%	-0.02%	-0.16%
Harris	-0.09%	-0.07%	0.00%	0.00%	-0.07%	0.00%	-0.03%	-0.08%
Hidalgo	-0.02%	-0.04%	0.00%	0.00%	-0.01%	0.00%	0.00%	-0.02%
Jefferson	-0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.02%
Lubbock	-0.09%	0.00%	0.00%	0.00%	-0.02%	0.00%	-0.01%	-0.07%
Nueces	-0.03%	0.00%	0.00%	0.00%	-0.01%	0.00%	-0.04%	-0.02%
Tarrant	-0.04%	-0.13%	0.00%	0.00%	-0.07%	0.00%	-0.08%	-0.06%
Travis	-0.31%	-0.20%	0.00%	0.00%	-0.06%	0.00%	-0.06%	-0.26%
MRSA Central	-0.03%	0.00%	0.00%	0.00%	-0.04%	0.00%	0.00%	-0.03%
MRSA Northeast	-0.03%	0.00%	0.00%	0.00%	-0.01%	0.00%	0.00%	-0.02%
MRSA West	-0.05%	-0.08%	0.00%	0.00%	-0.16%	0.00%	-0.10%	-0.06%
Total	-0.06%	-0.06%	0.00%	0.00%	-0.07%	0.00%	-0.03%	-0.06%

Footnotes

(1) Equals the cost impact resulting from the removal of claims for members with an IMD stay in excess of 15 days in a month.

(2) Equals total incurred managed care pharmacy claims during the FY2016 experience period.

(3) Cost reduction divided by FY2016 Total Incurred Claims.

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Remove FQHC Wrap Payments

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Impact of Reimbursement Change (1)								
Bexar	-913,793	-62,319	0	0	-1,829	0	-28,789	-1,006,730
Dallas	-657,395	-52,174	0	0	-2,926	0	-21,565	-734,061
El Paso	-201,013	-16,274	0	0	-117	0	-4,867	-222,271
Harris	-2,235,288	-90,997	0	0	-6,705	0	-65,222	-2,398,213
Hidalgo	-655,543	-75,736	0	0	-3,711	0	-10,327	-745,317
Jefferson	-585,054	-38,425	0	0	-503	0	-7,130	-631,111
Lubbock	-413,051	-29,176	0	0	-3,690	0	-45,044	-490,961
Nueces	-401,802	-55,891	0	0	-751	0	-19,713	-478,156
Tarrant	-130,963	-11,148	0	0	-196	0	-10,627	-152,934
Travis	-2,602,064	-229,578	0	0	-8,915	0	-108,531	-2,949,087
MRSA Central	-1,346,611	-67,186	0	0	-17,693	0	-41,279	-1,472,768
MRSA Northeast	-729,307	-58,795	0	0	-3,524	0	-32,255	-823,881
MRSA West	-1,344,014	-86,843	0	0	-4,561	0	-155,584	-1,591,002
Total	-12,215,898	-874,541	0	0	-55,122	0	-550,932	-13,696,492
FY2016 Total Acute Care Incurred Claims (2)								
Bexar	113,851,165	22,535,497	0	0	8,649,124	0	5,889,059	150,924,844
Dallas	176,054,554	29,477,100	0	0	14,843,349	0	5,972,256	226,347,259
El Paso	43,863,520	11,448,428	0	0	1,212,433	0	2,687,626	59,212,007
Harris	326,612,650	58,021,438	0	0	16,240,950	0	12,297,057	413,172,095
Hidalgo	89,785,590	29,840,473	0	0	3,794,145	0	4,323,334	127,743,542
Jefferson	54,132,342	9,627,636	0	0	3,849,116	0	1,338,352	68,947,445
Lubbock	29,265,392	4,681,142	0	0	2,663,943	0	1,984,122	38,594,598
Nueces	42,146,453	11,145,040	0	0	3,117,389	0	1,899,952	58,308,834
Tarrant	125,861,298	20,570,553	0	0	10,892,451	0	6,563,071	163,887,373
Travis	58,216,883	13,188,880	0	0	3,937,585	0	4,090,663	79,434,011
MRSA Central	64,430,627	6,702,997	0	0	6,243,345	0	2,850,094	80,227,064
MRSA Northeast	98,815,770	19,862,854	0	0	10,347,266	0	3,444,519	132,470,409
MRSA West	72,811,988	7,650,561	0	0	6,719,710	0	3,535,002	90,717,262
Total	1,295,848,231	244,752,599	0	0	92,510,806	0	56,875,106	1,689,986,742

FY2018 STAR+PLUS Rating - Medical
 Provider Reimbursement Adjustments - Non-Inpatient Acute Care
 Remove FQHC Wrap Payments

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	-0.80%	-0.28%	0.00%	0.00%	-0.02%	0.00%	-0.49%	-0.67%
Dallas	-0.37%	-0.18%	0.00%	0.00%	-0.02%	0.00%	-0.36%	-0.32%
El Paso	-0.46%	-0.14%	0.00%	0.00%	-0.01%	0.00%	-0.18%	-0.38%
Harris	-0.68%	-0.16%	0.00%	0.00%	-0.04%	0.00%	-0.53%	-0.58%
Hidalgo	-0.73%	-0.25%	0.00%	0.00%	-0.10%	0.00%	-0.24%	-0.58%
Jefferson	-1.08%	-0.40%	0.00%	0.00%	-0.01%	0.00%	-0.53%	-0.92%
Lubbock	-1.41%	-0.62%	0.00%	0.00%	-0.14%	0.00%	-2.27%	-1.27%
Nueces	-0.95%	-0.50%	0.00%	0.00%	-0.02%	0.00%	-1.04%	-0.82%
Tarrant	-0.10%	-0.05%	0.00%	0.00%	0.00%	0.00%	-0.16%	-0.09%
Travis	-4.47%	-1.74%	0.00%	0.00%	-0.23%	0.00%	-2.65%	-3.71%
MRSA Central	-2.09%	-1.00%	0.00%	0.00%	-0.28%	0.00%	-1.45%	-1.84%
MRSA Northeast	-0.74%	-0.30%	0.00%	0.00%	-0.03%	0.00%	-0.94%	-0.62%
MRSA West	-1.85%	-1.14%	0.00%	0.00%	-0.07%	0.00%	-4.40%	-1.75%
Total	-0.94%	-0.36%	0.00%	0.00%	-0.06%	0.00%	-0.97%	-0.81%

Footnotes

- (1) Equals the cost impact from removing FQHC wrap payments from the capitation rate effective 9/1/2017.
 (2) Equals FY2016 health plan fee-for-service claims for all acute care services (from Encounter database).
 (3) Equals Cost Impact divided by FY2016 Total Acute Care Incurred Claims.

Attachment 6

Long Term Care Reimbursement Adjustments

This attachment presents information regarding rating adjustments for the various long term care provider reimbursement and benefit revisions that became effective (or will become effective) after the base period used in rate setting (FY2016) and before the end of FY2018.

Effective June 1, 2015, Texas implemented a Community First Choice (CFC) initiative that expanded access to certain habilitation and attendant care services. As a result, certain STAR+PLUS members became eligible for long term care services which they were not previously eligible for. The CFC uptake has been increasing since the effective date and the FY2016 base period did not fully reflect the ultimate impact of the increased utilization. In order to properly account for CFC, we have analyzed the number of CFC members by health plan and service delivery area during the period June 2015 through December 2016. During the early months of FY2016 the CFC uptake was slowly ramping up before reaching a steady state in late FY2016 into early FY2017. In order to estimate the impact of CFC on the STAR+PLUS program, we have recalculated the attendant care cost for each health plan by applying the CFC utilization during the period September 2016 through December 2016 to the FY2016 base period and determined the difference.

The attached exhibit presents a summary of the derivation of the adjustment factors.

FY2018 STAR+PLUS Rating
 Provider Reimbursement Adjustments - Long Term Care
 Community First Choice

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Cost Impact of CFC (1)								
Bexar	1,413,567	0	822,161	0	0	0	0	2,235,727
Dallas	1,520,539	0	1,450,243	0	0	0	0	2,970,782
El Paso	363,707	0	268,960	0	0	0	0	632,667
Harris	1,638,209	0	944,415	0	0	0	0	2,582,624
Hidalgo	1,063,613	0	1,002,486	0	0	0	0	2,066,099
Jefferson	395,799	0	458,454	0	0	0	0	854,253
Lubbock	129,895	0	388,158	0	0	0	0	518,053
Nueces	139,064	0	265,903	0	0	0	0	404,968
Tarrant	1,876,605	0	901,626	0	0	0	0	2,778,231
Travis	676,984	0	365,235	0	0	0	0	1,042,219
MRSA Central	187,966	0	76,409	0	0	0	0	264,375
MRSA Northeast	169,628	0	32,092	0	0	0	0	201,720
MRSA West	435,531	0	1,442,602	0	0	0	0	1,878,133
Total	10,011,107	0	8,418,744	0	0	0	0	18,429,851

FY2016 Total Long Term Care Incurred Claims (2)

Bexar	42,733,463	31,289,277	76,040,909	65,093,998	24,669,915	166,060,138	0	405,887,701
Dallas	53,638,313	27,823,935	80,033,769	68,771,970	34,323,435	230,136,518	0	494,727,940
El Paso	15,872,351	10,338,713	74,767,982	31,535,992	3,049,503	36,533,739	0	172,098,280
Harris	80,267,135	51,774,977	143,916,695	106,190,520	41,011,002	293,374,091	0	716,534,421
Hidalgo	112,928,096	46,664,400	390,101,789	227,442,219	9,189,069	120,878,963	0	907,204,536
Jefferson	9,410,257	6,841,725	14,640,872	20,114,466	10,409,961	77,695,008	0	139,112,290
Lubbock	2,782,313	3,307,039	5,514,413	8,975,280	9,169,614	66,005,776	0	95,754,435
Nueces	21,259,092	13,920,435	36,259,710	45,327,699	8,216,363	82,046,198	0	207,029,497
Tarrant	19,235,182	18,343,370	33,554,569	40,092,993	30,996,722	208,592,060	0	350,814,897
Travis	12,464,005	12,522,477	18,255,894	29,029,428	15,458,243	130,263,238	0	217,993,285
MRSA Central	8,985,345	8,875,203	17,822,493	22,903,138	19,132,187	174,408,245	0	252,126,610
MRSA Northeast	14,772,083	20,140,220	24,318,926	69,367,626	27,772,835	236,366,004	0	392,737,693
MRSA West	10,521,667	9,238,131	33,352,740	40,896,461	20,183,234	185,883,165	0	300,075,398
Total	404,869,302	261,079,902	948,580,762	775,741,789	253,582,084	2,008,243,145	0	4,652,096,984

FY2018 STAR+PLUS Rating
 Provider Reimbursement Adjustments - Long Term Care
 Community First Choice

	Medicaid Only		Dual Eligible		Nursing Facility			Grand Total
	OCC	HCBS	OCC	HCBS	Medicaid Only	Dual Eligible	IDD	
Rate Adjustment Factor (3)								
Bexar	3.31%	0.00%	1.08%	0.00%	0.00%	0.00%	0.00%	0.55%
Dallas	2.83%	0.00%	1.81%	0.00%	0.00%	0.00%	0.00%	0.60%
El Paso	2.29%	0.00%	0.36%	0.00%	0.00%	0.00%	0.00%	0.37%
Harris	2.04%	0.00%	0.66%	0.00%	0.00%	0.00%	0.00%	0.36%
Hidalgo	0.94%	0.00%	0.26%	0.00%	0.00%	0.00%	0.00%	0.23%
Jefferson	4.21%	0.00%	3.13%	0.00%	0.00%	0.00%	0.00%	0.61%
Lubbock	4.67%	0.00%	7.04%	0.00%	0.00%	0.00%	0.00%	0.54%
Nueces	0.65%	0.00%	0.73%	0.00%	0.00%	0.00%	0.00%	0.20%
Tarrant	9.76%	0.00%	2.69%	0.00%	0.00%	0.00%	0.00%	0.79%
Travis	5.43%	0.00%	2.00%	0.00%	0.00%	0.00%	0.00%	0.48%
MRSA Central	2.09%	0.00%	0.43%	0.00%	0.00%	0.00%	0.00%	0.10%
MRSA Northeast	1.15%	0.00%	0.13%	0.00%	0.00%	0.00%	0.00%	0.05%
MRSA West	4.14%	0.00%	4.33%	0.00%	0.00%	0.00%	0.00%	0.63%
Total	2.47%	0.00%	0.89%	0.00%	0.00%	0.00%	0.00%	0.40%

Footnotes

(1) Equals the increased cost associated with ongoing CFC ramp up.

(2) Equals FY2016 health plan fee-for-service claims for all long term care services (from MCO reported data).

(3) Equals Cost Impact divided by FY2016 Total Long Term Care Incurred Claims.

Attachment 7

Removal of STAR+PLUS Members Under Age 21

Effective November 1, 2016 all STAR+PLUS members under age 21 were removed from the STAR+PLUS program and moved to the STAR Kids managed care program. This change only impacted the Medicaid Only OCC risk group. The impact of this eligibility change was studied by comparing the average base period cost of STAR+PLUS members over and under age 21. Exhibit A provides the development of the adjustment factors applied to the medical rating and Exhibit B provides the development of the adjustment factors applied to the pharmacy rating.

The calculation of the medical adjustment factor includes both acute care and long term care claims and has been applied equally to both components of the rate development.

The adjustment factor is a function of both the average cost differential between the age groups and the relative proportion of the population within each. Service areas such as Harris and Hidalgo where the under 21 population made up a large percentage of the total have larger adjustment factors than the other service areas.

FY2018 STAR+PLUS Rating - Medical
 Other Adjustments
 Removal of Members Under Age 21

	Medicaid Only OCC			Adjustment Factor (2)
	Under Age 21	Age 21 & Over	Total	
FY2016 Member Months				
Bexar	24,184	235,520	259,704	
Dallas	14,242	330,664	344,906	
El Paso	3,950	74,750	78,700	
Harris	64,127	489,880	554,007	
Hidalgo	48,441	179,341	227,782	
Jefferson	7,422	98,497	105,919	
Lubbock	4,177	57,450	61,627	
Nueces	6,568	88,100	94,668	
Tarrant	16,866	187,991	204,857	
Travis	7,294	111,815	119,110	
MRSA Central	6,339	132,323	138,662	
MRSA Northeast	5,405	204,401	209,807	
MRSA West	4,893	143,658	148,550	
Total	213,908	2,334,389	2,548,297	
FY2016 Total Incurred Claims (1)				
Bexar	10,340,848	146,243,731	156,584,579	
Dallas	7,537,865	222,155,002	229,692,867	
El Paso	2,330,678	57,405,192	59,735,871	
Harris	28,049,992	378,829,794	406,879,785	
Hidalgo	20,598,157	182,115,528	202,713,685	
Jefferson	1,923,783	61,618,816	63,542,599	
Lubbock	2,155,858	29,891,846	32,047,704	
Nueces	3,141,642	60,263,903	63,405,545	
Tarrant	10,221,999	134,874,481	145,096,481	
Travis	3,647,715	67,033,173	70,680,888	
MRSA Central	2,078,552	71,337,420	73,415,972	
MRSA Northeast	1,591,545	111,996,308	113,587,853	
MRSA West	3,227,782	80,105,873	83,333,655	
Total	96,846,417	1,603,871,067	1,700,717,483	
FY2016 Per Member Per Month				
Bexar	427.59	620.94	602.93	1.030
Dallas	529.28	671.84	665.96	1.009
El Paso	590.09	767.96	759.04	1.012
Harris	437.41	773.31	734.43	1.053
Hidalgo	425.22	1,015.47	889.95	1.141
Jefferson	259.21	625.59	599.92	1.043
Lubbock	516.12	520.31	520.03	1.001
Nueces	478.33	684.04	669.77	1.021
Tarrant	606.07	717.45	708.28	1.013
Travis	500.07	599.50	593.41	1.010
MRSA Central	327.88	539.12	529.46	1.018
MRSA Northeast	294.43	547.92	541.39	1.012
MRSA West	659.73	557.62	560.98	0.994
Total	452.75	687.06	667.39	1.029

Footnotes

- (1) Equals FY2016 health plan fee-for-service claims for all services (from Encounter database).
 (2) Equals the ratio of the average cost for members age 21 & over to the total average cost.

FY2018 STAR+PLUS Rating - Pharmacy
 Pharmacy Adjustments
 Removal of Members Under Age 21

	Medicaid Only OCC			Adjustment
	Under Age 21	Age 21 & Over	Total	Factor (2)
CY2016 Member Months				
Bexar	20,055	233,449	253,504	
Dallas	11,954	328,351	340,305	
El Paso	3,326	74,644	77,970	
Harris	53,046	488,084	541,130	
Hidalgo	39,681	177,965	217,646	
Jefferson	6,114	97,860	103,974	
Lubbock	3,405	57,248	60,653	
Nueces	5,440	87,411	92,851	
Tarrant	14,369	189,275	203,644	
Travis	6,062	111,346	117,408	
MRSA Central	5,558	132,879	138,437	
MRSA Northeast	4,785	204,615	209,400	
MRSA West	4,279	142,777	147,056	
Total	178,074	2,325,904	2,503,978	
CY2016 Total Incurred Claims (1)				
Bexar	4,319,197	96,083,327	100,402,524	
Dallas	1,555,754	112,829,984	114,385,738	
El Paso	570,489	30,097,777	30,668,266	
Harris	10,432,309	228,785,217	239,217,526	
Hidalgo	6,921,906	86,411,524	93,333,430	
Jefferson	1,150,438	39,881,461	41,031,899	
Lubbock	775,315	22,230,706	23,006,021	
Nueces	2,041,581	37,118,165	39,159,746	
Tarrant	3,005,683	82,366,309	85,371,992	
Travis	1,400,154	47,651,947	49,052,101	
MRSA Central	981,004	49,077,768	50,058,771	
MRSA Northeast	753,381	73,770,941	74,524,323	
MRSA West	1,352,423	54,344,721	55,697,144	
Total	35,259,634	960,649,848	995,909,482	
FY2016 Per Member Per Month				
Bexar	215.37	411.58	396.06	1.039
Dallas	130.15	343.63	336.13	1.022
El Paso	171.52	403.22	393.33	1.025
Harris	196.67	468.74	442.07	1.060
Hidalgo	174.44	485.55	428.83	1.132
Jefferson	188.16	407.54	394.64	1.033
Lubbock	227.70	388.32	379.31	1.024
Nueces	375.29	424.64	421.75	1.007
Tarrant	209.18	435.17	419.22	1.038
Travis	230.97	427.96	417.79	1.024
MRSA Central	176.50	369.34	361.60	1.021
MRSA Northeast	157.45	360.54	355.89	1.013
MRSA West	316.06	380.63	378.75	1.005
Total	198.01	413.02	397.73	1.038

Footnotes

(1) Equals CY2016 health plan claims for all pharmacy services.

