



## Office of State Procurement Contract Certification of Approval

**This certificate serves as a confirmation that the Office of State Procurement has reviewed and approved the contract referenced below.**

**Reference Number:** 2000683489

**Amendment Number:** 1

**Vendor:** COMMUNITY CARE HEALTH PLAN OF LOUISIANA INC/HEALTHY BLUE

**Description:** Managed Care Organizations 3.0

**Approved By:** PAMELA RICE

**Approval Date:** 02/02/2023 17:01:16

AMENDMENT TO  
AGREEMENT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH

Amendment #: 1

LAGOV#: 2000683489

LDH #:

Original Contract Amount \$7,612,384,636.00

Original Contract Begin Date 01-01-2023

Original Contract End Date 12-31-2025

RFP Number: 3000017417

MVA

(Regional/ Program/  
Facility

Medical Vendor Administration

Bureau of Health Services Financing

AND

Community Care Health Plan of Louisiana, Inc. DBA Healthy Blue

Contractor Name

AMENDMENT PROVISIONS

Change Contract From: Current Maximum Amount: \$7,612,384,636.00 Current Contract Term : 01/01/23-12/31/25

Attachment D: Actuarial Rate Certification Letter (reserved)

Change Contract To: If Changed, Maximum Amount: \$7,612,384,636.00 If Changed, Contract Term: N/A

Attachment D1a – Rate Certification effective 7/1/2022  
Attachment D1b – Rate Certification Addendum effective 1/1/2023

Justifications For Amendment:

Revisions contained in this amendment are within scope and comply with the terms and conditions as set forth in the RFP.  
  
This amendment establishes actuarially sound capitation rates for the managed care organizations for January 1, 2023 through June 30, 2023.

This Amendment Becomes Effective: 01-01-2023

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

CONTRACTOR

Community Care Health Plan of Louisiana, Inc. DBA Healthy Bl

STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH

Secretary, Louisiana Department of Health or Designee

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CONTRACTOR TITLE President and CEO

TITLE Medicaid Executive Director

OFFICE Louisiana Department of Health

PROGRAM SIGNATURE DATE  
NAME

# Healthy Louisiana

# Final Rate Certification

Effective July 1, 2022 through  
June 30, 2023

Louisiana Department of Health

August 24, 2022

Mr. Daniel Cocran  
Chief Financial Officer  
Louisiana Department of Health  
Bureau of Health Services Financing  
628 North 4th Street  
Baton Rouge, LA 70821

**Subject:** Healthy Louisiana Program — Full Risk-Bearing Managed Care Organization Rate Development and Final Actuarial Certification for the Period July 1, 2022 through June 30, 2023

August 24, 2022

Dear Mr. Cocran:

The Louisiana Department of Health (LDH) has contracted with Mercer Government Human Services Consulting (Mercer), as part of Mercer Health & Benefits LLC, to develop actuarially sound<sup>1</sup> capitation rates for the State of Louisiana's (State's) Healthy Louisiana program for the period of July 1, 2022 through June 30, 2023, or rate year 2023 (RY23). This certification addresses the development of the physical health (PH) and specialized behavioral health (SBH)-only capitation rates, as well as maternity kick payments.

This letter presents an overview of the methodology used in Mercer's managed care rate development for the purpose of satisfying the requirements of the Centers for Medicare & Medicaid Services (CMS). This rate development process relied primarily upon Healthy Louisiana prepaid encounter data provided by LDH and submitted by the contracted managed care organizations (MCOs). It resulted in the development of a range of actuarially sound rates for each rate cell.

This rate certification is intended to replace the certification dated June 28, 2022 and reflects changes as a result of CMS's approval of state directed payments for inpatient and outpatient services and long-term acute care, psychiatric, and rehabilitation (LPR) hospitals and removal of the full Medicaid pricing adjustments for inpatient and outpatient services. No other changes were made to the rate certification. The final capitation rates are summarized in Appendix A and represent payment in full for the covered services.

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<sup>1</sup> Actuarially sound/Actuarial soundness — Medicaid capitation rates are "actuarially sound" if, for business for which the certification is being prepared and for the period covered by the certification, projected capitation rates and other revenue sources provide for all reasonable, appropriate, and attainable costs. For purposes of this definition, other revenue sources include, but are not limited to, expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows, and investment income. For purposes of this definition, costs include, but are not limited to, expected health benefits, health benefit settlement expenses, administrative expenses, cost of capital, and government-mandated assessments, fees, and taxes.

# Contents

|                                                                                                |    |
|------------------------------------------------------------------------------------------------|----|
| 1. General Information .....                                                                   | 1  |
| • Overview .....                                                                               | 1  |
| • Healthy Louisiana Populations .....                                                          | 1  |
| • Rate Cell Structure .....                                                                    | 3  |
| • Healthy Louisiana Benefit Package.....                                                       | 5  |
| • Healthy Louisiana Services Eligible for Different Federal Medical Assistance Percentage..... | 6  |
| • Region Groupings.....                                                                        | 6  |
| 2. Base Data Development.....                                                                  | 8  |
| • Overview .....                                                                               | 8  |
| • Incurred But Not Reported.....                                                               | 8  |
| • Non-Claims and Financial Reporting Adjustments.....                                          | 8  |
| • Third-Party Liabilities .....                                                                | 8  |
| • Fraud and Abuse Recoveries .....                                                             | 9  |
| • Member Cost Sharing.....                                                                     | 9  |
| • Disproportionate Share Hospital Payments .....                                               | 9  |
| • Graduate Medical Education Payments .....                                                    | 9  |
| • Data Smoothing .....                                                                         | 9  |
| 3. Base Rating Adjustments .....                                                               | 10 |
| • Early Elective Deliveries .....                                                              | 10 |
| • Urine Drug Testing .....                                                                     | 10 |
| • Local Pharmacy Adjustment.....                                                               | 11 |
| • Single Preferred Drug List .....                                                             | 12 |
| • Pharmacy Rebates .....                                                                       | 12 |
| • Severe Combined Immunodeficiency Screening .....                                             | 13 |
| • Pharmacy Co-Payment Limit Adjustment.....                                                    | 13 |

|                                                                  |    |
|------------------------------------------------------------------|----|
| • Diabetic Testing .....                                         | 14 |
| • HCBS Fee Schedule Change.....                                  | 14 |
| • In Lieu of Services .....                                      | 14 |
| • Efficiency Adjustments .....                                   | 16 |
| 4. Prospective Rating Adjustments.....                           | 21 |
| • Fee Schedule Changes .....                                     | 21 |
| • Other Fee Schedule Updates .....                               | 24 |
| • Outliers .....                                                 | 26 |
| • Inpatient Subspecialty and Neonatology Rate Restoration .....  | 26 |
| • Vitamin D Testing .....                                        | 27 |
| • Tobacco Cessation for Pregnant Women .....                     | 28 |
| • Peer Support Services.....                                     | 28 |
| • Behavioral Health Services Expansion .....                     | 29 |
| • Enrollment Acuity Adjustment.....                              | 30 |
| • MPS1/Pompe Newborn Screening.....                              | 31 |
| • Maternity Postpartum Coverage Extension .....                  | 31 |
| • Community Health Workers.....                                  | 31 |
| • Streamlined Hepatitis C Screening and Treatment Algorithm..... | 32 |
| • Medication-Assisted Treatment .....                            | 33 |
| • COVID-19 Pandemic Testing Costs .....                          | 34 |
| • House Bill No.1 Impact .....                                   | 35 |
| • Continuous Glucose Monitoring .....                            | 36 |
| • Genetic Testing of Critically Ill Infants .....                | 37 |
| • Human Breast Milk Coverage.....                                | 37 |
| • Act 421 Children’s Medicaid Option .....                       | 37 |
| • Other Potential Changes Not Included in This Report .....      | 38 |
| 5. Trends .....                                                  | 39 |

|                                                             |    |
|-------------------------------------------------------------|----|
| • Medical Trend .....                                       | 39 |
| • Pharmacy Trend .....                                      | 39 |
| 6. Special Contract Provisions Related to Payment .....     | 41 |
| • Withhold Arrangement.....                                 | 41 |
| • Incentive Arrangement .....                               | 41 |
| • Risk Corridor.....                                        | 41 |
| • Risk Pool.....                                            | 42 |
| • Minimum Medical Loss Ratio.....                           | 42 |
| • State-Directed Payments.....                              | 43 |
| 7. Projected Non-Benefit Costs .....                        | 50 |
| • Administrative Expense Load .....                         | 50 |
| • Underwriting Gain Load .....                              | 51 |
| • Premium-Based Taxes .....                                 | 51 |
| • Federal Health Insurance Providers Fee.....               | 51 |
| 8. Risk Adjustment.....                                     | 52 |
| 9. Certification of Final Rates .....                       | 53 |
| Appendix A: RY23 Healthy Louisiana Capitation Rates .....   | 55 |
| Appendix B: Healthy Louisiana Directed Payment PMPMs.....   | 56 |
| Appendix C: Healthy Louisiana Eligibility Designation ..... | 57 |
| Appendix D: Healthy Louisiana Covered Services.....         | 58 |
| Appendix E: Act 421 Rating Adjustments .....                | 59 |
| Appendix F: In Lieu of Services .....                       | 60 |
| Appendix G: Non-Rx Hepatitis C Expense Adjustment.....      | 61 |
| Appendix H: Medication Assisted Treatment Adjustment .....  | 62 |
| Appendix I: Prospective Trend .....                         | 63 |

|             |                           |    |
|-------------|---------------------------|----|
| Appendix J: | Rate Comparison.....      | 64 |
| Appendix K: | Data Reliance Letter..... | 65 |

## Section 1

# General Information

### Overview

Capitation rates for the Healthy Louisiana program were developed in accordance with rate-setting guidelines established by CMS. For this rate update, Mercer utilized the data used in RY22 rate development, which was calendar year (CY) 2019 spanning the period of January 1, 2019 through December 31, 2019. All data was reported on an incurred basis and includes payment dates through December 2020. Restrictions were applied to the enrollment and claims data to align appropriately with the populations and benefit package defined in the Healthy Louisiana MCO contract.

Mercer reviewed the encounter data provided by LDH and the Healthy Louisiana MCOs for consistency and reasonableness and determined the data was appropriate for the purpose of setting actuarially sound Medicaid managed care capitation rates.

Adjustments were made to the selected base data to align with the covered populations and Healthy Louisiana benefit packages for RY23. Additional adjustments were then applied to the base data to incorporate:

- Provision for incurred but not reported (IBNR) claims
- Adjustments to encounter data for non-claims and financial reporting
- Prospective and retrospective program changes not fully reflected in the base data
- Trend factors to forecast the expenditures and utilization to the contract period
- Changes in benefits covered by managed care
- Opportunities for managed care efficiencies
- Administration and underwriting profit/risk/contingency loading

### Healthy Louisiana Populations

Effective February 1, 2016, the Healthy Louisiana program had two major programs:

1. Individuals who meet the eligibility criteria for the Healthy Louisiana PH program. For these members, the PH, SBH, and non-emergency medical transportation (NEMT) services are the responsibility of the MCO. This population includes those eligible starting July 1, 2016 through Louisiana's Medicaid Expansion.
2. Individuals who do not meet the eligibility criteria for the Healthy Louisiana PH program, yet remain eligible to receive SBH services through the Medicaid program. For this program, only the SBH and NEMT services are the responsibility of the MCO. This rating group is referred to as the Healthy Louisiana SBH program.

## PH Program

In general, the Healthy Louisiana PH program includes individuals classified as Supplemental Security Income (SSI), Family & Children (F&C), Foster Care Children (FCC), Breast and Cervical Cancer (BCC), Louisiana Children's Health Insurance Program (LaCHIP), LaCHIP Affordable Plan (LAP), and Medicaid Expansion as mandatory populations. Voluntary opt-in populations include Home- and Community-Based Services (HCBS) waiver participants and Chisholm Class Members (CCM).

Effective January 1, 2022, the State passed legislation to expand eligibility for the Act 421 Children's Medicaid Option (CMO) population. Those members without third-party liability (TPL) insurance, or with TPL insurance and not enrolled in Louisiana Health Insurance Premium Payment (LaHIPP), will receive all PH program services through Healthy Louisiana.

### Mandatory Populations

Please see Appendix C for details on which aid category and type case combinations are considered mandatory populations for the PH program.

### Voluntary Opt-in Populations

Individuals in a voluntary opt-in population group are not automatically enrolled into the Healthy Louisiana PH program, but they may choose to enroll at any time. They may also choose to disenroll at any time, effective the earliest possible month the action can be administratively handled. Moreover, a voluntary opt-in individual may reenroll during the annual, open enrollment period. Such members include the following:

- Individuals receiving services through any 1915(c) HCBS waiver:
  - Adult Day Health Care
  - New Opportunities waiver
  - Children's Choice
  - Residential Options waiver
  - Supports waiver
  - Community Choices waiver
  - Other HCBS waivers as may be approved by CMS
- Individuals under the age of 21 years otherwise eligible for Medicaid, who are listed on the Office for Citizens with Developmental Disabilities' Request for Services Registry, who are CCM

### Excluded Populations

Please see Appendix C for details on which aid category and type case combinations are considered excluded populations for the PH program.

## SBH Program

The Healthy Louisiana SBH program includes individuals classified as SBH Dual and SBH Other as mandatory populations. The voluntary opt-in populations that did not opt into Healthy Louisiana for PH services are automatically included in the SBH program. These populations are denoted as SBH HCBS waiver participants and SBH CCM.

Effective April 1, 2017, the LaHIPP program was reinstated. Members enrolled in the LaHIPP program will receive SBH and NEMT services only through Healthy Louisiana.

Effective January 1, 2022, the State passed legislation to expand eligibility for the Act 421 CMO population. Those members with TPL insurance and enrolled in LaHIPP will receive SBH and NEMT services only through Healthy Louisiana.

### Mandatory and Excluded Populations

Please see Appendix C for details on which aid category and type case combinations are considered mandatory and which are considered excluded populations for the SBH program.

## Rate Cell Structure

### PH Program

Mercer summarized the PH, SBH, and NEMT services data for the Healthy Louisiana PH program by rate cell. Historical claim costs vary by age and eligibility category, and separate rate cells were developed accordingly to reflect differences in risk. Twenty-one distinct rate cells were established based on Mercer's review of historical cost and utilization patterns in the available experience. In addition, a maternity kick payment will be paid to the MCOs for each qualifying delivery event that takes place.

**Table 1A**

| PH Rate Cell Groupings                  |                  |
|-----------------------------------------|------------------|
| <b>SSI</b>                              |                  |
| 0–2 Months                              | Child 1–20 Years |
| 3–11 Months                             | Adult 21+ Years  |
| <b>F&amp;C</b>                          |                  |
| 0–2 Months                              | Child 1–20 Years |
| 3–11 Months                             | Adult 21+ Years  |
| <b>HCBS Waiver</b>                      |                  |
| Child 1–20 Years                        | Adult 21+ Years  |
| <b>FCC: All Ages, Male &amp; Female</b> |                  |
| <b>BCC: BCC, All Ages</b>               |                  |
| <b>CCM: CCM, All Ages</b>               |                  |
| <b>LAP: LAP, All Ages</b>               |                  |
| <b>Act 421 Non-TPL</b>                  |                  |
| 0–2 Months                              | Child 1–18 Years |

| PH Rate Cell Groupings                             |                  |
|----------------------------------------------------|------------------|
| 3–11 Months                                        |                  |
| <b>Act 421 Non-LaHIPP TPL</b>                      |                  |
| 0–2 Months                                         | Child 1–18 Years |
| 3–11 Months                                        |                  |
| <b>Maternity Kick Payment</b>                      |                  |
| <b>Early Elective Delivery (EED) Kick Payment</b>  |                  |
| <b>Medicaid Expansion: Age 19–64</b>               |                  |
| <b>Medicaid Expansion – Maternity Kick Payment</b> |                  |
| <b>Medicaid Expansion – EED Kick Payment</b>       |                  |

## SBH Program

Mercer summarized the SBH and NEMT only service data for the Healthy Louisiana SBH program by rate cell. Historical SBH costs vary by age and eligibility category; separate rate cells were developed accordingly to reflect differences in risk. Although there are thirteen distinct rates cells, only six distinct capitation rates are developed for the SBH program based on Mercer’s review of historical cost and utilization patterns in the available experience. For the populations in which a Non-Expansion and Expansion rate cell exist, a single rate is developed for both rate cells.

SBH program-eligible individuals may qualify under more than one rate cell definition; therefore, the classification of logic is applied in a hierarchical manner in the order presented in Table 1B.

**Table 1B**

| SBH Rate Cell Groupings                      |                      |
|----------------------------------------------|----------------------|
| <b>SBH – Duals</b>                           |                      |
| Non-Expansion, SBH – Dual Eligible, All Ages | Expansion, Age 19–64 |
| <b>SBH – LaHIPP</b>                          |                      |
| Non-Expansion, LaHIPP, All Ages              | Expansion, Age 19–64 |
| <b>SBH – HCBS Waiver</b>                     |                      |
| Child 1–20 Years                             | Adult 21+ Years      |
| <b>SBH – CCM</b>                             |                      |
| Non-Expansion, CCM, All Ages                 | Expansion, Age 19–64 |
| <b>SBH – Other</b>                           |                      |
| Non-Expansion, SBH - All Ages                | Expansion, Age 19–64 |
| <b>Act 421 LaHIPP TPL</b>                    |                      |
| 0–2 Months                                   | Child 1–18 Years     |
| 3–11 Months                                  |                      |

# Healthy Louisiana Benefit Package

## Covered Services

Appendix D lists the services the Healthy Louisiana MCOs must provide to the members in the Healthy Louisiana PH and SBH programs, respectively. The MCOs also have the ability to develop creative and innovative solutions to care for their members (i.e., provide other cost-effective alternative services), as long as the contractually required Medicaid services are covered. Costs of alternative services are expected to be funded through savings on the contractually required services for which these services are a cost-effective substitute.

## New Services

Effective January 1, 2022, LDH began providing community health worker services to eligible members. The adjustment is discussed in the Prospective Rating Adjustment section of this report.

Effective January 1, 2022, LDH began providing mucopolysaccharidosis type I (MPS1) and glycogen storage disorder type II (Pompe) testing, in addition to the conditions already established for testing upon birth. The adjustment is discussed in the Prospective Rating Adjustment section of this report.

Effective at various dates throughout CY 2022, LDH is expanding behavioral health (BH) services to include additional mental health (MH) intervention and support services. The adjustment is discussed in the Prospective Rating Adjustment section of this report.

## Medicare Crossover Claims

For dually eligible individuals, Medicare “crossover” claims (claims that include primary payment from Medicare) for inpatient, outpatient, emergency department (ED), and professional services are excluded from the base data, as these services will be paid directly by the State after coordinating with Medicare.

To exclude crossover claims from the prepaid encounters, Mercer identified records in which the Medicare paid field (CLQ\_Medicare\_Amt) indicated an amount greater than zero dollars. Mercer removed all records fitting these criteria from our base data.

## Excluded Services

Healthy Louisiana MCOs are not responsible for providing PH services and other Medicaid services not identified in Appendix D, including the following services:

- Dental services, with the exception of Early and Periodic Screening & Diagnosis Treatment varnishes provided in a primary care setting
- Intermediate care facilities for the developmentally disabled services
- Personal care services for 21 years and older
- Institutional long-term care facility/nursing home services
- School-based individualized services

- Education plan services provided by a school district and billed through the intermediate school district, or school-based services funded with certified public expenditures, including school nurses
- HCBS waiver services
- Targeted case management services
- Services provided through LDH's Early-Steps program
- Coordinated System of Care (CSoC) services previously covered under 1915(c) or 1915(b)(3) waiver authority
- Medicare crossover services
- Services covered under a non-CSoC 1915(c) waiver

For more specific information on covered services, please refer to the Healthy Louisiana Behavioral Health Integration Amendment issued by LDH.

## Healthy Louisiana Services Eligible for Different Federal Medical Assistance Percentage

There are two groups of services for which LDH receives a different federal medical assistance percentage (FMAP) than the regular State FMAP:

- Family planning services
- A list of specified preventive services and adult vaccines established under the Affordable Care Act (ACA) Section 4106

Mercer analyzed the component of the rates associated with each group of services so that LDH may claim the enhanced FMAP on these services. Specific details on codes used to identify the family planning and preventive services can be found in a separate memorandum which contains the percentages of the per-member per-month (PMPM) eligible for the enhanced match rate.

## Region Groupings

For rating purposes, Louisiana is split into four distinct regions. Table 2 lists the associated parishes for each of the four regions. The region groupings are the same in both the PH and SBH programs.

**Table 2**

| Region Description | Associated Parishes (Counties)                                                                                                                                                                                                                                  |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Gulf               | Assumption, Jefferson (East Bank), Jefferson (West Bank), Lafourche, New Orleans (Algiers), New Orleans (Downtown), New Orleans (Gentilly), New Orleans (Uptown), Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John, St. Mary, and Terrebonne |

| Region Description | Associated Parishes (Counties)                                                                                                                                                                                                          |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Capital            | Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, St. Tammany, Tangipahoa, Washington, West Baton Rouge, and West Feliciana                                                                |
| South Central      | Acadia, Alexandria, Allen, Avoyelles, Beauregard, Calcasieu, Cameron, Catahoula, Concordia, Evangeline, Grant, Iberia, Jefferson Davis, Lafayette, La Salle, Rapides, St. Landry, St. Martin, Vermilion, Vernon, and Winn               |
| North              | Bienville, Bossier, Caddo, Caldwell, Claiborne, DeSoto, East Carroll, Franklin, Jackson, Lincoln, Madison, Monroe, Morehouse, Natchitoches, Ouachita, Red River, Richland, Sabine, Shreveport, Tensas, Union, Webster, and West Carroll |

## Section 2

# Base Data Development

### Overview

For rate development for the Healthy Louisiana program, Mercer used CY 2019 data from the following sources:

- Louisiana Medicaid eligibility and enrollment data
- Encounter data reported from the State's Healthy Louisiana Prepaid program

All data was reported on an incurred basis and included payment dates through December 2020. Restrictions were applied to the enrollment and claims data so that it was appropriate for the populations and benefit package defined in the contract. This included consideration for retroactive eligibility periods for which the MCOs were responsible.

### Incurred But Not Reported

Capitation rates were developed using claims data for services incurred in CY 2019 and reflect payments processed through December 2020. Mercer developed IBNR factors for CY 2019 encounter data to reflect considerations for any unpaid claims liability. This adjustment resulted in an overall aggregate increase of 0.32%.

### Non-Claims and Financial Reporting Adjustments

Non-claims and financial reporting adjustments were developed by comparing encounter data from the Medicaid Management Information System (MMIS) to financial information provided by the MCOs. This adjustment was calculated and applied on an MCO-specific basis. Table 3 summarizes the overall aggregate increases applied to CY 2019 expenses. A factor less than 1.0 indicates the encounter experience was higher than comparable financial information.

Table 3

| Non-Claims and Financial Reporting Adjustment |                          |                           |           |
|-----------------------------------------------|--------------------------|---------------------------|-----------|
| Category of Service                           | Non-Expansion PH Program | Non-Expansion SBH Program | Expansion |
| Prescribed Drugs                              | 0.9796                   |                           | 1.0215    |
| Transportation and SBH                        | 0.9598                   | 0.9803                    | 1.0885    |
| All Other                                     | 1.0516                   |                           | 1.0898    |

### Third-Party Liabilities

All claims are reported net of TPL; therefore, no adjustment is required.

## Fraud and Abuse Recoveries

Healthy Louisiana MCOs included fraud and abuse recoveries in their financial reports. These recoveries were included in the development of the non-claims and financial reporting adjustment. Therefore, no further adjustment was needed for CY 2019.

## Member Cost Sharing

Member cost sharing for Healthy Louisiana members is limited to co-payments for prescription drugs. Pharmacy claims are reported net of any co-payments, so no additional adjustment is necessary. Effective January 1, 2020, LDH implemented a policy to limit cost sharing. The adjustment is discussed in the Base Data Adjustment section of this report.

## Disproportionate Share Hospital Payments

Disproportionate share hospital payments are made outside of the MMIS and have not been included in the capitation rates.

## Graduate Medical Education Payments

Capitation payments are developed net of graduate medical education (GME) payments and are not included in the base data.

## Data Smoothing

In forming the base data, Mercer used CY 2019 base data by region and rate cell. The data was reviewed to ensure sufficient credibility of all rate cells to develop actuarially sound capitation rates.

In some instances, Mercer determined certain rate cells were not sufficiently credible at the regional level. For the rate cells identified below, Mercer calculated a single statewide capitation rate:

- SSI, 0–2 Months
- SSI, 3–11 Months
- BCC, All Ages
- LAP, All Ages
- HCBS, Child 1–20 Years
- HCBS, Adult 21+ Years
- CCM, All Ages
- SBH – CCM, All Ages
- SBH – HCBS, Child 1–20 Years
- SBH – HCBS, Adult 21+ Years
- SBH – Other, All Ages

## Section 3

# Base Rating Adjustments

Base rating adjustments recognize the impact of benefit or eligibility changes to services reflected in the base data period. CMS requires the rate-setting methodology used to determine actuarially sound rates to incorporate the results of any program changes that have taken place, or are anticipated to take place, between the start of the base data period and the conclusion of the contract period.

Program changes that occurred during the base data period are referred to as base rating adjustments.

## Early Elective Deliveries

Beginning February 2015, facility and delivering physician costs for EEDs will not be covered under the Healthy Louisiana program. MCOs receive an EED kick payment for deliveries that occur prior to 39 weeks for reasons that are not medically indicated in the Louisiana Electronic Event Registration System (LEERS) maintained by the Office of Public Health/Vital Records. Deliveries that occur prior to 39 weeks for reasons that are medically indicated in LEERS will receive the maternity kick payment. Mercer identified the average facility and delivering physician costs embedded in the maternity kick payment by region and excluded those costs to arrive at the EED kick payment. The EED kick payment is calculated by applying the EED adjustment to the regular maternity kick payment, as it reflects only the prenatal and postpartum portion of the kick payment. For RY23, the EED adjustment is equivalent to 39.8% and 46.1% for the Non-Expansion and Expansion maternity kick payments, respectively.

## Urine Drug Testing

Effective July 1, 2019, presumptive drug testing was limited to 24 total tests per member, per calendar year. Effective January 1, 2021, definitive drug testing was limited to 12 total tests per member, per calendar year; current procedure terminology codes 80320 and 80377 for individual substance(s) or metabolites will no longer be covered; providers are required to use Healthcare Common Procedure Coding System (HCPCS) codes G0480, G0481 or their successors. The impact of this adjustment is shown in Table 4.

