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

Adjusted SFY20 incurred Medicaid managed care claims for the STAR/STAR+PLUS/STAR Kids programs were pulled based on a listing of CMHC and LBHA NPIs. Claims were paid March 2019 through February 2021.

The directed payments were modeled per the payment descriptions and adjusted SFY20 claims per question 16.

The CMHC cost report PPS-2 rates were based on SFY19 cost report rates before inflation adjustment by the CY22 Medicare Economic Index (MEI) to ensure the adjusted SFY20 MCO payments and PPS-2 rates were both on the same yearly basis. Using SFY19 STAR/STAR+PLUS/STAR Kids MCO experience, the PPS-2 rates were modeled as described below.

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

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

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

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

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

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