(2) Equals the ratio of the average cost for members age 21 & over to the total average cost.

Attachment 8

Carve In Relocation Services

The Health and Human Services Commission (HHSC), on behalf of the Department of Aging and Disability Services (DADS), currently has 6 contractors to develop and implement relocation services to assist Medicaid eligible nursing facility residents to relocate from nursing facilities to community-based settings. Relocation contractors must provide relocation assistance to Medicaid eligible nursing home residents seeking to relocate to a community-based setting of their choice. Effective September 1, 2017 these services will be carved into the STAR+PLUS program.

The estimated impact was derived from estimating the average relocation cost per member per month spread across the Nursing Facility risk groups. Cost breakdown was not available by service area therefore the average statewide amount had been calculated and applied uniformly. This adjustment has been included in the rate development as an addition to the service coordination amounts included in Attachment 3.

The current relocation services total cost is approximately \$5,000,000. Dividing this by the projected nursing facility enrollment of roughly 652,000 results in a per member per month add on of \$7.67 which only applies to the Nursing Facility risk groups.

Attachment 9

Acuity Risk Adjustment – Acute Care

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.

This analysis is performed by the University of Florida's Institute for Child Health Policy (ICHP) through their role as the EQRO. ICHP uses the Chronic Illness and Disability Payment System (CDPS) model to perform the acuity analysis. Exhibit A provides a brief description of the CDPS analysis as provided by ICHP in their summary report. Exhibits B-D present a summary of the risk adjustment analysis results by risk group. All information was provided by ICHP and reviewed by the actuary for reasonableness.

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 E 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.

Due to the relatively small size of the Medicaid Only Nursing Facility risk group no acuity risk adjustment has been applied to this population.

Technical Specifications

TEXAS Actuarial Analysis (CDPS+Rx)

Programs: STAR, CHIP, STAR+PLUS, STAR Kids

Reporting Period: State Fiscal Year 2016

The Institute for Child Health Policy

University of Florida

The External Quality Review Organization

for Texas Medicaid Managed Care and CHIP

Issue Date: April 25, 2017

The University of Florida Institute for Child Health Policy (ICHP), the Texas external quality review organization (EQRO), conducted health-based risk analyses for STAR, CHIP, STAR+PLUS, and STAR Kids at the request of the Texas Health and Human Services Commission. ICHP performed these analyses using the Chronic Illness and Disability Payment System (CDPS) Version 6.2, which classifies diagnostic and pharmaceutical information in order to facilitate a comparison of managed care organizations' (MCOs') actual and expected expenditures.

In its basic form, the CDPS package groups the International Classification of Diseases codes found in health-care encounter data into a series of diagnosis categories. Users of the CDPS package have the option of including pharmacy data as well as encounter data in their analyses by following an alternative model, called CDPS+Rx. In addition to grouping diagnostic codes into diagnosis categories as in the basic CDPS model, CDPS+Rx also groups the National Drug Codes (NDCs) found in pharmacy data into a series of pharmacy categories. More information about CDPS is available at <http://cdps.ucsd.edu>.

Data Source

Program	Data Source
STAR	Member level enrollment data MCO medical encounters FFS and MCO pharmacy claims/encounters
CHIP	Member level enrollment data MCO medical encounters FFS and MCO pharmacy claims/encounters
STAR+PLUS	Member level enrollment data MCO medical encounters FFS and MCO pharmacy claims/encounters
STAR Kids	STAR Kids Eligibility data for SFY2013-SFY2016 (provided by HHS) STAR Kids enrollment data from Nov. 2016 to Apr. 2017 FFS and MCO medical claims/encounters FFS and MCO pharmacy claims/encounters

Time Period Covered: The EQRO incorporates all dates of service from SFY2016 in its analyses, including medical and pharmacy claims/encounters received by the EQRO through February 2017.

New BABY Categories: CDPS uses individual diagnostic codes to classify patients based on their disease states into broader diagnostic groups for prediction of health expenditure. In addition to adult

diagnostic codes, neonatal codes were also included in the system. CDPS classifies neonatal codes into one of five groups:

BABY 1: Extremely low birth weight

BABY 2: Very low birth weight

BABY 3: Serious perinatal problem

BABY 4: Other perinatal problem

BABY 5: Normal, single birth

From a clinical perspective it was noted that the diagnostic codes included in BABY 3 and BABY 4 had significant clinical variability, including variability in resource utilization during hospitalization.

Given this concern, the EQRO and faculty neonatologists at the University of Florida College of Medicine have attempted to reorganize the diagnostic codes into more homogeneous groups from both a clinical severity and cost perspective in order to reduce the previous variability within the groups. The following new BABY categories were created:

BABY 1: Extreme prematurity/Extremely low birth weight (<28 weeks)

BABY 2: Very premature/Very low birth weight (28-31 weeks)

BABY 3: Mild prematurity (32-36 weeks)

BABY 4: Critical problem of the neonate

BABY 5: Moderate problem of the neonate

BABY 6: Mild problem of the neonate

BABY 7: Single, term infants without problems

BABY 8: Twin infants

The hierarchy of the new BABY categories is: 1 > 2 > 4 > 3 > 5 > 8 > 7. And BABY 6 (Mild problem of the neonate) is additive to other BABY categories.

Please refer to Appendix A for details of how the ICD10 neonatal diagnostic codes were reorganized into BABY1-BABY8. Appendix B lists all ICD10 neonatal diagnostic codes, their frequencies, and costs and summarizes this information by the corresponding new BABY categories.

Enrollment Criteria: The EQRO excludes from its analyses all enrollees ages 1 and over that were not enrolled in the program continuously for at least six months (a one-month gap in enrollment within the six-month period was permitted, and gap is only allowed in between the active spell but not at the

beginning or the end). However, all infants less than one year of age are included as long as they were enrolled in the program at least 1 month. Transferees (clients that changed MCOs during the year) are included in the models and are assigned to the health plan with which they were most recently enrolled for the year.

Since STAR Kids eligible members were actually not enrolled in STAR Kids for SFY2016 (as STAR Kids was effective since Nov. 2016), the above enrollment criteria are all based on the STAR Kids eligibility information provided by HHS.

Risk Groups: The EQRO conducts CDPS analyses for the following state-defined risk groups.

Program	Risk Groups
STAR	AFDC Adults (risk group 003)
	Pregnant Women (risk group 005, 020)
	Less than 1 Year of Age *
	Age 1 to 5 *
	Age 6 to 14 *
	Age 15 to 18 *
	Age 19 to 20 *
CHIP	Less than 1 Year of Age *
	Age 1 to 5 *
	Age 6 to 14 *
	Age 15 to 20 *
STAR+PLUS	Medicaid Only – OCC (risk group 100)
	Medicaid Only – CBA(risk group 111)
	Intellectual Developmental Disabilities (risk group 122, 123)
STAR Kids	Less than 1 Year of Age *
	Age 1 to 5 *
	Age 6 to 14 *
	Age 15 to 20 *
	MDCP Waiver (risk group 604)
	YES Waiver (risk group 605)
	IDD Waiver (risk group 606)

***Note:** age is as of the last day of the analysis year

The EQRO uses monthly risk-group information found in state eligibility files to identify enrollees' risk groups for STAR and STAR+PLUS. In general, each enrollee is assigned to the risk group to which he or she was assigned for the majority of time during the analysis year. The only exceptions are for infants and expectant mothers. They are assigned to the newborn or pregnant women risk groups if they were assigned in the eligibility data to those groups for any month of the year. For CHIP and STAR (risk groups 060, 061, 062, 063, 064, 065, 066, 067, 068, 069), the EQRO uses the age of the enrollee as of the end of the analysis year.

Enrollees of age<21 currently enrolled in STAR+PLUS will be transferred to STAR Kids in future, so HHS chooses to exclude all enrollees of age<21 from STAR+PLUS in this analysis.

The EQRO also uses monthly (Nov. 2016 to Apr. 2017) risk-group information found in state eligibility files to identify enrollees' risk groups for STAR Kids. However, STAR Kids eligible members in SFY2016 is assigned to the most recent risk group s/he was assigned to, and to the most recent MCO and SDA s/he was enrolled with. Any STAR Kids eligible member in SFY2016 will be excluded if the member was not actually enrolled in STAR Kids during Nov. 2016 to Apr. 2017. For risk groups 600, 601, 602, 603, the EQRO uses the age of the enrollee as of the end of the analysis year.

CDPS+Rx Weights: The EQRO uses the concurrent risk adjustment option within CDPS whereby both expenditures and diagnostic categorization for each enrollee are based upon the year in which the expenditures and diagnoses were recorded. (This is in contrast to the retrospective option whereby current year expenditures are modeled as a function of the diagnoses recorded in the preceding year). The expenditures per month for each eligible member (Expenditure PMPM) are calculated from claims data. Texas-specific concurrent weights are developed using cost (i.e., expenditure PMPM) regression models estimated using the CDPS diagnostic and pharmacy categories (with additional categories for newborns) from the most recent three years of historical data. The Consumer Price Index (medical care component) is used to adjust expenditures when estimating these models.

Ancillary services in the following list are excluded in assigning the CDPS category.

CPT code range 70000 to 79999, Radiology procedures

CPT code range 80000 to 89999, Pathology and laboratory procedures

The EQRO calculates Texas-specific weights for STAR, CHIP, STAR+PLUS and STAR Kids. To get a full picture of the health status, the EQRO includes North STAR encounter data for its calculation of STAR, STAR+PLUS and STAR Kids weights.

CDPS includes both empirical and clinical input with many diagnostic subcategories ordered by expected clinical severity such that the diagnoses in the higher severity subcategories were expected to exhibit higher costs and hence positive weights. When reverse or negative weights occur, we combine subcategories together to ensure that the weights make intuitive sense.

Presentation of Results: The EQRO presents the results from its CDPS analysis in accompanying Excel spreadsheets organized by MCO and SDA for each risk group.

For each MCO, MCO/SDA combination and each risk group, the EQRO calculated two ratios:

$$\text{Case Mix Ratio} = \frac{\text{Plan Predicted Expenditures Per Member Per Month}}{\text{Group Predicted Expenditures Per Member Per Month}}$$

$$\text{Spending Ratio} = \frac{\text{Plan Actual Expenditures Per Member Per Month}}{\text{Plan Predicted Expenditures Per Member Per Month}}$$

The case-mix ratio, which measures the MCO's expected expenditures given the diagnostic mix of its enrollees in that group relative to the expected expenditures across all MCOs for that group; and the spend ratio, which measures the MCO's actual expenditures for enrollees in that risk group relative to the expenditures that were expected for that MCO given the health of its enrollees in that group.

TEXAS STAR+PLUS CDPS SDA/Health Plan Risk

Reporting Period: Sep 1, 2015 to Aug 31, 2016

STAR+PLUS						
SA/Health Plan	Number of Enrollees	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS						
STAR+PLUS--Medicaid-Only OCC	195,672	100.00	1,134.25	1,134.25	1.00	1.00
Bexar	19,733	100.00	1,096.13	1,126.37	1.00	0.97
Amerigroup	3,958	20.06	1,099.07	1,130.64	1.00	0.97
Molina	2,267	11.49	924.47	934.36	0.83	0.99
Superior	13,508	68.45	1,123.83	1,157.07	1.03	0.97
Dallas	27,664	100.00	1,018.48	1,123.10	1.00	0.91
Molina	15,092	54.55	1,050.73	1,138.92	1.01	0.92
Superior	12,572	45.45	979.84	1,104.14	0.98	0.89
El Paso	6,255	100.00	1,175.45	1,180.97	1.00	1.00
Amerigroup	3,960	63.31	1,101.09	1,140.66	0.97	0.97
Molina	2,295	36.69	1,304.90	1,251.14	1.06	1.04
Harris	41,032	100.00	1,288.37	1,203.51	1.00	1.07
Amerigroup	16,786	40.91	1,213.75	1,132.07	0.94	1.07
Molina	4,746	11.57	1,226.48	1,060.97	0.88	1.16
United Health Care (United)	19,500	47.52	1,367.86	1,299.98	1.08	1.05
Hidalgo	15,058	100.00	1,506.18	1,154.08	1.00	1.31
HealthSpring	4,184	27.79	1,461.08	1,076.35	0.93	1.36
Molina	3,106	20.63	1,451.59	1,156.03	1.00	1.26
Superior	7,768	51.59	1,551.92	1,194.75	1.04	1.30
Jefferson	8,263	100.00	1,024.34	1,106.62	1.00	0.93
Amerigroup	3,165	38.30	934.09	1,031.62	0.93	0.91
Molina	2,466	29.84	1,005.24	1,057.03	0.96	0.95
United Health Care (United)	2,632	31.85	1,153.19	1,245.84	1.13	0.93
Lubbock	4,832	100.00	950.97	1,129.85	1.00	0.84
Amerigroup	1,768	36.59	1,027.96	1,167.28	1.03	0.88
Superior	3,064	63.41	906.81	1,108.38	0.98	0.82
MRSA Central	11,173	100.00	955.26	1,062.13	1.00	0.90
Superior	7,279	65.15	961.00	1,078.28	1.02	0.89
United Health Care (United)	3,894	34.85	944.40	1,031.58	0.97	0.92
MRSA Northeast	17,159	100.00	921.99	1,022.37	1.00	0.90
Health Spring	8,586	50.04	886.56	956.94	0.94	0.93
United Health Care (United)	8,573	49.96	957.53	1,088.01	1.06	0.88
MRSA West	12,026	100.00	971.20	1,071.43	1.00	0.91
Amerigroup	4,210	35.01	954.25	1,011.04	0.94	0.94
Superior	7,816	64.99	980.33	1,103.94	1.03	0.89
Nueces	7,384	100.00	1,168.95	1,174.08	1.00	1.00
Superior	3,822	51.76	1,173.01	1,140.94	0.97	1.03
United Health Care (United)	3,562	48.24	1,164.56	1,209.94	1.03	0.96
Tarrant	15,760	100.00	1,187.30	1,232.46	1.00	0.96
Amerigroup	12,098	76.76	1,238.88	1,289.86	1.05	0.96
Health Spring	3,662	23.24	1,016.88	1,042.79	0.85	0.98
Travis	9,333	100.00	1,138.19	1,017.59	1.00	1.12
Amerigroup	4,600	49.29	1,185.81	972.11	0.96	1.22
United Health Care (United)	4,733	50.71	1,091.56	1,062.13	1.04	1.03

Notes: 1. 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 month (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 month period).

TEXAS STAR+PLUS CDPS SDA/Health Plan Risk

Reporting Period: Sep 1, 2015 to Aug 31, 2016

STAR+PLUS						
SA/Health Plan	Number of Enrollees	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS						
STAR+PLUS--Medicaid-Only, HCBS	15,069	100.00	3,783.24	3,783.24	1.00	1.00
Bexar	1,703	100.00	3,605.48	3,593.10	1.00	1.00
Amerigroup	213	12.51	3,465.47	3,888.37	1.08	0.89
Molina	222	13.04	3,166.46	3,278.01	0.91	0.97
Superior	1,268	74.46	3,705.57	3,598.44	1.00	1.03
Dallas	1,776	100.00	3,533.36	3,713.15	1.00	0.95
Molina	1,153	64.92	3,501.79	3,677.88	0.99	0.95
Superior	623	35.08	3,591.91	3,778.56	1.02	0.95
El Paso	694	100.00	3,606.48	3,651.44	1.00	0.99
Amerigroup	403	58.07	3,454.15	3,760.04	1.03	0.92
Molina	291	41.93	3,817.41	3,501.05	0.96	1.09
Harris	2,890	100.00	4,284.58	4,182.17	1.00	1.02
Amerigroup	893	30.90	4,257.76	4,307.06	1.03	0.99
Molina	456	15.78	4,575.64	4,153.51	0.99	1.10
United Health Care (United)	1,541	53.32	4,214.37	4,118.07	0.98	1.02
Hidalgo	2,166	100.00	3,866.68	3,365.67	1.00	1.15
HealthSpring	591	27.29	3,779.71	3,132.56	0.93	1.21
Molina	401	18.51	3,709.90	3,377.88	1.00	1.10
Superior	1,174	54.20	3,964.16	3,479.85	1.03	1.14
Jefferson	531	100.00	3,434.85	3,715.54	1.00	0.92
Amerigroup	117	22.03	3,718.95	4,083.02	1.10	0.91
Molina	295	55.56	3,249.98	3,469.28	0.93	0.94
United Health Care (United)	119	22.41	3,618.26	3,970.72	1.07	0.91
Lubbock	293	100.00	3,289.43	3,922.11	1.00	0.84
Amerigroup	144	49.15	3,063.95	3,647.07	0.93	0.84
Superior	149	50.85	3,511.39	4,192.85	1.07	0.84
MRSA Central	452	100.00	3,762.31	3,841.74	1.00	0.98
Superior	326	72.12	3,604.63	3,707.44	0.97	0.97
United Health Care (United)	126	27.88	4,172.90	4,191.44	1.09	1.00
MRSA Northeast	1,323	100.00	3,480.80	3,653.26	1.00	0.95
Health Spring	712	53.82	3,192.74	3,378.34	0.92	0.95
United Health Care (United)	611	46.18	3,819.97	3,976.97	1.09	0.96
MRSA West	567	100.00	3,339.94	3,699.62	1.00	0.90
Amerigroup	234	41.27	3,428.96	3,811.56	1.03	0.90
Superior	333	58.73	3,278.00	3,621.74	0.98	0.91
Nueces	777	100.00	3,557.14	3,637.79	1.00	0.98
Superior	468	60.23	3,562.80	3,543.72	0.97	1.01
United Health Care (United)	309	39.77	3,548.56	3,780.28	1.04	0.94
Tarrant	1,196	100.00	3,896.05	4,162.26	1.00	0.94
Amerigroup	985	82.36	3,939.51	4,217.18	1.01	0.93
Health Spring	211	17.64	3,691.12	3,903.32	0.94	0.95
Travis	701	100.00	4,165.54	3,985.60	1.00	1.05
Amerigroup	353	50.36	4,025.62	4,001.67	1.00	1.01
United Health Care (United)	348	49.64	4,306.91	3,969.37	1.00	1.09

Notes: 1. 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 month (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 month period).