**Table 4**

| Urine Drug Adjustment |                 |                  |                           |
|-----------------------|-----------------|------------------|---------------------------|
| Category of Aid (COA) | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| SSI                   | \$2,452,909     | -\$ 967,343      | -0.07%                    |
| F&C                   | \$3,388,590     | -\$1,665,914     | -0.10%                    |
| FCC                   | \$ 194,685      | -\$ 93,038       | -0.17%                    |
| BCC                   | \$ 3,327        | -\$ 1,638        | -0.02%                    |
| LAP                   | \$ 2,679        | -\$ 1,202        | -0.03%                    |
| HCBS                  | \$ 22,516       | -\$ 8,339        | -0.02%                    |

| Urine Drug Adjustment |                 |                  |                           |
|-----------------------|-----------------|------------------|---------------------------|
| Category of Aid (COA) | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| CCM                   | \$ 17,526       | -\$ 7,591        | -0.02%                    |
| Medicaid Expansion    | \$8,999,630     | -\$4,395,499     | -0.21%                    |

## Local Pharmacy Adjustment

Effective May 1, 2019, LDH changed its reimbursement for pharmacies for fee-for-service (FFS) prescriptions. The ingredient cost portion of the reimbursement shifts from local average acquisition cost (AAC) to national average drug acquisition cost (NADAC). The dispensing fee portion of the reimbursement also increases from \$10.41 per prescription to \$10.99 per prescription.

These changes in FFS pharmacy reimbursement affect the Healthy Louisiana program because the MCOs are required to reimburse local pharmacies, at minimum, at the FFS level. Per §460.36 of Louisiana's register, local pharmacies are defined as satisfying the two following conditions:

1. Contracts with the MCO or the MCO's contractor in its own name or through a pharmacy services administration organization and not under the authority of a group purchasing organization
2. Has fewer than 10 retail outlets under its corporate umbrella

Mercer reviewed an analysis by Myers and Stauffer in which it estimated the difference between the local AAC and NADAC ingredient costs. Myers and Stauffer performed the pricing analysis on local pharmacy encounter experience incurred on dates of service from May 11, 2017 through May 10, 2018. The results of this analysis, in conjunction with the historical utilization of local pharmacies in the Healthy Louisiana program, were used to estimate the impact of the local pharmacy pricing changes on projected pharmacy costs. Table 5 summarizes the updated impact of local pharmacy pricing changes on projected pharmacy costs on each rate cell.

**Table 5**

| Local Pharmacy Adjustment |                 |                  |                           |
|---------------------------|-----------------|------------------|---------------------------|
| COA                       | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| SSI                       | \$159,051,635   | \$705,489        | 0.05%                     |
| F&C                       | \$110,089,878   | \$541,345        | 0.03%                     |
| FCC                       | \$ 3,928,736    | \$ 18,935        | 0.03%                     |
| BCC                       | \$ 261,958      | \$ 1,069         | 0.01%                     |
| LAP                       | \$ 340,336      | \$ 1,762         | 0.04%                     |
| HCBS                      | \$ 4,367,271    | \$ 18,139        | 0.04%                     |
| CCM                       | \$ 1,552,299    | \$ 7,339         | 0.02%                     |
| Medicaid Expansion        | \$174,848,222   | \$776,520        | 0.04%                     |

## Single Preferred Drug List

Effective May 1, 2019, LDH implemented a single preferred drug list (PDL) for selected therapeutic classes. LDH selected the therapeutic classes and drugs included, with LDH and the MCO pharmacy directors establishing the prior authorization criteria applicable to the drugs included in the single PDL. MCOs are required to follow the single PDL and only list as preferred those products preferred by LDH. For branded products listed as preferred over available generics, the MCOs are to consider the generic form non-preferred and not require the prescriber to indicate in writing that the branded product is medically necessary.

To estimate the impact of the single PDL on pharmacy costs, Mercer's actuaries and pharmacists reviewed the historical utilization of drugs in the affected classes and developed assumptions regarding the expected changes in utilization from non-preferred to preferred agents which were reviewed by LDH pharmacists. The estimated impact of the single PDL program change on projected pharmacy costs on each rate cell is summarized in Table 6.

**Table 6**

| Single Preferred Drug List |                 |                  |                           |
|----------------------------|-----------------|------------------|---------------------------|
| COA                        | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| SSI                        | \$457,378,483   | \$ 6,083,134     | 0.45%                     |
| F&C                        | \$331,135,442   | \$14,305,051     | 0.88%                     |
| FCC                        | \$ 9,702,091    | \$ 774,227       | 1.38%                     |
| BCC                        | \$ 2,546,244    | (\$ 29,791)      | -0.34%                    |
| LAP                        | \$ 1,201,319    | \$ 26,309        | 0.65%                     |
| HCBS                       | \$ 13,471,561   | \$ 332,748       | 0.79%                     |
| CCM                        | \$ 6,997,969    | \$ 425,476       | 0.99%                     |
| Medicaid Expansion         | \$679,943,018   | \$ 5,235,561     | 0.25%                     |

## Pharmacy Rebates

As part of the implementation of the single PDL, the MCOs are prohibited from entering into rebate agreements with manufacturers of pharmacy drugs. Any existing drug rebate agreements were discontinued by May 1, 2019. The MCOs are still allowed to collect rebates on non-drug items, such as diabetic testing supplies, since implementation of the single PDL.

To determine an appropriate pharmacy rebate adjustment, Mercer analyzed historical utilization patterns, as reported in the encounter data, by rate cell and therapeutic class. The historical experience was projected to the rating period, and rebate adjustments were developed by rate cell. The resulting pharmacy rebate adjustments are shown in Table 7.

**Table 7**

| Pharmacy Rebates |                 |                  |                           |
|------------------|-----------------|------------------|---------------------------|
| COA              | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| SSI              | \$457,378,483   | -\$1,829,514     | -0.13%                    |
| F&C              | \$331,135,442   | -\$1,324,542     | -0.08%                    |

| Pharmacy Rebates   |                 |                  |                           |
|--------------------|-----------------|------------------|---------------------------|
| COA                | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| FCC                | \$ 9,702,091    | -\$ 29,106       | -0.05%                    |
| BCC                | \$ 2,546,244    | -\$ 10,185       | -0.12%                    |
| LAP                | \$ 1,201,319    | -\$ 7,208        | -0.18%                    |
| HCBS               | \$ 13,471,561   | -\$ 53,886       | -0.13%                    |
| CCM                | \$ 6,997,969    | -\$ 6,998        | -0.02%                    |
| Medicaid Expansion | \$679,943,018   | -\$2,719,772     | -0.13%                    |

## Severe Combined Immunodeficiency Screening

Effective November 1, 2019, severe combined immunodeficiency (SCID) screening became an added benefit to newborns in the Healthy Louisiana Program. This is a blood test that can identify SCID, as well as other serious immune deficiencies in newborns early enough to allow for less expensive and more effective treatment. The impact of the SCID adjustment on the maternity kick payment is summarized in Table 8.

**Table 8**

| SCID Screening Adjustment                   |                 |                  |                           |
|---------------------------------------------|-----------------|------------------|---------------------------|
| COA                                         | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| Maternity Kick Payment                      | \$171,207,993   | \$214,673        | 0.13%                     |
| Medicaid Expansion — Maternity Kick Payment | \$ 97,505,496   | \$108,236        | 0.11%                     |

## Pharmacy Co-Payment Limit Adjustment

Effective January 1, 2020, LDH implemented a policy to limit cost sharing that members of a Medicaid household may incur each month to 5.0% of the family income. To estimate the impact of this program change, Mercer used information provided by LDH summarizing the total amount of co-payments it expected to shift from the Medicaid recipient's responsibility to the MCO's responsibility. The underlying analysis was performed on CY 2019 encounters at the family (i.e., household) level. Mercer used the relevant household IDs provided by LDH and the co-payments associated with them in the data for the corresponding time period to estimate the impact of this policy change. The impact of this limit is shown in Table 9.

**Table 9**

| Pharmacy Co-Payment Limit Adjustment |                 |                  |                           |
|--------------------------------------|-----------------|------------------|---------------------------|
| COA                                  | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| SSI                                  | \$ 3,692,824    | \$414,604        | 0.03%                     |
| F&C                                  | \$ 6,743,814    | \$107,007        | 0.01%                     |
| FCC                                  | \$ 17,694       | \$ 189           | 0.00%                     |
| BCC                                  | \$ 88,295       | \$ 588           | 0.01%                     |

| Pharmacy Co-Payment Limit Adjustment |                 |                  |                           |
|--------------------------------------|-----------------|------------------|---------------------------|
| COA                                  | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| LAP                                  | \$ 0            | \$ 0             | 0.00%                     |
| HCBS                                 | \$ 170,811      | \$ 4,606         | 0.01%                     |
| CCM                                  | \$ 0            | \$ 0             | 0.00%                     |
| Medicaid Expansion                   | \$75,606,498    | \$531,130        | 0.02%                     |

## Diabetic Testing

Effective January 1, 2021, LDH limited the number of glucose test strips and lancets for diabetics. For non-gestational diabetes without insulin therapy, the limit will be 100 lancets or 100 test strips in a 90-day rolling period. For non-gestational diabetes with insulin therapy and gestational diabetes, the limit will be 200 test strips or 200 lancets in a 30-day rolling period. The impact of this limit is shown in Table 10.

**Table 10**

| Diabetic Testing Adjustment |                 |                  |                           |
|-----------------------------|-----------------|------------------|---------------------------|
| COA                         | Historical Cost | Total Adjustment | % Impact of Base Expenses |
| SSI                         | \$3,136,121     | -\$519,767       | -0.04%                    |
| F&C                         | \$1,752,123     | -\$636,568       | -0.04%                    |
| FCC                         | \$ 35,428       | -\$ 18,675       | -0.03%                    |
| BCC                         | \$ 17,136       | -\$ 972          | -0.01%                    |
| LAP                         | \$ 15,284       | -\$ 13,325       | -0.33%                    |
| HCBS                        | \$ 85,383       | -\$ 17,421       | -0.04%                    |
| CCM                         | \$ 12,629       | -\$ 5,655        | -0.01%                    |
| Medicaid Expansion          | \$4,362,393     | -\$487,989       | -0.02%                    |

## HCBS Fee Schedule Change

Effective July 1, 2019, LDH released an updated HCBS fee schedule, which can be located on LDH's website. The total impact of the fee schedule changes is summarized in Table 11.

**Table 11**

| HCBS Fee Schedule Change |                 |                            |                           |
|--------------------------|-----------------|----------------------------|---------------------------|
| Time Period              | Historical Cost | Fee Schedule Change Impact | % Impact of Base Expenses |
| CY 2019                  | \$4,181,839     | \$2,872,429                | 0.05%                     |

## In Lieu of Services

The costs in the base data reflect costs for State Plan services delivered in a managed care environment. In some cases, for the adult population, the MCOs provided an approved service in lieu of a State Plan service. The utilization and unit costs of the in lieu of services

were taken into account in developing the projected benefit costs of the covered services (as opposed to utilization and unit costs of the State Plan services or settings) with the exception of the inpatient psychiatric Institutions for Mental Disease (IMD) stays for which utilization was repriced at the cost of the same services through providers included under the State Plan. Additional detail regarding the repricing of the inpatient psychiatric IMD stays is described in more detail in the section below. Please see Appendix F for a summary of these costs and the percentage of cost the in lieu of services represent in each category of service.

## Institutions for Mental Disease

On May 6, 2016, CMS published the Medicaid and CHIP Program's Final Rule. Provision §438.6(e) states the following, "... the State may make a monthly capitation payment to an MCO or PIHP for adults receiving inpatient treatment in an IMD, so long as the facility is a hospital providing psychiatric or substance use disorder inpatient care or a sub-acute facility providing psychiatric or substance use disorder (SUD) crisis residential services, and length of stay in the IMD is for a short-term stay of no more than 15 days during the period of the monthly capitation payment". This requirement was effective as of July 6, 2016.

No adjustments were made in rate development to IMD SUD services, as they were approved as covered services via Louisiana's 1115 waiver, effective February 1, 2018.

For inpatient psychiatric IMD stays, Mercer received a list of IMD facilities from LDH that existed during the CY 2019 base data period. Using this list of IMD facilities, Mercer identified all individuals within the base data who had an overnight stay in an IMD and sorted them into short stays (15 cumulative days or less in a given month) versus long stays (16 or more cumulative days in a given month). Table 12 shows user month counts and costs within the base associated with IMD users for CY 2019.

To the extent there were IMDs in the base period that were not included on the IMD facilities list used by Mercer for this analysis and/or there were overnight IMD stays paid for an entity other than Medicaid, the methodology described in this section would not have been able to identify them. If new or better data becomes available, it may be necessary to refine the IMD adjustments described below accordingly.

For inpatient psychiatric IMD long stays, adjustment factors were developed by region, rate cell, and year to remove all costs and user months incurred during the IMD long stay. This includes the member months (MMs) and costs for the IMD itself, as well as non-IMD services incurred during the days in which the individual was in the IMD during the month of the IMD long stay. The adjustment percentages result in a reduction of 0.13% to the aggregate Non-Expansion base data and a reduction of 0.15% to the Expansion base data.

Another component of §438.6(e) requires that States "... must price utilization at the cost of the same services through providers included under the State Plan". Mercer evaluated the average cost per diem of IMD stays and compared this to the average cost per diem of inpatient psychiatric stays in non-IMD hospitals. Repricing the short stay inpatient psychiatric IMD utilization at the non-IMD per diem resulted in an increase to SBH inpatient services of 3.7% in CY 2019.

**Table 12A**

| IMD Inpatient (IP) Psychiatric Short Stays |             |                                 |                     |                      |                     |              |                     |
|--------------------------------------------|-------------|---------------------------------|---------------------|----------------------|---------------------|--------------|---------------------|
| Time Period                                | User Months | IP Psych Overnight Stay Service |                     | Non-IP Psych Service |                     | All Services |                     |
|                                            |             | Cost                            | Cost per User Month | Cost                 | Cost per User Month | Cost         | Cost per User Month |
| CY 2019                                    | 23,978      | \$80,966,609                    | \$3,376.70          | \$16,926,285         | \$705.91            | \$97,892,894 | \$4,082.61          |

**Table 12B**

| IMD IP Psychiatric Long Stays |             |                                 |                     |                      |                     |              |                     |
|-------------------------------|-------------|---------------------------------|---------------------|----------------------|---------------------|--------------|---------------------|
| Time Period                   | User Months | IP Psych Overnight Stay Service |                     | Non-IP Psych Service |                     | All Services |                     |
|                               |             | Cost                            | Cost per User Month | Cost                 | Cost per User Month | Cost         | Cost per User Month |
| CY 2019                       | 762         | \$6,701,739                     | \$8,794.93          | \$1,106,007          | \$1,451.45          | \$7,807,746  | \$10,246.39         |

## Efficiency Adjustments

Mercer distinguishes efficiency adjustments (which are applied to managed care enrolled populations) from managed care savings adjustments (which are applied to previously unmanaged populations). Efficiency adjustments are intended to reflect improved efficiency in the hospital inpatient, ED, and pharmacy settings, and are consistent with LDH's goal that the Healthy Louisiana program be operated in an efficient, high-quality manner.

## Clinical Efficiency Adjustments — Potentially Preventable Admissions

Illness prevention is an important medical care element for all health care providers. LDH expects the MCOs to help their members stay healthy by preventing diseases or preventing complications of existing diseases. Since hospital admission expenses represent a significant portion of all medical expenditures, Mercer performed a retrospective data analysis of the MCOs' CY 2019 encounter data using indicators developed by the Agency for Healthcare Research and Quality (AHRQ). These conditions are collectively referred to as Prevention Quality Indicators (PQI) and Pediatric Quality Indicators (PDI). Mercer used 10 adult and four pediatric PQIs as part of the analysis. Evidence suggests hospital admissions for these conditions could have been avoided through high-quality outpatient care, and/or the conditions could have been less severe if treated early and appropriately. AHRQ's technical specifications provide specific criteria that define each PQI and PDI that Mercer used in the analysis of the MCOs' inpatient hospital encounter data. Although AHRQ acknowledges there are factors outside the direct control of the health care system that can result in a hospitalization (e.g., environmental, patient compliance), it does recognize these analyses can be used to benchmark health care system efficiency between facilities and across geographies.

Although the AHRQ technical specifications include exclusionary criteria specific to each PQI and PDI, Mercer also applied clinically based global exclusion criteria, which removes a member's inpatient admissions from all inpatient efficiency analyses. The global exclusion criteria were used to identify certain conditions and situations (e.g., indications of trauma, burns, HIV/AIDS) that may require more complex treatment for members. Based on a review of inpatient encounter data, any member identified as having indications of any of the qualifying criteria resulted in all of that member's admissions being removed from the analyses.

Additionally, even though the AHRQ technical specifications do not explicitly mention enrollment duration, Mercer considered enrollment duration as one of the contributing factors to review what would be associated with the applicability of a PQI-/PDI-based adjustment. Enrollment duration was used as a proxy for issues such as patient compliance, health plan outreach and education, time to intervene, and other related concepts. A variable-month enrollment duration ranging from two to 12 months, depending on PQI or PDI condition, was applied to the RY23 rates. This assumption meant an individual had to be enrolled with the same plan for a minimum number of consecutive months prior to that individual's PQI or PDI hospital admission to be considered subject to the adjustment. Only the dollars associated with the PQI and PDI hospital admissions that met these enrollment duration criteria were included in the base data adjustment. Recipient eligibility data supplied by the State provided the information to make this duration test assessment.

## Clinical Efficiency Adjustments — Low Acuity, Non-Emergent

Mercer performed a retrospective analysis of the MCOs' CY 2019 ED encounter data to identify ED visits that were considered preventable/pre-emptible. For the RY23 rate development, Mercer analyzed preventable/pre-emptible low acuity, non-emergent (LANE) visits. This analysis was not intended to imply members should be denied access to EDs or that the MCOs should deny payment for the ED visits. Instead, the analysis was designed to reflect the State's objective that more effective, efficient, and innovative managed care could have prevented or preempted the need for some members to initially seek care in the ED setting.

The criteria used to define LANE ED visits was based on publicly available studies, input from Mercer's clinical staff, as well as review by practicing ED and primary care physicians. ICD-10 group diagnosis code information was the basis for identifying an ED visit. A limited set of group codes were agreed upon by all physicians involved in developing the methodology for the analysis. Preventable percentages ranging from 0.0% to 95.0% were assigned to each diagnosis code to account for external factors that can influence and impact variation in ED use. Using procedure code information, the ED visits were evaluated from low-complexity clinical decision making to high-complexity clinical decision making. In addition, LANE ED visits that resulted in an inpatient admission or observation stay (observation revenue code 0762) were excluded. No adjustment was made for any possible up-coding by providers.

For RY23, Mercer excluded low unit-cost visits from the LANE analysis to account for improvements in the MCOs' use of triage fees and/or more appropriate health services management. A hierarchical process was used for the remaining LANE visits to identify those that could have been prevented or preempted. Beginning with the lowest acuity visits, data was accumulated until the percentage of preventable/pre-emptible visits was achieved for each respective diagnosis code. Regardless of the targeted percentage, no LANE ED

visits/dollars associated with the most complex clinical decision-making procedure codes (99284–99285) were included in the final adjustment. In addition, a replacement cost amount (average cost physician visit and, if applicable, average laboratory and radiology costs) was made for the majority of LANE visits deemed preventable/pre-emptible.

## **Pharmacy Efficiency Adjustments — Appropriate Diagnosis for Selected Drug Classes (DxRx)**

The DxRx efficiency adjustment is used to ensure appropriate utilization of selected drug classes in MCO CY 2019 pharmacy encounter data, based on supporting diagnosis information in the recipient's medical history. The selected drug classes were identified based on high cost, safety concerns, and/or high potential for abuse or misuse. Diagnosis information from 30 months (24 months prior to date of service and six months after date of service) of medical, professional, pharmacy, and inpatient data was reviewed for each recipient. Appropriate drug/diagnosis pairs are reviewed annually by Mercer's team of clinicians and include consideration for:

- Food and Drug Administration approved indications (both drug specific and by drug class)
- Clinically accepted, off-label utilization as identified by published literature and clinical/professional expertise
- Industry standard practices

In consideration of provider enrollment issues that may impact the ability of the DxRx algorithm to identify opiate dependence diagnoses, the Opiate Dependence category was not used in developing the DxRx efficiency adjustment.

## **Pharmacy Efficiency Adjustments — Retrospective Pharmacy Claims Analysis**

The clinical edits efficiency adjustment used a retrospective analysis of CY 2019 pharmacy encounter data to identify inappropriate prescribing and/or dispensing patterns using a customized series of pharmacy utilization management edits based on clinical best practice.

Edits were developed by Mercer's pharmacists based on:

- Published literature
- Industry standard practices
- Clinical appropriateness review
- Professional expertise
- Information gathered during the review of several Medicaid FFS and managed care pharmacy programs across the country

Mercer and LDH staff discussed the approach of this analysis for each custom pharmacy edit. Although the criteria associated with each edit is clinically sound, it is expected that situations exist in which clinical or operational rationale support the payment of a claim that did not meet the initial criteria, resulting in an adjustment factor that varied by edit. Such rationale includes, but is not limited to, clinical practice guidelines, eligibility data issues,

off-label prescribing practices, medication titration issues, individual patient response to therapy, and professional judgment.

Finally, the adjustment value for this analysis took into consideration the probability that a certain percentage of the pharmacy claims that met the edit criteria could have been modified and appropriately prescribed in another manner (e.g., prescribed as a different medication or as a different dosage strength). Mercer considered these cost offsets, which were directly applied to decrease the final adjustment value.

## Pharmacy Efficiency Adjustments — HCPCS Benchmark Adjustment

The HCPCS efficiency is an analysis to identify potentially avoidable costs due to reimbursement inefficiencies for physician-administered medications and the corresponding drug-related HCPCS codes. Mercer reviewed the MCO CY 2019 professional encounter data for all HCPCS codes. Mercer excluded the following claims: those with zero paid amounts or negative paid amounts, those with zero units, those for which a third party contributed any portion of the claim payment, and 340B claims. Blood factor products, vaccines, and other non-drug items were also excluded from the analysis.

To identify the potentially avoidable costs, Mercer compared the MCO per unit reimbursement rate to an industry benchmark. For the industry benchmark, Mercer used the Medicare Part B per unit reimbursement rate (CMS average sales price + 6.0%) for the same time period. Prior to calculating the avoidable dollars, Mercer adjusted for outlier claims for which MCO unit prices were not consistent with the benchmark unit price or other MCO unit prices for a given HCPCS code.

To calculate avoidable costs for each HCPCS code, Mercer multiplied the units dispensed by the benchmark unit price and compared the benchmark total paid amount to the MCO total paid amount. The benchmark paid amount was then subtracted from the actual paid amount to come up with the avoidable cost for each HCPCS code. For claims in which the MCO unit price was less than the benchmark, the difference was counted against the benchmark savings (i.e., negative avoidable cost value).

## Aggregate Efficiency Adjustments

The overall impact of the inpatient, ED, and pharmacy efficiency adjustments was a decrease of \$5.12 PMPM to the PH program.

**Table 13**

| COA  | Efficiency Adjustments % Impact of Base Expenses |
|------|--------------------------------------------------|
| SSI  | -2.28%                                           |
| F&C  | -1.15%                                           |
| FCC  | -0.52%                                           |
| BCC  | -0.16%                                           |
| LAP  | -0.60%                                           |
| HCBS | -1.49%                                           |
| CCM  | -0.78%                                           |

| COA                                         | Efficiency Adjustments % Impact of Base Expenses |
|---------------------------------------------|--------------------------------------------------|
| SBH – CCM                                   | 0.00%                                            |
| SBH – Duals                                 | 0.00%                                            |
| SBH – LaHIPP                                | 0.00%                                            |
| SBH – HCBS                                  | 0.00%                                            |
| SBH – Other                                 | 0.00%                                            |
| Maternity Kick Payment                      | -0.03%                                           |
| Medicaid Expansion                          | -1.61%                                           |
| Medicaid Expansion – Maternity Kick Payment | -0.05%                                           |

## Section 4

# Prospective Rating Adjustments

Prospective rating adjustments recognize the impact of new benefits or other changes not reflected or not fully reflected in the base period. CMS requires that the rate-setting methodology used to determine actuarially sound rates incorporate the results of any program changes that have taken place, or are anticipated to take place, between the start of the base data period and the conclusion of the contract period.

## Fee Schedule Changes

The capitation rates reflect changes in covered services' fee schedules and unit costs between the base period and the contract period.

Beginning in July 2015, LDH implemented a series of program changes to ensure consistent pricing in the Medicaid program for hospital-based physician services and ambulance services. This change required the use of full Medicaid pricing (FMP) in the calculation of PMPM payments to MCOs. LDH expects this rate increase will lead to increased payments to those providers contracting with the MCOs to maintain and increase access to hospital based physician and ambulance services to the enrolled Medicaid populations. Mercer and LDH reviewed the aggregate funding levels for these services between the base period and the contract period and determined that an addition to the historical data was necessary to ensure the capitation rate ranges reflect adequate statewide pricing levels. Separate adjustments were made for both services to capture the full impact of statewide funding.

For the non-FMP fee schedule changes discussed in this section, the fee schedule changes are expected to impact MCO costs, as MCOs usually contract with providers at rates that are proportional to the Medicaid fee schedule for these services. Please note that for Tables 14A through 14H, the adjusted cost represents the sum of the applicable historical cost and the fee schedule adjustment for each respective category. For Table 14I, the adjusted base represents the sum of the total Healthy Louisiana base experience and the aggregated fee schedule adjustments from Tables 14A through 14H.

## Inpatient Services

Inpatient claims were adjusted to reflect changes in the fee schedule between the base period and the contract period using the fee schedule effective July 1, 2021. The non-GME portion of the per diems were used in this fee adjustment process to be consistent with LDH's intention to continue paying GME amounts directly to the teaching hospitals. The total impact of the inpatient fee schedule changes is summarized in Table 14A.

**Table 14A**

| Inpatient Fee Schedule Change |                 |                            |                             |            |                           |
|-------------------------------|-----------------|----------------------------|-----------------------------|------------|---------------------------|
| Time Period                   | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact | % Impact of Adjusted Cost |
| CY 2019                       | \$1,127,743,020 | \$106,474,712              | 9.44%                       | N/A        | N/A                       |

## Outpatient Services

Outpatient claims as of this certification date reflect the most recent CCRs available. The CCRs were reported according to each hospital's fiscal year, which varied by hospital from December 31, 2018 to September 30, 2020. The adjustment also included estimation of cost settlements and reflected the most up-to-date cost settlement percentages for each facility.

Effective January 1, 2021, House Concurrent Resolution 2 adjusted reimbursement rates for surgery/operation services for all hospitals, except rural hospitals and Our Lady of the Lake. The rates for the affected facilities increased by 3.2%. Cost settlement percentages remain unchanged from those effective January 1, 2020. Rural facilities are cost settled at 110.0%. The total impact of the outpatient fee schedule changes is summarized in Table 14B.

**Table 14B**

| Outpatient Fee Schedule Change |                 |                            |                             |            |                           |
|--------------------------------|-----------------|----------------------------|-----------------------------|------------|---------------------------|
| Time Period                    | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact | % Impact of Adjusted Cost |
| CY 2019                        | \$1,043,528,757 | \$103,994,626              | 9.97%                       | N/A        | N/A                       |

## Physician-Administered Drug Fee Schedule Change

Effective January 1, 2020, LDH made changes to the physician-administered drug (PAD) reimbursement rates. The new rates will be posted on LDH's fee schedule website.<sup>2</sup> Mercer identified the affected services and estimated the impact of the fee schedule changes to develop adjustments to the capitation rates. The total impact of the PAD fee schedule changes is summarized in Table 14C.

**Table 14C**

| PAD Fee Schedule Change |                 |                            |                             |            |                           |
|-------------------------|-----------------|----------------------------|-----------------------------|------------|---------------------------|
| Time Period             | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact | % Impact of Adjusted Cost |
| CY 2019                 | \$8,172,009     | \$241,061                  | 2.95%                       | N/A        | N/A                       |

## Federally Qualified Health Center and Rural Health Clinic Fee Schedule Change

Federally qualified health center (FQHC) and rural health clinic (RHC) claims were adjusted to reflect changes in the fee schedule between the base period and the contract period, using the fee schedule effective July 1, 2021, which can be located on LDH's website. The total impact of the fee schedule changes is summarized in Table 14D.

<sup>2</sup> [https://www.lamedicaid.com/provweb1/fee\\_schedules/ProServLabXRavRadASC\\_Fee.htm](https://www.lamedicaid.com/provweb1/fee_schedules/ProServLabXRavRadASC_Fee.htm)

**Table 14D**

| FQHC and RHC Fee Schedule Change |                 |                            |                             |            |                           |
|----------------------------------|-----------------|----------------------------|-----------------------------|------------|---------------------------|
| Time Period                      | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact | % Impact of Adjusted Cost |
| CY 2019                          | \$204,121,896   | \$12,877,339               | 6.31%                       | N/A        | N/A                       |

## Hospice Fee Schedule Change

Effective October 1, 2021, LDH released a new fee schedule for the Hospice Program, which can be located on LDH's website.<sup>3</sup> The total impact of the fee schedule changes is summarized in Table 14E.

**Table 14E**

| Hospice Fee Schedule Change |                 |                            |                             |            |                           |
|-----------------------------|-----------------|----------------------------|-----------------------------|------------|---------------------------|
| Time Period                 | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact | % Impact of Adjusted Cost |
| CY 2019                     | \$7,907,760     | \$464,309                  | 5.87%                       | N/A        | N/A                       |

## Louisiana State University Physician Fee Schedule Change

Effective January 1, 2022, LDH released a new fee schedule for Louisiana State University (LSU) Enhanced Professional Services, which can be located on LDH's website.<sup>4</sup> The total impact of the fee schedule changes is summarized in Table 14F.

**Table 14F**

| LSU Physician Fee Schedule Change |                 |                            |                             |            |                           |
|-----------------------------------|-----------------|----------------------------|-----------------------------|------------|---------------------------|
| Time Period                       | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact | % Impact of Adjusted Cost |
| CY 2019                           | \$84,887,618    | \$47,975,134               | 56.52%                      | N/A        | N/A                       |

## Hospital-Based Physician Services

Mercer calculated the FMP payments for hospital-based physician services provided at participating facilities by participating physicians according to the State Plan methodology. This methodology is designed to bring the payments for the physician services up to the community rate level. The community rate is defined as the rate paid by commercial payers for the same service. For state-owned or operated entities and for non-state owned or operated entities, Mercer calculated the FMP payments according to the State Plan using the units of service from the base data, the most currently available Medicare fees, and the Medicare-to-commercial conversion factors provided by LDH. The conversion factors are

<sup>3</sup> [https://www.lamedicaid.com/provweb1/fee\\_schedules/Hospice\\_Fee.htm](https://www.lamedicaid.com/provweb1/fee_schedules/Hospice_Fee.htm)

<sup>4</sup> [https://www.lamedicaid.com/provweb1/fee\\_schedules/LSU\\_Enhanced\\_Pro\\_Serv\\_Fee.htm](https://www.lamedicaid.com/provweb1/fee_schedules/LSU_Enhanced_Pro_Serv_Fee.htm)

maintained by LDH and updated annually for state-owned or operated entities, and triennially for non-state owned or operated entities.

**Table 14G**

| Hospital-Based Physician FMP |                 |                            |                             |               |                           |
|------------------------------|-----------------|----------------------------|-----------------------------|---------------|---------------------------|
| Time Period                  | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact    | % Impact of Adjusted Cost |
| CY 2019                      | \$260,411,425   | N/A                        | N/A                         | \$566,423,288 | 217.51%                   |

## Ambulance Services

Mercer calculated the ambulance FMP payments according to the State Plan using Medicare fee schedules and average commercial rates as a percentage of Medicare. Ambulance providers were classified as either Large Urban Governmental (LUG) or non-LUG. LUGs have historically received 100.0% of the gap between average commercial rate and the Medicaid fee schedule while non-LUGs have historically received 17.35% of the gap after taking 80.0% of the average commercial rate. Mercer developed increases using these assumed funding levels. Average commercial rates as a percentage of Medicare were provided by LDH for RY23. According to the State Plan, average commercial rates are updated every three years. Table 14H shows the impact of FMP on the adjusted base cost of ambulance services meeting the State Plan's criteria for FMP.

**Table 14H**

| Ambulance FMP |                 |                            |                             |              |                           |
|---------------|-----------------|----------------------------|-----------------------------|--------------|---------------------------|
| Time Period   | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact   | % Impact of Adjusted Cost |
| CY 2019       | \$66,245,954    | N/A                        | N/A                         | \$40,282,898 | 60.81%                    |

## Aggregate Fee Schedule Adjustments

The prospective aggregate fee adjustment as a percent impact of base expenses is 4.87% as shown in Table 14I.

**Table 14I**

| Aggregate Fee Schedule Changes |                 |                            |                             |               |                           |
|--------------------------------|-----------------|----------------------------|-----------------------------|---------------|---------------------------|
| Time Period                    | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | FMP Impact    | % Impact of Adjusted Base |
| CY 2019                        | \$5,590,133,302 | \$272,027,181              | 4.87%                       | \$606,706,187 | 10.35%                    |

## Other Fee Schedule Updates

In recent legislation, LDH has updated other fee schedules, as listed below.

## NEMT Fee Schedule Change

Subsequent to the base data time period of CY 2019, LDH made the following updates to the NEMT fee schedule:

- Fee schedule eliminating the for-profit/non-profit NEMT distinction (effective July 1, 2020)
- Fee schedule updating pickup fee by \$4 (effective January 1, 2022)
- Fee schedule implementing a temporary mileage rate increase (effective March 1, 2022)

The impact of these fee adjustments is displayed in Table 15.

**Table 15**

| NEMT Fee Schedule Change |                 |                            |                             |                           |
|--------------------------|-----------------|----------------------------|-----------------------------|---------------------------|
| Time Period              | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | % Impact of Base Expenses |
| CY 2019                  | \$5,590,133,302 | \$7,941,296                | 22.45%                      | 0.14%                     |

## Air Ambulance Fee Schedule Change

Effective January 1, 2022, LDH implemented changes to its fee schedule for Air Ambulance services, which can be found on its website.<sup>5</sup> Mercer identified the affected services and estimated the impact of the fee schedule changes to develop adjustments to the capitation rates. The impact of this fee schedule adjustment is in Table 16.

**Table 16**

| Air Ambulance Fee Schedule Change |                 |                            |                             |                           |
|-----------------------------------|-----------------|----------------------------|-----------------------------|---------------------------|
| Time Period                       | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | % Impact of Base Expenses |
| CY 2019                           | \$6,104,963     | \$1,482,751                | 24.29%                      | 0.03%                     |

## General Anesthesia and Facility Reimbursement Increase for Dental Treatment

Effective July 1, 2021, LDH increased the reimbursement for general anesthesia procedure and the facility reimbursement rate for dental treatment provided in a hospital outpatient setting. For general anesthesia procedures, the additional reimbursement is \$20 per time unit (each time unit is equal to 15 minutes). For facility reimbursement, the additional reimbursement is at least \$400 per procedure. Mercer identified the affected services and estimated the impact of the fee schedule changes to develop adjustments to the capitation rates. The impact of this adjustment is in Table 17.

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<sup>5</sup> [https://www.lamedicaid.com/provweb1/fee\\_schedules/APDTIP\\_Fee.htm](https://www.lamedicaid.com/provweb1/fee_schedules/APDTIP_Fee.htm)

**Table 17**

| General Anesthesia and Facility Reimbursement Increase for Dental Treatment |                 |                            |                             |                           |
|-----------------------------------------------------------------------------|-----------------|----------------------------|-----------------------------|---------------------------|
| Time Period                                                                 | Historical Cost | Fee Schedule Change Impact | % Impact of Historical Cost | % Impact of Base Expenses |
| CY 2019                                                                     | \$5,308,186     | \$5,021,139                | 94.59%                      | 0.09%                     |

## Outliers

As part of the State Plan, inpatient hospitals receive an additional payment for high-cost stays for children under six years, called outliers. These payments are for inpatient stays with a total cost to the hospital in excess of \$150,000, in which the cost is determined based on the hospital's Neonatal Intensive Care Unit or Pediatric Intensive Care Unit specific CCR. LDH makes payments up to a maximum of \$20,921,381 annually. As payment of outlier liability is the responsibility of the Healthy Louisiana MCOs, these additional funds were built into the rates based on the distribution by rate cell observed in CY 2019 payments. For the PH Non-Expansion rate cells, outliers added an average cost of \$2.37 PMPM to the base data used in rate setting. Table 18 details the impact of outliers on the rates by rate cell.

**Table 18**

| Outliers Adjustment |             |                    |                  |            |
|---------------------|-------------|--------------------|------------------|------------|
| COA                 | Rate Cell   | RY23 Projected MMs | Total Adjustment | PMPM       |
| SSI                 | 0–2 Months  | 727                | \$ 1,715,197     | \$2,357.83 |
| SSI                 | 3–11 Months | 5,018              | \$ 750,016       | \$ 149.45  |
| F&C                 | 0–2 Months  | 107,113            | \$18,417,787     | \$ 171.95  |
| F&C                 | 3–11 Months | 375,410            | \$ 38,381        | \$ 0.10    |

## Inpatient Subspecialty and Neonatology Rate Restoration

Effective January 1, 2021, LDH implemented an inpatient subspecialist coding adjustment. This will allow inpatient subspecialists to code an initial visit instead of only coding a subsequent visit the first time they see a patient. Effective February 1, 2021, LDH will implement a 5.0% rate restoration for neonatology services. Mercer identified the affected services and estimated the impact of the changes to develop adjustments to the capitation rates. The impact of this adjustment is in Table 19.

**Table 19**

| Inpatient Subspecialty and Neonatology Rate Restoration Adjustment |                        |                    |                  |        |
|--------------------------------------------------------------------|------------------------|--------------------|------------------|--------|
| COA                                                                | Rate Cell              | RY23 Projected MMs | Total Adjustment | PMPM   |
| SSI                                                                | Adult 21+ Years        | 976,171            | \$ 855,938       | \$0.88 |
| F&C                                                                | Adult 21+ Years        | 1,078,378          | \$ 145,733       | \$0.14 |
| FCC                                                                | All Ages Male & Female | 176,828            | \$ 14,323        | \$0.08 |
| BCC                                                                | BCC, All Ages, Female  | 4,156              | \$ 2,876         | \$0.69 |
| HCBS                                                               | Male & Female, Age 21+ | 27,950             | \$ 21,861        | \$0.78 |

| Inpatient Subspecialty and Neonatology Rate Restoration Adjustment |                                  |                       |                     |        |
|--------------------------------------------------------------------|----------------------------------|-----------------------|---------------------|--------|
| COA                                                                | Rate Cell                        | RY23 Projected<br>MMs | Total<br>Adjustment | PMPM   |
| SBH – Duals                                                        | SBH – Dual Eligible, All<br>Ages | 1,422,992             | \$ 0.00             | \$0.00 |
| SBH – HCBS                                                         | Adult 21+ Years                  | 34,276                | \$ 0.00             | \$0.00 |
| SBH – Other                                                        | SBH - All Ages                   | 31,664                | \$ 0.00             | \$0.00 |
| Medicaid<br>Expansion                                              | Age 19–64                        | 7,221,829             | \$2,078,385         | \$0.29 |
| Medicaid<br>Expansion                                              | High Needs                       | 1,880                 | \$ 3,038            | \$1.62 |

## Vitamin D Testing

Effective January 1, 2021, Vitamin D testing was limited to four tests per year when coded against the specified list of procedure codes (82306 and 82652). Mercer identified the affected services and estimated the impact of the changes to develop adjustments to the capitation rates. The impact of this limit is shown in Table 20.

**Table 20**

| Vitamin D Testing         |                        |                          |                     |         |
|---------------------------|------------------------|--------------------------|---------------------|---------|
| COA                       | Rate Cell              | RY23<br>Projected<br>MMs | Total<br>Adjustment | PMPM    |
| SSI                       | 3–11 Months            | 5,018                    | -\$ 481             | -\$0.10 |
| SSI                       | Child 1-20 Years       | 404,828                  | -\$ 27,161          | -\$0.07 |
| SSI                       | Adult 21+ Years        | 976,171                  | -\$211,380          | -\$0.22 |
| F&C                       | 0–2 Months             | 107,113                  | -\$ 783             | -\$0.01 |
| F&C                       | 3–11 Months            | 375,410                  | -\$ 2,667           | -\$0.01 |
| F&C                       | Child 1–20 Years       | 7,677,287                | -\$152,322          | -\$0.02 |
| F&C                       | Adult 21+ Years        | 1,078,378                | -\$131,729          | -\$0.12 |
| FCC                       | All Ages Male & Female | 176,828                  | -\$ 4,985           | -\$0.03 |
| BCC                       | BCC, All Ages          | 4,156                    | -\$ 2,035           | -\$0.49 |
| LAP                       | LAP, All Ages          | 22,376                   | -\$ 914             | -\$0.04 |
| HCBS                      | Child 1–20 Years       | 12,846                   | -\$ 1,176           | -\$0.09 |
| HCBS                      | Adult 21+ Years        | 27,950                   | -\$ 5,006           | -\$0.18 |
| CCM                       | CCM, All Ages          | 48,912                   | -\$ 3,165           | -\$0.06 |
| Maternity Kick<br>Payment | Maternity Kick Payment | 21,484                   | \$ 0                | \$0.00  |
| Medicaid Expansion        | Age 19–64              | 7,221,829                | -\$760,914          | -\$0.11 |

| Vitamin D Testing                           |                        |                    |                  |         |
|---------------------------------------------|------------------------|--------------------|------------------|---------|
| COA                                         | Rate Cell              | RY23 Projected MMs | Total Adjustment | PMPM    |
| Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment | 13,527             | -\$ 13,925       | -\$1.03 |

## Tobacco Cessation for Pregnant Women

Effective February 20, 2020, LDH began covering tobacco cessation counseling and pharmacotherapy for pregnant women.

Pregnant women may receive four counseling sessions, face-to-face, with the appropriate health care professional, per quit attempt and up to two quit attempts per calendar year. The period of coverage for these services shall include the prenatal period through 60 days postpartum. Mercer identified the affected services and estimated the impact of the changes to develop adjustments to the maternity kick payments. The impact of this limit is shown in Table 21.

**Table 21**

| Tobacco Cessation for Pregnant Women   |                    |                  |        |
|----------------------------------------|--------------------|------------------|--------|
| COA                                    | RY23 Projected MMs | Total Adjustment | PMPM   |
| Non-Expansion – Maternity Kick Payment | 25,587             | \$179,982        | \$7.03 |
| Expansion – Maternity Kick Payment     | 13,527             | \$ 95,154        | \$7.03 |

## Peer Support Services

Effective February 1, 2021, LDH included peer support services in its State Plan to assist members with their recovery from mental illness and/or substance use. These are rehabilitative services to reduce the disabling effects of an illness or disability and restore the beneficiary to the best possible functional level in the community. Peer support services are face-to-face interventions that are person-centered and recovery focused. Table 22 shows the impact of this adjustment.

**Table 22**

| Peer Support Services |                                      |                    |                  |            |
|-----------------------|--------------------------------------|--------------------|------------------|------------|
| COA                   | Rate Cell                            | RY23 Projected MMs | Total Adjustment | Total PMPM |
| SSI                   | Adult 21+ Years                      | 976,171            | \$1,915,460      | \$1.96     |
| F&C                   | Adult 21+ Years                      | 1,078,378          | \$ 683,514       | \$0.63     |
| FCC                   | Foster Care, All Ages, Male & Female | 176,828            | \$ 8,921         | \$0.05     |
| BCC                   | BCC, All Ages                        | 4,156              | \$ 1,046         | \$0.25     |
| HCBS                  | Age 21+                              | 27,950             | \$ 23,958        | \$0.86     |

| Peer Support Services |                               |                          |                     |               |
|-----------------------|-------------------------------|--------------------------|---------------------|---------------|
| COA                   | Rate Cell                     | RY23<br>Projected<br>MMs | Total<br>Adjustment | Total<br>PMPM |
| SBH - Duals           | SBH - Dual Eligible, All Ages | 1,422,992                | \$ 361,177          | \$0.25        |
| SBH - HCBS            | Adult 21+ Years               | 34,276                   | \$ 30,212           | \$0.88        |
| SBH - Other           | SBH - All Ages                | 31,664                   | \$ 56,424           | \$1.78        |
| Medicaid<br>Expansion | Age 19–64                     | 7,221,829                | \$3,843,502         | \$0.53        |
| Medicaid<br>Expansion | High Needs                    | 1,880                    | \$ 5,027            | \$2.67        |

## Behavioral Health Services Expansion

Effective at various dates throughout CY 2022, LDH is expanding and increasing funding for BH services to include additional mental health intervention and support services. These expanded services include:

- Mobile Crisis (effective March 1, 2022)
- Community Brief Crisis Support (effective March 1, 2022)
- Crisis Stabilization Units (effective July 1, 2022)
- Behavioral Health Crisis Care (effective April 1, 2022)
- Individual Placement Support (effective February 21, 2022)
- Personal Care Services (effective February 21, 2022)
- Adolescent Group Substance Use Disorder Intensive Outpatient Program fee schedule increase (effective July 1, 2022)

The impact of these adjustments by rate cell is shown in Table 23.

**Table 23**

| BH Services Expansion |                               |                       |                     |         |
|-----------------------|-------------------------------|-----------------------|---------------------|---------|
| COA                   | Rate Cell                     | RY23<br>Projected MMs | Total<br>Adjustment | PMPM    |
| SSI                   | Adult, 21+ Years              | 976,171               | \$10,170,347        | \$10.42 |
| F&C                   | Adult, 21+ Years              | 1,078,378             | \$ 4,656,053        | \$ 4.32 |
| FCC                   | All Ages Male & Female        | 176,828               | \$ 39,657           | \$ 0.22 |
| BCC                   | BCC, All Ages, Female         | 4,156                 | \$ 6,344            | \$ 1.53 |
| HCBS                  | Male & Female, Age 21+        | 27,950                | \$ 156,614          | \$ 5.60 |
| SBH – Duals           | SBH – Dual Eligible, All Ages | 1,422,992             | \$ 3,023,810        | \$ 2.12 |

| BH Services Expansion |                 |                       |                     |         |
|-----------------------|-----------------|-----------------------|---------------------|---------|
| COA                   | Rate Cell       | RY23<br>Projected MMs | Total<br>Adjustment | PMPM    |
| SBH – HCBS            | Adult 21+ Years | 34,276                | \$ 181,138          | \$ 5.28 |
| SBH – Other           | SBH – All Ages  | 31,664                | \$ 227,806          | \$ 7.19 |
| Medicaid<br>Expansion | Age 19–64       | 7,221,829             | \$21,489,932        | \$ 2.98 |
| Medicaid<br>Expansion | High Needs      | 1,880                 | \$ 25,197           | \$13.40 |

## Enrollment Acuity Adjustment

Effective May 2019, LDH implemented the wage verification process which was scheduled to take place on a quarterly basis. Through this process, members were disenrolled if they no longer met Medicaid income eligibility criteria. Although a few individuals were from other eligibility categories, a majority were individuals previously meeting the Medicaid Expansion eligibility requirements. In prior rate cycles, an upward adjustment was made to recognize the disenrollment of these individuals, as it was determined that their average acuity was lower than the overall average acuity of the remaining members in the Medicaid Expansion rate cell.

As a result of the Public Health Emergency (PHE) and Maintenance of Effort (MOE) restrictions due to the COVID-19 pandemic, LDH ceased the wage verification checks since March 2020, as well as other redetermination processes that would have resulted in individuals being disenrolled from the Healthy Louisiana program. Due to the uncertainty of when the PHE will expire and recent federal guidance on the unwinding of the MOE requirements, Mercer assumed for purposes of setting capitation rates that the PHE will remain in effect through at least June 30, 2023, meaning there would be no disenrollment efforts during RY23. If the PHE expires during the RY23 contract period, Mercer and LDH will determine how disenrollment efforts will impact RY23 and evaluate the impact on the capitation rates.

To account for the presence of the wage verification in the base period (CY 2019) and extended PHE through RY23, Mercer decomposed projected enrollment into three distinct groups that are assumed to have differing acuity profiles:

- Members who would have been disenrolled through the wage verification process but who remain enrolled as a result of the MOE requirements
- Members who have recently enrolled in the program
- Existing members who enrolled prior to the pandemic and are expected to remain enrolled, regardless of the MOE requirements

Mercer estimated the relative acuity for the members in each of the three groups by comparing their historical costs or their risk scores to the population average. Mercer then calculated the expected acuity for the base period and rating period based off of their respective distributions of the three population groups. The resulting adjustment is the ratio of acuity between the base period and the rating period. Mercer determined the MOE would

only materially impact the Medicaid Expansion Age 19-64 and F&C Child 1 Year–20 Years rate cells. Table 24 shows the impact of this adjustment.

**Table 24**

| Enrollment Acuity Adjustment |                  |                                       |
|------------------------------|------------------|---------------------------------------|
| COA                          | Rate Cell        | % Impact to Projected Medical Expense |
| Medicaid Expansion           | Age 19–64        | -2.17%                                |
| F&C                          | Child 1–20 Years | -2.59%                                |

## MPS1/Pompe Newborn Screening

Effective January 1, 2022, physicians attending a newborn child or the person attending a newborn child who has not been attended to by a physician shall test the child for MPS1 and Pompe, in addition to the conditions already established for testing upon birth. The MPS1/Pompe Newborn screening adjustment is calculated by applying the testing per birth to the SSI and F&C 0–2 Months rate cells, as it reflects only the cost to a newborn child. For RY23, the MPS1/Pompe adjustment is equivalent to \$7.07 for the aforementioned rate cells. Table 25 shows the impact of this adjustment.

**Table 25**

| MPS1/Pompe Newborn Screening |            |                    |                  |        |
|------------------------------|------------|--------------------|------------------|--------|
| COA                          | Rate Cell  | RY23 Projected MMs | Total Adjustment | PMPM   |
| SSI                          | 0–2 Months | 727                | \$ 5,145         | \$7.07 |
| F&C                          | 0–2 Months | 107,113            | \$757,594        | \$7.07 |

## Maternity Postpartum Coverage Extension

Effective April 1, 2022, LDH extended Medicaid coverage for maternity postpartum benefits one year after the end of a pregnancy for eligible pregnant women. These women will be exempt from wage verification checks and remain enrolled in Medicaid during this post-partum period. The prior post-partum coverage removed women after the end of a 60-day postpartum period. The impact of this adjustment by rate cell is shown in Table 26.

**Table 26**

| Maternity Postpartum Coverage Extension |                 |                    |                  |        |
|-----------------------------------------|-----------------|--------------------|------------------|--------|
| COA                                     | Rate Cell       | RY23 Projected MMs | Total Adjustment | PMPM   |
| F&C                                     | Adult 21+ Years | 1,078,378          | \$8,088,172      | \$7.50 |
| Medicaid Expansion                      | Age 19–64       | 7,221,829          | \$ 755,605       | \$0.10 |

## Community Health Workers

Effective January 1, 2022, LDH began providing community health worker services as a covered benefit to eligible members. A community health worker is defined as a frontline public health worker who is a trusted member of and/or has an unusually close understanding of the community served. This enables the community health worker to serve

as a liaison/link/intermediary between health/social services and the community to facilitate access to services and improve the quality and cultural competence of service delivery. Table 27 shows the impact of this adjustment.

**Table 27**

| Community Health Workers |                        |                       |                     |        |
|--------------------------|------------------------|-----------------------|---------------------|--------|
| COA                      | Rate Cell              | RY23 Projected<br>MMs | Total<br>Adjustment | PMPM   |
| SSI                      | Child 1 Year–20 Years  | 404,828               | \$ 20,060           | \$0.05 |
| SSI                      | Adult 21+ Years        | 976,171               | \$ 262,126          | \$0.27 |
| F&C                      | Child 1–20 Years       | 7,677,287             | \$ 253,626          | \$0.03 |
| F&C                      | Adult 21+ Years        | 1,078,378             | \$ 332,075          | \$0.31 |
| FCC                      | All Ages Male & Female | 176,828               | \$ 7,028            | \$0.04 |
| LAP                      | LAP, All Ages          | 22,376                | \$ 888              | \$0.04 |
| Medicaid<br>Expansion    | Age 19–64              | 7,221,829             | \$1,039,172         | \$0.14 |

## Streamlined Hepatitis C Screening and Treatment Algorithm

Effective July 15, 2019, LDH implemented its Hepatitis C “Subscription Model” agreement with Asegua Therapeutics LLC. As a part of this agreement, LDH also adopted a streamlined protocol for Hepatitis C screening and monitoring. As compared to the protocols in place prior to the implementation of this agreement, the streamlined protocol will eliminate or reduce the utilization of the many services for individuals associated with the testing and subsequent treatment of Hepatitis C; examples include:

- Genotype testing
- Fibrosure testing
- RNA testing

To evaluate the effect of these changes, Mercer estimated the impact of eliminating or reducing the services that are no longer expected to be a part of the new treatment protocol on a per individual basis. LDH’s FFS fee schedule was used to price the services in question. The FFS prices were also benchmarked against MCO-reported unit costs. The overall change in screening and treatment costs were also adjusted to account for the increase in the number of Medicaid enrollees expected to be treated for Hepatitis C between July 1, 2022 and June 30, 2023. A summary of the estimated impact of these changes by rate cell are in Table 28. Please refer to Appendix G for additional detail regarding this adjustment.