TEXAS STAR+PLUS CDPS SDA/Health Plan Risk

Reporting Period: Sep 1, 2015 to Aug 31, 2016

STAR+PLUS						
SA/Health Plan	Number of Enrollees	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS						
STAR+PLUS--IDD	16,414	100.00	758.15	758.15	1.00	1.00
Bexar	1,707	100.00	828.99	780.94	1.00	1.06
Amerigroup	265	15.52	788.44	699.86	0.90	1.13
Molina	127	7.44	692.84	571.10	0.73	1.21
Superior	1,315	77.04	850.21	817.38	1.05	1.04
Dallas	2,145	100.00	551.46	627.12	1.00	0.88
Molina	959	44.71	539.50	624.39	1.00	0.86
Superior	1,186	55.29	561.06	629.31	1.00	0.89
El Paso	503	100.00	1,166.81	1,010.66	1.00	1.15
Amerigroup	380	75.55	1,241.40	989.80	0.98	1.25
Molina	123	24.45	934.75	1,075.58	1.06	0.87
Harris	3,584	100.00	819.36	775.00	1.00	1.06
Amerigroup	1,416	39.51	766.82	726.15	0.94	1.06
Molina	369	10.30	775.47	723.53	0.93	1.07
United Health Care (United)	1,799	50.20	869.85	824.14	1.06	1.06
Hidalgo	963	100.00	814.21	885.82	1.00	0.92
HealthSpring	287	29.80	643.94	731.48	0.83	0.88
Molina	192	19.94	745.31	908.57	1.03	0.82
Superior	484	50.26	941.81	967.98	1.09	0.97
Jefferson	427	100.00	676.17	784.25	1.00	0.86
Amerigroup	99	23.19	792.43	748.85	0.95	1.06
Molina	75	17.56	588.91	703.26	0.90	0.84
United Health Care (United)	253	59.25	656.19	822.41	1.05	0.80
Lubbock	590	100.00	662.13	785.34	1.00	0.84
Amerigroup	239	40.51	775.20	744.64	0.95	1.04
Superior	351	59.49	585.48	812.93	1.04	0.72
MRSA Central	839	100.00	725.27	722.82	1.00	1.00
Superior	640	76.28	724.62	722.16	1.00	1.00
United Health Care (United)	199	23.72	727.38	724.96	1.00	1.00
MRSA Northeast	1,095	100.00	701.94	711.91	1.00	0.99
Health Spring	551	50.32	635.12	672.85	0.95	0.94
United Health Care (United)	544	49.68	769.88	751.63	1.06	1.02
MRSA West	1,101	100.00	751.33	743.31	1.00	1.01
Amerigroup	273	24.80	767.73	744.35	1.00	1.03
Superior	828	75.20	745.93	742.96	1.00	1.00
Nueces	484	100.00	791.45	864.80	1.00	0.92
Superior	234	48.35	801.12	868.60	1.00	0.92
United Health Care (United)	250	51.65	782.49	861.27	1.00	0.91
Tarrant	1,843	100.00	726.60	738.47	1.00	0.98
Amerigroup	1,301	70.59	766.29	781.40	1.06	0.98
Health Spring	542	29.41	631.94	636.10	0.86	0.99
Travis	1,133	100.00	820.18	743.04	1.00	1.10
Amerigroup	301	26.57	647.96	565.07	0.76	1.15
United Health Care (United)	832	73.43	882.34	807.29	1.09	1.09

Notes: 1. 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 month (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 month period).

FY2018 STAR+PLUS Rating
Adjusted Acuity Scores

	Medicaid Only OCC	Medicaid Only HCBS	IDD
Unadjusted Acuity Scores (1)			
Amerigroup - Bexar	1.0038	1.0822	0.8962
Molina - Bexar	0.8295	0.9123	0.7313
Superior - Bexar	1.0272	1.0015	1.0467
Molina - Dallas	1.0141	0.9905	0.9956
Superior - Dallas	0.9831	1.0176	1.0035
Amerigroup - El Paso	0.9659	1.0297	0.9794
Molina - El Paso	1.0594	0.9588	1.0642
Amerigroup - Harris	0.9406	1.0299	0.9370
Molina - Harris	0.8816	0.9931	0.9336
United - Harris	1.0802	0.9847	1.0634
HealthSpring - Hidalgo	0.9326	0.9307	0.8258
Molina - Hidalgo	1.0017	1.0036	1.0257
Superior - Hidalgo	1.0352	1.0339	1.0927
Amerigroup - Jefferson	0.9322	1.0989	0.9549
Molina - Jefferson	0.9552	0.9337	0.8967
United - Jefferson	1.1258	1.0687	1.0487
Amerigroup - Lubbock	1.0331	0.9299	0.9482
Superior - Lubbock	0.9810	1.0690	1.0351
Superior - Nueces	0.9718	0.9741	1.0044
United - Nueces	1.0305	1.0392	0.9959
Amerigroup - Tarrant	1.0466	1.0132	1.0581
HealthSpring - Tarrant	0.8461	0.9378	0.8614
Amerigroup - Travis	0.9553	1.0040	0.7605
United - Travis	1.0438	0.9959	1.0865
Superior - MRSA Central	1.0152	0.9650	0.9991
United - MRSA Central	0.9712	1.0910	1.0030
HealthSpring - MRSA Northeast	0.9360	0.9247	0.9451
United - MRSA Northeast	1.0642	1.0886	1.0558
Amerigroup - MRSA West	0.9436	1.0303	1.0014
Superior - MRSA West	1.0303	0.9789	0.9995

FY2018 STAR+PLUS Rating
Adjusted Acuity Scores

	Medicaid Only OCC	Medicaid Only HCBS	IDD
Budget Neutrality Adjustment (2)			
Amerigroup - Bexar	0.9993	1.0007	1.0014
Molina - Bexar	0.9993	1.0007	1.0014
Superior - Bexar	0.9993	1.0007	1.0014
Molina - Dallas	1.0002	1.0011	1.0000
Superior - Dallas	1.0002	1.0011	1.0000
Amerigroup - El Paso	0.9997	1.0017	0.9988
Molina - El Paso	0.9997	1.0017	0.9988
Amerigroup - Harris	0.9993	1.0008	0.9986
Molina - Harris	0.9993	1.0008	0.9986
United - Harris	0.9993	1.0008	0.9986
HealthSpring - Hidalgo	0.9997	0.9992	0.9974
Molina - Hidalgo	0.9997	0.9992	0.9974
Superior - Hidalgo	0.9997	0.9992	0.9974
Amerigroup - Jefferson	0.9969	0.9994	1.0011
Molina - Jefferson	0.9969	0.9994	1.0011
United - Jefferson	0.9969	0.9994	1.0011
Amerigroup - Lubbock	0.9989	0.9972	0.9992
Superior - Lubbock	0.9989	0.9972	0.9992
Superior - Nueces	0.9999	1.0004	0.9997
United - Nueces	0.9999	1.0004	0.9997
Amerigroup - Tarrant	1.0005	1.0033	0.9985
HealthSpring - Tarrant	1.0005	1.0033	0.9985
Amerigroup - Travis	0.9998	1.0004	1.0018
United - Travis	0.9998	1.0004	1.0018
Superior - MRSA Central	1.0007	0.9983	1.0000
United - MRSA Central	1.0007	0.9983	1.0000
HealthSpring - MRSA Northeast	0.9999	1.0019	1.0006
United - MRSA Northeast	0.9999	1.0019	1.0006
Amerigroup - MRSA West	1.0002	1.0023	1.0000
Superior - MRSA West	1.0002	1.0023	1.0000

FY2018 STAR+PLUS Rating
Adjusted Acuity Scores

	<u>Medicaid Only OCC</u>	<u>Medicaid Only HCBS</u>	<u>IDD</u>
Budget Neutral Acuity Scores (3)			
Amerigroup - Bexar	1.0031	1.0830	0.8975
Molina - Bexar	0.8290	0.9130	0.7323
Superior - Bexar	1.0266	1.0022	1.0482
Molina - Dallas	1.0143	0.9916	0.9956
Superior - Dallas	0.9833	1.0187	1.0034
Amerigroup - El Paso	0.9656	1.0314	0.9781
Molina - El Paso	1.0591	0.9604	1.0629
Amerigroup - Harris	0.9400	1.0307	0.9356
Molina - Harris	0.8810	0.9939	0.9322
United - Harris	1.0794	0.9854	1.0619
HealthSpring - Hidalgo	0.9324	0.9300	0.8237
Molina - Hidalgo	1.0014	1.0028	1.0231
Superior - Hidalgo	1.0350	1.0331	1.0900
Amerigroup - Jefferson	0.9293	1.0982	0.9559
Molina - Jefferson	0.9522	0.9331	0.8977
United - Jefferson	1.1223	1.0680	1.0498
Amerigroup - Lubbock	1.0320	0.9272	0.9474
Superior - Lubbock	0.9799	1.0660	1.0343
Superior - Nueces	0.9716	0.9746	1.0041
United - Nueces	1.0304	1.0396	0.9956
Amerigroup - Tarrant	1.0471	1.0166	1.0565
HealthSpring - Tarrant	0.8465	0.9409	0.8600
Amerigroup - Travis	0.9551	1.0044	0.7618
United - Travis	1.0435	0.9963	1.0884
Superior - MRSA Central	1.0159	0.9634	0.9991
United - MRSA Central	0.9720	1.0892	1.0029
HealthSpring - MRSA Northeast	0.9359	0.9265	0.9457
United - MRSA Northeast	1.0641	1.0907	1.0564
Amerigroup - MRSA West	0.9438	1.0326	1.0014
Superior - MRSA West	1.0305	0.9812	0.9995

Footnotes:

- (1) Raw acuity scores as developed by ICHP. Equals the case mix factors from Exhibits B-D.
- (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 FY2018 Acute Care Community Rates.

Attachment 10

Acuity Risk Adjustment – Long Term Care

Over the past two years HHSC has formed a workgroup with the MCOs, the EQRO and Rudd and Wisdom to study the impact of acuity on long term care costs. This study involved a review of long term care acuity models utilized by other states, the availability and quality of long term care related diagnostic information and the relative differences in cost among the MCOs within each service area. It was determined that the acuity difference resulting from long term care service needs is best evaluated through a combination of medical diagnostic information and functional assessment data. Functional assessment data includes a review of the activities of daily living (ADLs) – bathing, dressing, eating, etc. Information on ADLs is collected by HHSC and the MCOs through the ongoing assessment process utilized to determine eligibility for waiver services. Although this data provides thorough, meaningful information on an individual member's functional status it was determined that (a) it is not readily available for a large percentage of STAR+PLUS members and (b) it is not currently available in a consistent format that could be readily utilized for acuity evaluation. Although HHSC and the MCOs are continuing to pursue the collection of this information it was determined that it would not be a sufficient source for the FY2018 acuity analysis.

As an interim step, HHSC developed a long term care acuity model that measures the relative acuity among the health plans within a service area by analyzing the relative percentage of unique members who utilize Personal Attendant Services (PAS). PAS accounts for 86% of all long term care services for the OCC and HCBS risk groups and is the greatest indicator of relative cost for a given population.

Using the FY2016 encounter data, HHSC identified the following statistics for each MCO within each service area:

1. Total number of unique members during FY2016.
2. Total number of unique PAS utilizers during FY2016.
3. Percentage of unique members utilizing PAS during FY2016.

Data was collected separately for the following risk groups:

1. Medicaid Only OCC
2. Medicaid Only HCBS
3. Dual Eligible OCC
4. Dual Eligible HCBS

The relative acuity of each MCO within each service area was then defined as:

$$\frac{\text{MCO \% of unique members utilizing PAS}}{\text{SDA \% of unique members utilizing PAS}}$$

An MCO that enrolls a higher percentage of member who utilize PAS than the overall SDA average has an acuity score greater than 1.0.

Exhibit A provides a brief description of the HHSC analysis as provided by HHSC in their summary report. Exhibits B-E present a summary of the long term care risk adjustment analysis

results by risk group. All information was provided by HHSC and reviewed by the actuary for reasonableness.

Given that this is the first year that risk adjustment has been applied to the long term care component of the premium we have applied a 75% credibility factor to the calculated risk scores. As the impact of acuity on long term care costs are studied further and the model is refined, we expect that a greater level of credibility will be applied in future years.

The credibility weighted acuity factors were calculated as:

$$.75 \times \text{risk score} + .25 \times 1.0$$

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

This long term care acuity model does not impact the nursing facility risk groups since attendant care is not a significant cost for these populations. The impact of relative acuity differences on the nursing facility populations is continuing to be studied but no adjustments will be made for the FY2018 premium rates.

The long term care acuity model combines the experience for the Dual Eligible STAR+PLUS risk groups and the Dual Eligible Demonstration population to develop a single long term care risk adjustment factor for each dual eligible risk group.

Technical Specifications for LTSS Risk Adjustment, STAR+PLUS, State Fiscal Year 2016

Background

The functional conditions of elders and individuals with disabilities receiving Long-Term Support and Services (LTSS) from MCOs are highly diverse. This brought up an urgent need to find a method of adjusting the capitation rates paid, to improve the accuracy and to provide more equitable payments to MCOs that provide the services in STAR+PLUS program.

From SFY2015 to SFY2016, HHSC reviewed several methods of adjusting functional status in STAR+PLUS population. Both regression and non-regression methods were explored using available data, such as the Minimum Data Set (MDS) Assessment Information, Medical Necessity and Level of Care (MN/LOC), Encounter, Enrollment data and MCOs Personal Assistance Services (PAS) utilization reports. Unfortunately, the data were not sufficient and invalid to build regression models. In some cases the data were not consistently collected across MCOs.

Data Source

Due to lack of reliable data for regression analyses, HHSC calculated risk scores for "Attendant Care Services" using STAR+PLUS and Medicare-Medicaid Plan (MMP) programs' Enrollment and Encounter data.

Enrollment data was used to collect members eligible to receive PAS in STAR+PLUS and MMP programs. Encounter data was used to collect information on the number of actual members who utilized the services and the actual number of units of service utilized. Only paid claims, with financial arrangement codes from 06 to 10 were included in this analysis.

Analysis

Percent utilization and risk scores were calculated using the following formulas:

$$\text{Percent utilization} = \frac{\text{MCO Number of PAS Utilizers}}{\text{MCO Number of Eligible Enrollees}}$$

$$\text{Risk Score} = \frac{\text{Percent of MCO PAS Utilizers}}{\text{Percent of SDA PAS Utilizers}}$$

The analyses were stratified by Home and Community Based Services (HCBS) and Other Community Care (OCC) programs for dual and non-dual status.

The risk scores were used to adjust the SFY2018 STAR+PLUS LTSS capitation rates. Since the acuity factors were developed and applied for the first time, only 75% of the MCOs factors were used to adjust the rates.

FY2018 STAR+PLUS Rating
Long Term Care Acuity Analysis
Medicaid Only OCC

	Unique Members	Unique Utilizers	Percent Utilization	Risk Score
Amerigroup - Bexar	5,323	789	14.8%	0.8368
Molina - Bexar	2,893	403	13.9%	0.7865
Superior - Bexar	18,076	3,465	19.2%	1.0822
Bexar SDA Total	26,292	4,657	17.7%	1.0000
Molina - Dallas	19,192	3,691	19.2%	1.1160
Superior - Dallas	16,554	2,469	14.9%	0.8655
Dallas SDA Total	35,746	6,160	17.2%	1.0000
Amerigroup - El Paso	5,025	828	16.5%	0.8632
Molina - El Paso	3,084	720	23.3%	1.2230
El Paso SDA Total	8,109	1,548	19.1%	1.0000
Amerigroup - Harris	24,053	3,092	12.9%	0.8426
Molina - Harris	7,172	988	13.8%	0.9029
United - Harris	25,686	4,603	17.9%	1.1745
Harris SDA Total	56,911	8,683	15.3%	1.0000
HealthSpring - Hidalgo	5,505	2,453	44.6%	1.0284
Molina - Hidalgo	4,895	1,837	37.5%	0.8661
Superior - Hidalgo	12,373	5,577	45.1%	1.0403
Hidalgo SDA Total	22,773	9,867	43.3%	1.0000
Amerigroup - Jefferson	4,183	450	10.8%	0.9465
Molina - Jefferson	3,253	424	13.0%	1.1467
United - Jefferson	3,579	378	10.6%	0.9292
Jefferson SDA Total	11,015	1,252	11.4%	1.0000
Amerigroup - Lubbock	2,355	143	6.1%	0.8918
Superior - Lubbock	4,004	290	7.2%	1.0637
Lubbock SDA Total	6,359	433	6.8%	1.0000
Superior - Nueces	5,230	1,267	24.2%	1.0089
United - Nueces	4,411	1,048	23.8%	0.9895
Nueces SDA Total	9,641	2,315	24.0%	1.0000
Amerigroup - Tarrant	16,577	1,452	8.8%	0.9188
HealthSpring - Tarrant	5,168	621	12.0%	1.2605
Tarrant SDA Total	21,745	2,073	9.5%	1.0000
Amerigroup - Travis	6,306	846	13.4%	1.2848
United - Travis	6,249	465	7.4%	0.7126
Travis SDA Total	12,555	1,311	10.4%	1.0000
Superior - MRSA Central	9,258	819	8.8%	1.0837
United - MRSA Central	5,259	366	7.0%	0.8526
MRSA Central SDA Total	14,517	1,185	8.2%	1.0000
HealthSpring - MRSA Northeast	10,970	1,119	10.2%	1.0300
United - MRSA Northeast	10,880	1,045	9.6%	0.9698
MRSA Northeast SDA Total	21,850	2,164	9.9%	1.0000
Amerigroup - MRSA West	5,485	454	8.3%	0.8226
Superior - MRSA West	10,029	1,107	11.0%	1.0970
MRSA West SDA Total	15,514	1,561	10.1%	1.0000