**Table 28**

| COA | Rate Cell  | % Impact of Base<br>Expenses |
|-----|------------|------------------------------|
| SSI | 0–2 Months | 0.000%                       |

| COA                    | Rate Cell                              | % Impact of Base Expenses |
|------------------------|----------------------------------------|---------------------------|
| SSI                    | 3–11 Months                            | 0.000%                    |
| SSI                    | Child 1–20 Years                       | 0.000%                    |
| SSI                    | Adult 21+ Years                        | -0.001%                   |
| F&C                    | 0–2 Months                             | 0.000%                    |
| F&C                    | 3–11 Months                            | 0.000%                    |
| F&C                    | Child 1–20 Years                       | 0.000%                    |
| F&C                    | Adult 21+ Years                        | -0.001%                   |
| FCC                    | All Ages Male & Female                 | 0.000%                    |
| BCC                    | BCC, All Ages                          | 0.000%                    |
| LAP                    | LAP, All Ages                          | 0.000%                    |
| HCBS                   | Child 1–20 Years                       | 0.000%                    |
| HCBS                   | Adult 21+ Years                        | 0.000%                    |
| CCM                    | CCM, All Ages                          | 0.000%                    |
| SBH – CCM              | SBH – CCM, All Ages                    | 0.000%                    |
| SBH – Duals & LaHIPP   | SBH – Dual Eligible & LaHIPP, All Ages | 0.000%                    |
| SBH – HCBS             | Child 1–20 Years                       | 0.000%                    |
| SBH – HCBS             | Adult 21+ Years                        | 0.000%                    |
| SBH – Other            | SBH – All Ages                         | 0.000%                    |
| Maternity Kick Payment | Maternity Kick Payment                 | 0.000%                    |
| Medicaid Expansion     | Age 19–64                              | -0.001%                   |
| Medicaid Expansion     | High Needs                             | -0.004%                   |

## Medication-Assisted Treatment

Effective January 20, 2020, Healthy Louisiana covered medication-assisted treatment (MAT) provided by credentialed Opioid Treatment Program (OTP) providers. The benefit includes both MAT and NEMT transportation for Medicaid beneficiaries. OTP provider reimbursement is based on a daily/weekly all-inclusive rate which includes drug dispensing and ingredient costs, counseling, evaluation and management visits, urine drug screening, and any other services required or provided.

For this adjustment, Mercer relied upon projected costs and utilization provided by the State for the Non-Expansion and Expansion programs. Mercer identified individuals within the base data that had an opioid abuse diagnosis to determine impacted populations and to determine relative proportions within each program for the purposes of allocating projected costs. The impact of the MAT adjustment is summarized by rate cell in Table 29. Please see Appendix H for more detail.

**Table 29**

| Medication-Assisted Treatment |                        |                       |                     |         |
|-------------------------------|------------------------|-----------------------|---------------------|---------|
| COA                           | Rate Cell              | RY23<br>Projected MMs | Total<br>Adjustment | PMPM    |
| SSI                           | Child 1–20 Years       | 404,828               | \$ 66,255           | \$ 0.16 |
| SSI                           | Adult 21+ Years        | 976,171               | \$ 2,639,588        | \$ 2.70 |
| F&C                           | Child 1–20 Years       | 7,677,287             | \$ 265,019          | \$ 0.03 |
| F&C                           | Adult 21+ Years        | 1,078,378             | \$ 2,480,576        | \$ 2.30 |
| FCC                           | All Ages Male & Female | 176,828               | \$ 47,703           | \$ 0.27 |
| Medicaid<br>Expansion         | Age 19–64              | 7,221,829             | \$13,331,443        | \$ 1.85 |
| Medicaid<br>Expansion         | High Needs             | 1,880                 | \$ 37,493           | \$19.94 |

## COVID-19 Pandemic Testing Costs

Uncertainty exists regarding the impact of COVID-19 during RY23 due to the changing situation with regionalized infection rates, the impact of variants, and vaccination rates to name a few factors. RY23 capitation rates were adjusted to reflect the impact of COVID-19 testing and treatment costs during the contract period.

### Testing

Testing costs were developed using a bottom-up approach. An assumed testing rate was developed through a combination of statewide expected testing outcomes and the fee schedule provided on LDH's website. The analysis includes testing for current infection and antibody testing. Costs were included for both the test and associated administrative costs and any corresponding services (e.g., ED, office setting, and over-the-counter testing).

### Treatment

Treatment costs considered the estimated cost of treatment based on case severity. Scenarios were considered that ranged from in-home care for mild cases to hospitalization, including intensive care units, for more severe cases. Average treatment costs were developed based on projected treatment protocols, including average days in the hospital. The treatment costs were then weighted based on an assumed distribution of incidence rate and severity of cases that varied by rate cell. For example, older members are assumed to be at higher risk for more severe infection, requiring more costly treatment than younger members.

## Aggregate COVID-19 Pandemic and Related Adjustments

The PMPM impact of these adjustments is included in Table 30.

**Table 30**

| COVID-19 Pandemic Testing and Treatment Costs |                                       |
|-----------------------------------------------|---------------------------------------|
| Region                                        | % Impact to Projected Medical Expense |
| Gulf                                          | 0.45%                                 |
| Capital                                       | 0.42%                                 |
| South Central                                 | 0.45%                                 |
| North                                         | 0.44%                                 |

## House Bill No.1 Impact

Effective July 1, 2022, a number of provider rate increases were included in the 2022 Regular Session under House Bill No. 1 (HB1) that was signed into legislation. The services impacted by this legislation include:

- Pediatric day health care (effective July 1, 2022)
- Emergency/Non-Emergency Transportation (effective July 1, 2022)
- Applied Behavioral Analysis (effective July 1, 2022)

The combined impact of these adjustments by rate cell is shown in Table 31.

**Table 31**

| HB1 Rate Increases |                        |                    |                  |         |
|--------------------|------------------------|--------------------|------------------|---------|
| COA                | Rate Cell              | RY23 Projected MMs | Total Adjustment | PMPM    |
| SSI                | 0–2 Months             | 727                | \$ 744           | \$ 1.02 |
| SSI                | 3–11 Months            | 5,018              | \$ 269,523       | \$53.71 |
| SSI                | Child 1–20 Years       | 404,828            | \$6,701,660      | \$16.55 |
| SSI                | Adult 21+ Years        | 976,171            | \$ 826,933       | \$ 0.85 |
| F&C                | 0–2 Months             | 107,113            | \$ 37,041        | \$ 0.35 |
| F&C                | 3–11 Months            | 375,410            | \$ 159,640       | \$ 0.43 |
| F&C                | Child 1–20 Years       | 7,677,287          | \$4,723,343      | \$ 0.62 |
| F&C                | Adult 21+ Years        | 1,078,378          | \$ 222,775       | \$ 0.21 |
| FCC                | All Ages Male & Female | 176,828            | \$ 420,619       | \$ 2.38 |
| BCC                | BCC, All Ages          | 4,156              | \$ 1,148         | \$ 0.28 |
| LAP                | LAP, All Ages          | 22,376             | \$ 45,041        | \$ 2.01 |
| HCBS               | Child 1–20 Years       | 12,846             | \$ 682,846       | \$53.16 |
| HCBS               | Adult 21+ Years        | 27,950             | \$ 24,183        | \$ 0.87 |
| CCM                | CCM, All Ages          | 48,912             | \$3,545,567      | \$72.49 |
| SBH – CCM          | SBH – CCM, All Ages    | 21,484             | \$ 781,469       | \$36.37 |

| HB1 Rate Increases                          |                               |                          |                     |         |
|---------------------------------------------|-------------------------------|--------------------------|---------------------|---------|
| COA                                         | Rate Cell                     | RY23<br>Projected<br>MMs | Total<br>Adjustment | PMPM    |
| SBH – Duals                                 | SBH – Dual Eligible, All Ages | 1,422,992                | \$ 96,849           | \$ 0.07 |
| SBH – HCBS                                  | Child 1–20 Years              | 18,868                   | \$ 443,253          | \$23.49 |
| SBH – HCBS                                  | Adult 21+ Years               | 34,276                   | \$ 15,108           | \$ 0.44 |
| SBH – Other                                 | SBH – All Ages                | 31,664                   | \$ 63,996           | \$ 2.02 |
| Maternity Kick Payment                      | Maternity Kick Payment        | 25,587                   | \$ 44,288           | \$ 1.73 |
| Medicaid Expansion                          | Age 19–64                     | 7,221,829                | \$1,298,609         | \$ 0.18 |
| Medicaid Expansion                          | High Needs                    | 1,880                    | \$ 1,905            | \$ 1.01 |
| Medicaid Expansion – Maternity Kick Payment | Maternity Kick Payment        | 13,527                   | \$ 22,898           | \$ 1.69 |

## Continuous Glucose Monitoring

Effective August 1, 2022, the State will expand Medicaid coverage of continuous glucose monitors for Medicaid enrollees who meet the following conditions:

- Any type of diabetes with the use of insulin more than two times daily or evidence of level 2 or level 3 hypoglycemia
- Glycogen storage disorder disease Type 1a

The impact for this adjustment by rate cell is shown in Table 32.

**Table 32**

| Continuous Glucose Monitoring |                        |                          |                     |               |
|-------------------------------|------------------------|--------------------------|---------------------|---------------|
| COA                           | Rate Cell              | RY23<br>Projected<br>MMs | Total<br>Adjustment | Total<br>PMPM |
| SSI                           | Child 1–20 Years       | 404,828                  | \$1,209,127         | \$ 2.99       |
| SSI                           | Adult 21+ Years        | 976,171                  | \$7,514,295         | \$ 7.70       |
| F&C                           | 0–2 Months             | 107,113                  | \$ 811              | \$ 0.01       |
| F&C                           | 3–11 Months            | 375,410                  | \$ 2,250            | \$ 0.01       |
| F&C                           | Child 1-20 Years       | 7,677,287                | \$2,820,349         | \$ 0.37       |
| F&C                           | Adult 21+ Years        | 1,078,378                | \$1,532,841         | \$ 1.42       |
| FCC                           | All Ages Male & Female | 176,828                  | \$ 106,514          | \$ 0.60       |
| BCC                           | BCC, All Ages          | 4,156                    | \$ 47,379           | \$11.40       |

| Continuous Glucose Monitoring |                  |                    |                  |            |
|-------------------------------|------------------|--------------------|------------------|------------|
| COA                           | Rate Cell        | RY23 Projected MMs | Total Adjustment | Total PMPM |
| LAP                           | LAP, All Ages    | 22,376             | \$ 46,364        | \$ 2.07    |
| HCBS                          | Child 1–20 Years | 12,846             | \$ 27,292        | \$ 2.12    |
| HCBS                          | Adult 21+ Years  | 27,950             | \$ 198,864       | \$ 7.11    |
| CCM                           | CCM, All Ages    | 48,912             | \$ 38,254        | \$ 0.78    |
| Medicaid Expansion            | Age 19–64        | 7,221,829          | \$11,419,361     | \$ 1.58    |
| Medicaid Expansion            | High Needs       | 1,880              | \$ 6,537         | \$ 3.48    |

## Genetic Testing of Critically Ill Infants

Effective August 1, 2022, the State will include Medicaid coverage for rapid whole genome sequencing testing for critically ill infants with no diagnosis. The impact for this adjustment by rate cell is shown in Table 33.

**Table 33**

| Infant Genetic Testing Coverage |            |                    |                  |         |
|---------------------------------|------------|--------------------|------------------|---------|
| COA                             | Rate Cell  | RY23 Projected MMs | Total Adjustment | PMPM    |
| SSI                             | 0–2 Months | 727                | \$ 20,938        | \$28.78 |
| F&C                             | 0–2 Months | 107,113            | \$3,083,037      | \$28.78 |

## Human Breast Milk Coverage

Effective July 1, 2022, the State will include Medicaid outpatient coverage of pasteurized donor human milk prescribed for eligible infants for up to 60 days. Medicaid shall only reimburse outpatient expenditures for human milk obtained from a member bank of the Human Milk Banking Association of North America. The impact for this adjustment by rate cell is shown in Table 34.

**Table 34**

| Human Breast Milk Coverage |            |                    |                  |         |
|----------------------------|------------|--------------------|------------------|---------|
| COA                        | Rate Cell  | RY23 Projected MMs | Total Adjustment | PMPM    |
| SSI                        | 0–2 Months | 727                | \$ 13,478        | \$18.53 |
| F&C                        | 0–2 Months | 107,113            | \$1,984,522      | \$18.53 |

## Act 421 Children’s Medicaid Option

The Act 421 Children’s Medicaid Option provides services to a new population that was not previously covered in Medicaid; therefore, there is no historical data on these children. To

develop rates for the Act 421 Children's Medicaid Option rate cells, Mercer used RY23 gross medical expenses from Healthy Louisiana rate cell populations that closely resemble the Act 421 Children's Medicaid Option group. The assignment of the Healthy Louisiana proxy population(s) to each Act 421 Children's Medicaid Option population is detailed in Appendix E.

Using the RY23 gross medical expense PMPM for each Healthy Louisiana proxy population as a starting point, Mercer developed and applied adjustments to account for differences in expected acuity and benefit costs between the Healthy Louisiana proxy population(s) and the Act 421 Children's Medicaid Option populations to establish projected medical expenses for the Act 421 Children's Medicaid Option populations.

## Relative Acuity Adjustment

Although the RY23 Healthy Louisiana proxy populations include members who will resemble the Act 421 Children's Medicaid Option enrollees, it is expected that the Act 421 Children's Medicaid Option population will use a different mix of services than the broader Healthy Louisiana proxy populations. Therefore, Mercer gathered diagnosis level of detail for members in programs similar to the Act 421 Children's Medicaid Option operating in other states. Using those diagnosis profiles, Mercer analyzed the relative costs of members within the RY23 Healthy Louisiana proxy populations who have similar diagnosis profiles. Mercer compared the relative PMPM costs by major service category groupings, and in total, to develop a relative acuity adjustment for each Act 421 Children's Medicaid Option population.

A summary of the relative acuity adjustments by population is shown in Appendix E. The relative acuity adjustments are applied uniformly across all services for each population.

## Third Party Liability Wrap-Around Adjustment

The TPL wrap-around adjustments are made for the Non-LaHIPP TPL and the LaHIPP TPL rate cells, to ensure that the final PMPMs for these populations reflect only the portion of the costs for which the Healthy Louisiana MCOs will be responsible, since Medicaid is the payer of last resort. Mercer reviewed Louisiana-specific premium assistance studies to estimate the expected reductions in Medicaid costs for individuals with TPL by major service category groupings. The TPL wrap-around adjustments by population are shown in Appendix E.

## Other Potential Changes Not Included in This Report

At the time of this report, Mercer is aware of multiple changes that could potentially effect information during the RY23 period and may require updates to the rate certification. These changes are as follows:

- Procurement efforts by State for single Pharmacy Benefit Manager
- Procurement efforts by State for single NEMT vendor
- Expiration of PHE and resumption of wage verification efforts
- New contractual requirements stemming from MCO contract award
- Various changes to program funding and covered benefits from Louisiana legislation

## Section 5

# Trends

### Medical Trend

Trend is an estimate of the change in the overall cost of providing health care benefits over a finite period of time. A trend factor is necessary to estimate the cost of providing health care services in a future period. Mercer studied historical cost and utilization data for the two data sources incorporated in the capitation rates: Healthy Louisiana encounters and Healthy Louisiana MCO financial reports. Trends were selected based on Louisiana experience as well as national trend information. Mercer relied on encounters for claims incurred from July 2018 through December 2021 and processed through December 2021. Mercer also considered guidance from external parties for potential impacts stemming from the higher inflation trend on provider unit cost.

The trend factors by population are shown in Appendix I and are applied for 42 months from the base period mid-point to the contract period mid-point.

### Pharmacy Trend

Mercer's pharmacy trend development process consists of two elements: a review of historical MCO pharmacy expenditures, including emerging experience beyond the base data and a survey of publically available information including, but not limited to:

- Publications and news reports regarding "pipeline" drugs
- Federal reports and publically available industry reports from drug manufacturers and disease-focused advocacy and research organizations
- Drug trend reports published by pharmacy benefit managers and health care organizations

Mercer incorporates marketplace intelligence into overall expected pharmacy trends for broad therapeutic categories based on the combination of the expectations for novel, traditional, and specialty drugs; price fluctuations of existing drugs; and the introduction of new generics, biosimilars, and follow-on biologics to the marketplace. Mercer's RY23 pharmacy trends reflect expected changes in utilization, per-prescription unit costs, brand-to-generic conversions, and the introduction of market breakthrough therapies. Mercer includes consideration of LDH's single PDL in trend assumptions. For example, if LDH prefers a branded product to an available generic version, Mercer does not assume the typical negative unit cost trend associated with adoption of the generic product.

**Table 35**

| COA | Rate Cell        | Pharmacy Trend |
|-----|------------------|----------------|
| SSI | 0–2 Months       | 5.64%          |
| SSI | 3–11 Months      | 5.96%          |
| SSI | Child 1–20 Years | 7.57%          |

| COA                | Rate Cell              | Pharmacy Trend |
|--------------------|------------------------|----------------|
| SSI                | Adult 21+ Years        | 9.78%          |
| F&C                | 0–2 Months             | 3.56%          |
| F&C                | 3–11 Months            | 5.37%          |
| F&C                | Child 1–20 Years       | 4.65%          |
| F&C                | Adult 21+ Years        | 9.17%          |
| FCC                | All Ages Male & Female | 5.53%          |
| BCC                | BCC, All Ages          | 12.85%         |
| LAP                | LAP, All Ages          | 7.51%          |
| HCBS               | Child 1–20 Years       | 9.34%          |
| HCBS               | Adult 21+ Years        | 9.34%          |
| CCM                | CCM, All Ages          | 12.44%         |
| Medicaid Expansion | Age 19–64              | 9.89%          |
| Medicaid Expansion | High Needs             | 8.54%          |

Note: Pharmacy is not a covered benefit in the SBH and Maternity rate cells.

## Section 6

# Special Contract Provisions Related to Payment

## Withhold Arrangement

Effective February 1, 2018, the monthly capitated payment shall be subject to a quality withhold to incentivize quality, health outcomes, and value-based payments. The withhold amount will be equal to 2.0% of the monthly capitated payment for PH and basic BH for all MCO members, exclusive of maternity kick payments and the FMP component of the monthly capitated payment. Quality and health outcomes, along with value-based payments, will each account for 1.0% (i.e., 50.0% each of the 2.0% total withhold) and are intended to incentivize the MCOs to meet all requirements.

Based on recent Healthy Louisiana MCO performance, along with expert opinion, Mercer determined that all quality or health outcome measures were deemed reasonably attainable.

## Incentive Arrangement

The CMS Rate Development Guide defines incentive arrangements as “any payment mechanism under which a health plan may receive additional funds over and above the capitation rate it was paid for meeting targets specified in the contract”.

Effective February 1, 2018, MCOs may earn incentive payments up to 5.0%, in total, above the approved capitation payment attributable to the enrollees or services covered by the incentive arrangements implemented by LDH. These incentive payments will support the activities, targets, performance measures, or quality-based outcomes specified in LDH’s quality strategy. Mercer will work with LDH to ensure the incentive arrangement is consistently administered such that it complies with the regulations at 42 CFR §438.6(b)(2).

## Risk Corridor

Since implementation of the Hepatitis C Subscription Model, effective July 1, 2019, LDH has maintained a risk corridor for hepatitis C-related pharmacy, physician, and laboratory costs. The corridor will remain unchanged for RY23 with the following parameters:

**Table 36**

| Gain or Loss                                                                                                              | Share of Contractor Loss/Gain |       |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------|
|                                                                                                                           | Contractor                    | LDH   |
| Less than or equal to 1.0% of the aggregate Hepatitis C-related medical component of the risk-adjusted capitation payment | 100.0%                        | 0.0%  |
| Greater than 1.0% of the aggregate Hepatitis C-related medical component of the risk-adjusted capitation payment          | 1.0%                          | 99.0% |

On June 6, 2022, LDH received guidance from CMS related to an inquiry from LDH regarding risk mitigation changes, the shift in contract period, and the requirements for risk mitigation under 42 CFR 438.6(b)(1). CMS has advised LDH that risk mitigation mechanisms should remain consistent throughout the prior contract period for which rates were certified (CY 2022). It is anticipated that this risk corridor will remain consistent throughout RY23, as there has been no change in the risk corridor parameters since its inception.

## Risk Pool

Due to the inherent volatility related to the high-cost, low-frequency drug, Zolgensma®, LDH implemented a risk pool in RY20 to mitigate the risk that any MCO incurs a disproportionate share of Zolgensma. This risk pool will remain in place during the RY23 contract period. However, LDH anticipates making adjustments to the risk pool during the RY23 contract period to include additional high-cost, low-frequency drugs expected to be approved during the RY23 contract period. On June 6, 2022, LDH received guidance from CMS related to an inquiry from LDH regarding risk mitigation changes, the shift in contract period, and the requirements for risk mitigation under 42 CFR 438.6(b)(1). CMS has advised LDH that risk mitigation mechanisms should remain consistent throughout the prior contract period for which rates were certified (CY 2022). Therefore, the risk pool will remain consistent through December 31, 2022, and risk pool payments will be based on actual Zolgensma® claims incurred from January 1, 2022, through December 31, 2022; the risk pool is budget neutral in aggregate. Mercer has allocated three claims, each at \$2.125 million, for the Zolgensma risk pool in the current RY23 rates.

Should changes be made to the drugs included in the risk pool effective January 1, 2023, LDH will provide additional information to CMS. As well, if a change in the covered drugs results in a change in the risk pool and RY23 rates, Mercer and LDH will provide an updated certification for the RY23 rates for the time period from January 1, 2023, through June 30, 2023.

**Table 37**

| Zolgensma® Risk Pool |                  |                       |                  |        |
|----------------------|------------------|-----------------------|------------------|--------|
| COA                  | Rate Cell        | RY23 Projected<br>MMs | Total Adjustment | PMPM   |
| SSI                  | 0–2 Months       | 727                   | \$ 4,847         | \$6.66 |
| SSI                  | 3–11 Months      | 5,018                 | \$ 33,437        | \$6.66 |
| SSI                  | Child 1–20 Years | 404,828               | \$ 87,275        | \$0.22 |
| F&C                  | 0–2 Months       | 107,113               | \$ 713,670       | \$6.66 |
| F&C                  | 3–11 Months      | 375,410               | \$2,501,286      | \$6.66 |
| F&C                  | Child 1–20 Years | 7,677,287             | \$3,034,485      | \$0.40 |

## Minimum Medical Loss Ratio

In accordance with the MCO Financial Reporting Guide published by LDH, each MCO shall provide an annual medical loss ratio (MLR) report following the end of the MLR reporting year which shall be a calendar year. An MLR shall be reported separately between the Expansion and Non-Expansion populations, including all medical services covered under the

contract. If either the Expansion or Non-Expansion MLR (cost for health care benefits and services and specified quality expenditures) is less than 85.0%, the MCO shall refund LDH the difference.

On June 6, 2022, LDH received guidance from CMS related to an inquiry from LDH regarding risk mitigation changes, the shift in contract period, and the requirements for risk mitigation under 42 CFR 438.6(b)(1). CMS has advised LDH that risk mitigation mechanisms should remain consistent throughout the prior contract period for which rates were certified (CY 2022). Therefore, the MLR will be reported for CY 2022, and LDH will provide additional detail to the MCOs and CMS regarding a shift in the MLR measurement period to be consistent with the contract year.

## State-Directed Payments

There are three State directed payments under 42 CFR § 438.6(c) proposed for the program in RY23. Preprints for applicable proposed payment arrangements were submitted to CMS in second quarter of 2022 and approved on August 19, 2022. The payments are accounted for in this rate certification in a manner that is consistent with the preprints submitted for CMS review. A summary of the State-directed payments described in this Section are provided in Table 38.

**Table 38: State Directed Payment Overview**

| Control name                                    | Type of payment             | Brief description                                                                                                                                                 | Is the payment included as a rate adjustment or separate payment term |
|-------------------------------------------------|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| HLA Minimum Fee Schedule (no preprint required) | Minimum fee schedule        | Minimum fee schedule set at Medicaid State plan rate                                                                                                              | Rate adjustment                                                       |
| LA_Fee_IPH.OPH_New_20220701-20230630            | Uniform percentage increase | Uniform percentage increase for services provided by eligible hospitals set as difference between 95% of average commercial rates and Medicaid base reimbursement | Separate payment term                                                 |
| LA_Fee_IPH.OPH1_New_20220701-20230630           | Uniform percentage increase | Uniform percentage increase for services provided by eligible hospitals set as difference between 95% of average                                                  | Separate payment term                                                 |

|  |  |                                                        |  |
|--|--|--------------------------------------------------------|--|
|  |  | commercial rates and<br>Medicaid base<br>reimbursement |  |
|--|--|--------------------------------------------------------|--|

Additional detail related to the State-directed payment that was incorporated into this rate certification in the base capitation rates as a rate adjustment is provided in Table 39.

**Table 39: Rate Adjustment State-Directed Payments**

| Control name                                    | Rate cells affected       | Impact                                                                    | Description of the adjustment                                             | Confirmation the rates are consistent with the preprint |
|-------------------------------------------------|---------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------|
| HLA Minimum Fee Schedule (no preprint required) | All capitation rate cells | Adjustments are made as fee schedules change. See fee adjustment section. | Adjustments are made as fee schedules change. See fee adjustment section. | Not applicable                                          |

Additional detail related to the State-directed payments that will be incorporated as separate payment terms described in this Section are provided in Table 40.

**Table 40: Separate Payment Term State-Directed Payments**

| Control name                          | Aggregate amount included in the certification | Statement that the actuary is certifying the separate payment term | The magnitude on a PMPM basis | Confirmation the rate development is consistent with the preprint                            | Confirmation that the state and actuary will submit required documentation at the end of the rating period                                                                 |
|---------------------------------------|------------------------------------------------|--------------------------------------------------------------------|-------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LA_Fee_IP H.OPH_New_20220701-20230630 | \$2,644.8 million                              | The signing actuary certifies the separate payment term.           | Refer to Appendix B           | Rate development is consistent with the submitted preprint. The preprint is approved by CMS. | After the RY23 rating period is complete, the State and actuary will submit documentation to CMS with the total payment based on actual inpatient and outpatient services. |

| Control name                                          | Aggregate amount included in the certification | Statement that the actuary is certifying the separate payment term | The magnitude on a PMPM basis | Confirmation the rate development is consistent with the preprint                            | Confirmation that the state and actuary will submit required documentation at the end of the rating period                                                                 |
|-------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------|-------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LA_Fee_IP<br>H.OPH1_N<br>ew_202207<br>01-<br>20230630 | \$40.8 million                                 | The signing actuary certifies the separate payment term.           | Refer to Appendix B           | Rate development is consistent with the submitted preprint. The preprint is approved by CMS. | After the RY23 rating period is complete, the State and actuary will submit documentation to CMS with the total payment based on actual inpatient and outpatient services. |

## Minimum Fee Schedule

Mercer used fee schedule information from the State to develop its base and prospective fee schedule rating adjustments. In accordance with 42 CFR § 438.6(a) and 42 CFR § 438.6(c)(1)(iii)(A), Mercer identified the minimum fee schedules that qualify as directed payments but that do not require a submitted preprint for prior approval by CMS because they reference approved State plan/waiver fee schedules. Further details for these fee schedules and their respective adjustments can be seen in the Base Rating Adjustments and Prospective Rating Adjustment sections. The qualified directed payments are as follows:

- HCBS fee schedule
- Inpatient services fee schedule
- Outpatient services fee schedule
- PAD fee schedule
- FQHC and RHC fee schedule
- LSU enhanced fee schedule
- Hospital-based physician service fee schedule
- Ambulance services fee schedule
- NEMT fee schedule

- Air ambulance fee schedule
- General anesthesia and facility dental treatment fee schedule

## Hospital Directed Payment

Effective July 1, 2022, the State will direct the Healthy Louisiana MCOs to provide a uniform percentage increase to their contracted rates with in-state providers of inpatient and outpatient hospital services, excluding freestanding psychiatric hospitals, freestanding rehabilitation hospitals, and long-term acute care hospitals. The uniform percentage increases are shown in Table 41 below. The payment increase supports achieving the Department's goals and objectives for this directed payment arrangement, which include ensuring equitable access to care for Medicaid beneficiaries. The State submitted a preprint to CMS and received approval on August 19, 2022 for a directed payment under 42 CFR §438.6(c)i.