FY2018 STAR+PLUS Rating
Long Term Care Acuity Analysis
Medicaid Only HCBS

	Unique Members	Unique Utilizers	Percent Utilization	Risk Score
Amerigroup - Bexar	300	234	78.0%	1.0153
Molina - Bexar	287	186	64.8%	0.8436
Superior - Bexar	1,635	1,287	78.7%	1.0246
Bexar SDA Total	2,222	1,707	76.8%	1.0000
Molina - Dallas	1,587	1,167	73.5%	1.0212
Superior - Dallas	835	577	69.1%	0.9597
Dallas SDA Total	2,422	1,744	72.0%	1.0000
Amerigroup - El Paso	502	368	73.3%	0.9635
Molina - El Paso	351	281	80.1%	1.0522
El Paso SDA Total	853	649	76.1%	1.0000
Amerigroup - Harris	1,104	872	79.0%	1.0166
Molina - Harris	632	483	76.4%	0.9836
United - Harris	1,878	1,453	77.4%	0.9958
Harris SDA Total	3,614	2,808	77.7%	1.0000
HealthSpring - Hidalgo	749	715	95.5%	1.0030
Molina - Hidalgo	526	491	93.3%	0.9808
Superior - Hidalgo	1,440	1,378	95.7%	1.0055
Hidalgo SDA Total	2,715	2,584	95.2%	1.0000
Amerigroup - Jefferson	153	124	81.0%	1.0935
Molina - Jefferson	380	273	71.8%	0.9693
United - Jefferson	174	127	73.0%	0.9848
Jefferson SDA Total	707	524	74.1%	1.0000
Amerigroup - Lubbock	183	110	60.1%	0.8957
Superior - Lubbock	197	145	73.6%	1.0968
Lubbock SDA Total	380	255	67.1%	1.0000
Superior - Nueces	573	513	89.5%	0.9957
United - Nueces	389	352	90.5%	1.0064
Nueces SDA Total	962	865	89.9%	1.0000
Amerigroup - Tarrant	1,208	814	67.4%	0.9905
HealthSpring - Tarrant	284	201	70.8%	1.0404
Tarrant SDA Total	1,492	1,015	68.0%	1.0000
Amerigroup - Travis	435	367	84.4%	1.0131
United - Travis	450	370	82.2%	0.9873
Travis SDA Total	885	737	83.3%	1.0000
Superior - MRSA Central	440	327	74.3%	0.9830
United - MRSA Central	179	141	78.8%	1.0419
MRSA Central SDA Total	619	468	75.6%	1.0000
HealthSpring - MRSA Northeast	905	680	75.1%	0.9834
United - MRSA Northeast	769	599	77.9%	1.0195
MRSA Northeast SDA Total	1,674	1,279	76.4%	1.0000
Amerigroup - MRSA West	304	267	87.8%	1.0749
Superior - MRSA West	467	363	77.7%	0.9513
MRSA West SDA Total	771	630	81.7%	1.0000

FY2018 STAR+PLUS Rating
Long Term Care Acuity Analysis
Dual Eligible OCC

	Unique Members	Unique Utilizers	Percent Utilization	Risk Score
Amerigroup - Bexar	7,160	1,648	23.0%	0.8930
Molina - Bexar	6,211	1,465	23.6%	0.9151
Superior - Bexar	14,330	4,027	28.1%	1.0903
Bexar SDA Total	27,701	7,140	25.8%	1.0000
Molina - Dallas	20,382	4,871	23.9%	1.0370
Superior - Dallas	13,467	2,930	21.8%	0.9440
Dallas SDA Total	33,849	7,801	23.0%	1.0000
Amerigroup - El Paso	9,405	2,883	30.7%	0.9313
Molina - El Paso	8,751	3,093	35.3%	1.0738
El Paso SDA Total	18,156	5,976	32.9%	1.0000
Amerigroup - Harris	26,028	5,502	21.1%	0.9625
Molina - Harris	8,195	1,710	20.9%	0.9501
United - Harris	27,776	6,404	23.1%	1.0498
Harris SDA Total	61,999	13,616	22.0%	1.0000
HealthSpring - Hidalgo	12,931	7,317	56.6%	0.9279
Molina - Hidalgo	12,420	6,324	50.9%	0.8350
Superior - Hidalgo	21,847	15,140	69.3%	1.1365
Hidalgo SDA Total	47,198	28,781	61.0%	1.0000
Amerigroup - Jefferson	3,707	742	20.0%	1.1603
Molina - Jefferson	3,739	698	18.7%	1.0821
United - Jefferson	1,991	188	9.4%	0.5474
Jefferson SDA Total	9,437	1,628	17.3%	1.0000
Amerigroup - Lubbock	3,917	398	10.2%	0.9006
Superior - Lubbock	3,138	398	12.7%	1.1241
Lubbock SDA Total	7,055	796	11.3%	1.0000
Superior - Nueces	5,549	2,113	38.1%	1.1384
United - Nueces	4,962	1,403	28.3%	0.8453
Nueces SDA Total	10,511	3,516	33.5%	1.0000
Amerigroup - Tarrant	16,728	2,569	15.4%	1.0470
HealthSpring - Tarrant	4,782	586	12.3%	0.8355
Tarrant SDA Total	21,510	3,155	14.7%	1.0000
Amerigroup - Travis	6,379	1,287	20.2%	1.3399
United - Travis	5,934	567	9.6%	0.6346
Travis SDA Total	12,313	1,854	15.1%	1.0000
Superior - MRSA Central	6,278	888	14.1%	1.0115
United - MRSA Central	8,482	1,176	13.9%	0.9915
MRSA Central SDA Total	14,760	2,064	14.0%	1.0000
HealthSpring - MRSA Northeast	10,372	1,531	14.8%	1.0087
United - MRSA Northeast	10,737	1,558	14.5%	0.9916
MRSA Northeast SDA Total	21,109	3,089	14.6%	1.0000
Amerigroup - MRSA West	11,276	2,132	18.9%	0.9960
Superior - MRSA West	9,933	1,894	19.1%	1.0045
MRSA West SDA Total	21,209	4,026	19.0%	1.0000

FY2018 STAR+PLUS Rating
Long Term Care Acuity Analysis
Dual Eligible HCBS

	Unique Members	Unique Utilizers	Percent Utilization	Risk Score
Amerigroup - Bexar	895	761	85.0%	1.0274
Molina - Bexar	995	792	79.6%	0.9618
Superior - Bexar	2,391	1,990	83.2%	1.0057
Bexar SDA Total	4,281	3,543	82.8%	1.0000
Molina - Dallas	3,544	2,819	79.5%	1.0015
Superior - Dallas	1,651	1,307	79.2%	0.9967
Dallas SDA Total	5,195	4,126	79.4%	1.0000
Amerigroup - El Paso	1,060	886	83.6%	0.9660
Molina - El Paso	1,026	919	89.6%	1.0352
El Paso SDA Total	2,086	1,805	86.5%	1.0000
Amerigroup - Harris	2,062	1,726	83.7%	0.9802
Molina - Harris	1,007	859	85.3%	0.9990
United - Harris	3,886	3,354	86.3%	1.0108
Harris SDA Total	6,955	5,939	85.4%	1.0000
HealthSpring - Hidalgo	3,472	3,376	97.2%	1.0054
Molina - Hidalgo	2,531	2,411	95.3%	0.9849
Superior - Hidalgo	6,241	6,055	97.0%	1.0031
Hidalgo SDA Total	12,244	11,842	96.7%	1.0000
Amerigroup - Jefferson	640	578	90.3%	1.0458
Molina - Jefferson	759	647	85.2%	0.9871
United - Jefferson	250	199	79.6%	0.9218
Jefferson SDA Total	1,649	1,424	86.4%	1.0000
Amerigroup - Lubbock	536	415	77.4%	0.9759
Superior - Lubbock	306	253	82.7%	1.0422
Lubbock SDA Total	842	668	79.3%	1.0000
Superior - Nueces	1,447	1,363	94.2%	1.0114
United - Nueces	1,423	1,310	92.1%	0.9884
Nueces SDA Total	2,870	2,673	93.1%	1.0000
Amerigroup - Tarrant	2,512	1,803	71.8%	0.9928
HealthSpring - Tarrant	596	444	74.5%	1.0304
Tarrant SDA Total	3,108	2,247	72.3%	1.0000
Amerigroup - Travis	1,026	898	87.5%	1.0138
United - Travis	1,155	985	85.3%	0.9878
Travis SDA Total	2,181	1,883	86.3%	1.0000
Superior - MRSA Central	715	585	81.8%	0.9688
United - MRSA Central	996	860	86.3%	1.0224
MRSA Central SDA Total	1,711	1,445	84.5%	1.0000
HealthSpring - MRSA Northeast	2,715	2,281	84.0%	1.0406
United - MRSA Northeast	3,078	2,396	77.8%	0.9642
MRSA Northeast SDA Total	5,793	4,677	80.7%	1.0000
Amerigroup - MRSA West	2,118	1,877	88.6%	1.0167
Superior - MRSA West	1,342	1,139	84.9%	0.9737
MRSA West SDA Total	3,460	3,016	87.2%	1.0000

FY2018 STAR+PLUS Rating
Long Term Care Acuity Analysis
Adjusted Acuity Scores

	<u>Medicaid Only OCC</u>	<u>Medicaid Only HCBS</u>	<u>Dual Eligible OCC</u>	<u>Dual Eligible HCBS</u>
Unadjusted Acuity Scores (1)				
Amerigroup - Bexar	0.8776	1.0115	0.9197	1.0205
Molina - Bexar	0.8398	0.8827	0.9363	0.9713
Superior - Bexar	1.0617	1.0185	1.0677	1.0042
Molina - Dallas	1.0870	1.0159	1.0277	1.0011
Superior - Dallas	0.8991	0.9697	0.9580	0.9976
Amerigroup - El Paso	0.8974	0.9726	0.9485	0.9745
Molina - El Paso	1.1672	1.0392	1.0554	1.0264
Amerigroup - Harris	0.8819	1.0124	0.9719	0.9852
Molina - Harris	0.9272	0.9877	0.9626	0.9992
United - Harris	1.1309	0.9968	1.0374	1.0081
HealthSpring - Hidalgo	1.0213	1.0023	0.9460	1.0040
Molina - Hidalgo	0.8996	0.9856	0.8763	0.9887
Superior - Hidalgo	1.0302	1.0041	1.1023	1.0023
Amerigroup - Jefferson	0.9598	1.0701	1.1202	1.0344
Molina - Jefferson	1.1100	0.9770	1.0616	0.9903
United - Jefferson	0.9469	0.9886	0.6605	0.9413
Amerigroup - Lubbock	0.9188	0.9218	0.9254	0.9819
Superior - Lubbock	1.0477	1.0726	1.0931	1.0316
Superior - Nueces	1.0067	0.9968	1.1038	1.0085
United - Nueces	0.9921	1.0048	0.8840	0.9913
Amerigroup - Tarrant	0.9391	0.9929	1.0353	0.9946
HealthSpring - Tarrant	1.1953	1.0303	0.8766	1.0228
Amerigroup - Travis	1.2136	1.0098	1.2549	1.0103
United - Travis	0.7845	0.9905	0.7259	0.9908
Superior - MRSA Central	1.0628	0.9872	1.0086	0.9766
United - MRSA Central	0.8894	1.0314	0.9936	1.0168
HealthSpring - MRSA Northeast	1.0225	0.9876	1.0065	1.0305
United - MRSA Northeast	0.9773	1.0146	0.9937	0.9731
Amerigroup - MRSA West	0.8670	1.0561	0.9970	1.0125
Superior - MRSA West	1.0728	0.9635	1.0034	0.9803

FY2018 STAR+PLUS Rating
Long Term Care Acuity Analysis
Adjusted Acuity Scores

	<u>Medicaid Only OCC</u>	<u>Medicaid Only HCBS</u>	<u>Dual Eligible OCC</u>	<u>Dual Eligible HCBS</u>
Budget Neutrality Adjustment (2)				
Amerigroup - Bexar	1.0005	1.0009	0.9990	1.0002
Molina - Bexar	1.0005	1.0009	0.9990	1.0002
Superior - Bexar	1.0005	1.0009	0.9990	1.0002
Molina - Dallas	0.9995	0.9984	0.9997	0.9999
Superior - Dallas	0.9995	0.9984	0.9997	0.9999
Amerigroup - El Paso	1.0035	0.9979	1.0001	0.9995
Molina - El Paso	1.0035	0.9979	1.0001	0.9995
Amerigroup - Harris	0.9942	1.0003	1.0000	0.9994
Molina - Harris	0.9942	1.0003	1.0000	0.9994
United - Harris	0.9942	1.0003	1.0000	0.9994
HealthSpring - Hidalgo	0.9996	1.0000	1.0002	1.0001
Molina - Hidalgo	0.9996	1.0000	1.0002	1.0001
Superior - Hidalgo	0.9996	1.0000	1.0002	1.0001
Amerigroup - Jefferson	1.0006	1.0007	0.9893	1.0007
Molina - Jefferson	1.0006	1.0007	0.9893	1.0007
United - Jefferson	1.0006	1.0007	0.9893	1.0007
Amerigroup - Lubbock	1.0020	0.9991	0.9992	0.9976
Superior - Lubbock	1.0020	0.9991	0.9992	0.9976
Superior - Nueces	1.0004	1.0001	0.9976	1.0002
United - Nueces	1.0004	1.0001	0.9976	1.0002
Amerigroup - Tarrant	1.0007	0.9989	0.9950	0.9995
HealthSpring - Tarrant	1.0007	0.9989	0.9950	0.9995
Amerigroup - Travis	1.0044	1.0007	0.9901	1.0002
United - Travis	1.0044	1.0007	0.9901	1.0002
Superior - MRSA Central	1.0000	0.9999	0.9999	1.0004
United - MRSA Central	1.0000	0.9999	0.9999	1.0004
HealthSpring - MRSA Northeast	1.0001	1.0003	0.9998	1.0001
United - MRSA Northeast	1.0001	1.0003	0.9998	1.0001
Amerigroup - MRSA West	0.9997	1.0027	1.0000	1.0003
Superior - MRSA West	0.9997	1.0027	1.0000	1.0003

FY2018 STAR+PLUS Rating
Long Term Care Acuity Analysis
Adjusted Acuity Scores

	<u>Medicaid Only OCC</u>	<u>Medicaid Only HCBS</u>	<u>Dual Eligible OCC</u>	<u>Dual Eligible HCBS</u>
Budget Neutral Acuity Scores (3)				
Amerigroup - Bexar	0.8780	1.0124	0.9188	1.0208
Molina - Bexar	0.8402	0.8835	0.9354	0.9716
Superior - Bexar	1.0622	1.0194	1.0666	1.0045
Molina - Dallas	1.0864	1.0143	1.0274	1.0011
Superior - Dallas	0.8987	0.9682	0.9578	0.9975
Amerigroup - El Paso	0.9005	0.9706	0.9485	0.9740
Molina - El Paso	1.1713	1.0370	1.0554	1.0259
Amerigroup - Harris	0.8768	1.0127	0.9719	0.9846
Molina - Harris	0.9218	0.9880	0.9626	0.9986
United - Harris	1.1243	0.9971	1.0374	1.0075
HealthSpring - Hidalgo	1.0209	1.0023	0.9461	1.0041
Molina - Hidalgo	0.8992	0.9856	0.8764	0.9888
Superior - Hidalgo	1.0298	1.0041	1.1026	1.0024
Amerigroup - Jefferson	0.9604	1.0708	1.1082	1.0350
Molina - Jefferson	1.1107	0.9776	1.0502	0.9910
United - Jefferson	0.9474	0.9892	0.6534	0.9419
Amerigroup - Lubbock	0.9206	0.9210	0.9247	0.9795
Superior - Lubbock	1.0498	1.0717	1.0922	1.0291
Superior - Nueces	1.0070	0.9969	1.1012	1.0087
United - Nueces	0.9925	1.0049	0.8819	0.9915
Amerigroup - Tarrant	0.9398	0.9918	1.0302	0.9941
HealthSpring - Tarrant	1.1962	1.0292	0.8723	1.0224
Amerigroup - Travis	1.2189	1.0105	1.2425	1.0105
United - Travis	0.7879	0.9912	0.7187	0.9911
Superior - MRSA Central	1.0628	0.9871	1.0085	0.9770
United - MRSA Central	0.8895	1.0313	0.9935	1.0172
HealthSpring - MRSA Northeast	1.0226	0.9879	1.0064	1.0305
United - MRSA Northeast	0.9774	1.0149	0.9935	0.9732
Amerigroup - MRSA West	0.8667	1.0589	0.9970	1.0128
Superior - MRSA West	1.0725	0.9660	1.0033	0.9806

Footnotes:

- (1) Credibility adjusted acuity scores as developed by HHSC. Equals $.75 \times \text{risk score (exhibit B-E)} + .25 \times 1.0$.
- (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 FY2018 Long Term Care Community Rates.

Attachment 11

Medicaid Breast and Cervical Cancer Program (MBCCP) Rate Development

Effective September 1, 2017 members in the Medicaid Breast and Cervical Cancer program (MBCCP) will begin receiving their Medicaid services through managed care. Rudd and Wisdom worked closely with HHSC to collect a list of Medicaid IDs for members enrolled in the MBCCP program during the period September 1, 2012 through February 28, 2017. Using this ID list, HHSC collected all claims data for these members during their applicable eligibility periods from internal data warehouses. All data was checked for reasonableness by comparing the data collected by multiple internal groups for different analyses. Data was collected independently by HHSC Actuarial Analysis and HHSC System Forecasting. There was reasonable consistency between the multiple data sources and the collected data was assumed to be reasonable and appropriate for the FY2018 rate development calculations.

The actuarial model used to develop the MBCCP premium rates follows very closely to the model described throughout this report for the existing STAR+PLUS population with the exception that historical fee-for-service data was used in place of managed care data which is not yet available. Below is a description of the trend, benefit and provider reimbursement adjustments, managed care discount and administrative provisions included in the MBCCP rates.

Trend Factors - Medical

The trend assumptions are based on an analysis of historical MBCCP trends under the existing FFS program. The medical trend development followed the exact same methodology as that described in Attachment 4. The chart below summarizes the historical medical trend and the FY2017 and FY2018 trend assumptions

Historical Trend

FY2014	3.5%
FY2015	-3.4%
FY2016	-2.1%
9/16-12/16	13.5%
Average	0.7%

Trend Assumption

FY2017	5.0%
FY2018	0.7%

Trend Factors – Rx

Pharmacy trend assumptions for the MBCCP expansion population were determined through a review of historical trends for the MBCCP population under the fee-for-service program. The same methodology described in Attachment 4 for the existing STAR+PLUS populations was followed including an analysis of pharmacy trends through February, 2017. Based on this analysis, a single statewide annual pharmacy trend assumption (21.2%) was developed for the period March 2017 through August 2018.

The derivation of the MBCCP pharmacy trend assumption is provided in Exhibit C.

Provider Reimbursement Adjustment

The types of adjustments for benefit and provider reimbursement changes are the same as those detailed in Attachment 5. The adjustment factors used for the MBCCP rate development are the SDA average of the factors for the Medicaid Only (OCC and HCBS) risk groups as previously described. Due to lack of detail data on which to calculate the exact impact of the various provider reimbursement changes, the STAR+PLUS average adjustment for the Medicaid Only populations is assumed to be a reasonable proxy of the impact on the MBCCP population.