**Table 41**

| Provider Class | Inpatient % Increase | Outpatient % Increase |
|----------------|----------------------|-----------------------|
| Tier 1         | 95.9%                | 131.0%                |
| Tier 2         | 65.8%                | 87.3%                 |
| Tier 3         | 72.8%                | 135.1%                |
| Tier 4         | 146.8%               | 158.9%                |
| Tier 5         | 197.4%               | 238.0%                |

### Eligible Providers

In-state providers of inpatient and outpatient hospital services, excluding freestanding psychiatric hospitals, freestanding rehabilitation hospitals, and long-term acute care hospitals, will be subject to the enhanced contracted rates.

### Payment Amount

The uniform percentage increase has an estimated impact of approximately \$1,092.3 million for inpatient and \$1,407.0 million for outpatient. With the 5.5% premium tax accounted for, these amounts are \$1,155.9 million for inpatient and \$1,488.9 million for outpatient. After the RY23 rating period is complete, the State will submit documentation to CMS with the total payment based on actual inpatient and outpatient services. Since these payments will be made separately, no adjustment is applied to the rates included in Appendix A for these increases. Appendix B illustrates the PMPM amount estimated to each rate cell for this directed payment.

### Distribution Methodology

Each hospital will receive quarterly interim lump-sum payments equal to the 'Interim Payment Increase Percentages' for the applicable hospital class multiplied by the hospital's 'Projected RY23 Managed Care Payments', divided by four. The projected RY23 Managed Care Payments are based on CY 2019 Medicaid managed care data.

The interim payments will be reconciled using actual utilization from the contract period after the end of the contract year. Approximately 12 months after end of the contract year, LDH will scale the 'Interim Payment Increase Percentages' by the same factor across the five hospital classes, separately for inpatient and outpatient, based on actual RY23 managed care payments to result in the total target statewide payment pools for inpatient and outpatient services. LDH will then calculate final directed payments for each hospital by multiplying the scaled Payment Increase Percentages against each hospital's actual RY23 managed care payments.

Any differences between the interim and final directed payments will be settled by the MCOs and each hospital through recoupment of payments (if the final payment amount based on actual utilization is less than the sum of the four quarterly interim payments based on projected utilization) or an additional payment (if the final payment based on actual utilization is more than the sum of the four quarterly interim payments based on projected utilization). Any recoupment or additional payment between the MCO and hospital due to the reconciliation process will take place concurrently with a regular quarterly payment during a separate contract year. As LDH is proposing a fixed payment pool, LDH does not anticipate there would be a need for recoupment from the MCOs as part of the annual reconciliation process. However, should an occasion arise where an MCO was paid more than its share at final settlement, LDH would follow a similar process for recoupment with the MCO, as necessary.

## Long-Term Acute Care, Psychiatric, and Rehabilitation Hospitals Directed Payment

Effective July 1, 2022, the State will direct the Healthy Louisiana MCOs to provide a uniform percentage increase to their contracted rates with in-state Long-Term Acute Care (LTAC), Psychiatric, and Rehabilitation (LPR) providers of inpatient and outpatient hospital services. The uniform percentage increases are shown in Table 42 below. The payment increase supports achieving the Department's goals and objectives for this directed payment arrangement, which include ensuring equitable access to care for Medicaid beneficiaries. The State submitted a preprint to CMS and received approval on August 19, 2022 for a directed payment under 42 CFR §438.6(c)i.

**Table 42**

| Provider Class | Inpatient % Increase | Outpatient % Increase |
|----------------|----------------------|-----------------------|
| LTAC           | 22.8%                | 181.5%                |
| Psychiatric    | 21.9%                | 2.8%                  |
| Rehabilitation | 28.4%                | 191.7%                |

### Eligible Providers

In-state hospital providers of LPR services for both inpatient and outpatient hospital services will be subject to the enhanced contracted rates. All public state-owned hospitals and freestanding psychiatric hospitals participating in DSH, as defined in the Louisiana's State plan, Attachment 4.19-A, Item 1, Page 10 (e) and (k)(9), respectively, are not included in the psychiatric provider class and are excluded from participating in the state directed payment program.

## Payment Amount

The uniform percentage increase has an estimated impact of approximately \$38.1 million for inpatient and \$0.5 million for outpatient. With the 5.5% premium tax accounted for, these amounts are \$40.3 million for inpatient and \$0.5 million for outpatient. After the RY23 rating period is complete, the State will submit documentation to CMS with the total payment based on actual inpatient and outpatient services. Since these payments will be made separately, no adjustment is applied to the rates included in Appendix A for these increases. Appendix B illustrates the PMPM amount estimated to each rate cell for this directed payment.

## Distribution Methodology

Each hospital will receive quarterly interim lump-sum payments equal to the 'Interim Payment Increase Percentages' for the applicable hospital class multiplied by the hospital's 'Projected RY23 Managed Care Payments', divided by four. The projected RY23 Managed Care Payments are based on CY 2019 Medicaid managed care data.

The interim payments will be reconciled using actual contract period utilization after the end of the contract year. Approximately 12 months after end of the contract year, LDH will scale the 'Interim Payment Increase Percentages' by the same factor for all LTAC, Psychiatric, and Rehab hospitals across each of the three classes, separately for inpatient and outpatient, based on actual RY23 managed care payments to result in the total target statewide payment pools for inpatient and outpatient services. LDH will then calculate final directed payments for each hospital by multiplying the scaled Payment Increase Percentages against each hospital's actual RY23 managed care payments.

Any differences between the interim and final directed payments will be settled by the MCOs and each hospital through recoupment of payments (if the final payment amount based on actual utilization is less than the sum of the four quarterly interim payments based on projected utilization) or an additional payment (if the final payment based on actual utilization is more than the sum of the four quarterly interim payments based on projected utilization). Any recoupment or additional payment between the MCO and hospital due to the reconciliation process will take place concurrently with a regular quarterly payment during a separate contract year. As LDH is proposing a fixed payment pool, LDH does not anticipate there would be a need for recoupment from the MCOs as part of the annual reconciliation process. However, should an occasion arise where an MCO was paid more than its share at final settlement, LDH would follow a similar process for recoupment with the MCO, as necessary.

## Section 7

# Projected Non-Benefit Costs

## Administrative Expense Load

The actuarially sound capitation rates developed include a provision for MCO administration and other non-medical expenses. Mercer reviewed line item detail of each MCO's administrative expenses which tied back to the MCO financial reports, as well as relied on its professional experience in working with numerous State Medicaid programs to develop the administrative load. This process included consideration for increases in expenses including items such as additional case management due to claims volume, increases in staff compensation over time, and consideration for enrollment growth. As well, Mercer reviewed the potential impact on administrative expenses as a result of the CMS Interoperability and Patient Access final rule (CMS-9115-F) but determined no adjustment was necessary based on the expected impact specific to the Healthy Louisiana program as a portion of the MCOs' overall Medicaid business. Mercer and LDH will continue to monitor this issue for subsequent contract years.

Administrative expense load assumptions are summarized by program in Table 43.

**Table 43**

| Administrative PMPM by Program |          |
|--------------------------------|----------|
| Non-Expansion PH               | \$ 32.21 |
| Non-Expansion SBH              | \$ 5.19  |
| Maternity Kick Payment         | \$410.86 |
| Expansion                      | \$ 41.99 |

Due to the expected increase in the number of Medicaid enrollees projected to be treated for hepatitis C between July 1, 2022 and June 30, 2023, Mercer determined it was necessary to increase the administrative expense load to account for additional hepatitis C-related case management costs.

Mercer estimated historical hepatitis C-related case management costs based on the MCO financial reports and developed an add-on commensurate with the expected increase in the number of Medicaid enrollees who will be treated for hepatitis C between July 1, 2022 and June 30, 2023. A summary of the estimated impact of these changes by rate cell and region are summarized below in Table 44.

**Table 44**

| COA | Rate Cell        | Fixed Admin PMPM Add-On |         |               |        |
|-----|------------------|-------------------------|---------|---------------|--------|
|     |                  | Gulf                    | Capital | South Central | North  |
| SSI | Child 1–20 Years | \$0.00                  | \$0.00  | \$0.00        | \$0.00 |
| SSI | Adult 21+ Years  | \$0.21                  | \$0.21  | \$0.10        | \$0.14 |

| COA                | Rate Cell              | Fixed Admin PMPM Add-On |         |               |        |
|--------------------|------------------------|-------------------------|---------|---------------|--------|
|                    |                        | Gulf                    | Capital | South Central | North  |
| F&C                | Child 1–20 Years       | \$0.00                  | \$0.00  | \$0.00        | \$0.00 |
| F&C                | Adult 21+ Years        | \$0.04                  | \$0.05  | \$0.02        | \$0.02 |
| FCC                | All Ages Male & Female | \$0.01                  | \$0.00  | \$0.01        | \$0.00 |
| BCC                | BCC, All Ages          | \$0.12                  | \$0.00  | \$0.00        | \$0.00 |
| HCBS               | Adult 21+ Years        | \$0.04                  | \$0.04  | \$0.02        | \$0.00 |
| Medicaid Expansion | Age 19–64              | \$0.07                  | \$0.07  | \$0.03        | \$0.03 |
| Medicaid Expansion | High Needs             | \$1.16                  | \$1.36  | \$0.79        | \$0.00 |

The load for each rate cell was determined using a fixed and variable cost model. Under this model, a fixed administrative expense is attributed to each rate cell, which reflects program requirements such as State-mandated staffing and other indirect operational expenses. Added to this is a variable administrative amount based on claims volume. This methodology results in administrative expense loads that vary as a percentage by rate cell. The resulting variance in administrative expense determined using this methodology results in a higher allocation of administrative expenses on the rate cells with higher utilization which is more accurate in reflecting the drivers of plan administration requirements.

## Underwriting Gain Load

A provision was made in the final rates for underwriting gain. The rates reflect an assumption of 1.5%; the underwriting gain load is calculated prior to the application of FMP adjustments.

## Premium-Based Taxes

Final rates also include a provision for Louisiana's 5.5% premium tax.

## Federal Health Insurance Providers Fee

Section 9010 of the ACA established the Health Insurance Providers Fee (HIPF) which applies to certain for-profit/tax-paying health insurers. For-profit Medicaid health plans are not exempt from the HIPF which will become a cost of doing business that is appropriate to recognize actuarially sound capitation rates. Due to the federal repeal of the HIPF for fee year 2021 and later, a HIPF adjustment is not applicable to the RY23 capitation rates.

## Section 8

# Risk Adjustment

Risk adjustment will be applied to the rates in Appendix A to reflect differences in health status of the members served in each MCO using the Adjusted Clinical Groups (ACG) model. The ACG model uses diagnostic information, along with member demographics (age and sex categories), to classify members into mutually exclusive ACG categories that are indicative of health care resource usage in terms of cost consumption. The State typically updates risk scores semi-annually, but the update timing and frequency may change to account for key program changes and data availability.

The application of the ACG model was tailored to the Healthy Louisiana program by using Louisiana cost experience to determine the relative costs associated with each ACG category. This step produces Louisiana-specific cost weights that assign a risk score to each member with sufficient experience (six or more months of enrollment with an MCO). An age/gender risk assumption is made for members without an ACG assignment. These member-level risk scores will be aggregated by MCO, producing MCO risk scores which are adjusted for budget neutrality. The risk adjustment process does not increase or decrease the overall cost of the program, but can change the distribution across the various Healthy Louisiana MCOs according to the relative risk of their enrolled members. This is consistent with the budget neutrality requirements outlined in 42 CFR 438.5(g). The FMP component of the rates will not be risk adjusted. The FMP component is added to the risk-adjusted rate to produce the final rate. Table 45 shows the rate cells that will be risk adjusted.

**Table 45**

| Risk-Adjusted Rate Cells             |                 |
|--------------------------------------|-----------------|
| <b>SSI</b>                           |                 |
| Child 1–20 Years                     | Adult 21+ Years |
| <b>F&amp;C</b>                       |                 |
| Child 1–20 Years                     | Adult 21+ Years |
| <b>FCC: All Ages</b>                 |                 |
| <b>LAP: All Ages</b>                 |                 |
| <b>Medicaid Expansion: Age 19–64</b> |                 |

Separate sets of risk scores are developed for each rate cell and region, except for LAP, in which the risk scores are developed on a statewide basis.

For more detail regarding the risk adjustment process, please reference the separate risk-adjustment methodology letter that corresponds with each risk adjustment update.

## Section 9

# Certification of Final Rates

This certification assumes items in the Medicaid State Plan or waiver, as well as the Healthy Louisiana MCO contract, have been approved by CMS.

In preparing the rates shown in Appendix A, Mercer has used and relied upon enrollment, FFS claims, encounter data, reimbursement level, benefit design, and other information supplied by LDH and its fiscal agent. LDH, its fiscal agent, and the Healthy Louisiana MCOs are responsible for the validity and completeness of the data supplied. Mercer has reviewed the data and information for internal consistency and reasonableness, but did not audit them. In Mercer's opinion, they are appropriate for the intended purposes. The data reliance attestation will be provided in the final rate certification, and its purpose is to certify the accuracy, completeness, and consistency of the base data. However, if the data and information are incomplete/inaccurate, the values shown in this report may differ significantly from values that would be obtained with accurate and complete information; this may require a later revision to this report.

Because modeling all aspects of a situation or scenario is not possible or practical, Mercer may use summary information, estimates, or simplifications of calculations to facilitate the modeling of future events in an efficient and cost-effective manner. Mercer may also exclude factors or data that are immaterial in its judgment. Use of such simplifying techniques does not, in Mercer's judgment, affect the reasonableness, appropriateness, or attainability of the results for the Medicaid program. Actuarial assumptions may also be changed from one certification period to the next because of changes in mandated requirements, program experience, changes in expectations about the future, and other factors. A change in assumptions is not an indication that prior assumptions were unreasonable, inappropriate, or unattainable when they were made.

Mercer certifies the rates in Appendix A, including any risk-sharing mechanisms, were developed in accordance with generally accepted actuarial practices and principles and are appropriate for the Medicaid covered populations and services under the Healthy Louisiana MCO contract. The undersigned actuaries are members of the American Academy of Actuaries and meet its qualification standards to certify to the actuarial soundness of Medicaid managed care capitation rates.

Rates and ranges developed by Mercer are actuarial projections of future contingent events. All estimates are based upon the information and data available at a point in time, and are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely, and potentially wide, range of variability from the estimate. Any estimate or projection may not be used or relied upon by any other party or for any other purpose than for which it was issued by Mercer. Mercer is not responsible for the consequences of any unauthorized use. Actual Healthy Louisiana MCO costs will differ from these projections. Mercer has developed these rates on behalf of LDH to demonstrate compliance with the CMS requirements under 42 CFR §438.4 and accordance with applicable law and regulations. Use of these rate ranges for any purpose beyond that stated may not be appropriate.

Healthy Louisiana MCOs are advised that the use of these rates may not be appropriate for their particular circumstance, and Mercer disclaims any responsibility for the use of these rates by Healthy Louisiana MCOs for any purpose. Mercer recommends that any MCO considering contracting with LDH should analyze its own projected medical expense, administrative expense, and any other premium needs for comparison to these rate ranges before deciding whether to contract with LDH.

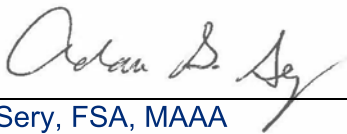
LDH understands that Mercer is not engaged in the practice of law or in providing advice on taxation matters. This report, which may include commenting on legal or taxation issues or regulations, does not constitute and is not a substitute for legal or taxation advice. Accordingly, Mercer recommends that LDH secure the advice of competent legal and taxation counsel with respect to any legal or taxation matters related to this report or otherwise.

This certification letter assumes the reader is familiar with the Healthy Louisiana Program, Medicaid eligibility rules, and actuarial rate-setting techniques. It has been prepared exclusively for LDH and CMS, and should not be relied upon by third parties. Other readers should seek the advice of actuaries or other qualified professionals competent in the area of actuarial rate projections to understand the technical nature of these results. Mercer is not responsible for, and expressly disclaims liability for, any reliance on this report by third parties.

LDH agrees to notify Mercer within 30 days of receipt of this report if it disagrees with anything contained in this report or is aware of any information or data that would affect the results of this report that has not been communicated or provided to Mercer or incorporated herein. The report will be deemed final and acceptable to LDH if nothing is received by Mercer within such 30-day period.

If you have any questions on any of the above, please feel free to contact Adam Sery at +1 612 802 0780 or Rogelio Figueroa at +1 470 548 8862 at your convenience.

Sincerely,



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Adam Sery, FSA, MAAA  
Principal



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Rogelio Figueroa, FSA, MAAA  
Senior Associate

Copy: Tara Leblanc, Medicaid Executive Director – LDH  
Bogdan Constantin, Managed Care Finance – LDH  
Karen Stubbs, Assistant Secretary – OBH/LDH  
Amanda Joyner, Deputy Assistant Secretary – OBH/LDH  
Rachel Butler, ASA, MAAA, Principal – Mercer  
F. Ronald Ogborne III, FSA, CERA, MAAA, Partner – Mercer

## Appendix A

# **R****Y****2****3** **H****e****a****l****t****h****y** **L****o****u****i****s****i****a****n****a** **C****a****p****i****t****a****t****i****o****n** **R****a****t****e****s**

| Region Description | Category of Aid Description                 | Rate Cell Description         | Projected Member Months/Deliveries | Certified Rates |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|-----------------|
| Gulf               | SSI                                         | 0-2 Months                    | 225                                | \$ 29,151.32    |
| Gulf               | SSI                                         | 3-11 Months                   | 1,362                              | \$ 4,863.42     |
| Gulf               | SSI                                         | Child 1-20 Years              | 112,081                            | \$ 814.54       |
| Gulf               | SSI                                         | Adult 21+ Years               | 285,554                            | \$ 1,669.06     |
| Gulf               | F&C                                         | 0-2 Months                    | 29,056                             | \$ 2,966.63     |
| Gulf               | F&C                                         | 3-11 Months                   | 102,424                            | \$ 326.47       |
| Gulf               | F&C                                         | Child 1-20 Years              | 2,109,226                          | \$ 187.81       |
| Gulf               | F&C                                         | Adult 21+ Years               | 297,547                            | \$ 462.15       |
| Gulf               | FCC                                         | All Ages Male & Female        | 31,457                             | \$ 497.57       |
| Gulf               | BCC                                         | BCC, All Ages                 | 1,036                              | \$ 2,795.03     |
| Gulf               | LAP                                         | LAP, All Ages                 | 5,642                              | \$ 246.58       |
| Gulf               | HCBS                                        | Child 1-20 Years              | 3,263                              | \$ 2,486.92     |
| Gulf               | HCBS                                        | Adult 21+ Years               | 6,992                              | \$ 1,853.66     |
| Gulf               | CCM                                         | CCM, All Ages                 | 14,827                             | \$ 1,513.25     |
| Gulf               | SBH - CCM                                   | SBH - CCM, All Ages           | 5,370                              | \$ 215.32       |
| Gulf               | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 405,927                            | \$ 36.63        |
| Gulf               | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 193                                | \$ 36.63        |
| Gulf               | SBH - HCBS                                  | Child 1-20 Years              | 4,716                              | \$ 168.89       |
| Gulf               | SBH - HCBS                                  | Adult 21+ Years               | 9,211                              | \$ 79.81        |
| Gulf               | SBH - Other                                 | SBH - All Ages                | 5,861                              | \$ 184.85       |
| Gulf               | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 28,007.45    |
| Gulf               | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ 3,956.64     |
| Gulf               | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ 1,294.12     |
| Gulf               | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ 4,280.72     |
| Gulf               | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ 775.22       |
| Gulf               | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ 561.61       |
| Gulf               | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ 18.06        |
| Gulf               | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ 10.09        |
| Gulf               | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ 304.83       |
| Gulf               | Maternity Kick Payment                      | Maternity Kick Payment        | 7,180                              | \$ 11,644.33    |
| Gulf               | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 5,911.37     |
| Gulf               | Medicaid Expansion                          | Age 19-64                     | 2,172,921                          | \$ 586.45       |
| Gulf               | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 20,906                             | \$ 36.63        |
| Gulf               | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 36.63        |
| Gulf               | Medicaid Expansion                          | SBH - Other                   | 35                                 | \$ 184.85       |
| Gulf               | Medicaid Expansion                          | SBH - CCM, All Ages           | 171                                | \$ 215.32       |
| Gulf               | Medicaid Expansion                          | High Needs                    | 747                                | \$ 586.45       |
| Gulf               | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,582                              | \$ 13,889.38    |
| Gulf               | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 7,855.15     |
| Capital            | SSI                                         | 0-2 Months                    | 178                                | \$ 29,750.29    |
| Capital            | SSI                                         | 3-11 Months                   | 1,299                              | \$ 4,744.20     |
| Capital            | SSI                                         | Child 1-20 Years              | 90,152                             | \$ 842.00       |
| Capital            | SSI                                         | Adult 21+ Years               | 207,213                            | \$ 1,787.86     |
| Capital            | F&C                                         | 0-2 Months                    | 27,823                             | \$ 3,384.74     |
| Capital            | F&C                                         | 3-11 Months                   | 96,825                             | \$ 336.40       |
| Capital            | F&C                                         | Child 1-20 Years              | 1,936,770                          | \$ 198.67       |
| Capital            | F&C                                         | Adult 21+ Years               | 269,063                            | \$ 498.04       |
| Capital            | FCC                                         | All Ages Male & Female        | 51,230                             | \$ 455.41       |
| Capital            | BCC                                         | BCC, All Ages                 | 1,460                              | \$ 2,767.09     |
| Capital            | LAP                                         | LAP, All Ages                 | 7,213                              | \$ 244.76       |
| Capital            | HCBS                                        | Child 1-20 Years              | 3,552                              | \$ 2,531.66     |
| Capital            | HCBS                                        | Adult 21+ Years               | 6,721                              | \$ 1,858.86     |
| Capital            | CCM                                         | CCM, All Ages                 | 10,827                             | \$ 1,545.10     |
| Capital            | SBH - CCM                                   | SBH - CCM, All Ages           | 5,879                              | \$ 217.55       |
| Capital            | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 320,672                            | \$ 30.76        |
| Capital            | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 152                                | \$ 30.76        |
| Capital            | SBH - HCBS                                  | Child 1-20 Years              | 5,940                              | \$ 167.59       |
| Capital            | SBH - HCBS                                  | Adult 21+ Years               | 8,862                              | \$ 81.67        |
| Capital            | SBH - Other                                 | SBH - All Ages                | 9,038                              | \$ 176.24       |
| Capital            | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 28,007.45    |
| Capital            | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ 3,956.64     |
| Capital            | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ 1,294.12     |
| Capital            | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ 4,280.72     |
| Capital            | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ 775.22       |
| Capital            | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ 561.61       |
| Capital            | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ 18.06        |
| Capital            | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ 10.09        |
| Capital            | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ 304.83       |
| Capital            | Maternity Kick Payment                      | Maternity Kick Payment        | 6,430                              | \$ 10,744.75    |
| Capital            | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 5,395.05     |
| Capital            | Medicaid Expansion                          | Age 19-64                     | 1,767,938                          | \$ 653.23       |
| Capital            | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 16,267                             | \$ 30.76        |
| Capital            | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 30.76        |
| Capital            | Medicaid Expansion                          | SBH - Other                   | 113                                | \$ 176.24       |
| Capital            | Medicaid Expansion                          | SBH - CCM, All Ages           | 235                                | \$ 217.55       |
| Capital            | Medicaid Expansion                          | High Needs                    | 638                                | \$ 653.23       |
| Capital            | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,428                              | \$ 13,715.66    |
| Capital            | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 7,645.10     |