The following adjustments are not applicable to the MBCCP rate development:

- CAD removal – invalid CADs are rejected in the FFS program and therefore not included in the base period data.
- Makenna adjustment – this primarily impacts the adult risk groups in STAR and is insignificant for the MBCCP population.

Unlimited Scripts Adjustment

Adults (clients age 21 and over) in Medicaid FFS have a three prescription per month limit while those adult clients in STAR+PLUS have unlimited prescriptions. The vast majority of MBCCP clients are adults and, with the move to STAR+PLUS, will no longer have a three script limit. In order to recognize the increase in benefit (and cost) for MBCCP clients moving from FFS to managed care we developed the adjustment factor described in this section.

In order to evaluate the cost impact of moving to unlimited prescriptions, we reviewed the experience of adult SSI clients who moved from FFS to managed care effective March 1, 2012 in the MRSA areas for STAR and the El Paso, Hidalgo and Lubbock areas for STAR+PLUS. Exhibit D presents a summary of our analysis. We assumed that moving from a three prescription limit to unlimited prescriptions would increase the per-capita pharmacy cost for MBCCP clients by 20%.

Managed Care Discount Factor - Medical

In developing the FY2018 projected claims, we have assumed that the base period per-capita claims cost for FFS clients will be reduced by 8.4% under managed care. The 8.4% assumption was developed by evaluating past managed care expansions as well as the unique characteristics of the MBCCP program.

The MBCCP population is unique because there is no group currently under managed care that matches the demographic make-up of this group. Various managed care programs in Texas cover a range of Medicaid eligible members including children (STAR), disabled adults (STAR+PLUS), Foster Care Children (STAR Health) and disabled children (STAR Kids); however, no single population exactly matches the MBCCP group which includes characteristics of many of these programs. Based on studies of a variety of recent populations that shifted between fee-for-service and managed care, the cost differential between the programs has ranged from 8% to 10%.

An additional analysis was performed to estimate the savings necessary such that the cost under the STAR+PLUS model for the MBCCP population (including administrative expenses and risk margin) would be the same as the projected FY2018 gross cost under the FFS model.

To determine the managed care efficiency factor necessary in order to satisfy our breakeven cost criteria, we must solve the following equation for X.

$$\$1,691.78 + \$4.25 \text{ pmpm} = \frac{\$1,691.78 \text{ pmpm} (1-X) + \$18.00 \text{ pmpm}}{(1 - 5.75\% - 1.75\%)}$$

\$1,691.78 = statewide average FY2016 MBCCP cost

\$4.25 = high level estimate of internal administrative costs associated with FFS

\$18.00 = fixed administrative cost under STAR+PLUS

5.75% = variable administrative cost under STAR+PLUS

1.75% = risk margin under STAR+PLUS

Therefore, in order for the gross cost under STAR+PLUS to be the same as the projected gross cost under the FFS model, the FFS claims cost would need to be discounted by 8.4%.

Given that the 8.4% breakeven estimate is within the range of the managed care savings calculated for other Medicaid populations we believe it is reasonable and appropriate to assume a savings of 8.4% for medical services under managed care for the MBCCP population.

This assumption will be reevaluated as actual managed care experience becomes available for the MBCCP population in future rate developments.

Managed Care Discount Factor - Rx

All of the MBCCP clients included in the base period experience were in the FFS plan. The pharmacy component of the rating analysis includes an adjustment factor to recognize the difference in pharmacy reimbursement between FFS and managed care. Actual FFS pharmacy experience from the base period was re-priced using average managed care pharmacy reimbursement provisions. Exhibit E of this attachment presents the derivation of the adjustment factor.

The managed care discount factor in this case is 1.005, i.e., the managed care cost is estimated to be 0.5% higher than the FFS cost. The main reason why the managed care cost is estimated to be higher is that the FFS plan experienced a significant reduction in pharmacy reimbursement in June 2016.

Administrative Fees, Service Coordination 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 FY2018 MBCCP rates include a provision for service coordination in the amount of \$30.00. This was determined based on a review of the average service coordination expenses per member per month for the OCC and HCBS risk groups. The MBCCP population will receive a level of service coordination that is comparable to the OCC and HCBS risk groups which we have concluded is a reasonable proxy for the service coordination cost for

for this new population. As actual service coordination experience is collected under managed care for the MBCCP population, this assumption will be updated in future rate developments.

Summary

The attached exhibits present a summary of the MBCCP community rating exhibit for each service area split between medical (Exhibit A) and pharmacy (Exhibit B). FY2018 premium rates will vary between service delivery areas but will be the same for all health plans within a given area.

FY2018 STAR+PLUS Rating Summary
MBCCP - Medical

	Bexar		Dallas		El Paso		Harris	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	4,705		6,060		3,650		12,426	
Estimated Incurred Claims								
Professional	4,846,907	1,030.16	3,461,365	571.18	1,894,389	519.01	2,275,335	183.11
Inpatient	1,052,344	223.67	1,778,211	293.43	721,298	197.62	4,748,982	382.18
Outpatient	1,489,213	316.52	5,467,662	902.25	1,347,869	369.28	15,602,795	1,255.66
LTC	32,669	6.94	43,756	7.22	41,339	11.33	197,713	15.91
Other	17,269	3.67	10,280	1.70	12,158	3.33	46,641	3.75
Total	7,438,402	1,580.96	10,761,274	1,775.79	4,017,053	1,100.56	22,871,465	1,840.61
Projected FY2018 Member Months	4,428		6,048		3,876		12,444	
Annual Trend Assumption								
FY2017	5.0 %		5.0 %		5.0 %		5.0 %	
FY2018	0.7 %		0.7 %		0.7 %		0.7 %	
Adjustment Factors								
Acute Care Non-Inpatient	0.9833		0.9922		0.9676		0.9811	
Acute Care Inpatient	1.0012		0.9988		0.9955		0.9987	
Long Term Care	1.0000		1.0000		1.0000		1.0000	
Other Adjustments	0.9928		0.9965		0.9961		0.9940	
Managed Care Savings	0.9160		0.9160		0.9160		0.9160	
Projected FY2018 Incurred Claims	6,626,901	1,496.59	10,272,405	1,698.48	3,964,174	1,022.75	21,605,862	1,736.25
Net Reinsurance Cost	2,214	0.50	3,024	0.50	1,938	0.50	6,222	0.50
Service Coordination Expense	132,840	30.00	181,440	30.00	116,280	30.00	373,320	30.00
Administrative Expenses								
Fixed Amount	79,704	18.00	108,864	18.00	69,768	18.00	223,992	18.00
Percentage of Premium	433,510	5.75%	669,476	5.75%	263,099	5.75%	1,407,252	5.75%
Total	513,214	115.90	778,340	128.69	332,867	85.88	1,631,244	131.09
Risk Margin	131,938	1.75 %	203,754	1.75 %	80,074	1.75 %	428,294	1.75 %
Premium Tax	131,938	1.75 %	203,754	1.75 %	80,074	1.75 %	428,294	1.75 %
Maintenance Tax	255	0.06	348	0.06	223	0.06	716	0.06
Projected Total Cost	7,539,299	1,702.64	11,643,064	1,925.11	4,575,629	1,180.50	24,473,952	1,966.73

FY2018 STAR+PLUS Rating Summary
MBCCP - Medical

	Hidalgo		Jefferson		Lubbock		Nueces	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	7,362		2,154		1,628		2,037	
Estimated Incurred Claims								
Professional	5,820,856	790.66	863,993	401.11	283,395	174.08	923,274	453.25
Inpatient	1,998,863	271.51	698,479	324.27	456,037	280.12	558,845	274.35
Outpatient	4,129,690	560.95	3,013,538	1,399.04	1,324,521	813.59	1,849,124	907.77
LTC	975,269	132.47	6,820	3.17	3,209	1.97	72,087	35.39
Other	13,800	1.87	7,340	3.41	0	0.00	2,292	1.13
Total	12,938,479	1,757.47	4,590,170	2,131.00	2,067,162	1,269.76	3,405,622	1,671.88
Projected FY2018 Member Months	7,356		1,980		1,596		2,160	
Annual Trend Assumption								
FY2017	5.0 %		5.0 %		5.0 %		5.0 %	
FY2018	0.7 %		0.7 %		0.7 %		0.7 %	
Adjustment Factors								
Acute Care Non-Inpatient	0.9883		0.9893		0.9827		0.9889	
Acute Care Inpatient	0.9984		0.9991		0.9993		1.0026	
Long Term Care	1.0000		1.0000		1.0000		1.0000	
Other Adjustments	0.9939		0.9902		0.9870		0.9914	
Managed Care Savings	0.9160		0.9160		0.9160		0.9160	
Projected FY2018 Incurred Claims	12,279,464	1,669.31	3,999,653	2,020.03	1,902,397	1,191.98	3,437,973	1,591.65
Net Reinsurance Cost	3,678	0.50	990	0.50	798	0.50	1,080	0.50
Service Coordination Expense	220,680	30.00	59,400	30.00	47,880	30.00	64,800	30.00
Administrative Expenses								
Fixed Amount	132,408	18.00	35,640	18.00	28,728	18.00	38,880	18.00
Percentage of Premium	800,669	5.75%	259,513	5.75%	125,448	5.75%	224,479	5.75%
Total	933,077	126.85	295,153	149.07	154,176	96.60	263,359	121.93
Risk Margin	243,682	1.75 %	78,982	1.75 %	38,180	1.75 %	68,320	1.75 %
Premium Tax	243,682	1.75 %	78,982	1.75 %	38,180	1.75 %	68,320	1.75 %
Maintenance Tax	423	0.06	114	0.06	92	0.06	124	0.06
Projected Total Cost	13,924,687	1,892.97	4,513,275	2,279.43	2,181,702	1,366.98	3,903,975	1,807.40

FY2018 STAR+PLUS Rating Summary
MBCCP - Medical

	Tarrant		Travis		Central		Northeast	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
FY2016 Experience Period								
Member Months	5,316		3,195		1,953		3,560	
Estimated Incurred Claims								
Professional	3,826,031	719.72	3,153,042	986.87	1,561,718	799.65	3,001,452	843.10
Inpatient	1,565,364	294.46	716,229	224.17	791,758	405.41	1,276,418	358.54
Outpatient	2,969,146	558.53	1,310,693	410.23	1,747,980	895.02	2,109,470	592.55
LTC	3,884	0.73	8,557	2.68	165	0.08	52,930	14.87
Other	5,888	1.11	13,104	4.10	6,711	3.44	12,356	3.47
Total	8,370,314	1,574.55	5,201,625	1,628.05	4,108,332	2,103.60	6,452,626	1,812.54
Projected FY2018 Member Months	5,016		3,168		1,860		3,600	
Annual Trend Assumption								
FY2017	5.0 %		5.0 %		5.0 %		5.0 %	
FY2018	0.7 %		0.7 %		0.7 %		0.7 %	
Adjustment Factors								
Acute Care Non-Inpatient	0.9838		0.9682		0.9803		0.9857	
Acute Care Inpatient	0.9971		1.0010		0.9987		0.9971	
Long Term Care	1.0000		1.0000		1.0000		1.0000	
Other Adjustments	0.9990		0.9603		0.9801		0.9934	
Managed Care Savings	0.9160		0.9160		0.9160		0.9160	
Projected FY2018 Incurred Claims	7,496,172	1,494.45	4,649,152	1,467.54	3,636,260	1,954.98	6,170,365	1,713.99
Net Reinsurance Cost	2,508	0.50	1,584	0.50	930	0.50	1,800	0.50
Service Coordination Expense	150,480	30.00	95,040	30.00	55,800	30.00	108,000	30.00
Administrative Expenses								
Fixed Amount	90,288	18.00	57,024	18.00	33,480	18.00	64,800	18.00
Percentage of Premium	490,397	5.75%	304,321	5.75%	236,119	5.75%	402,036	5.75%
Total	580,685	115.77	361,345	114.06	269,599	144.95	466,836	129.68
Risk Margin	149,251	1.75 %	92,619	1.75 %	71,862	1.75 %	122,359	1.75 %
Premium Tax	149,251	1.75 %	92,619	1.75 %	71,862	1.75 %	122,359	1.75 %
Maintenance Tax	288	0.06	182	0.06	107	0.06	207	0.06
Projected Total Cost	8,528,635	1,700.29	5,292,542	1,670.63	4,106,421	2,207.75	6,991,925	1,942.20

FY2018 STAR+PLUS Rating Summary
MBCCP - Medical

	West	
	Amount	pmpm
FY2016 Experience Period		
Member Months	3,766	
Estimated Incurred Claims		
Professional	2,826,416	750.51
Inpatient	967,783	256.98
Outpatient	1,738,189	461.55
LTC	47,563	12.63
Other	2,935	0.78
Total	5,582,886	1,482.44
Projected FY2018 Member Months	3,600	
Annual Trend Assumption		
FY2017	5.0 %	
FY2018	0.7 %	
Adjustment Factors		
Acute Care Non-Inpatient	0.9836	
Acute Care Inpatient	1.0047	
Long Term Care	1.0000	
Other Adjustments	0.9822	
Managed Care Savings	0.9160	
Projected FY2018 Incurred Claims	5,017,069	1,393.63
Net Reinsurance Cost	1,800	0.50
Service Coordination Expense	108,000	30.00
Administrative Expenses		
Fixed Amount	64,800	18.00
Percentage of Premium	328,962	5.75%
Total	393,762	109.38
Risk Margin	100,119	1.75 %
Premium Tax	100,119	1.75 %
Maintenance Tax	207	0.06
Projected Total Cost	5,721,075	1,589.19

FY2018 STAR+PLUS Rating Summary
MBCCP - Pharmacy

	Bexar		Dallas		El Paso		Harris	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	4,716		6,168		3,702		12,386	
Estimated Incurred Claims	1,232,561	261.36	1,210,317	196.23	1,410,138	380.91	3,042,283	245.62
Projected FY2018 Member Months	4,428		6,048		3,876		12,444	
Annual Trend Assumption	21.2 %		21.2 %		21.2 %		21.2 %	
Adjustment Factors								
Unlimited Scripts Adjustment	1.2000		1.2000		1.2000		1.2000	
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Managed Care Savings	1.0050		1.0050		1.0050		1.0050	
Projected FY2018 Incurred Claims	1,922,917	434.26	1,971,900	326.04	2,453,168	632.91	5,078,634	408.12
Administrative Expenses	7,970	1.80	10,886	1.80	6,977	1.80	22,399	1.80
Risk Margin	35,016	1.75 %	35,957	1.75 %	44,614	1.75 %	92,506	1.75 %
Premium Tax	35,016	1.75 %	35,957	1.75 %	44,614	1.75 %	92,506	1.75 %
Projected Total Cost	2,000,919	451.88	2,054,701	339.73	2,549,373	657.73	5,286,045	424.79

FY2018 STAR+PLUS Rating Summary
MBCCP - Pharmacy

	Hidalgo		Jefferson		Lubbock		Nueces	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	7,450		2,147		1,607		2,064	
Estimated Incurred Claims	1,724,821	231.52	765,094	356.35	375,777	233.84	475,312	230.29
Projected FY2018 Member Months	7,356		1,980		1,596		2,160	
Annual Trend Assumption	21.2 %		21.2 %		21.2 %		21.2 %	
Adjustment Factors								
Unlimited Scripts Adjustment	1.2000		1.2000		1.2000		1.2000	
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Managed Care Savings	1.0050		1.0050		1.0050		1.0050	
Projected FY2018 Incurred Claims	2,829,748	384.69	1,172,374	592.11	620,105	388.54	826,496	382.64
Administrative Expenses	13,241	1.80	3,564	1.80	2,873	1.80	3,888	1.80
Risk Margin	51,557	1.75 %	21,325	1.75 %	11,298	1.75 %	15,059	1.75 %
Premium Tax	51,557	1.75 %	21,325	1.75 %	11,298	1.75 %	15,059	1.75 %
Projected Total Cost	2,946,102	400.50	1,218,589	615.45	645,573	404.49	860,502	398.38

FY2018 STAR+PLUS Rating Summary
MBCCP - Pharmacy

	Tarrant		Travis		Central		Northeast	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2016 Experience Period								
Member Months	5,236		3,216		1,931		3,535	
Estimated Incurred Claims	1,916,906	366.10	1,079,064	335.53	689,929	357.29	900,813	254.83
Projected FY2018 Member Months	5,016		3,168		1,860		3,600	
Annual Trend Assumption	21.2 %		21.2 %		21.2 %		21.2 %	
Adjustment Factors								
Unlimited Scripts Adjustment	1.2000		1.2000		1.2000		1.2000	
Makena Adjustment	1.0000		1.0000		1.0000		1.0000	
Managed Care Savings	1.0050		1.0050		1.0050		1.0050	
Projected FY2018 Incurred Claims	3,051,244	608.30	1,766,178	557.51	1,104,215	593.66	1,524,285	423.41
Administrative Expenses	9,029	1.80	5,702	1.80	3,348	1.80	6,480	1.80
Risk Margin	55,497	1.75 %	32,133	1.75 %	20,085	1.75 %	27,760	1.75 %
Premium Tax	55,497	1.75 %	32,133	1.75 %	20,085	1.75 %	27,760	1.75 %
Projected Total Cost	3,171,268	632.23	1,836,146	579.59	1,147,733	617.06	1,586,285	440.63

FY2018 STAR+PLUS Rating Summary
MBCCP - Pharmacy

	West	
	Amount	pmpm
CY2016 Experience Period		
Member Months	3,798	
Estimated Incurred Claims	720,553	189.72
Projected FY2018 Member Months	3,600	
Annual Trend Assumption	21.2 %	
Adjustment Factors		
Unlimited Scripts Adjustment	1.2000	
Makena Adjustment	1.0000	
Managed Care Savings	1.0050	
Projected FY2018 Incurred Claims	1,134,833	315.23
Administrative Expenses	6,480	1.80
Risk Margin	20,697	1.75 %
Premium Tax	20,697	1.75 %
Projected Total Cost	1,182,707	328.53

FY2018 STAR+PLUS Rating Summary
MBCCP Pharmacy Trends

MBCC

Annual Trend in Number of Scripts per Member per Month

Brand Drugs

3/2014-2/2015	-15.4 %
3/2015-2/2016	-10.1 %
3/2016-2/2017	-5.6 %
Use	-8.7 %

Generic Drugs

3/2014-2/2015	0.7 %
3/2015-2/2016	-0.2 %
3/2016-2/2017	-1.0 %
Use	-0.5 %

Specialty Drugs

3/2014-2/2015	4.8 %
3/2015-2/2016	11.5 %
3/2016-2/2017	1.6 %
Use	5.5 %

All Drugs

3/2014-2/2015	-1.5 %
3/2015-2/2016	-1.2 %
3/2016-2/2017	-1.4 %
Use	-1.2 %

Annual Trend in Days Supply per Member per Month

Brand Drugs

3/2014-2/2015	-13.4 %
3/2015-2/2016	-10.6 %
3/2016-2/2017	-4.1 %
Use	-7.8 %

Generic Drugs

3/2014-2/2015	5.9 %
3/2015-2/2016	3.4 %
3/2016-2/2017	1.8 %
Use	3.0 %

Specialty Drugs

3/2014-2/2015	2.8 %
3/2015-2/2016	12.7 %
3/2016-2/2017	8.8 %
Use	9.1 %

FY2018 STAR+PLUS Rating Summary
MBCCP Pharmacy Trends

	<u>MBCC</u>
All Drugs	
3/2014-2/2015	2.9 %
3/2015-2/2016	1.7 %
3/2016-2/2017	1.2 %
Use	1.9 %

Annual Trend in Incurred Claims per Days Supply

Brand Drugs	
3/2014-2/2015	12.2 %
3/2015-2/2016	16.2 %
3/2016-2/2017	8.3 %
Use	11.6 %

Generic Drugs	
3/2014-2/2015	12.1 %
3/2015-2/2016	20.3 %
3/2016-2/2017	-14.0 %
Use	1.8 %

Specialty Drugs	
3/2014-2/2015	9.3 %
3/2015-2/2016	25.2 %
3/2016-2/2017	19.3 %
Use	19.6 %

All Drugs	
3/2014-2/2015	5.0 %
3/2015-2/2016	24.4 %
3/2016-2/2017	14.6 %
Use	18.9 %

Annual Trend in Incurred Claims per Member per Month

Brand Drugs	
3/2014-2/2015	-2.9 %
3/2015-2/2016	3.8 %
3/2016-2/2017	3.8 %
Use	2.9 %

Generic Drugs	
3/2014-2/2015	18.8 %
3/2015-2/2016	24.4 %
3/2016-2/2017	-12.5 %
Use	4.9 %

FY2018 STAR+PLUS Rating Summary
MBCCP Pharmacy Trends

	<u>MBCC</u>
Specialty Drugs	
3/2014-2/2015	12.4 %
3/2015-2/2016	41.1 %
3/2016-2/2017	29.9 %
Use	30.5 %
All Drugs	
3/2014-2/2015	8.0 %
3/2015-2/2016	26.5 %
3/2016-2/2017	16.0 %
Use	21.2 %

Generic Dispensing Rate (Days Supply)

3/2014-2/2015	85.5 %
3/2015-2/2016	87.0 %
3/2016-2/2017	87.5 %
FY2018	88.8 %

FY2018 STAR+PLUS Rating Summary - Pharmacy

MBCCP

Analysis of Unlimited Prescriptions

Service Area	Member Months	Incurred Claims		Incurred Claims pmpm		Ratio
		3/11-2/12	3/12-2/13	3/11-2/12	3/12-2/13	
El Paso	31,200	7,672,526	9,456,873	245.91	303.10	1.233
Hidalgo	1,920	767,576	756,903	399.78	394.22	0.986
Lubbock	12,480	2,255,540	2,707,431	180.73	216.94	1.200
MRSA Central	2,208	488,248	541,759	221.13	245.36	1.110
MRSA Northeast	396	83,798	116,164	211.61	293.34	1.386
MRSA West	360	207,297	189,706	575.82	526.96	0.915
Total	48,564	11,474,985	13,768,837	236.29	283.52	1.200

Notes:

- (1) Includes experience for all Medicaid SSI clients who were both (i) FFS clients during the entire 3/1/2011 through 2/29/2012 period and (ii) MCO clients during the entire 3/1/2012 through 2/28/2013 period.
- (2) These clients had a monthly three prescription limit during the first half of the experience period and unlimited scripts during the second half.

FY2018 STAR+PLUS Rating Summary - Pharmacy
MBCCP
Managed Care Discount Factor

Month	Actual Pharmacy FFS Reimbursement			Estimated Managed Pharmacy Reimbursement			% Difference		
	Ingr. Cost	Disp. Fee	Gross Cost	Ingr. Cost	Disp. Fee	Gross Cost	Ingr. Cost	Disp. Fee	Gross Cost
201601	1,216,071	65,044	1,281,115	1,257,825	12,025	1,269,850	3.4 %	-81.5 %	-0.9 %
201602	1,267,531	63,888	1,331,419	1,281,150	11,602	1,292,752	1.1 %	-81.8 %	-2.9 %
201603	1,211,056	64,243	1,275,298	1,212,335	12,079	1,224,413	0.1 %	-81.2 %	-4.0 %
201604	1,272,364	64,050	1,336,413	1,272,173	11,572	1,283,745	0.0 %	-81.9 %	-3.9 %
201605	1,253,330	64,297	1,317,627	1,257,941	11,997	1,269,938	0.4 %	-81.3 %	-3.6 %
201606	1,109,407	71,546	1,180,953	1,209,966	12,867	1,222,832	9.1 %	-82.0 %	3.5 %
201607	1,137,076	70,028	1,207,104	1,227,044	12,238	1,239,282	7.9 %	-82.5 %	2.7 %
201608	1,268,650	74,923	1,343,573	1,347,738	13,049	1,360,787	6.2 %	-82.6 %	1.3 %
201609	1,239,373	73,878	1,313,251	1,344,355	13,041	1,357,396	8.5 %	-82.3 %	3.4 %
201610	1,254,862	74,479	1,329,341	1,371,435	12,578	1,384,014	9.3 %	-83.1 %	4.1 %
201611	1,243,351	72,566	1,315,917	1,340,054	12,460	1,352,514	7.8 %	-82.8 %	2.8 %
201612	1,253,584	73,308	1,326,892	1,363,625	12,472	1,376,097	8.8 %	-83.0 %	3.7 %
Total	14,726,654	832,249	15,558,903	15,485,639	147,981	15,633,620	5.2 %	-82.2 %	0.5 %

Notes:

- (1) The purpose of this exhibit is to estimate the cost impact of moving pharmacy services from Fee-for-Service (FFS) to Managed Care. Actual FFS pharmacy experience from the base period was re-priced using average managed care pharmacy reimbursement provisions.
- (2) HHSC implemented a significant change to FFS pharmacy reimbursement in June 2016.

Attachment 12

Community First Choice Initiative (CFC)

Effective June 1, 2015 Texas began providing 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 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 6 details the rate adjustment applied to the FY2016 base period to account for the increased utilization associated with the CFC program. As discussed in Attachment 6, although implemented June 1, 2015, the uptake of CFC services increased throughout the FY2016 base period before reaching what appears to be a level, steady state in late FY2016 and early FY2017. As a result, the FY2016 base period has been adjusted to the expected level of utilization that will be experienced in FY2018. This adjustment was developed by analyzing utilization during the period September 2016 through December 2016 and recalculating the FY2016 attendant care costs assuming this level of utilization during the entire FY2016 base period

CFC Eligible Enhanced Match

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 rate adjustment and (2) CFC eligible services included in the STAR+PLUS base period.

1. Increased Cost Due to CFC Rate Adjustment

The increased cost resulting from CFC rate adjustment has been determined by comparing the long term care component of the STAR+PLUS premium rates with and without the CFC adjustment factors as discussed in Attachment 6. Exhibit A compares the FY2018 long term care rates pre and post CFC adjustment and indicates the cost increase associated with this CFC adjustment factor.

2. CFC Eligible Services Included in STAR+PLUS Base Period

The majority of the CFC eligible services and members have already been included in the base period and require no further adjustments to calculate the FY2018 premium rates. The following

steps were used in order to determine the portion of the premium associated with these services which is eligible for the enhanced match rate:

- a. Collect a list of CFC eligible members which were enrolled in STAR+PLUS during FY2016.
- b. Using the detail encounter data, summarize all Personal Attendant Services (PAS) utilized by the CFC eligible membership.
- c. Determine the PAS utilization as a percentage of total long term care claims during the FY2016 base period. This calculation is shown in Exhibit B.
- d. Apply the CFC eligible PAS percentages calculated in Exhibit B to the long term care portion of the premium to estimate the CFC portion of the premium. This calculation is shown in Exhibit C.

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 D provides the sum of the two components calculated in Exhibits A and C and represents the total FY2018 STAR+PLUS rate eligible for the enhanced federal match.

The implementation of CFC did not impact the Nursing Facility, IDD or MBCCP risk groups. The CFC portion of the total premium is \$0.00 pmpm for these populations.

FY2018 STAR+PLUS Rating
 CFC Enhanced Match Rates
 Increased Cost Due to CFC Rate Adjustment

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
STAR+PLUS Rates Effective 9/1/2011 (LTC Only) prior to CFC Rate Adjustment				
Amerigroup - Bexar	236.88	1,871.28	362.18	1,989.10
Molina - Bexar	226.68	1,633.03	368.72	1,893.19
Superior - Bexar	286.55	1,884.21	420.45	1,957.32
Molina - Dallas	263.16	1,607.80	358.42	1,767.51
Superior - Dallas	217.68	1,534.73	334.12	1,761.20
Amerigroup - El Paso	257.68	1,479.81	468.94	1,878.39
Molina - El Paso	335.16	1,581.04	521.79	1,978.41
Amerigroup - Harris	229.99	1,923.76	331.80	1,932.80
Molina - Harris	241.80	1,876.78	328.62	1,960.33
United - Harris	294.93	1,894.12	354.15	1,977.68
HealthSpring - Hidalgo	779.98	2,114.72	950.17	2,286.24
Molina - Hidalgo	687.03	2,079.56	880.16	2,251.34
Superior - Hidalgo	786.78	2,118.60	1,107.25	2,282.44
Amerigroup - Jefferson	160.14	1,486.30	267.19	1,674.87
Molina - Jefferson	185.20	1,356.95	253.21	1,603.59
United - Jefferson	157.98	1,373.06	157.54	1,524.22
Amerigroup - Lubbock	94.76	1,131.15	137.76	1,401.05
Superior - Lubbock	108.06	1,316.23	162.72	1,471.93
Superior - Nueces	362.07	1,798.82	548.05	1,980.53
United - Nueces	356.83	1,813.26	438.90	1,946.75
Amerigroup - Tarrant	139.77	1,537.66	260.14	1,668.24
HealthSpring - Tarrant	177.91	1,595.55	220.27	1,715.59
Amerigroup - Travis	249.84	1,934.81	315.04	1,784.48
United - Travis	161.49	1,897.78	182.24	1,750.06
Superior - MRSA Central	153.92	1,967.75	232.56	1,743.94
United - MRSA Central	128.81	2,055.80	229.09	1,815.73
Health Spring - MRSA Northeast	153.21	1,567.52	214.56	1,589.54
United - MRSA Northeast	146.45	1,610.45	211.82	1,501.10
Amerigroup - MRSA West	112.33	1,719.02	243.07	1,561.57
Superior - MRSA West	138.99	1,568.15	244.61	1,511.84

FY2018 STAR+PLUS Rating
CFC Enhanced Match Rates
Increased Cost Due to CFC Rate Adjustment

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
STAR+PLUS Rates Effective 9/1/2017 (LTC Only) post-CFC Rate Adjustment				
Amerigroup - Bexar	243.44	1,871.28	365.54	1,989.10
Molina - Bexar	232.96	1,633.03	372.14	1,893.19
Superior - Bexar	294.50	1,884.21	424.35	1,957.32
Molina - Dallas	269.53	1,607.80	364.07	1,767.51
Superior - Dallas	222.94	1,534.73	339.38	1,761.20
Amerigroup - El Paso	263.09	1,479.81	470.49	1,878.39
Molina - El Paso	342.21	1,581.04	523.51	1,978.41
Amerigroup - Harris	233.93	1,923.76	333.60	1,932.80
Molina - Harris	245.93	1,876.78	330.41	1,960.33
United - Harris	299.97	1,894.12	356.07	1,977.68
HealthSpring - Hidalgo	786.87	2,114.72	952.49	2,286.24
Molina - Hidalgo	693.10	2,079.56	882.30	2,251.34
Superior - Hidalgo	793.73	2,118.60	1,109.95	2,282.44
Amerigroup - Jefferson	165.51	1,486.30	274.13	1,674.87
Molina - Jefferson	191.41	1,356.95	259.78	1,603.59
United - Jefferson	163.28	1,373.06	161.63	1,524.22
Amerigroup - Lubbock	97.92	1,131.15	144.53	1,401.05
Superior - Lubbock	111.66	1,316.23	170.72	1,471.93
Superior - Nueces	364.08	1,798.82	551.48	1,980.53
United - Nueces	358.81	1,813.26	441.66	1,946.75
Amerigroup - Tarrant	151.44	1,537.66	266.00	1,668.24
HealthSpring - Tarrant	192.77	1,595.55	225.23	1,715.59
Amerigroup - Travis	260.55	1,934.81	319.81	1,784.48
United - Travis	168.42	1,897.78	185.00	1,750.06
Superior - MRSA Central	156.09	1,967.75	233.25	1,743.94
United - MRSA Central	130.63	2,055.80	229.78	1,815.73
Health Spring - MRSA Northeast	154.47	1,567.52	214.76	1,589.54
United - MRSA Northeast	147.65	1,610.45	212.02	1,501.10
Amerigroup - MRSA West	115.92	1,719.02	251.68	1,561.57
Superior - MRSA West	143.43	1,568.15	253.28	1,511.84

FY2018 STAR+PLUS Rating
CFC Enhanced Match Rates
Increased Cost Due to CFC Rate Adjustment

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
CFC Rate Adjustment Impact				
Amerigroup - Bexar	6.56	0.00	3.36	0.00
Molina - Bexar	6.28	0.00	3.42	0.00
Superior - Bexar	7.95	0.00	3.90	0.00
Molina - Dallas	6.37	0.00	5.65	0.00
Superior - Dallas	5.26	0.00	5.26	0.00
Amerigroup - El Paso	5.41	0.00	1.55	0.00
Molina - El Paso	7.05	0.00	1.72	0.00
Amerigroup - Harris	3.94	0.00	1.80	0.00
Molina - Harris	4.13	0.00	1.79	0.00
United - Harris	5.04	0.00	1.92	0.00
HealthSpring - Hidalgo	6.89	0.00	2.32	0.00
Molina - Hidalgo	6.07	0.00	2.14	0.00
Superior - Hidalgo	6.95	0.00	2.70	0.00
Amerigroup - Jefferson	5.37	0.00	6.94	0.00
Molina - Jefferson	6.21	0.00	6.57	0.00
United - Jefferson	5.30	0.00	4.09	0.00
Amerigroup - Lubbock	3.16	0.00	6.77	0.00
Superior - Lubbock	3.60	0.00	8.00	0.00
Superior - Nueces	2.01	0.00	3.43	0.00
United - Nueces	1.98	0.00	2.76	0.00
Amerigroup - Tarrant	11.67	0.00	5.86	0.00
HealthSpring - Tarrant	14.86	0.00	4.96	0.00
Amerigroup - Travis	10.71	0.00	4.77	0.00
United - Travis	6.93	0.00	2.76	0.00
Superior - MRSA Central	2.17	0.00	0.69	0.00
United - MRSA Central	1.82	0.00	0.69	0.00
Health Spring - MRSA Northeast	1.26	0.00	0.20	0.00
United - MRSA Northeast	1.20	0.00	0.20	0.00
Amerigroup - MRSA West	3.59	0.00	8.61	0.00
Superior - MRSA West	4.44	0.00	8.67	0.00

FY2018 STAR+PLUS Rating
CFC Enhanced Match Rates
CFC Services as a Percentage of Total Long Term Care

	Medicaid Only		Dual Eligible		Grand Total
	OCC	HCBS	OCC	HCBS	
CFC Eligible Services (1)					
Bexar	3,493,678	21,390,632	4,208,450	30,909,915	60,002,675
Dallas	3,817,701	18,984,077	4,564,661	28,852,719	56,219,158
El Paso	1,483,845	8,593,779	3,003,438	18,889,281	31,970,343
Harris	2,175,033	35,194,794	3,055,038	62,915,138	103,340,003
Hidalgo	7,283,854	36,988,327	17,295,495	128,571,196	190,138,873
Jefferson	648,582	5,470,701	921,125	7,495,650	14,536,057
Lubbock	342,504	2,422,501	451,444	3,017,743	6,234,191
Nueces	900,112	10,861,205	1,255,570	19,016,169	32,033,056
Tarrant	1,455,459	12,241,353	2,377,481	12,459,054	28,533,347
Travis	588,266	9,021,790	507,591	12,661,380	22,779,027
MRSA Central	677,880	5,454,664	478,597	6,707,490	13,318,630
MRSA Northeast	984,058	12,877,557	1,144,902	19,024,674	34,031,191
MRSA West	761,534	6,503,680	2,565,248	14,186,492	24,016,954
Total	24,612,504	186,005,060	41,829,041	364,706,900	617,153,505

FY2016 Total Long Term Care Claims Paid (2)

Bexar	42,733,463	31,289,277	76,040,909	65,093,998	215,157,647
Dallas	53,638,313	27,823,935	80,033,769	68,771,970	230,267,987
El Paso	15,872,351	10,338,713	74,767,982	31,535,992	132,515,038
Harris	80,267,135	51,774,977	143,916,695	106,190,520	382,149,328
Hidalgo	112,928,096	46,664,400	390,101,789	227,442,219	777,136,504
Jefferson	9,410,257	6,841,725	14,640,872	20,114,466	51,007,320
Lubbock	2,782,313	3,307,039	5,514,413	8,975,280	20,579,045
Nueces	21,259,092	13,920,435	36,259,710	45,327,699	116,766,936
Tarrant	19,235,182	18,343,370	33,554,569	40,092,993	111,226,114
Travis	12,464,005	12,522,477	18,255,894	29,029,428	72,271,804
MRSA Central	8,985,345	8,875,203	17,822,493	22,903,138	58,586,178
MRSA Northeast	14,772,083	20,140,220	24,318,926	69,367,626	128,598,854
MRSA West	10,521,667	9,238,131	33,352,740	40,896,461	94,008,999
Total	404,869,302	261,079,902	948,580,762	775,741,789	2,390,271,755

CFC Eligible Services Percentage of Total Long Term Care

Bexar	8.18%	68.36%	5.53%	47.49%	27.89%
Dallas	7.12%	68.23%	5.70%	41.95%	24.41%
El Paso	9.35%	83.12%	4.02%	59.90%	24.13%
Harris	2.71%	67.98%	2.12%	59.25%	27.04%
Hidalgo	6.45%	79.26%	4.43%	56.53%	24.47%
Jefferson	6.89%	79.96%	6.29%	37.26%	28.50%
Lubbock	12.31%	73.25%	8.19%	33.62%	30.29%
Nueces	4.23%	78.02%	3.46%	41.95%	27.43%
Tarrant	7.57%	66.73%	7.09%	31.08%	25.65%
Travis	4.72%	72.04%	2.78%	43.62%	31.52%
MRSA Central	7.54%	61.46%	2.69%	29.29%	22.73%
MRSA Northeast	6.66%	63.94%	4.71%	27.43%	26.46%
MRSA West	7.24%	70.40%	7.69%	34.69%	25.55%
Total	6.08%	71.24%	4.41%	47.01%	25.82%

Footnotes

(1) Equals FY2016 health plan fee-for-service claims for CFC eligible members (from Encounter database).