| Region Description | Category of Aid Description                 | Rate Cell Description         | Projected Member Months/Deliveries | Certified Rates |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|-----------------|
| South Central      | SSI                                         | 0-2 Months                    | 183                                | \$ 28,713.76    |
| South Central      | SSI                                         | 3-11 Months                   | 1,145                              | \$ 4,735.85     |
| South Central      | SSI                                         | Child 1-20 Years              | 98,051                             | \$ 746.28       |
| South Central      | SSI                                         | Adult 21+ Years               | 253,894                            | \$ 1,518.07     |
| South Central      | F&C                                         | 0-2 Months                    | 29,712                             | \$ 2,979.98     |
| South Central      | F&C                                         | 3-11 Months                   | 103,356                            | \$ 338.76       |
| South Central      | F&C                                         | Child 1-20 Years              | 2,086,258                          | \$ 192.78       |
| South Central      | F&C                                         | Adult 21+ Years               | 299,017                            | \$ 440.97       |
| South Central      | FCC                                         | All Ages Male & Female        | 55,209                             | \$ 397.01       |
| South Central      | BCC                                         | BCC, All Ages                 | 816                                | \$ 2,726.34     |
| South Central      | LAP                                         | LAP, All Ages                 | 5,610                              | \$ 243.66       |
| South Central      | HCBS                                        | Child 1-20 Years              | 3,392                              | \$ 2,507.86     |
| South Central      | HCBS                                        | Adult 21+ Years               | 8,178                              | \$ 1,864.73     |
| South Central      | CCM                                         | CCM, All Ages                 | 12,502                             | \$ 1,523.35     |
| South Central      | SBH - CCM                                   | SBH - CCM, All Ages           | 5,460                              | \$ 221.96       |
| South Central      | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 382,388                            | \$ 33.46        |
| South Central      | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 181                                | \$ 33.46        |
| South Central      | SBH - HCBS                                  | Child 1-20 Years              | 4,958                              | \$ 165.08       |
| South Central      | SBH - HCBS                                  | Adult 21+ Years               | 9,610                              | \$ 82.68        |
| South Central      | SBH - Other                                 | SBH - All Ages                | 8,992                              | \$ 187.04       |
| South Central      | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 28,007.45    |
| South Central      | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ 3,956.64     |
| South Central      | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ 1,294.12     |
| South Central      | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ 4,280.72     |
| South Central      | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ 775.22       |
| South Central      | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ 561.61       |
| South Central      | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ 18.06        |
| South Central      | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ 10.09        |
| South Central      | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ 304.83       |
| South Central      | Maternity Kick Payment                      | Maternity Kick Payment        | 7,057                              | \$ 9,695.48     |
| South Central      | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 4,369.50     |
| South Central      | Medicaid Expansion                          | Age 19-64                     | 1,846,491                          | \$ 562.87       |
| South Central      | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 19,921                             | \$ 33.46        |
| South Central      | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 33.46        |
| South Central      | Medicaid Expansion                          | SBH - Other                   | 89                                 | \$ 187.04       |
| South Central      | Medicaid Expansion                          | SBH - CCM, All Ages           | 187                                | \$ 221.96       |
| South Central      | Medicaid Expansion                          | High Needs                    | 313                                | \$ 562.87       |
| South Central      | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,754                              | \$ 11,901.93    |
| South Central      | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 6,078.78     |
| North              | SSI                                         | 0-2 Months                    | 141                                | \$ 28,657.44    |
| North              | SSI                                         | 3-11 Months                   | 1,213                              | \$ 4,678.17     |
| North              | SSI                                         | Child 1-20 Years              | 104,544                            | \$ 704.08       |
| North              | SSI                                         | Adult 21+ Years               | 229,509                            | \$ 1,457.23     |
| North              | F&C                                         | 0-2 Months                    | 20,521                             | \$ 2,900.78     |
| North              | F&C                                         | 3-11 Months                   | 72,805                             | \$ 327.30       |
| North              | F&C                                         | Child 1-20 Years              | 1,545,033                          | \$ 197.15       |
| North              | F&C                                         | Adult 21+ Years               | 212,750                            | \$ 439.33       |
| North              | FCC                                         | All Ages Male & Female        | 38,932                             | \$ 542.10       |
| North              | BCC                                         | BCC, All Ages                 | 844                                | \$ 2,725.12     |
| North              | LAP                                         | LAP, All Ages                 | 3,912                              | \$ 244.73       |
| North              | HCBS                                        | Child 1-20 Years              | 2,638                              | \$ 2,503.96     |
| North              | HCBS                                        | Adult 21+ Years               | 6,059                              | \$ 1,869.42     |
| North              | CCM                                         | CCM, All Ages                 | 10,756                             | \$ 1,524.25     |
| North              | SBH - CCM                                   | SBH - CCM, All Ages           | 4,776                              | \$ 219.23       |
| North              | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 314,005                            | \$ 40.66        |
| North              | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 149                                | \$ 40.66        |
| North              | SBH - HCBS                                  | Child 1-20 Years              | 3,254                              | \$ 165.84       |
| North              | SBH - HCBS                                  | Adult 21+ Years               | 6,593                              | \$ 88.93        |
| North              | SBH - Other                                 | SBH - All Ages                | 7,773                              | \$ 183.03       |
| North              | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 28,007.45    |
| North              | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ 3,956.64     |
| North              | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ 1,294.12     |
| North              | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ 4,280.72     |
| North              | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ 775.22       |
| North              | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ 561.61       |
| North              | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ 18.06        |
| North              | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ 10.09        |
| North              | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ 304.83       |
| North              | Maternity Kick Payment                      | Maternity Kick Payment        | 4,919                              | \$ 10,780.46    |
| North              | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 4,818.53     |
| North              | Medicaid Expansion                          | Age 19-64                     | 1,434,478                          | \$ 551.47       |
| North              | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 14,390                             | \$ 40.66        |
| North              | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 40.66        |
| North              | Medicaid Expansion                          | SBH - Other                   | 35                                 | \$ 183.03       |
| North              | Medicaid Expansion                          | SBH - CCM, All Ages           | 140                                | \$ 219.23       |
| North              | Medicaid Expansion                          | High Needs                    | 182                                | \$ 551.47       |
| North              | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 2,763                              | \$ 12,929.45    |
| North              | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 6,570.58     |

## Appendix B

# Healthy Louisiana Directed Payment PMPMs

| Region Description | Category of Aid Description                 | Rate Cell Description         | Projected Member Months/Deliveries | PMPMs Without Premium Tax |                               | PMPMs With Premium Tax    |                               |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|---------------------------|-------------------------------|---------------------------|-------------------------------|
|                    |                                             |                               |                                    | Hospital Directed Payment | LPR Hospital Directed Payment | Hospital Directed Payment | LPR Hospital Directed Payment |
| Gulf               | SSI                                         | 0-2 Months                    | 225                                | \$ 16,265.62              | \$ 23.58                      | \$ 17,212.30              | \$ 24.95                      |
| Gulf               | SSI                                         | 3-11 Months                   | 1,362                              | \$ 3,061.96               | \$ 4.46                       | \$ 3,240.17               | \$ 4.72                       |
| Gulf               | SSI                                         | Child 1-20 Years              | 112,081                            | \$ 257.82                 | \$ 2.74                       | \$ 272.83                 | \$ 2.90                       |
| Gulf               | SSI                                         | Adult 21+ Years               | 285,554                            | \$ 475.75                 | \$ 8.70                       | \$ 503.44                 | \$ 9.21                       |
| Gulf               | F&C                                         | 0-2 Months                    | 29,056                             | \$ 2,090.03               | \$ 2.63                       | \$ 2,211.67               | \$ 2.78                       |
| Gulf               | F&C                                         | 3-11 Months                   | 102,424                            | \$ 142.43                 | \$ 0.06                       | \$ 150.72                 | \$ 0.06                       |
| Gulf               | F&C                                         | Child 1-20 Years              | 2,109,226                          | \$ 52.62                  | \$ 0.30                       | \$ 55.68                  | \$ 0.32                       |
| Gulf               | F&C                                         | Adult 21+ Years               | 297,547                            | \$ 136.65                 | \$ 1.75                       | \$ 144.60                 | \$ 1.85                       |
| Gulf               | FCC                                         | All Ages Male & Female        | 31,457                             | \$ 129.69                 | \$ 3.40                       | \$ 137.24                 | \$ 3.60                       |
| Gulf               | BCC                                         | BCC, All Ages                 | 1,036                              | \$ 1,998.58               | \$ 0.25                       | \$ 2,114.90               | \$ 0.26                       |
| Gulf               | LAP                                         | LAP, All Ages                 | 5,642                              | \$ 53.38                  | \$ 0.42                       | \$ 56.49                  | \$ 0.44                       |
| Gulf               | HCBS                                        | Child 1-20 Years              | 3,263                              | \$ 488.53                 | \$ 0.54                       | \$ 516.96                 | \$ 0.57                       |
| Gulf               | HCBS                                        | Adult 21+ Years               | 6,992                              | \$ 319.89                 | \$ 3.09                       | \$ 338.51                 | \$ 3.27                       |
| Gulf               | CCM                                         | CCM, All Ages                 | 14,827                             | \$ 183.89                 | \$ 0.37                       | \$ 194.59                 | \$ 0.39                       |
| Gulf               | SBH - CCM                                   | SBH - CCM, All Ages           | 5,370                              | \$ 0.24                   | \$ 1.91                       | \$ 0.25                   | \$ 2.02                       |
| Gulf               | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 405,927                            | \$ 0.05                   | \$ 0.24                       | \$ 0.05                   | \$ 0.25                       |
| Gulf               | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 193                                | \$ 0.05                   | \$ 0.24                       | \$ 0.05                   | \$ 0.25                       |
| Gulf               | SBH - HCBS                                  | Child 1-20 Years              | 4,716                              | \$ 0.16                   | \$ 0.49                       | \$ 0.17                   | \$ 0.52                       |
| Gulf               | SBH - HCBS                                  | Adult 21+ Years               | 9,211                              | \$ 0.81                   | \$ 1.73                       | \$ 0.86                   | \$ 1.83                       |
| Gulf               | SBH - Other                                 | SBH - All Ages                | 5,861                              | \$ 2.71                   | \$ 9.29                       | \$ 2.87                   | \$ 9.83                       |
| Gulf               | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Gulf               | Maternity Kick Payment                      | Maternity Kick Payment        | 7,180                              | \$ 6,187.16               | \$ 7.71                       | \$ 6,547.26               | \$ 8.16                       |
| Gulf               | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 6,187.16               | \$ 7.71                       | \$ 6,547.26               | \$ 8.16                       |
| Gulf               | Medicaid Expansion                          | Age 19-64                     | 2,172,921                          | \$ 126.13                 | \$ 2.19                       | \$ 133.47                 | \$ 2.32                       |
| Gulf               | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 20,906                             | \$ 0.05                   | \$ 0.24                       | \$ 0.05                   | \$ 0.25                       |
| Gulf               | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 0.05                   | \$ 0.24                       | \$ 0.05                   | \$ 0.25                       |
| Gulf               | Medicaid Expansion                          | SBH - Other                   | 35                                 | \$ 2.71                   | \$ 9.29                       | \$ 2.87                   | \$ 9.83                       |
| Gulf               | Medicaid Expansion                          | SBH - CCM, All Ages           | 171                                | \$ 0.24                   | \$ 1.91                       | \$ 0.25                   | \$ 2.02                       |
| Gulf               | Medicaid Expansion                          | High Needs                    | 747                                | \$ 246.48                 | \$ 4.95                       | \$ 260.83                 | \$ 5.24                       |
| Gulf               | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,582                              | \$ 6,220.12               | \$ 8.64                       | \$ 6,582.14               | \$ 9.14                       |
| Gulf               | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 6,220.12               | \$ 8.64                       | \$ 6,582.14               | \$ 9.14                       |
| Capital            | SSI                                         | 0-2 Months                    | 178                                | \$ 38,255.11              | \$ 47.83                      | \$ 40,481.60              | \$ 50.61                      |
| Capital            | SSI                                         | 3-11 Months                   | 1,299                              | \$ 2,409.38               | \$ 2.69                       | \$ 2,549.61               | \$ 2.85                       |
| Capital            | SSI                                         | Child 1-20 Years              | 90,152                             | \$ 153.77                 | \$ 2.87                       | \$ 162.72                 | \$ 3.04                       |
| Capital            | SSI                                         | Adult 21+ Years               | 207,213                            | \$ 483.99                 | \$ 12.20                      | \$ 512.16                 | \$ 12.91                      |
| Capital            | F&C                                         | 0-2 Months                    | 27,823                             | \$ 2,180.01               | \$ 2.51                       | \$ 2,306.89               | \$ 2.66                       |
| Capital            | F&C                                         | 3-11 Months                   | 96,825                             | \$ 106.50                 | \$ 0.07                       | \$ 112.70                 | \$ 0.07                       |
| Capital            | F&C                                         | Child 1-20 Years              | 1,936,770                          | \$ 40.23                  | \$ 0.39                       | \$ 42.57                  | \$ 0.41                       |
| Capital            | F&C                                         | Adult 21+ Years               | 269,063                            | \$ 145.39                 | \$ 2.91                       | \$ 153.85                 | \$ 3.08                       |
| Capital            | FCC                                         | All Ages Male & Female        | 51,230                             | \$ 64.17                  | \$ 3.72                       | \$ 67.90                  | \$ 3.94                       |
| Capital            | BCC                                         | BCC, All Ages                 | 1,460                              | \$ 1,434.90               | \$ 5.25                       | \$ 1,518.41               | \$ 5.56                       |
| Capital            | LAP                                         | LAP, All Ages                 | 7,213                              | \$ 48.14                  | \$ 0.01                       | \$ 50.94                  | \$ 0.01                       |
| Capital            | HCBS                                        | Child 1-20 Years              | 3,552                              | \$ 445.69                 | \$ 1.80                       | \$ 471.63                 | \$ 1.90                       |
| Capital            | HCBS                                        | Adult 21+ Years               | 6,721                              | \$ 295.53                 | \$ 7.19                       | \$ 312.73                 | \$ 7.61                       |
| Capital            | CCM                                         | CCM, All Ages                 | 10,827                             | \$ 127.41                 | \$ 2.22                       | \$ 134.83                 | \$ 2.35                       |
| Capital            | SBH - CCM                                   | SBH - CCM, All Ages           | 5,879                              | \$ 0.33                   | \$ 0.68                       | \$ 0.35                   | \$ 0.72                       |
| Capital            | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 320,672                            | \$ 0.04                   | \$ 0.31                       | \$ 0.04                   | \$ 0.33                       |
| Capital            | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 152                                | \$ 0.04                   | \$ 0.31                       | \$ 0.04                   | \$ 0.33                       |
| Capital            | SBH - HCBS                                  | Child 1-20 Years              | 5,940                              | \$ 0.13                   | \$ 1.05                       | \$ 0.14                   | \$ 1.11                       |
| Capital            | SBH - HCBS                                  | Adult 21+ Years               | 8,862                              | \$ 0.53                   | \$ 2.97                       | \$ 0.56                   | \$ 3.14                       |
| Capital            | SBH - Other                                 | SBH - All Ages                | 9,038                              | \$ 2.65                   | \$ 3.98                       | \$ 2.80                   | \$ 4.21                       |
| Capital            | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| Capital            | Maternity Kick Payment                      | Maternity Kick Payment        | 6,430                              | \$ 6,097.69               | \$ 7.28                       | \$ 6,452.58               | \$ 7.70                       |
| Capital            | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 6,097.69               | \$ 7.28                       | \$ 6,452.58               | \$ 7.70                       |
| Capital            | Medicaid Expansion                          | Age 19-64                     | 1,767,938                          | \$ 137.86                 | \$ 3.30                       | \$ 145.88                 | \$ 3.49                       |
| Capital            | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 16,267                             | \$ 0.04                   | \$ 0.31                       | \$ 0.04                   | \$ 0.33                       |
| Capital            | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 0.04                   | \$ 0.31                       | \$ 0.04                   | \$ 0.33                       |
| Capital            | Medicaid Expansion                          | SBH - Other                   | 113                                | \$ 2.65                   | \$ 3.98                       | \$ 2.80                   | \$ 4.21                       |
| Capital            | Medicaid Expansion                          | SBH - CCM, All Ages           | 235                                | \$ 0.33                   | \$ 0.68                       | \$ 0.35                   | \$ 0.72                       |
| Capital            | Medicaid Expansion                          | High Needs                    | 638                                | \$ 794.59                 | \$ 24.61                      | \$ 840.84                 | \$ 26.04                      |
| Capital            | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,428                              | \$ 6,220.87               | \$ 8.61                       | \$ 6,582.93               | \$ 9.11                       |
| Capital            | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 6,220.87               | \$ 8.61                       | \$ 6,582.93               | \$ 9.11                       |

| Region Description | Category of Aid Description                 | Rate Cell Description         | Projected Member Months/Deliveries | PMPMs Without Premium Tax |                               | PMPMs With Premium Tax    |                               |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|---------------------------|-------------------------------|---------------------------|-------------------------------|
|                    |                                             |                               |                                    | Hospital Directed Payment | LPR Hospital Directed Payment | Hospital Directed Payment | LPR Hospital Directed Payment |
| South Central      | SSI                                         | 0-2 Months                    | 183                                | \$ 14,083.37              | \$ 14.86                      | \$ 14,903.04              | \$ 15.72                      |
| South Central      | SSI                                         | 3-11 Months                   | 1,145                              | \$ 2,814.90               | \$ 2.82                       | \$ 2,978.73               | \$ 2.98                       |
| South Central      | SSI                                         | Child 1-20 Years              | 98,051                             | \$ 148.67                 | \$ 4.05                       | \$ 157.32                 | \$ 4.29                       |
| South Central      | SSI                                         | Adult 21+ Years               | 253,894                            | \$ 428.34                 | \$ 11.38                      | \$ 453.27                 | \$ 12.04                      |
| South Central      | F&C                                         | 0-2 Months                    | 29,712                             | \$ 2,131.11               | \$ 2.50                       | \$ 2,255.14               | \$ 2.65                       |
| South Central      | F&C                                         | 3-11 Months                   | 103,356                            | \$ 91.55                  | \$ 0.06                       | \$ 96.88                  | \$ 0.06                       |
| South Central      | F&C                                         | Child 1-20 Years              | 2,086,258                          | \$ 31.50                  | \$ 0.65                       | \$ 33.33                  | \$ 0.69                       |
| South Central      | F&C                                         | Adult 21+ Years               | 299,017                            | \$ 121.31                 | \$ 1.84                       | \$ 128.37                 | \$ 1.95                       |
| South Central      | FCC                                         | All Ages Male & Female        | 55,209                             | \$ 39.01                  | \$ 4.45                       | \$ 41.28                  | \$ 4.71                       |
| South Central      | BCC                                         | BCC, All Ages                 | 816                                | \$ 1,125.25               | \$ 1.63                       | \$ 1,190.74               | \$ 1.72                       |
| South Central      | LAP                                         | LAP, All Ages                 | 5,610                              | \$ 39.71                  | \$ 0.34                       | \$ 42.02                  | \$ 0.36                       |
| South Central      | HCBS                                        | Child 1-20 Years              | 3,392                              | \$ 409.54                 | \$ 2.79                       | \$ 433.38                 | \$ 2.95                       |
| South Central      | HCBS                                        | Adult 21+ Years               | 8,178                              | \$ 351.18                 | \$ 7.38                       | \$ 371.62                 | \$ 7.81                       |
| South Central      | CCM                                         | CCM, All Ages                 | 12,502                             | \$ 127.08                 | \$ 3.46                       | \$ 134.48                 | \$ 3.66                       |
| South Central      | SBH - CCM                                   | SBH - CCM, All Ages           | 5,460                              | \$ 0.73                   | \$ 5.12                       | \$ 0.77                   | \$ 5.42                       |
| South Central      | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 382,388                            | \$ 0.06                   | \$ 0.27                       | \$ 0.06                   | \$ 0.29                       |
| South Central      | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 181                                | \$ 0.06                   | \$ 0.27                       | \$ 0.06                   | \$ 0.29                       |
| South Central      | SBH - HCBS                                  | Child 1-20 Years              | 4,958                              | \$ 0.16                   | \$ 0.54                       | \$ 0.17                   | \$ 0.57                       |
| South Central      | SBH - HCBS                                  | Adult 21+ Years               | 9,610                              | \$ 0.42                   | \$ 1.38                       | \$ 0.44                   | \$ 1.46                       |
| South Central      | SBH - Other                                 | SBH - All Ages                | 8,992                              | \$ 2.43                   | \$ 12.48                      | \$ 2.57                   | \$ 13.21                      |
| South Central      | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| South Central      | Maternity Kick Payment                      | Maternity Kick Payment        | 7,057                              | \$ 5,071.50               | \$ 6.36                       | \$ 5,366.67               | \$ 6.73                       |
| South Central      | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 5,071.50               | \$ 6.36                       | \$ 5,366.67               | \$ 6.73                       |
| South Central      | Medicaid Expansion                          | Age 19-64                     | 1,846,491                          | \$ 129.60                 | \$ 2.72                       | \$ 137.14                 | \$ 2.88                       |
| South Central      | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 19,921                             | \$ 0.06                   | \$ 0.27                       | \$ 0.06                   | \$ 0.29                       |
| South Central      | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 0.06                   | \$ 0.27                       | \$ 0.06                   | \$ 0.29                       |
| South Central      | Medicaid Expansion                          | SBH - Other                   | 89                                 | \$ 2.43                   | \$ 12.48                      | \$ 2.57                   | \$ 13.21                      |
| South Central      | Medicaid Expansion                          | SBH - CCM, All Ages           | 187                                | \$ 0.73                   | \$ 5.12                       | \$ 0.77                   | \$ 5.42                       |
| South Central      | Medicaid Expansion                          | High Needs                    | 313                                | \$ 256.91                 | \$ 18.02                      | \$ 271.86                 | \$ 19.07                      |
| South Central      | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,754                              | \$ 5,429.21               | \$ 7.96                       | \$ 5,745.20               | \$ 8.42                       |
| South Central      | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 5,429.21               | \$ 7.96                       | \$ 5,745.20               | \$ 8.42                       |
| North              | SSI                                         | 0-2 Months                    | 141                                | \$ 15,263.11              | \$ 15.84                      | \$ 16,151.44              | \$ 16.76                      |
| North              | SSI                                         | 3-11 Months                   | 1,213                              | \$ 1,711.77               | \$ 1.47                       | \$ 1,811.40               | \$ 1.56                       |
| North              | SSI                                         | Child 1-20 Years              | 104,544                            | \$ 167.60                 | \$ 5.19                       | \$ 177.35                 | \$ 5.49                       |
| North              | SSI                                         | Adult 21+ Years               | 229,509                            | \$ 477.00                 | \$ 8.41                       | \$ 504.76                 | \$ 8.90                       |
| North              | F&C                                         | 0-2 Months                    | 20,521                             | \$ 2,245.87               | \$ 2.47                       | \$ 2,376.58               | \$ 2.61                       |
| North              | F&C                                         | 3-11 Months                   | 72,805                             | \$ 104.12                 | \$ 0.05                       | \$ 110.18                 | \$ 0.05                       |
| North              | F&C                                         | Child 1-20 Years              | 1,545,033                          | \$ 35.46                  | \$ 0.85                       | \$ 37.52                  | \$ 0.90                       |
| North              | F&C                                         | Adult 21+ Years               | 212,750                            | \$ 119.76                 | \$ 1.57                       | \$ 126.73                 | \$ 1.66                       |
| North              | FCC                                         | All Ages Male & Female        | 38,932                             | \$ 53.25                  | \$ 6.83                       | \$ 56.35                  | \$ 7.23                       |
| North              | BCC                                         | BCC, All Ages                 | 844                                | \$ 1,685.45               | \$ 2.35                       | \$ 1,783.54               | \$ 2.49                       |
| North              | LAP                                         | LAP, All Ages                 | 3,912                              | \$ 54.47                  | \$ 0.29                       | \$ 57.64                  | \$ 0.31                       |
| North              | HCBS                                        | Child 1-20 Years              | 2,638                              | \$ 211.72                 | \$ 0.86                       | \$ 224.04                 | \$ 0.91                       |
| North              | HCBS                                        | Adult 21+ Years               | 6,059                              | \$ 349.88                 | \$ 9.70                       | \$ 370.24                 | \$ 10.26                      |
| North              | CCM                                         | CCM, All Ages                 | 10,756                             | \$ 96.71                  | \$ 4.05                       | \$ 102.34                 | \$ 4.29                       |
| North              | SBH - CCM                                   | SBH - CCM, All Ages           | 4,776                              | \$ 0.62                   | \$ 4.91                       | \$ 0.66                   | \$ 5.20                       |
| North              | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 314,005                            | \$ 0.03                   | \$ 0.15                       | \$ 0.03                   | \$ 0.16                       |
| North              | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 149                                | \$ 0.03                   | \$ 0.15                       | \$ 0.03                   | \$ 0.16                       |
| North              | SBH - HCBS                                  | Child 1-20 Years              | 3,254                              | \$ 0.47                   | \$ 3.48                       | \$ 0.50                   | \$ 3.68                       |
| North              | SBH - HCBS                                  | Adult 21+ Years               | 6,593                              | \$ 0.71                   | \$ 3.00                       | \$ 0.75                   | \$ 3.17                       |
| North              | SBH - Other                                 | SBH - All Ages                | 7,773                              | \$ 1.61                   | \$ 4.99                       | \$ 1.70                   | \$ 5.28                       |
| North              | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ -                      | \$ -                          | \$ -                      | \$ -                          |
| North              | Maternity Kick Payment                      | Maternity Kick Payment        | 4,919                              | \$ 6,079.26               | \$ 8.95                       | \$ 6,433.08               | \$ 9.47                       |
| North              | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 6,079.26               | \$ 8.95                       | \$ 6,433.08               | \$ 9.47                       |
| North              | Medicaid Expansion                          | Age 19-64                     | 1,434,478                          | \$ 131.28                 | \$ 1.94                       | \$ 138.92                 | \$ 2.05                       |
| North              | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 14,390                             | \$ 0.03                   | \$ 0.15                       | \$ 0.03                   | \$ 0.16                       |
| North              | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 0.03                   | \$ 0.15                       | \$ 0.03                   | \$ 0.16                       |
| North              | Medicaid Expansion                          | SBH - Other                   | 35                                 | \$ 1.61                   | \$ 4.99                       | \$ 1.70                   | \$ 5.28                       |
| North              | Medicaid Expansion                          | SBH - CCM, All Ages           | 140                                | \$ 0.62                   | \$ 4.91                       | \$ 0.66                   | \$ 5.20                       |
| North              | Medicaid Expansion                          | High Needs                    | 182                                | \$ 757.83                 | \$ 7.55                       | \$ 801.94                 | \$ 7.99                       |
| North              | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 2,763                              | \$ 6,706.97               | \$ 6.13                       | \$ 7,097.32               | \$ 6.49                       |
| North              | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 6,706.97               | \$ 6.13                       | \$ 7,097.32               | \$ 6.49                       |