(2) Equals FY2016 health plan fee-for-service claims for all long term care services (from Encounter database).

FY2018 STAR+PLUS Rating

CFC Enhanced Match Rates

CFC Eligible Services Included in FY2016 Base Period

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
STAR+PLUS Rates Effective 9/1/2011 (LTC Only) prior to CFC Rate Adjustment (1)				
Amerigroup - Bexar	236.88	1,871.28	362.18	1,989.10
Molina - Bexar	226.68	1,633.03	368.72	1,893.19
Superior - Bexar	286.55	1,884.21	420.45	1,957.32
Molina - Dallas	263.16	1,607.80	358.42	1,767.51
Superior - Dallas	217.68	1,534.73	334.12	1,761.20
Amerigroup - El Paso	257.68	1,479.81	468.94	1,878.39
Molina - El Paso	335.16	1,581.04	521.79	1,978.41
Amerigroup - Harris	229.99	1,923.76	331.80	1,932.80
Molina - Harris	241.80	1,876.78	328.62	1,960.33
United - Harris	294.93	1,894.12	354.15	1,977.68
HealthSpring - Hidalgo	779.98	2,114.72	950.17	2,286.24
Molina - Hidalgo	687.03	2,079.56	880.16	2,251.34
Superior - Hidalgo	786.78	2,118.60	1,107.25	2,282.44
Amerigroup - Jefferson	160.14	1,486.30	267.19	1,674.87
Molina - Jefferson	185.20	1,356.95	253.21	1,603.59
United - Jefferson	157.98	1,373.06	157.54	1,524.22
Amerigroup - Lubbock	94.76	1,131.15	137.76	1,401.05
Superior - Lubbock	108.06	1,316.23	162.72	1,471.93
Superior - Nueces	362.07	1,798.82	548.05	1,980.53
United - Nueces	356.83	1,813.26	438.90	1,946.75
Amerigroup - Tarrant	139.77	1,537.66	260.14	1,668.24
HealthSpring - Tarrant	177.91	1,595.55	220.27	1,715.59
Amerigroup - Travis	249.84	1,934.81	315.04	1,784.48
United - Travis	161.49	1,897.78	182.24	1,750.06
Superior - MRSA Central	153.92	1,967.75	232.56	1,743.94
United - MRSA Central	128.81	2,055.80	229.09	1,815.73
Health Spring - MRSA Northeast	153.21	1,567.52	214.56	1,589.54
United - MRSA Northeast	146.45	1,610.45	211.82	1,501.10
Amerigroup - MRSA West	112.33	1,719.02	243.07	1,561.57
Superior - MRSA West	138.99	1,568.15	244.61	1,511.84

(1) From Exhibit A.

FY2018 STAR+PLUS Rating

CFC Enhanced Match Rates

CFC Eligible Services Included in FY2016 Base Period

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
CFC Eligible Services as a Percentage of FY2016 Base Period (2)				
Amerigroup - Bexar	8.2%	68.4%	5.5%	47.5%
Molina - Bexar	8.2%	68.4%	5.5%	47.5%
Superior - Bexar	8.2%	68.4%	5.5%	47.5%
Molina - Dallas	7.1%	68.2%	5.7%	42.0%
Superior - Dallas	7.1%	68.2%	5.7%	42.0%
Amerigroup - El Paso	9.3%	83.1%	4.0%	59.9%
Molina - El Paso	9.3%	83.1%	4.0%	59.9%
Amerigroup - Harris	2.7%	68.0%	2.1%	59.2%
Molina - Harris	2.7%	68.0%	2.1%	59.2%
United - Harris	2.7%	68.0%	2.1%	59.2%
HealthSpring - Hidalgo	6.4%	79.3%	4.4%	56.5%
Molina - Hidalgo	6.4%	79.3%	4.4%	56.5%
Superior - Hidalgo	6.4%	79.3%	4.4%	56.5%
Amerigroup - Jefferson	6.9%	80.0%	6.3%	37.3%
Molina - Jefferson	6.9%	80.0%	6.3%	37.3%
United - Jefferson	6.9%	80.0%	6.3%	37.3%
Amerigroup - Lubbock	12.3%	73.3%	8.2%	33.6%
Superior - Lubbock	12.3%	73.3%	8.2%	33.6%
Superior - Nueces	4.2%	78.0%	3.5%	42.0%
United - Nueces	4.2%	78.0%	3.5%	42.0%
Amerigroup - Tarrant	7.6%	66.7%	7.1%	31.1%
HealthSpring - Tarrant	7.6%	66.7%	7.1%	31.1%
Amerigroup - Travis	4.7%	72.0%	2.8%	43.6%
United - Travis	4.7%	72.0%	2.8%	43.6%
Superior - MRSA Central	7.5%	61.5%	2.7%	29.3%
United - MRSA Central	7.5%	61.5%	2.7%	29.3%
Health Spring - MRSA Northeast	6.7%	63.9%	4.7%	27.4%
United - MRSA Northeast	6.7%	63.9%	4.7%	27.4%
Amerigroup - MRSA West	7.2%	70.4%	7.7%	34.7%
Superior - MRSA West	7.2%	70.4%	7.7%	34.7%

(2) From Exhibit B.

FY2018 STAR+PLUS Rating
 CFC Enhanced Match Rates
 CFC Eligible Services Included in FY2016 Base Period

	Medicaid Only		Dual Eligible	
	OCC	HCBS	OCC	HCBS
CFC Portion of LTC Premium (3)				
Amerigroup - Bexar	19.37	1,279.28	20.04	944.53
Molina - Bexar	18.53	1,116.41	20.41	898.98
Superior - Bexar	23.43	1,288.12	23.27	929.43
Molina - Dallas	18.73	1,096.99	20.44	741.54
Superior - Dallas	15.49	1,047.14	19.06	738.90
Amerigroup - El Paso	24.09	1,230.05	18.84	1,125.11
Molina - El Paso	31.33	1,314.20	20.96	1,185.02
Amerigroup - Harris	6.23	1,307.70	7.04	1,145.13
Molina - Harris	6.55	1,275.77	6.98	1,161.44
United - Harris	7.99	1,287.56	7.52	1,171.72
HealthSpring - Hidalgo	50.31	1,676.22	42.13	1,292.39
Molina - Hidalgo	44.31	1,648.35	39.02	1,272.66
Superior - Hidalgo	50.75	1,679.30	49.09	1,290.24
Amerigroup - Jefferson	11.04	1,188.46	16.81	624.14
Molina - Jefferson	12.76	1,085.03	15.93	597.58
United - Jefferson	10.89	1,097.91	9.91	568.00
Amerigroup - Lubbock	11.66	828.60	11.28	471.07
Superior - Lubbock	13.30	964.18	13.32	494.90
Superior - Nueces	15.33	1,403.50	18.98	830.88
United - Nueces	15.11	1,414.77	15.20	816.71
Amerigroup - Tarrant	10.58	1,026.15	18.43	518.41
HealthSpring - Tarrant	13.46	1,064.78	15.61	533.13
Amerigroup - Travis	11.79	1,393.93	8.76	778.31
United - Travis	7.62	1,367.25	5.07	763.30
Superior - MRSA Central	11.61	1,209.37	6.25	510.74
United - MRSA Central	9.72	1,263.49	6.15	531.76
Health Spring - MRSA Northeast	10.21	1,002.26	10.10	435.95
United - MRSA Northeast	9.76	1,029.71	9.97	411.69
Amerigroup - MRSA West	8.13	1,210.20	18.70	541.69
Superior - MRSA West	10.06	1,103.98	18.81	524.44

(3) LTC Premium prior to CFC Rate adjustment multiplied by CFC eligible percentage.

FY2018 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	25.93	1,279.28	23.40	944.53
Molina - Bexar	24.81	1,116.41	23.83	898.98
Superior - Bexar	31.38	1,288.12	27.17	929.43
Molina - Dallas	25.10	1,096.99	26.09	741.54
Superior - Dallas	20.75	1,047.14	24.32	738.90
Amerigroup - El Paso	29.50	1,230.05	20.39	1,125.11
Molina - El Paso	38.38	1,314.20	22.68	1,185.02
Amerigroup - Harris	10.17	1,307.70	8.84	1,145.13
Molina - Harris	10.68	1,275.77	8.77	1,161.44
United - Harris	13.03	1,287.56	9.44	1,171.72
HealthSpring - Hidalgo	57.20	1,676.22	44.45	1,292.39
Molina - Hidalgo	50.38	1,648.35	41.16	1,272.66
Superior - Hidalgo	57.70	1,679.30	51.79	1,290.24
Amerigroup - Jefferson	16.41	1,188.46	23.75	624.14
Molina - Jefferson	18.97	1,085.03	22.50	597.58
United - Jefferson	16.19	1,097.91	14.00	568.00
Amerigroup - Lubbock	14.82	828.60	18.05	471.07
Superior - Lubbock	16.90	964.18	21.32	494.90
Superior - Nueces	17.34	1,403.50	22.41	830.88
United - Nueces	17.09	1,414.77	17.96	816.71
Amerigroup - Tarrant	22.25	1,026.15	24.29	518.41
HealthSpring - Tarrant	28.32	1,064.78	20.57	533.13
Amerigroup - Travis	22.50	1,393.93	13.53	778.31
United - Travis	14.55	1,367.25	7.83	763.30
Superior - MRSA Central	13.78	1,209.37	6.94	510.74
United - MRSA Central	11.54	1,263.49	6.84	531.76
Health Spring - MRSA Northeast	11.47	1,002.26	10.30	435.95
United - MRSA Northeast	10.96	1,029.71	10.17	411.69
Amerigroup - MRSA West	11.72	1,210.20	27.31	541.69
Superior - MRSA West	14.50	1,103.98	27.48	524.44

Attachment 13

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.

The NAIPs were developed independently by various managed care organizations 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. Once agreed upon by the MCOs and providers, the NAIP arrangements were reviewed by HHSC program staff for quality and content. HHSC program staff then provided the actuary with the contracted financial arrangements agreed to between each MCO and provider. The actuary used this information to prepare the NAIP portion of the premium.

The NAIP amounts impact the following STAR+PLUS risk groups equally as the contracted costs between the participating MCOs and providers are not delineated by risk group but are applicable to the entire population:

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

The NAIP amounts are not applicable to the Dual Eligible, Nursing Facility or MBCCP risk groups.

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.

No additional NAIP arrangements have been permitted since those in place during FY2017 nor have the MCO and providers been permitted to negotiate financial terms that differ from those currently in place.

FY2018 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	Dallas	14,974,003	2,550,937	5.87
Amerigroup	STAR	Lubbock, MRSA West	1,582,343	486,875	3.25
Amerigroup	STAR	MRSA West, Tarrant	4,423,939	1,828,074	2.42
Amerigroup	STAR, STAR+Plus	Dallas, Tarrant	19,312,740	4,171,218	4.63
Amerigroup	STAR, STAR+Plus	Harris	36,828,170	1,528,140	24.10
Amerigroup	STAR, STAR+Plus	Harris, Jefferson	8,036,383	1,653,577	4.86
Amerigroup	STAR, STAR+Plus	Lubbock, MRSA West	12,978,563	571,743	22.70
Amerigroup	STAR, STAR+Plus	MRSA West	3,534,583	440,172	8.03
CFHP	STAR	Bexar	20,392,095	1,294,736	15.75
CHC	STAR	Harris	72,445,165	2,735,845	26.48
CHC	STAR	Jefferson	7,140,917	275,605	25.91
El Paso First	STAR	El Paso	19,026,255	809,973	23.49
FirstCare	STAR	Lubbock, MRSA West	21,738,185	1,130,431	19.23
FirstCare	STAR	MRSA West	10,602,941	639,116	16.59
Molina	STAR	Dallas	1,507,046	255,865	5.89
PCHP	STAR	Dallas	32,249,883	2,045,015	15.77
Superior	STAR	Bexar	6,576,177	1,375,769	4.78
Superior	STAR	El Paso	11,861,456	665,253	17.83
Superior	STAR	Lubbock, MRSA West	4,160,095	1,280,029	3.25
Superior	STAR, STAR+Plus	Bexar	7,188,832	1,566,194	4.59
Superior	STAR, STAR+Plus	Bexar, Hidalgo, MRSA Central, MRSA West	5,921,780	5,534,374	1.07
Superior	STAR, STAR+Plus	Bexar, Hidalgo, MRSA Central, MRSA West, Nueces, Travis	15,976,691	6,916,317	2.31
Superior	STAR, STAR+Plus	Lubbock, MRSA West	23,268,934	1,426,667	16.31
Superior	STAR, STAR+Plus	MRSA Central	606,038	932,366	0.65
United	STAR, STAR+Plus	Harris	24,521,099	919,426	26.67
United	STAR, STAR+Plus	Harris, Jefferson	5,074,405	1,135,214	4.47
United	STAR, STAR+Plus	Jefferson	5,375,265	215,787	24.91
CHC	STAR	Harris, Jefferson	12,497,514	3,011,449	4.15
Christus	STAR	Nueces	1,409,714	66,874	21.08
Superior	STAR, STAR+Plus	Nueces	10,300,440	297,357	34.64
United	STAR+Plus	Nueces	5,791,076	48,994	118.20

Footnotes:

- (1) MCOs may have NAIP arrangements with multiple providers.
- (2) Based on contracted amounts between MCOs and providers.
- (3) Based on HHSC's most recent caseload forecast. Includes all (i) all STAR Risk Groups except AAPCA, (ii) STAR+PLUS Medicaid Only OCC, (iii) STAR+PLUS Medicaid Only HCBS and (iv) IDD <21 and >21.

Attachment 14

Quality Incentive Payment Program (QIPP)

Effective September 1, 2017 HHSC will implement the Quality Incentive Payment Program (QIPP) which is designed to incentivize nursing facilities to improve quality and innovation in the provision of nursing facility services, using the CMS five-star rating system as its measure of success.

QIPP is open to two classes of facilities: non-state government owned nursing facilities and private nursing facilities. Payments from managed care organizations to qualified nursing facilities will be made based on improvement on specific quality indicators.

Attachment A is a detailed summary of the QIPP which HHSC provided to CMS during the development phase.

Attachment B provides a summary of the QIPP add on amounts by service delivery area. The QIPP program impacts members in both the STAR+PLUS and Dual Demonstration programs. As a result, the eligible expenditures are spread across the two programs based on total membership within the nursing facility risk groups.

Introduction

This concept paper describes the Quality Incentive Payment Program (QIPP) proposed by Texas. QIPP is designed to incentivize nursing facilities to improve quality and innovation in the provision of nursing facility services, using the CMS five-star rating system as its measure of success. HHSC proposes to implement QIPP no later than September 1, 2017.

Background

During the 83rd Session, the Texas Legislature outlined its goals for the managed care carve-in of nursing facilities. In implementing the nursing facility carve-in, the Health and Human Services Commission (HHSC) was directed to encourage transformative efforts in the delivery of nursing facility services, including "efforts to promote a resident-centered care culture through facility design and services provided" (S.B. 7, 83rd Texas Legislature, Regular Session).

In 2014, HHSC established the Minimum Payment Amount Program (MPAP). The MPAP, which became effective March 1, 2015, established minimum payment amounts for qualified nursing facilities participating in STAR+PLUS. The STAR+PLUS managed care organizations pay the minimum payment amounts to qualified nursing facilities based on state direction. The MPAP was always intended to be a short-term program that would ultimately transition to a performance-based initiative.

The goal of transition was reinforced during the 84th Legislative Session. The General Appropriations Act for the 2016-2017 Biennium contains HHSC Budget Rider 97, which directs HHSC to transition the MPAP to QIPP.

Conceptual Framework

Eligibility

QIPP is open to two classes of facilities: non-state government owned nursing facilities and private nursing facilities. To ensure that QIPP funds are focused on the Medicaid population, HHSC will limit private nursing facility eligibility to nursing facilities with Medicaid utilization as a percentage of total utilization at least equal to the mean for all Medicaid nursing facilities in Texas plus one standard deviation. Based on the most current data available from 2014 Texas Medicaid nursing facility cost reports, this value is equal to 78 percent, meaning at least 78 percent of a facility's units of service must have been provided to Medicaid recipients for the facility to be eligible to participate in QIPP.

Capitation Rate Structure

QIPP dollars will be limited by 1115 waiver budget neutrality room and the amount of IGT available for the program. QIPP IGTs for a specific capitation rate period will be due to HHSC approximately six months prior to the beginning of the rate period to allow HHSC's actuaries certainty as to the amount funding to be incorporated into the capitation rates for QIPP. The amount of the capitation related to QIPP will be determined by the amount of the non-federal share available for the program six months prior to the start of the program year.

QIPP funds will be paid through three new components of the STAR+PLUS nursing facility managed care per member per month capitation rates. Each component's value will be

determined as a percentage of the total amount of funding available for the QIPP program. The managed care organizations' distribution of QIPP funds to the nursing facilities will be based on each nursing facility's performance on a set of defined quality metrics.

QIPP Capitation Rate Components

- **Component One**
 - The total value of Component One will be equal to 110 percent of the non-federal share of the QIPP program.
 - Allocation of funds across qualifying non-state government-owned nursing facilities will be based upon historical Medicaid days of nursing facility service.
 - Monthly payment so non-state government-owned nursing facilities will be triggered by the nursing facility's submission to the managed care organization of a monthly Quality Assurance Performance Improvement Validation Report.
 - Private NFs are not eligible for payments from Component One.
 - The interim allocation of funds across qualifying non-state government-owned NFs will be reconciled to the actual distribution of Medicaid NF days of service across these NFs during the eligibility period as captured by HHSC's Medicaid contractors for fee-for-service and managed care 180 days after the last day of the eligibility period. This reconciliation will only be performed if the weighted average (weighted by Medicaid NF days of service during the eligibility period) of the absolute values of percentage changes between each NFs proportion of historical Medicaid days of NF service and actual Medicaid days of NF service is greater than 20 percent.
- **Component Two**
 - The total value of Component Two will be equal to 35 percent of remaining QIPP funds after accounting for the funding of Component One.
 - Allocation of funds across qualifying non-state government-owned and private nursing facilities will be based upon historical Medicaid days of nursing facility service.
 - Quarterly payments to nursing facilities will be triggered by improvement on specific quality indicators.
- **Component Three¹**
 - The total value of Component Three will be equal to 65 percent of remaining QIPP funds after accounting for the funding of Component One.
 - Allocation of funds across qualifying non-state government-owned and private nursing facilities will be based upon historical Medicaid days of nursing facility service.
 - Quarterly payments to nursing facilities will be triggered by improvement on specific quality indicators.
- **Lapsing Funds**
 - Funds that would lapse due to failure of one or more nursing facilities to meet metrics will be distributed across all QIPP nursing facilities based on each facility's proportion of

¹Payments made to facilities meeting the standards of Component Three will include both the 35% allocated for Component Two and the remaining 65% allocated for Component Three.

total earned QIPP funds from Components One, Two, and Three combined.

Quality Design

Payments from managed care organizations to qualified nursing facilities will be made based on improvement on specific quality indicators. QIPP includes four measures, equally weighted for payment each quarter and currently utilized by CMS' star ratings for nursing facilities. Nursing facilities must make incremental improvements towards pre-set goals to qualify for payments. A nursing facility's baseline will remain the same throughout the measurement period, while the amount of improvement required each quarter increases. Initial quarterly goals are based on 1.7 percent or 5.0 percent improvement from the baseline. Subsequent quarterly goals increase to 7 percent and 20 percent at the end of the year.

Quarter	Total improvement from baseline	
	Component Two Payment Standard	Component Three Payment Standard
1	1.7%	5%
2	3.4%	10%
3	5.1%	15%
4	7%	20%

Quality targets will be quarterly in order to allow for quarterly payments. Each successful nursing facility within a class will receive an equal payment amount per Medicaid day of service with days of service based upon an historical measure. A nursing facility that performs better than the benchmark may decline in performance and still earn 100 percent of the available funds as long as the nursing facility remains above the benchmark.

Compliance with Approval Criteria

Utilization and Delivery of Services

The increased payments from managed care organizations to nursing facilities will be based on the utilization and delivery of services to a Medicaid managed care member as determined using historical data.

Expenditures and Classes

QIPP is open to two classes of facilities: non-state government owned nursing facilities and private nursing facilities. Within each of these classes, performance standards and incentive payments are consistent.

Link to Goals and Objectives of State Quality Strategy

The goal of the QIPP program is to incentivize state nursing facilities to improve the quality of care for their residents. Facilities will be able to achieve this goal by showing an improvement in their baselines as they relate to each of the four quality measures:

- High-risk residents with pressure ulcers;
- Percent of residents who received an antipsychotic medication (long-stay);
- Residents experiencing one or more falls with major injury; and

- Residents who were physically restrained.

Providing payments through QIPP will create the incentive for facilities to focus on these four measures, thereby improving quality across several areas of care to the residents. We expect that, annually, the outcome of this program will be an overall improvement for each of the quality measures among the participating facilities. This outcome is based on the expectation that participating facilities will work to make performance improvements as required for quarterly payments.

The 1115 quality strategy can be found in Attachment D of the 1115 waiver, and identifies as goals of the strategy:

- Transition from volume-based purchasing models to a pay-for-performance model;
- Improve member satisfaction with care; and
- Reduce payments for low quality care.

HHSC's fundamental commitment is to contract for results. HHSC defines a successful result as the generation of defined, measurable, and beneficial outcomes that satisfy the contract requirements and support HHSC's missions and objectives. The measures included in the QIPP are consistent with HHSC's mission, which is to "maintain and improve the health and human services system in Texas, and to administer its programs in accordance with the highest standards of customer service and accountability for the effective use of funds".

Evaluation Plan

An evaluation of the CMS verified MDS data related to each of the four quality measures will be completed to determine if participating nursing facilities are improving the care provided to their residents. At the end of FY 2018 and subsequent FYs, we will evaluate the program's effectiveness by assessing if overall participating facilities are improving their performance and thus meeting the goal of the Quality Incentive Payment Program.

Intergovernmental Transfer Fund Contributions and Provider Participation

Public and private nursing facilities may participate in QIPP. No nursing facility's participation will be conditioned on the provision of an intergovernmental transfer of funds, nor on its entering into or adhering to an intergovernmental transfer agreement. Private nursing facility participation is limited to nursing facilities with Medicaid utilization at least equal to the mean Medicaid nursing facility utilization rate for all Medicaid nursing facilities in Texas plus one standard deviation.

Automatic Renewal

HHSC understands that the initiative is not eligible for automatic renewal and will seek approval from CMS for any extension of the program beyond the initial approval period.

Conclusion

The State believes the only true measure of transformation is found in the actual, verified improvement of care and quality of life. QIPP is intended to serve as a resource for nursing facilities to leverage in order to achieve nursing facility transformation. The program is structured to allow each participating nursing facility to design its own program to meet the specific needs of its population.

FY2018 STAR+PLUS Rating
Quality Incentive Payment Program (QIPP) Summary

MCOs (1)	Impacted Programs	SDA	Contracted Cost (2)	Projected Member Months (3)	PMPM Impact
Amerigroup, Molina, Superior	STAR+PLUS, Dual Demo	Bexar	\$ 34,467,785	54,327	\$ 634.45
Molina, Superior	STAR+PLUS, Dual Demo	Dallas	48,714,415	76,451	637.20
Amerigroup, Molina	STAR+PLUS, Dual Demo	El Paso	638,281	10,550	60.50
Amerigroup, Molina, United	STAR+PLUS, Dual Demo	Harris	50,265,397	94,769	530.40
HealthSpring, Molina, Hidalgo	STAR+PLUS, Dual Demo	Hidalgo	19,663,161	35,335	556.48
Amerigroup, Molina, United	STAR+PLUS	Jefferson	14,531,513	25,878	561.55
Amerigroup, Superior	STAR+PLUS	Lubbock	15,414,890	21,751	708.70
Superior, United	STAR+PLUS	Nueces	14,852,938	25,580	580.65
Amerigroup, HealthSpring	STAR+PLUS, Dual Demo	Tarrant	42,642,580	69,469	613.84
Amerigroup, United	STAR+PLUS	Travis	29,282,407	39,787	735.98
Superior, United	STAR+PLUS	MRSA Central	33,816,121	58,134	581.69
HealthSpring, United	STAR+PLUS	MRSA Northeast	44,013,232	78,350	561.75
Amerigroup, Superior	STAR+PLUS	MRSA West	51,043,923	61,126	835.06

Footnotes:

(1) All MCOs will participate with all QIPP providers in their SDAs.

(2) Based on the total funding available that is allocated by the number of historical Medicaid days for each facility.

(3) Based on HHSC most recent caseload forecast. Includes the following risk groups: (i) STAR+PLUS Medicaid Only Nursing Facility, (ii) STAR+PLUS Dual Eligible Nursing Facility, and (iii) Dual Demo Nursing Facility.

Attachment 15

Pay for Quality Program

The Pay-for-Quality (P4Q) Program creates incentives and disincentives for managed care organizations based on their performance on certain quality measures. Health plans that excel on meeting the measures are eligible for a bonus while health plans that don't meet their measures are subject to a penalty.

The table below provides a description of the at risk and bonus measures for the 2018 calendar year.

<i>At-Risk Measures</i>			
Source	Measure	Description	Data Period
3M	Potentially Preventable Emergency Room Visits (PPVs)	Hospital emergency room or freestanding emergency medical care facility treatment provided for a condition that could be provided in a nonemergency setting	Jan. 1 - Dec. 31 measurement year
HEDIS	Appropriate Treatment for Children with Upper Respiratory Infection (URI)	Percentage of children 3 months - 18 years of age who were diagnosed with upper respiratory infection and were not dispensed an antibiotic prescription on or three days after the episode	July 1, prior year - June 30, measurement year
HEDIS	Prenatal and Postpartum Care (PPC)*	<ul style="list-style-type: none"> Timeliness of Prenatal Care: the percentage of deliveries that received a prenatal care visit as a member of the organization in the first trimester or within 42 days of enrollment in the organization Postpartum Care: the percentage of deliveries that had a postpartum visit on or between 21 and 56 days after delivery 	November 6, prior year - December 31, measurement year
HEDIS	Well Child Visits in the First 15 months of Life (W15)*	Percentage of members who turned 15 months old during the measurement year and who had six or more well-child visits with a PCP during their first 15 months of life	October 1, two years prior - December 31, measurement year
<i>Bonus Pool Measures</i>			
Source	Measure	Description	
3M	Potentially preventable admissions (PPAs)	Hospital admission that may have been prevented with access to ambulatory care or health care coordination.	Jan. 1 - Dec. 31 measurement year

CMS	Low Birth Weight	Percentage of live births that weighed less than 2,500 grams (5.51 pounds)	Jan. 1 - Dec. 31 measurement year
CAHPS	Children with good access to urgent care	Percent of caregivers who, when surveyed, responded their child always got urgent care for illness, injury or condition as soon as needed	Surveys conducted between Jan. 1 - Dec. 31 measurement year
CAHPS	Adults rating their health MCO a 9 or 10	Percent of adult members who rated their MCO a 9 or 10 (on a scale of 0-10) when surveyed	Surveys conducted between Jan. 1 - Dec. 31 measurement year

The medical P4Q program assesses MCOs based on three categories:

- Performance Against Benchmarks
- Performance Against Self (comparison of an MCO's performance to their prior year performance)
- Bonus pool measures

The performance against self and performance against benchmarks measures are the at-risk components of the program: MCOs can lose money based on their performance on these measures. Utilizing both the performance against self and performance against benchmarks rewards high performing MCOs while still incentivizing improvement regardless of current level of performance. The total percent capitation earned/lost for each at-risk measure in a program is added to determine the total capitation earned/lost for each MCO across all at-risk measures for that program.

The bonus pool measures provide an additional way for MCOs to earn rewards, without the risk of losing money. Bonus pool measures encourage improvement in new areas with no financial risk to the health MCOs.

Three percent of the MCOs' capitation is at-risk. The MCO's at-risk capitation is distributed equally across the at-risk measures. Some HEDIS quality measures have submeasures. The capitation at-risk for that measure will be divided evenly across the submeasures.

The maximum bonus or penalty in the P4Q program is 3.0%; however, the typical results are far below these limits.

Historically the impact of the P4Q program on total premium has been immaterial. HHSC performed simulations on the FY2015 managed care data based on the updated criteria and the average impact by MCO was less 0.1%. As a result, we do not believe the P4Q program has a material impact on the premium rate development.

Attachment 16

FY2018 STAR+PLUS Rate Certification Index

The index below includes the pages of this report that correspond to the applicable sections of the 2017-2018 Medicaid Managed Care Rate Development Guide, dated April 2017.

Section I. Medicaid Managed Care Rates

1. General Information

A. Rate Development Standards

- i. Rates are for the period September 1, 2017 through August 31, 2018 (FY2018).
- ii. (a) The certification letter is on page 16 of the report.
(b) The final capitation rates are shown on pages 14-15 of the report.
(c) Not applicable.
(d) (i) See pages 1 and 4 through 6 of the report.
(ii) See page 1 of the report.
(iii) See page 1 of the report.
(iv) Inclusion of the MBCCP population is the only eligibility change that will impact the rate development. Description of the rate development for this group is found in Attachment 11.
(v) Pages 223-225 (NAIP), 226-231 (QIPP) and 232-233 (P4Q).
(vi) Not applicable.
- iii. Acknowledged.
- iv. Acknowledged.
- v. Acknowledged.
- vi. Acknowledged.

vii. Acknowledged.

viii. Acknowledged.

B. Appropriate Documentation

i. Acknowledged.

ii. Acknowledged.

iii. See pages 213 through 222 of the report.

iv. Not applicable.

v. Not applicable.

2. Data

A. Rate Development Standards

i. (a) Acknowledged.

(b) Acknowledged.

(c) Acknowledged.

(d) Not applicable.

B. Appropriate Documentation

i. (a) See pages 1 through 3 of the report.

ii. (a) See pages 1 through 3 of the report.

(b) See pages 2 through 3 of the report.

(c) See pages 2 through 3 of the report.

(d) Not applicable.

iii. (a) Base period data is fully credible.

(b) See page 4 of the report.

(c) No errors found in the data.

(d) See pages 140 through 171 of the report.

(e) Value added services and non-capitated services have been excluded from the analysis.

3. Projected benefit Costs and Trends

A. Rate Development Standards

- i. Acknowledged.
- ii. Acknowledged.
- iii. Acknowledged.
- iv. Acknowledged.
- v. See pages 141 through 142 and pages 159 through 162 of the report.
- vi. See page 142 of the report.

B. Appropriate Documentation

- i. See pages 14 through 15 and Attachment 1 pages 18 through 37 of the report.
- ii. See Attachment 3 pages 45 through 125 of the report. There have been no significant changes in the development of the benefit cost since the last certification.
- iii. (a) See Attachment 4 pages 126 through 139 of the report.
(b) See Attachment 4 pages 126 through 139 of the report.
(c) See Attachment 4 pages 126 through 139 of the report.
(d) See Attachment 4 pages 126 through 139 of the report.
(e) Not applicable.
- iv. Not applicable.
- v. The STAR+PLUS program stipulates the following provisions related to in lieu of services:

- The MCO may provide inpatient services for acute psychiatric conditions in a free-standing psychiatric hospital in lieu of an acute care inpatient hospital setting.
- The MCO may provide substance use disorder treatment services in a chemical dependency treatment facility in lieu of an acute care inpatient hospital setting.
- For individuals between the ages of 21 and 64, services are provided in IMDs only in lieu of an acute care hospital setting. IMD services for individuals under age 21 and age 65 and over are covered pursuant to the Texas state plan.

The cost for in lieu of services are not tracked from other services and are included in the rate development and are not treated differently than any other category of service. Historically these services have made up less than 1.0% of total base period claims.

- vi. (a) Restorative enrollment can occur when an individual is deemed to have been Medicaid eligible during a prior period. If the individual was eligible for and enrolled in Medicaid managed care during the prior six months, then the individual is retrospectively enrolled in the same managed care plan as their prior enrollment segment. The managed care plan is then retrospectively responsible for all Medicaid expenses incurred during this retrospective period and is also paid a retrospective premium for this time period.
- (b) All claims paid during retroactive enrollment periods are included in the base period data used to develop the FY2018 premium rate.
- (c) All enrollment data during retroactive enrollment periods are included in the base period data used to develop the FY2018 premium rate.
- (d) No adjustments are necessary to account for retroactive enrollment periods because the enrollment criteria has not changed from the base period to the rating period. All retroactive enrollment and claims information has been included in the base period data, the trend calculations and all other adjustment factors.
- vii. See Attachments 5 through 8 pages 140 through 171 of the report.
- viii. See Attachments 5 through 8 pages 140 through 171 of the report.

4. Special Contract Provisions Related to Payment

A. Incentive Arrangements

- i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

(a) See Attachment 15 pages 232 through 233 of the report.

B. Withhold Arrangements

i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

(a) See Attachment 15 pages 232 through 233 of the report.

C. Risk-Sharing Arrangements

i. Rate Development Standards

Not applicable.

ii. Appropriate Documentation

HHSC includes an experience rebate provision in its uniform managed care contracts which requires the MCOs to return a portion of net income before taxes if greater than the specified percentages. The net income is measured by the financial statistical reports (FSRs) submitted by the MCOs and audited by an external auditor. Net income is aggregated across all programs and service delivery areas. The aggregated net income is shared as follows:

Pre-tax Income as a % of Revenues	MCO Share	HHSC Share
$\leq 3\%$	100%	0%
$> 3\%$ and $\leq 5\%$	80%	20%
$> 5\%$ and $\leq 7\%$	60%	40%
$> 7\%$ and $\leq 9\%$	40%	60%
$> 9\%$ and $\leq 12\%$	20%	80%
$> 12\%$	0%	100%

D. Delivery System and Provider Payment Initiatives

i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

(a) See Attachment 13 pages 223 through 225 and Attachment 14 pages 226 through 231 of the report.

E. Pass-Through Payments

i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

(a) See Attachment 13 pages 223 through 225 of the report.

5. Projected Non-Benefit Costs

A. Rate Development Standards

i. Acknowledged.

ii. Acknowledged.

iii. Acknowledged.

iv. Acknowledged.

v. Acknowledged.

B. Appropriate Documentation

i. See page 13 of the report.

ii. See page 13 of the report.

iii. See page 13 of the report.

6. Risk Adjustment and Acuity Adjustments

A. Rate Development Standards

- i. Acknowledged.
- ii. Acknowledged.
- iii. Acknowledged.

B. Appropriate Documentation

- i. See Attachments 9 and 10 pages 172 through 195 of the report.
- ii. Not applicable, risk adjustment is only applied on a prospective basis.
- iii. No material changes have been made to the risk adjustment model applied to acute care other than annual updates of the data since the last rating period. Attachment 10 discusses the newly developed long term care acuity model that has been applied. Risk adjustment has been applied in a budget neutral manner in accordance with 42 CFR 438.5(g).
- iv. See Attachments 9 and 10 pages 172 through 195 of the report.

Section II. Medicaid Managed Care Rates with Long-Term Services and Supports

1. Managed Long-Term Services and Supports

A. Acknowledged.

B. Long term care rate development follows the same methodology as all other services described throughout the report.

C. Appropriate Documentation

- i. (a) Rates are set for the risk groups specified on page 5 of the report. This is a “non-blended” approach.
- (b) Rate cells are specified on page 5 of the report. Description of the rate setting methodology is included in Attachment 3 pages 45 through 125 of the report. All trend analysis and other adjustment factors follow the same methodology as described throughout the report.
- (c) Not applicable.

- (d) LTSS has been managed under STAR+PLUS since its inception. The impact of managing these services on utilization and unit costs of services is reflected in the base period utilized in the rate development and requires no further adjustments.
 - (e) LTSS has been managed under STAR+PLUS since its inception. The impact of managing these services on utilization and unit costs of services is reflected in the base period utilized in the rate development and requires no further adjustments.
- ii. The development of the administrative cost is described on page 13 of the report. Service coordination expenditures are based on the amounts reported by the MCO as discussed on page 2 of the report.
- iii. The rate setting is based on historical managed care data for all services, including long term care. The managed care data is fully credible and therefore no reliance is necessary on outside studies or research.