## Appendix C

# Healthy Louisiana Eligibility Designation

| Covered Populations             |                                                               |                      |           |                  |              |
|---------------------------------|---------------------------------------------------------------|----------------------|-----------|------------------|--------------|
| Aid Category Description        | Type Case Description                                         | Adult/Child/All Ages | Mandatory | Voluntary Opt In | SBH and NEMT |
| CCM*                            |                                                               |                      |           | ●                | ●            |
| Dual Eligibles**                |                                                               |                      |           |                  | ●            |
| ABD (Aged, Blind, and Disabled) |                                                               |                      |           |                  |              |
|                                 | Acute Care Hospitals (LOS > 30 days)                          | All Ages             | ●         |                  |              |
|                                 | ADHC (Adult Day Health Services Waiver)                       | All Ages             |           | ●                |              |
|                                 | BPL (Walker vs. Bayer)                                        | All Ages             | ●         |                  |              |
|                                 | Children's Medicaid Option (LaHIPP)                           | Child                |           |                  | ●            |
|                                 | Children's Medicaid Option (Non-LaHIPP TPL)                   | Child                | ●         |                  |              |
|                                 | Children's Medicaid Option (Non-TPL)                          | Child                | ●         |                  |              |
|                                 | Children's Waiver - Louisiana Children's Choice               | All Ages             |           | ●                |              |
|                                 | Community Choice Waiver                                       | All Ages             |           | ●                |              |
|                                 | Disability Medicaid                                           | All Ages             | ●         |                  |              |
|                                 | Disabled Adult Child                                          | All Ages             | ●         |                  |              |
|                                 | Disabled Widow/Widower (DW/W)                                 | All Ages             | ●         |                  |              |
|                                 | Early Widow/Widowers                                          | All Ages             | ●         |                  |              |
|                                 | Excess Home Equity Over SIL and NF Fee (Aged)                 | Adult                |           |                  | ●            |
|                                 | Excess Home Equity Over SIL and NF Fee (Blind and Disabled)   | All Ages             |           |                  | ●            |
|                                 | Excess Home Equity SSI Under SIL (Aged)                       | Adult                |           |                  | ●            |
|                                 | Excess Home Equity SSI Under SIL (Blind and Disabled)         | All Ages             |           |                  | ●            |
|                                 | Excess Home Equity SSI Under SIL-Reg LTC (Aged)               | Adult                |           |                  | ●            |
|                                 | Excess Home Equity SSI Under SIL-Reg LTC (Blind and Disabled) | All Ages             |           |                  | ●            |
|                                 | Family Opportunity Program                                    | All Ages             | ●         |                  |              |
|                                 | Forced Benefits (Aged)                                        | Adult                |           |                  | ●            |
|                                 | Forced Benefits (Blind)                                       | All Ages             |           |                  | ●            |
|                                 | Former SSI                                                    | All Ages             | ●         |                  |              |
|                                 | LaCHIP Phase IV: Non-Citizen Pregnant Women Expansion         | All Ages             | ●         |                  |              |
|                                 | LTC (Long Term Care) (Aged)                                   | Adult                |           |                  | ●            |
|                                 | LTC (Long Term Care) (Blind and Disabled)                     | All Ages             |           |                  | ●            |
|                                 | LTC MNP/Transfer of Resources (Aged)                          | Adult                |           |                  | ●            |
|                                 | LTC MNP/Transfer of Resources (Blind and Disabled)            | All Ages             |           |                  | ●            |
|                                 | LTC Payment Denial/Late Admission Packet (Aged)               | Adult                |           |                  | ●            |
|                                 | LTC Payment Denial/Late Admission Packet (Blind and Disabled) | All Ages             |           |                  | ●            |
|                                 | LTC Spenddown MNP (Aged)                                      | Adult                |           |                  | ●            |
|                                 | LTC Spenddown MNP (Blind and Disabled)                        | All Ages             |           |                  | ●            |
|                                 | Medicaid Buy-In Working Disabled (Medicaid Purchase Plan)     | All Ages             | ●         |                  |              |
|                                 | New Opportunities Waiver - SSI                                | All Ages             |           | ●                |              |
|                                 | New Opportunities Waiver Fund                                 | All Ages             |           | ●                |              |
|                                 | New Opportunities Waiver, non-SSI                             | All Ages             |           | ●                |              |
|                                 | PICKLE                                                        | All Ages             | ●         |                  |              |
|                                 | Provisional Medicaid                                          | All Ages             | ●         |                  |              |
|                                 | Residential Options Waiver - NON-SSI                          | All Ages             |           | ●                |              |
|                                 | Residential Options Waiver - SSI                              | All Ages             |           | ●                |              |
|                                 | Section 4913 Children                                         | All Ages             | ●         |                  |              |
|                                 | SGA Disabled W/W/DS                                           | All Ages             | ●         |                  |              |
|                                 | SSI (Supplemental Security Income)                            | All Ages             | ●         |                  |              |
|                                 | SSI Children's Waiver - Louisiana Children's Choice           | All Ages             |           | ●                |              |
|                                 | SSI Community Choice Waiver                                   | All Ages             |           | ●                |              |
|                                 | SSI Conversion                                                | All Ages             | ●         |                  |              |
|                                 | SSI Conversion/Refugee Cash Assistance (RCA) / LIFC Basic     | All Ages             | ●         |                  |              |
|                                 | SSI New Opportunities Waiver Fund                             | All Ages             |           | ●                |              |
|                                 | SSI Payment Denial/Late Admission (Aged)                      | Adult                |           |                  | ●            |
|                                 | SSI Payment Denial/Late Admission (Blind and Disabled)        | All Ages             |           |                  | ●            |
|                                 | SSI Private ICF/DD Transfer of Resources (Blind and Disabled) | Child                |           |                  | ●            |
|                                 | SSI Public ICF/DD Transfer of Resources (Blind and Disabled)  | Child                |           |                  | ●            |
|                                 | SSI Transfer of Resource(s)/LTC (Aged)                        | Adult                |           |                  | ●            |
|                                 | SSI Transfer of Resource(s)/LTC (Blind and Disabled)          | All Ages             |           |                  | ●            |
|                                 | SSI/ADHC                                                      | All Ages             |           | ●                |              |
|                                 | SSI/LTC (Aged)                                                | Adult                |           |                  | ●            |
|                                 | SSI/LTC (Blind and Disabled)                                  | All Ages             |           |                  | ●            |
|                                 | SSI/Private ICF/DD (Blind)                                    | Child                |           |                  | ●            |
|                                 | SSI/Public ICF/DD (Blind)                                     | Child                |           |                  | ●            |
|                                 | Supports Waiver                                               | All Ages             |           | ●                |              |
|                                 | Supports Waiver SSI                                           | All Ages             |           | ●                |              |
|                                 | Transfer of Resource(s)/LTC (Aged)                            | Adult                |           |                  | ●            |
|                                 | Transfer of Resource(s)/LTC (Blind and Disabled)              | All Ages             |           |                  | ●            |

| Covered Populations          |                                                                                           |                      |           |                  |            |
|------------------------------|-------------------------------------------------------------------------------------------|----------------------|-----------|------------------|------------|
| Aid Category Description     | Type Case Description                                                                     | Adult/Child/All Ages | Mandatory | Voluntary Opt In | SBH & NEMT |
| <b>Families and Children</b> |                                                                                           |                      |           |                  |            |
|                              | Breast and/or Cervical Cancer                                                             | All Ages             | ●         |                  |            |
|                              | CHAMP Child                                                                               | All Ages             | ●         |                  |            |
|                              | CHAMP Pregnant Woman (to 133% of FPIG)                                                    | All Ages             | ●         |                  |            |
|                              | CHAMP Pregnant Woman Expansion (to 185% FPIG)                                             | All Ages             | ●         |                  |            |
|                              | Deemed Eligible                                                                           | All Ages             | ●         |                  |            |
|                              | ELE - Food Stamps (Express Lane Eligibility-Food Stamps)                                  | All Ages             | ●         |                  |            |
|                              | Forced Benefits                                                                           | All Ages             |           |                  | ●          |
|                              | Former Foster Care children                                                               | All Ages             | ●         |                  |            |
|                              | LaCHIP Affordable Plan                                                                    | All Ages             | ●         |                  |            |
|                              | LACHIP Phase 1                                                                            | All Ages             | ●         |                  |            |
|                              | LACHIP Phase 2                                                                            | All Ages             | ●         |                  |            |
|                              | LACHIP Phase 3                                                                            | All Ages             | ●         |                  |            |
|                              | LaCHIP Phase IV: Non-Citizen Pregnant Women Expansion                                     | All Ages             | ●         |                  |            |
|                              | LIFC Basic                                                                                | All Ages             | ●         |                  |            |
|                              | LTC (Long-Term Care)                                                                      | All Ages             |           |                  | ●          |
|                              | LTC Spenddown MNP                                                                         | All Ages             |           |                  | ●          |
|                              | PAP - Prohibited AFDC Provisions                                                          | All Ages             | ●         |                  |            |
|                              | Pregnant women with income greater than 118% of FPL and less than or equal to 133% of FPL | All Ages             | ●         |                  |            |
|                              | Public ICF/DD                                                                             | Child                |           |                  | ●          |
|                              | Regular MNP (Medically Needy Program)                                                     | All Ages             | ●         |                  |            |
|                              | Transitional Medicaid                                                                     | All Ages             | ●         |                  |            |
|                              | Youth Aging Out of Foster Care (Chaffee Option)                                           | All Ages             | ●         |                  |            |
| <b>LIFC</b>                  |                                                                                           |                      |           |                  |            |
|                              | Grant Review/Child Support Continuance                                                    | All Ages             | ●         |                  |            |
|                              | LIFC - Unemployed Parent / CHAMP                                                          | All Ages             | ●         |                  |            |
|                              | LIFC Basic                                                                                | All Ages             | ●         |                  |            |
|                              | Transitional Medicaid                                                                     | All Ages             | ●         |                  |            |
| <b>Medicaid Expansion</b>    |                                                                                           |                      |           |                  |            |
|                              | Adult Group                                                                               | All Ages             | ●         |                  |            |
|                              | Adult Group - High Need                                                                   | All Ages             | ●         |                  |            |
| <b>Non Traditional</b>       |                                                                                           |                      |           |                  |            |
|                              | CSOC                                                                                      | All Ages             | ●         |                  |            |
| <b>OCS/OYD</b>               |                                                                                           |                      |           |                  |            |
|                              | CHAMP Child                                                                               | All Ages             | ●         |                  |            |
|                              | CHAMP Pregnant Woman (to 133% of FPIG)                                                    | All Ages             | ●         |                  |            |
|                              | CHAMP Pregnant Woman Expansion (to 185% FPIG)                                             | All Ages             | ●         |                  |            |
|                              | Children's Waiver - Louisiana Children's Choice                                           | All Ages             |           | ●                |            |
|                              | Forced Benefits                                                                           | Child                |           |                  | ●          |
|                              | Former SSI                                                                                | All Ages             | ●         |                  |            |
|                              | Foster Care IV-E - Suspended SSI                                                          | All Ages             | ●         |                  |            |
|                              | IV-E Foster Care                                                                          | All Ages             | ●         |                  |            |
|                              | LACHIP Phase 1                                                                            | All Ages             | ●         |                  |            |
|                              | LTC (Long-Term Care)                                                                      | All Ages             |           |                  | ●          |
|                              | LTC (Long-Term Care)                                                                      | Child                |           |                  | ●          |
|                              | New Opportunities Waiver - SSI                                                            | All Ages             |           | ●                |            |
|                              | New Opportunities Waiver Fund                                                             | All Ages             |           | ●                |            |
|                              | New Opportunities Waiver, non-SSI                                                         | All Ages             |           | ●                |            |
|                              | OYD - V Category Child                                                                    | All Ages             | ●         |                  |            |
|                              | Private ICF/DD                                                                            | Child                |           |                  | ●          |
|                              | Public ICF/DD                                                                             | Child                |           |                  | ●          |
|                              | Regular Foster Care Child                                                                 | All Ages             | ●         |                  |            |
|                              | Regular Foster Care Child - MNP                                                           | All Ages             | ●         |                  |            |
|                              | Residential Options Waiver - NON-SSI                                                      | All Ages             |           | ●                |            |
|                              | Residential Options Waiver - SSI                                                          | All Ages             |           | ●                |            |
|                              | SSI (Supplemental Security Income)                                                        | All Ages             | ●         |                  |            |
|                              | SSI Children's Waiver - Louisiana Children's Choice                                       | All Ages             |           | ●                |            |
|                              | SSI New Opportunities Waiver Fund                                                         | All Ages             |           | ●                |            |
|                              | SSI/LTC                                                                                   | All Ages             |           |                  | ●          |
|                              | SSI/LTC                                                                                   | Child                |           |                  | ●          |
|                              | SSI/Private ICF/DD                                                                        | Child                |           |                  | ●          |
|                              | SSI/Public ICF/DD                                                                         | Child                |           |                  | ●          |
|                              | YAP (Young Adult Program) (OCS/OYD (XIX))                                                 | All Ages             | ●         |                  |            |
|                              | YAP/OYD                                                                                   | All Ages             | ●         |                  |            |
| <b>Presumptive Eligible</b>  |                                                                                           |                      |           |                  |            |
|                              | Adult Group                                                                               | All Ages             | ●         |                  |            |
|                              | HPE B/CC                                                                                  | All Ages             | ●         |                  |            |
|                              | HPE CHAMP                                                                                 | All Ages             | ●         |                  |            |
|                              | HPE Children Under Age 19 Years                                                           | All Ages             | ●         |                  |            |
|                              | HPE Former Foster Care                                                                    | All Ages             | ●         |                  |            |
|                              | HPE LaCHIP                                                                                | All Ages             | ●         |                  |            |
|                              | HPE LaCHIP Unborn                                                                         | All Ages             | ●         |                  |            |
|                              | HPE Parent/Caretaker Relative                                                             | All Ages             | ●         |                  |            |
|                              | HPE Pregnant Woman                                                                        | All Ages             | ●         |                  |            |
| <b>TB</b>                    |                                                                                           |                      |           |                  |            |
|                              | Tuberculosis (TB)                                                                         | All Ages             | ●         |                  |            |

\* Individuals under the age of 21 years otherwise eligible for Medicaid who are listed on the OCDD's Request for Services Registry who are CCM.

\*\* Dual eligibles included in Healthy Louisiana for SBH and NEMT services must be in a mandatory, voluntary opt-in or SBH and NEMT population listed above in Attachment C. They must also be eligible for Medicare, which is identified based on the Medicare Duals Eligibility table supplied by the State's fiscal agent. Dually eligible individuals are represented by Dual Status code 02, 04, and 08.

| Excluded Populations                   |                                                                      |                      |
|----------------------------------------|----------------------------------------------------------------------|----------------------|
| Aid Category Description               | Type Case Description                                                | Adult/Child/All Ages |
| <b>ABD (Aged, Blind, and Disabled)</b> |                                                                      |                      |
|                                        | DD Waiver                                                            | All Ages             |
|                                        | Denied SSI Prior Period                                              | All Ages             |
|                                        | Disabled Adults Authorized for Special Hurricane Katrina Assistance  | All Ages             |
|                                        | EDA Waiver                                                           | All Ages             |
|                                        | Excess Home Equity Over SIL and NF Fee (Aged)                        | Child                |
|                                        | Excess Home Equity SSI Under SIL (Aged)                              | Child                |
|                                        | Excess Home Equity SSI Under SIL-Reg LTC (Aged)                      | Child                |
|                                        | Forced Benefits (Aged)                                               | Child                |
|                                        | Forced Benefits (Disabled)                                           | All Ages             |
|                                        | Illegal/Ineligible Aliens Emergency Services                         | All Ages             |
|                                        | LBHP - Adult 1915(i)                                                 | All Ages             |
|                                        | LTC (Long-Term Care) (Aged)                                          | Child                |
|                                        | LTC Co-Insurance                                                     | All Ages             |
|                                        | LTC MNP/Transfer of Resources (Aged)                                 | Child                |
|                                        | LTC Payment Denial/Late Admission Packet (Aged)                      | Child                |
|                                        | LTC Spenddown MNP (Aged)                                             | Child                |
|                                        | LTC Spenddown MNP (Income > Facility Fee)                            | All Ages             |
|                                        | PACE SSI                                                             | All Ages             |
|                                        | PACE SSI-related                                                     | All Ages             |
|                                        | PCA Waiver                                                           | All Ages             |
|                                        | Private ICF/DD (Aged and Disabled)                                   | All Ages             |
|                                        | Private ICF/DD (Blind)                                               | Adult                |
|                                        | Private ICF/DD MNP Transfer of Resources (Blind and Disabled)        | Adult                |
|                                        | Private ICF/DD Spenddown Medically Needy Program (Aged and Disabled) | All Ages             |
|                                        | Private ICF/DD Spenddown Medically Needy Program (Blind)             | Adult                |
|                                        | Private ICF/DD Spenddown MNP/Income Over Facility Fee                | All Ages             |
|                                        | Private ICF/DD Transfer of Resources (Blind and Disabled)            | Adult                |
|                                        | Public ICF/DD (Aged and Disabled)                                    | All Ages             |
|                                        | Public ICF/DD (Blind)                                                | Adult                |
|                                        | Public ICF/DD MNP Transfer of Resources (Blind and Disabled)         | Adult                |
|                                        | Public ICF/DD Spenddown MNP                                          | All Ages             |
|                                        | Public ICF/DD Spenddown Medically Needy Program (Blind and Disabled) | Adult                |
|                                        | Public ICF/DD Spenddown MNP/Income Over Facility Fee                 | All Ages             |
|                                        | Public ICF/DD Transfer of Resources (Blind and Disabled)             | Adult                |
|                                        | QI-1 (Qualified Individual - 1)                                      | All Ages             |
|                                        | QI-2 (Qualified Individual - 2) (Program terminated 12/31/2002)      | All Ages             |
|                                        | SLMB (Specified Low-Income Medicare Beneficiary)                     | All Ages             |
|                                        | Spenddown MNP                                                        | All Ages             |
|                                        | Spenddown Denial of Payment/Late Packet (Aged and Disabled)          | All Ages             |
|                                        | Spenddown Denial of Payment/Late Packet (Blind)                      | Adult                |
|                                        | SSI DD Waiver                                                        | All Ages             |
|                                        | SSI Payment Denial/Late Admission (Aged)                             | Child                |
|                                        | SSI PCA Waiver                                                       | All Ages             |
|                                        | SSI Private ICF/DD Transfer of Resources (Blind and Disabled)        | Adult                |
|                                        | SSI Public ICF/DD Transfer of Resources (Blind and Disabled)         | Adult                |
|                                        | SSI Transfer of Resource(s)/LTC (Aged)                               | Child                |
|                                        | SSI/EDA Waiver                                                       | All Ages             |
|                                        | SSI/LTC (Aged)                                                       | Child                |
|                                        | SSI/Private ICF/DD (Aged and Disabled)                               | All Ages             |
|                                        | SSI/Private ICF/DD (Blind)                                           | Adult                |
|                                        | SSI/Public ICF/DD (Aged and Disabled)                                | All Ages             |
|                                        | SSI/Public ICF/DD (Blind)                                            | Adult                |
|                                        | Terminated SSI Prior Period                                          | All Ages             |
|                                        | Transfer of Resource(s)/LTC (Aged)                                   | Child                |

| Excluded Populations         |                                                           |                      |
|------------------------------|-----------------------------------------------------------|----------------------|
| Aid Category Description     | Type Case Description                                     | Adult/Child/All Ages |
| <b>Families and Children</b> |                                                           |                      |
|                              | DD Waiver                                                 | All Ages             |
|                              | Grant Review                                              | All Ages             |
|                              | Illegal/Ineligible Aliens Emergency Services              | All Ages             |
|                              | LBHP - Adult 1915(i)                                      | All Ages             |
|                              | Public ICF/DD                                             | Adult                |
|                              | Spenddown MNP                                             | All Ages             |
| <b>Family Planning</b>       |                                                           |                      |
|                              | Take Charge Plus                                          | All Ages             |
| <b>GNOCHC</b>                |                                                           |                      |
|                              |                                                           | All Ages             |
| <b>Hurricane Evacuees</b>    |                                                           |                      |
|                              |                                                           | All Ages             |
| <b>Med Asst/Appeal</b>       |                                                           |                      |
|                              | Community Choice Waiver                                   | All Ages             |
|                              | LTC (Long-Term Care)                                      | All Ages             |
|                              | PCA Waiver                                                | All Ages             |
|                              | Regular MNP (Medically Needy Program)                     | All Ages             |
|                              | State Retirees                                            | All Ages             |
| <b>Non Traditional</b>       |                                                           |                      |
|                              | Family Planning, New eligibility/Non LaMOMS               | All Ages             |
|                              | Family Planning, Previous LaMOMS eligibility              | All Ages             |
| <b>OCS/OYD</b>               |                                                           |                      |
|                              | DD Waiver                                                 | All Ages             |
|                              | Forced Benefits                                           | Adult                |
|                              | LTC (Long-Term Care)                                      | Adult                |
|                              | OCS Child Under Age 18 Years (State Funded)               | All Ages             |
|                              | OYD (Office of Youth Development)                         | All Ages             |
|                              | Private ICF/DD                                            | Adult                |
|                              | Public ICF/DD                                             | Adult                |
|                              | SSI DD Waiver                                             | All Ages             |
|                              | SSI/LTC                                                   | Adult                |
|                              | SSI/Private ICF/DD                                        | Adult                |
|                              | SSI/Public ICF/DD                                         | Adult                |
|                              | YAP (Young Adult Program) (OCS/OYD Child)                 | All Ages             |
| <b>Presumptive Eligible</b>  |                                                           |                      |
|                              | HPE Family Planning                                       | All Ages             |
|                              | HPE Take Charge Plus                                      | All Ages             |
| <b>QMB</b>                   |                                                           |                      |
|                              |                                                           | All Ages             |
| <b>Refugee Asst</b>          |                                                           |                      |
|                              | Forced Benefits                                           | All Ages             |
|                              | Regular MNP (Medically Needy Program)                     | All Ages             |
|                              | SSI Conversion / Refugee Cash Assistance (RCA)/LIFC Basic | All Ages             |

## Appendix D

# Healthy Louisiana Covered Services

**Table 1: PH and Expansion Programs**

| Medicaid Category of Service                                                     | Units of Measurement | IBNR Category Mapping  |
|----------------------------------------------------------------------------------|----------------------|------------------------|
| Inpatient Hospital                                                               | Days                 | Inpatient              |
| Outpatient Hospital                                                              | Claims               | Outpatient             |
| Primary Care Physician                                                           | Visits               | Physician and Other    |
| Specialty Care Physician                                                         | Visits               | Physician and Other    |
| Federally Qualified Health Center/Rural Health Clinic                            | Visits               | Physician and Other    |
| EPSDT                                                                            | Visits               | Physician and Other    |
| Certified Nurse Practitioners/Clinical Nurse                                     | Claims               | Physician and Other    |
| Lab/Radiology                                                                    | Units                | Physician and Other    |
| Home Health                                                                      | Visits               | Physician and Other    |
| Emergency Transportation                                                         | Units                | Transportation and SBH |
| NEMT                                                                             | Units                | Transportation and SBH |
| Rehabilitation Services (Occupational Therapy, Physical Therapy, Speech Therapy) | Visits               | Physician and Other    |
| DME                                                                              | Units                | Physician and Other    |
| Clinic                                                                           | Claims               | Physician and Other    |
| Family Planning                                                                  | Visits               | Physician and Other    |
| Other                                                                            | Units                | Physician and Other    |
| Prescribed Drugs                                                                 | Scripts              | Prescribed Drugs       |
| Emergency Room                                                                   | Visits               | Outpatient             |
| Basic Behavioral Health                                                          | Claims               | Physician and Other    |
| Hospice                                                                          | Admits               | Inpatient              |
| Personal Care Services (Age 0 Years–20 Years)                                    | Units                | Physician and Other    |
| Inpatient Services — Mental Health                                               | Days                 | Transportation and SBH |
| Emergency Room — Mental Health                                                   | Visits               | Transportation and SBH |
| Professional/Other — Mental Health                                               | Units                | Transportation and SBH |
| Applied Behavioral Analysis                                                      | Units                | Transportation and SBH |

**Table 2: SBH Program**

| Medicaid Category of Service       | Units of Measurement | IBNR Category Mapping  |
|------------------------------------|----------------------|------------------------|
| Inpatient Services — Mental Health | Days                 | Transportation and SBH |
| Emergency Room — Mental Health     | Visits               | Transportation and SBH |
| Professional/Other — Mental Health | Units                | Transportation and SBH |
| Applied Behavioral Analysis        | Units                | Transportation and SBH |
| NEMT                               | Units                | Transportation and SBH |

## Appendix E

# Act 421 Rating Adjustments

**Table 1: Proxy Population Mapping**

| Act 421 Children's Medicaid Option Population | Healthy Louisiana Proxy Population(s)                                                                                   |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| 0-2 Months                                    | SSI, 0-2 Months                                                                                                         |
| 3-11 Months                                   | SSI, 3-11 Months                                                                                                        |
| Child 1-18 Years                              | SSI Child 1-20 Years (Non-I/DD, Child 1 Year-18 Years)<br>Chisolm Class Members, All Ages (I/DD, Child 1 Year-18 Years) |

**Table 2: RY23 Proxy PMPMs by Population**

| Act 421 Children's Medicaid Option Population | Non-TPL/Non-LaHIPP TPL | LaHIPP TPL |
|-----------------------------------------------|------------------------|------------|
| 0-2 Months                                    | \$19,616.14            | \$79.01    |
| 3-11 Months                                   | \$3,570.50             | \$60.08    |
| Child 1-18 Years                              | \$1,027.57             | \$303.49   |

**Table 3: Relative Acuity Adjustments**

| Act 421 Children's Medicaid Option Population | Non-TPL/Non-LaHIPP TPL | LaHIPP TPL |
|-----------------------------------------------|------------------------|------------|
| 0-2 Months                                    | 25.67%                 | 34.15%     |
| 3-11 Months                                   | -2.66%                 | -1.66%     |
| Child 1-18 Years                              | 8.78%                  | 20.83%     |

**Table 4: TPL Wrap-Around Adjustment**

| Act 421 Children's Medicaid Option Population | Non-LaHIPP TPL | LaHIPP TPL |
|-----------------------------------------------|----------------|------------|
| 0-2 Months                                    | -84.74%        | -85.00%    |
| 3-11 Months                                   | -80.41%        | -85.00%    |
| Child 1-18 Years                              | -56.65%        | -28.17%    |

**Table 5: Admin PMPMs**

| Act 421 Children's Medicaid Option Population | Non-TPL     | Non-LaHIPP TPL | LaHIPP TPL |
|-----------------------------------------------|-------------|----------------|------------|
| 0-2 Months                                    | \$ 1,412.32 | \$ 215.86      | \$ 0.91    |
| 3-11 Months                                   | \$ 207.41   | \$ 40.64       | \$ 0.53    |
| Child 1-18 Years                              | \$ 85.91    | \$ 37.33       | \$ 20.33   |

## Appendix F

# In Lieu of Services

Table 1a: CY 2019 Base Expense

|                                                                                                                         | Categories of Covered Services that Contain In-Lieu-Of Services/Settings |                         |                       |                        |                       |                               |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-------------------------|-----------------------|------------------------|-----------------------|-------------------------------|
|                                                                                                                         | Inpatient                                                                | Outpatient              | Physician             | Maternity Kick Payment | Other (PH Services)   | Specialized Behavioral Health |
| Physical Health Services Provided in Skilled Nursing Facilities                                                         | \$ 8,882,934                                                             | \$ 19,434               | \$ 3,121              | \$ 20,487              | \$ 597                | \$ 616,715                    |
| Crisis Stabilization Units for All Medicaid-Eligible Adults                                                             |                                                                          |                         |                       |                        |                       | 180                           |
| Inpatient Treatment Provided to Adults Age 21 Years to 64 Years in an IMD for a Short-Term Stay of No More Than 15 days |                                                                          |                         |                       |                        |                       | \$ 80,966,609                 |
| Psychiatric Intensive Outpatient Program                                                                                |                                                                          | \$ 1,022,605            |                       |                        |                       |                               |
| 23-Hour Observation Bed Services for All Medicaid-Eligible Adults (Age 21 Years and Above)                              |                                                                          |                         |                       |                        |                       | \$ 1,233                      |
| Injection Services Provided by Licensed Nurses to All Medicaid-Eligible Adults (Age 21 Years and Above)                 |                                                                          |                         | \$ 645                |                        |                       | \$ 33,349                     |
| <b>In-Lieu-Of Services/Settings Subtotal</b>                                                                            | <b>\$ 8,882,934</b>                                                      | <b>\$ 1,042,039</b>     | <b>\$ 3,766</b>       | <b>\$ 20,487</b>       | <b>\$ 597</b>         | <b>\$ 81,618,086</b>          |
| <b>State Plan Services/Settings</b>                                                                                     | <b>\$ 791,259,897</b>                                                    | <b>\$ 1,083,966,175</b> | <b>\$ 820,178,854</b> | <b>\$ 268,693,001</b>  | <b>\$ 260,132,340</b> | <b>\$ 653,870,736</b>         |
| <b>All Services</b>                                                                                                     | <b>\$ 800,142,831</b>                                                    | <b>\$ 1,085,008,214</b> | <b>\$ 820,182,620</b> | <b>\$ 268,713,488</b>  | <b>\$ 260,132,937</b> | <b>\$ 735,488,822</b>         |

Table 1b: Percentage of Cost That In-Lieu-Of Services Represent in Each Category of Service (CY19 Base Cost)

| Category of Service           | [A]<br>COS Total | [B]<br>In-Lieu-of<br>Services Total | [C] = [B]/[A]<br>In-Lieu-Of<br>Services |
|-------------------------------|------------------|-------------------------------------|-----------------------------------------|
| Inpatient                     | \$ 800,142,831   | \$ 8,882,934                        | 1.11%                                   |
| Outpatient                    | \$ 1,085,008,214 | \$ 1,042,039                        | 0.10%                                   |
| Physician                     | \$ 820,182,620   | \$ 3,766                            | 0.00%                                   |
| Transportation                | \$ 119,421,324   | \$ -                                | 0.00%                                   |
| Prescribed Drugs              | \$ 1,502,376,126 | \$ -                                | 0.00%                                   |
| Maternity Kick Payment        | \$ 268,713,488   | \$ 20,487                           | 0.01%                                   |
| Other (PH Services)           | \$ 260,132,937   | \$ 597                              | 0.00%                                   |
| Specialized Behavioral Health | \$ 735,488,822   | \$ 81,618,086                       | 11.10%                                  |

## Appendix G

# Non-Rx Hepatitis C Expense Adjustment

| Service Type           | FFS Unit Cost | Hepatitis C Treatment Protocol Change |                      |
|------------------------|---------------|---------------------------------------|----------------------|
|                        |               | Current Practice                      | Streamlined Practice |
| Antibody               | \$ 15.62      | 1                                     | 1                    |
| RNAs                   | \$ 46.85      | 6                                     | 2                    |
| Genotype               | \$ 281.55     | 1                                     | 0                    |
| CMP                    | \$ 9.25       | 2                                     | 1                    |
| CBC                    | \$ 7.73       | 1                                     | 1                    |
| INR                    | \$ 3.92       | 1                                     | 1                    |
| Liver Tests            | \$ 8.93       | 2                                     | 1                    |
| Fibrosure              | \$ 51.14      | 1                                     | 0                    |
| HbsAg                  | \$ 11.29      | 1                                     | 1                    |
| Anti-HBs               | \$ 11.75      | 1                                     | 1                    |
| Anti-HBc               | \$ 13.18      | 1                                     | 1                    |
| Office Visit (Level 3) | \$ 41.53      | 7                                     | 5                    |
| <b>Total</b>           |               | <b>25</b>                             | <b>15</b>            |

| Impact Calculation                                       |              |
|----------------------------------------------------------|--------------|
| Current Practice Cost Per User                           | \$ 1,004.35  |
| Streamlined Practice Cost Per User                       | \$ 383.02    |
| Discount                                                 | -61.9%       |
| Hepatitis C Recipients 2019 Q1 & Q2                      | 491          |
| Hepatitis C Recipients 2019 Q3 & Q4                      | 2,493        |
| Hepatitis C Recipients 2022 (Estimate)                   | 3,680        |
| Adherence to Streamlined Practice Rate                   | 100%         |
| <b>FFS Pricing</b>                                       |              |
| 2019 Q1 & Q2 — Estimated Cost Under Current Practice     | \$ 493,136   |
| 2019 Q3 & Q4 — Estimated Cost Under Streamlined Practice | \$ 954,869   |
| 2022 Estimated Cost Under Streamlined Practice*          | \$ 1,409,349 |
| Change in Cost for 2022                                  | \$ (38,656)  |
| Percentage Change in Cost                                | -2.67%       |

\*The \$1,409,349 impact includes both the Expansion and Non-Expansion populations.

## Appendix H

# Medication Assisted Treatment Adjustment

| Non-Expansion Program            |                  | Expansion Program    |               |             |              |
|----------------------------------|------------------|----------------------|---------------|-------------|--------------|
| SFY                              | Methadone Bundle | Buprenorphine Bundle | Tranportation | Total       |              |
| SFY23                            | \$4,405,112      | \$275,056            | \$818,972     | \$5,499,141 |              |
| Estimated MAT for 7/1/22-6/30/23 |                  |                      |               | \$5,499,141 | \$13,368,936 |

## Appendix I

# Prospective Trend

| Annualized RY23 Trends by Major COS |               |               |              |               |               |               |               |              |
|-------------------------------------|---------------|---------------|--------------|---------------|---------------|---------------|---------------|--------------|
| Rate Cell                           | PH            |               | Rx           |               | SBH           |               | All Services  |              |
|                                     | Low           | High          | Low          | High          | Low           | High          | Low           | High         |
| <b>SSI</b>                          |               |               |              |               |               |               |               |              |
| 0-2 Months                          | -0.61%        | 1.13%         | 3.64%        | 7.67%         | -1.00%        | 1.97%         | -0.59%        | 1.16%        |
| 3-11 Months                         | -1.02%        | 0.98%         | 3.84%        | 8.11%         | -1.00%        | 1.97%         | -0.44%        | 1.86%        |
| Child 1-20 Years                    | -1.36%        | 0.91%         | 5.96%        | 9.21%         | -0.53%        | 1.69%         | 0.80%         | 3.34%        |
| Adult 21+ Years                     | -0.10%        | 2.21%         | 8.24%        | 11.33%        | 1.17%         | 4.79%         | 3.18%         | 5.92%        |
| <b>SSI Total</b>                    | <b>-0.33%</b> | <b>1.96%</b>  | <b>7.93%</b> | <b>11.04%</b> | <b>0.60%</b>  | <b>3.77%</b>  | <b>2.69%</b>  | <b>5.39%</b> |
| <b>F&amp;C</b>                      |               |               |              |               |               |               |               |              |
| 0-2 Months                          | 0.97%         | 3.23%         | 2.54%        | 4.58%         | -6.56%        | -4.12%        | 0.98%         | 3.23%        |
| 3-11 Months                         | 1.57%         | 4.22%         | 4.13%        | 6.62%         | -6.56%        | -4.12%        | 1.76%         | 4.39%        |
| Child 1-20 Years                    | 1.58%         | 4.23%         | 3.54%        | 5.78%         | -4.38%        | -2.04%        | 0.98%         | 3.48%        |
| Adult 21+ Years                     | 0.71%         | 3.01%         | 7.86%        | 10.49%        | 2.09%         | 4.02%         | 3.29%         | 5.67%        |
| <b>Families and Children Total</b>  | <b>1.31%</b>  | <b>3.83%</b>  | <b>4.92%</b> | <b>7.30%</b>  | <b>-3.28%</b> | <b>-1.01%</b> | <b>1.47%</b>  | <b>3.92%</b> |
| <b>HCBS</b>                         |               |               |              |               |               |               |               |              |
| Child 1-20 Years                    | -3.69%        | -1.21%        | 7.90%        | 10.80%        | -0.17%        | 1.10%         | -1.40%        | 1.00%        |
| Adult 21+ Years                     | 0.15%         | 2.55%         | 7.90%        | 10.80%        | 0.98%         | 4.72%         | 3.62%         | 6.31%        |
| <b>HCBS Total</b>                   | <b>-1.74%</b> | <b>0.70%</b>  | <b>7.90%</b> | <b>10.80%</b> | <b>0.30%</b>  | <b>2.60%</b>  | <b>1.59%</b>  | <b>4.18%</b> |
| <b>Other Populations</b>            |               |               |              |               |               |               |               |              |
| FCC, All Ages Male & Female         | 1.89%         | 4.68%         | 4.36%        | 6.72%         | -4.05%        | -1.53%        | -0.22%        | 2.37%        |
| BCC, All Ages                       | -0.53%        | 1.62%         | 10.99%       | 14.73%        | 1.57%         | 5.24%         | 2.99%         | 5.68%        |
| LAP, All Ages                       | 1.61%         | 4.38%         | 6.26%        | 8.76%         | -2.90%        | -1.28%        | 2.43%         | 4.98%        |
| CCM, All Ages                       | -3.00%        | -0.48%        | 10.90%       | 14.00%        | -0.17%        | 0.59%         | 0.39%         | 2.49%        |
| <b>SBH Only HCBS</b>                |               |               |              |               |               |               |               |              |
| Child 1-20 Years                    | -6.54%        | -4.59%        | 0.00%        | 0.00%         | 0.36%         | 1.05%         | -0.06%        | 0.70%        |
| Adult 21+ Years                     | -6.54%        | -4.59%        | 0.00%        | 0.00%         | 1.63%         | 5.39%         | -0.01%        | 3.42%        |
| <b>SBH Only HCBS Total</b>          | <b>-6.54%</b> | <b>-4.59%</b> | <b>0.00%</b> | <b>0.00%</b>  | <b>0.90%</b>  | <b>2.93%</b>  | <b>-0.03%</b> | <b>1.99%</b> |
| <b>SBH Only All Other</b>           |               |               |              |               |               |               |               |              |
| SBH - CCM                           | -6.54%        | -4.59%        | 0.00%        | 0.00%         | 0.52%         | 1.49%         | 0.35%         | 1.34%        |
| SBH - Duals                         | -6.54%        | -4.59%        | 0.00%        | 0.00%         | 1.38%         | 5.01%         | -1.70%        | 1.32%        |
| SBH - Other                         | -6.54%        | -4.59%        | 0.00%        | 0.00%         | 0.60%         | 4.35%         | -0.89%        | 2.51%        |
| <b>Maternity Kick Payment</b>       |               |               |              |               |               |               |               |              |
| Maternity Kick Payment              | 0.00%         | 1.00%         | 0.00%        | 0.00%         | 0.00%         | 0.00%         | 0.00%         | 1.00%        |

| Annualized RY23 Expansion Trends by Major COS |        |       |       |        |       |       |              |       |
|-----------------------------------------------|--------|-------|-------|--------|-------|-------|--------------|-------|
| Rate Cell                                     | PH     |       | Rx    |        | SBH   |       | All Services |       |
|                                               | Low    | High  | Low   | High   | Low   | High  | Low          | High  |
| <b>Medicaid Expansion</b>                     |        |       |       |        |       |       |              |       |
| Male and Female Age 19-64                     | -0.27% | 1.94% | 8.43% | 11.36% | 1.79% | 3.80% | 2.84%        | 5.28% |
| High Needs                                    | -0.04% | 2.11% | 6.72% | 10.39% | 1.76% | 3.77% | 2.72%        | 5.44% |

## Appendix J

# Rate Comparison

| Region Description | Category of Aid Description                 | Rate Cell Description         | 1/1/22 Rates                       |                                       |                                       | 7/1/22 Rates                       |                                       |                                       |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|---------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
|                    |                                             |                               | Projected Member Months/Deliveries | Lower Bound PMPM or Cost per Delivery | Upper Bound PMPM or Cost per Delivery | Projected Member Months/Deliveries | Lower Bound PMPM or Cost per Delivery | Upper Bound PMPM or Cost per Delivery |
| Guif               | SSI                                         | 0-2 Months                    | 151                                | \$ 38,092.49                          | \$ 39,546.30                          | 225                                | \$ 29,151.32                          | \$ 30,745.80                          |
| Guif               | SSI                                         | 3-11 Months                   | 1,206                              | \$ 5,219.98                           | \$ 5,524.45                           | 1,362                              | \$ 4,863.42                           | \$ 5,227.85                           |
| Guif               | SSI                                         | Child 1-20 Years              | 110,136                            | \$ 888.50                             | \$ 918.94                             | 112,081                            | \$ 814.54                             | \$ 885.71                             |
| Guif               | SSI                                         | Adult 21+ Years               | 293,322                            | \$ 1,786.31                           | \$ 1,926.80                           | 285,554                            | \$ 1,669.06                           | \$ 1,824.63                           |
| Guif               | F&C                                         | 0-2 Months                    | 29,672                             | \$ 3,822.79                           | \$ 3,474.09                           | 29,056                             | \$ 2,966.63                           | \$ 3,192.93                           |
| Guif               | F&C                                         | 3-11 Months                   | 112,565                            | \$ 343.28                             | \$ 364.54                             | 102,424                            | \$ 326.47                             | \$ 351.97                             |
| Guif               | F&C                                         | Child 1-20 Years              | 2,112,325                          | \$ 3,819.99                           | \$ 4,187.99                           | 2,079,230                          | \$ 3,619.16                           | \$ 3,978.90                           |
| Guif               | F&C                                         | Adult 21+ Years               | 318,233                            | \$ 481.59                             | \$ 488.20                             | 295,447                            | \$ 457.15                             | \$ 494.70                             |
| Guif               | F&C                                         | All Ages Male & Female        | 30,947                             | \$ 521.86                             | \$ 558.65                             | 31,457                             | \$ 492.57                             | \$ 541.44                             |
| Guif               | BCC                                         | 0-2 Months                    | 1,030                              | \$ 3,188.12                           | \$ 3,443.54                           | 1,036                              | \$ 2,795.03                           | \$ 3,062.24                           |
| Guif               | LAP                                         | All Ages                      | 5,949                              | \$ 246.02                             | \$ 261.97                             | 5,642                              | \$ 248.58                             | \$ 266.18                             |
| Guif               | HCBS                                        | Child 1-20 Years              | 2,870                              | \$ 2,794.76                           | \$ 3,003.53                           | 2,710.34                           | \$ 2,486.92                           | \$ 2,710.34                           |
| Guif               | HCBS                                        | Adult 21+ Years               | 6,656                              | \$ 1,952.38                           | \$ 2,097.60                           | 6,992                              | \$ 1,853.66                           | \$ 2,029.56                           |
| Guif               | CCM                                         | CCM, All Ages                 | 14,059                             | \$ 1,532.32                           | \$ 1,632.36                           | 14,827                             | \$ 1,513.25                           | \$ 1,628.30                           |
| Guif               | SBH - CCM                                   | SBH - CCM, All Ages           | 5,980                              | \$ 179.86                             | \$ 185.97                             | 5,370                              | \$ 215.32                             | \$ 223.68                             |
| Guif               | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 403,835                            | \$ 37.41                              | \$ 41.08                              | 405,927                            | \$ 36.63                              | \$ 40.35                              |
| Guif               | SBH - LahIPP                                | SBH - LahIPP, All Ages        | 191                                | \$ 37.41                              | \$ 41.08                              | 193                                | \$ 36.63                              | \$ 40.35                              |
| Guif               | SBH - HCBS                                  | Child 1-20 Years              | 4,948                              | \$ 148.39                             | \$ 152.57                             | 4,716                              | \$ 168.89                             | \$ 174.33                             |
| Guif               | SBH - HCBS                                  | Adult 21+ Years               | 9,101                              | \$ 83.02                              | \$ 91.17                              | 9,211                              | \$ 79.81                              | \$ 89.01                              |
| Guif               | SBH - Other                                 | SBH - All Ages                | 6,039                              | \$ 186.29                             | \$ 203.56                             | 5,861                              | \$ 184.85                             | \$ 206.02                             |
| Guif               | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 29,177.63                          | N/A                                   | -                                  | \$ 28,007.45                          | N/A                                   |
| Guif               | Act 421, Non-TPL                            | 3-11 Months                   | 286                                | \$ 3,871.96                           | N/A                                   | 229                                | \$ 3,956.64                           | N/A                                   |
| Guif               | Act 421, Non-TPL                            | Child 1-18 Years              | 2,574                              | \$ 4,344.72                           | N/A                                   | 2,631                              | \$ 4,280.72                           | N/A                                   |
| Guif               | Act 421, Non-TPL                            | 0-2 Months                    | 429                                | \$ 4,344.72                           | N/A                                   | 429                                | \$ 4,280.72                           | N/A                                   |
| Guif               | Act 421, Non-TPL                            | 3-11 Months                   | 429                                | \$ 752.40                             | N/A                                   | 343                                | \$ 752.22                             | N/A                                   |
| Guif               | Act 421, Non-TPL                            | Child 1-18 Years              | 3,861                              | \$ 564.90                             | N/A                                   | 3,946                              | \$ 561.61                             | N/A                                   |
| Guif               | Act 421, LahIPP TPL                         | 0-2 Months                    | -                                  | \$ 19.80                              | N/A                                   | -                                  | \$ 18.06                              | N/A                                   |
| Guif               | Act 421, LahIPP TPL                         | 3-11 Months                   | 429                                | \$ 10.54                              | N/A                                   | 343                                | \$ 10.09                              | N/A                                   |
| Guif               | Act 421, LahIPP TPL                         | Child 1-18 Years              | 3,861                              | \$ 309.98                             | N/A                                   | 3,946                              | \$ 304.83                             | N/A                                   |
| Guif               | Act 421, LahIPP TPL                         | Maternity Kick Payment        | 8,008                              | \$ 12,613.48                          | \$ 12,986.50                          | 7,180                              | \$ 11,644.33                          | \$ 12,067.29                          |
| Guif               | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 6,935.38                           | \$ 7,083.71                           | 1                                  | \$ 5,911.37                           | \$ 6,079.56                           |
| Guif               | Medicaid Expansion                          | Age 19-64                     | 2,135,784                          | \$ 633.67                             | \$ 670.81                             | 2,172,921                          | \$ 586.45                             | \$ 633.47                             |
| Guif               | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 21,224                             | \$ 37.41                              | \$ 41.08                              | 20,906                             | \$ 36.63                              | \$ 40.35                              |
| Guif               | Medicaid Expansion                          | SBH - LahIPP, All Ages        | 1                                  | \$ 37.41                              | \$ 41.08                              | 1                                  | \$ 36.63                              | \$ 40.35                              |
| Guif               | Medicaid Expansion                          | SBH - Other                   | 17                                 | \$ 186.29                             | \$ 203.56                             | 35                                 | \$ 184.85                             | \$ 206.02                             |
| Guif               | Medicaid Expansion                          | SBH - CCM, All Ages           | 222                                | \$ 179.86                             | \$ 185.97                             | 171                                | \$ 215.32                             | \$ 223.68                             |
| Guif               | Medicaid Expansion                          | High Needs                    | 707                                | \$ 633.67                             | \$ 670.81                             | 747                                | \$ 586.45                             | \$ 633.47                             |
| Guif               | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,682                              | \$ 16,073.61                          | \$ 16,456.20                          | 3,582                              | \$ 13,889.38                          | \$ 14,386.69                          |
| Guif               | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 9,984.94                           | \$ 10,169.00                          | 1                                  | \$ 7,655.15                           | \$ 8,084.53                           |
| Capital            | SSI                                         | 0-2 Months                    | 197                                | \$ 36,658.48                          | \$ 40,128.21                          | 178                                | \$ 29,750.29                          | \$ 31,350.92                          |
| Capital            | SSI                                         | 3-11 Months                   | 1,361                              | \$ 5,457.44                           | \$ 5,867.44                           | 1,509                              | \$ 4,842.00                           | \$ 5,252.44                           |
| Capital            | SSI                                         | Child 1-20 Years              | 86,922                             | \$ 855.70                             | \$ 920.15                             | 90,152                             | \$ 842.00                             | \$ 917.13                             |
| Capital            | SSI                                         | Adult 21+ Years               | 211,475                            | \$ 1,808.10                           | \$ 1,948.40                           | 207,213                            | \$ 1,787.86                           | \$ 1,954.49                           |
| Capital            | F&C                                         | 0-2 Months                    | 27,794                             | \$ 3,766.80                           | \$ 3,955.09                           | 27,823                             | \$ 3,384.74                           | \$ 3,607.76                           |
| Capital            | F&C                                         | 3-11 Months                   | 101,626                            | \$ 335.76                             | \$ 356.54                             | 96,825                             | \$ 336.40                             | \$ 361.22                             |
| Capital            | F&C                                         | Child 1-20 Years              | 1,915,099                          | \$ 198.60                             | \$ 211.31                             | 1,936,770                          | \$ 198.67                             | \$ 213.72                             |
| Capital            | F&C                                         | Adult 21+ Years               | 279,490                            | \$ 484.32                             | \$ 514.39                             | 269,063                            | \$ 498.04                             | \$ 536.16                             |
| Capital            | FCC                                         | All Ages Male & Female        | 50,462                             | \$ 455.19                             | \$ 488.77                             | 51,230                             | \$ 455.41                             | \$ 495.60                             |
| Capital            | BCC                                         | All Ages                      | 1,301                              | \$ 3,160.64                           | \$ 3,415.78                           | 1,460                              | \$ 2,767.09                           | \$ 3,034.02                           |
| Capital            | LAP                                         | All Ages                      | 7,676                              | \$ 244.29                             | \$ 260.23                             | 7,213                              | \$ 244.76                             | \$ 264.35                             |
| Capital            | HCBS                                        | Child 1-20 Years              | 3,352                              | \$ 2,837.67                           | \$ 3,046.88                           | 3,552                              | \$ 2,631.66                           | \$ 2,755.53                           |
| Capital            | HCBS                                        | Adult 21+ Years               | 6,425                              | \$ 1,957.68                           | \$ 2,102.95                           | 6,721                              | \$ 1,858.86                           | \$ 2,034.81                           |
| Capital            | CCM                                         | All Ages                      | 10,332                             | \$ 1,562.81                           | \$ 1,663.17                           | 10,827                             | \$ 1,545.10                           | \$ 1,660.48                           |
| Capital            | SBH - CCM                                   | SBH - CCM, All Ages           | 6,985                              | \$ 181.86                             | \$ 187.99                             | 5,879                              | \$ 217.55                             | \$ 225.94                             |
| Capital            | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 322,020                            | \$ 31.40                              | \$ 34.14                              | 320,672                            | \$ 30.76                              | \$ 33.65                              |
| Capital            | SBH - LahIPP                                | SBH - LahIPP, All Ages        | 152                                | \$ 31.40                              | \$ 34.14                              | 152                                | \$ 30.76                              | \$ 33.65                              |
| Capital            | SBH - HCBS                                  | Child 1-20 Years              | 6,166                              | \$ 181.86                             | \$ 187.99                             | 5,862                              | \$ 181.86                             | \$ 197.02                             |
| Capital            | SBH - HCBS                                  | Adult 21+ Years               | 8,689                              | \$ 84.70                              | \$ 92.87                              | 8,902                              | \$ 81.69                              | \$ 90.82                              |
| Capital            | SBH - Other                                 | SBH - All Ages                | 8,902                              | \$ 179.53                             | \$ 186.73                             | 9,038                              | \$ 176.24                             | \$ 197.33                             |
| Capital            | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 29,177.63                          | N/A                                   | -                                  | \$ 28,007.45                          | N/A                                   |
| Capital            | Act 421, Non-TPL                            | 3-11 Months                   | 286                                | \$ 3,871.96                           | N/A                                   | 229                                | \$ 3,956.64                           | N/A                                   |
| Capital            | Act 421, Non-TPL                            | Child 1-18 Years              | 2,574                              | \$ 4,344.72                           | N/A                                   | 2,631                              | \$ 4,280.72                           | N/A                                   |
| Capital            | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 4,451.73                           | N/A                                   | -                                  | \$ 4,280.72                           | N/A                                   |
| Capital            | Act 421, Non-TPL                            | 3-11 Months                   | 429                                | \$ 752.40                             | N/A                                   | 343                                | \$ 775.22                             | N/A                                   |
| Capital            | Act 421, Non-TPL                            | Child 1-18 Years              | 3,861                              | \$ 564.90                             | N/A                                   | 3,946                              | \$ 561.61                             | N/A                                   |
| Capital            | Act 421, LahIPP TPL                         | 0-2 Months                    | -                                  | \$ 19.80                              | N/A                                   | -                                  | \$ 18.06                              | N/A                                   |
| Capital            | Act 421, LahIPP TPL                         | 3-11 Months                   | 429                                | \$ 10.54                              | N/A                                   | 343                                | \$ 10.09                              | N/A                                   |
| Capital            | Act 421, LahIPP TPL                         | Child 1-18 Years              | 3,861                              | \$ 309.98                             | N/A                                   | 3,946                              | \$ 304.83                             | N/A                                   |
| Capital            | Maternity Kick Payment                      | Maternity Kick Payment        | 6,907                              | \$ 12,148.84                          | \$ 12,496.61                          | 6,430                              | \$ 10,744.75                          | \$ 11,139.63                          |
| Capital            | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 6,857.20                           | \$ 6,995.49                           | 1                                  | \$ 5,395.05                           | \$ 5,552.07                           |
| Capital            | Medicaid Expansion                          | Age 19-64                     | 1,723,325                          | \$ 668.75                             | \$ 710.35                             | 1,767,938                          | \$ 653.23                             | \$ 705.89                             |
| Capital            | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 15,842                             | \$ 31.40                              | \$ 34.14                              | 16,267                             | \$ 30.76                              | \$ 33.65                              |
| Capital            | Medicaid Expansion                          | SBH - LahIPP, All Ages        | 71                                 | \$ 31.40                              | \$ 34.14                              | 71                                 | \$ 30.76                              | \$ 33.65                              |
| Capital            | Medicaid Expansion                          | SBH - Duals                   | 251                                | \$ 181.86                             | \$ 187.99                             | 235                                | \$ 217.55                             | \$ 225.94                             |
| Capital            | Medicaid Expansion                          | SBH - CCM, All Ages           | 745                                | \$ 668.75                             | \$ 710.35                             | 639                                | \$ 653.23                             | \$ 705.89                             |
| Capital            | Medicaid Expansion                          | High Needs                    | 3,565                              | \$ 17,427.39                          | \$ 17,873.31                          | 3,428                              | \$ 13,715.66                          | \$ 14,216.42                          |
| Capital            | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 1                                  | \$ 11,356.05                          | \$ 11,561.64                          | 1                                  | \$ 7,645.10                           | \$ 7,875.97                           |
| Capital            | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | -                                  | -                                     | -                                     | -                                  | -                                     | -                                     |

| Region Description | Category of Aid Description                 | Rate Cell Description         | 1/1/22 Rates                       |                                       |                                       | 7/1/22 Rates                       |                                       |                                       |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|---------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
|                    |                                             |                               | Projected Member Months/Deliveries | Lower Bound PMPM or Cost per Delivery | Upper Bound PMPM or Cost per Delivery | Projected Member Months/Deliveries | Lower Bound PMPM or Cost per Delivery | Upper Bound PMPM or Cost per Delivery |
| South Central      | SSI                                         | 0-2 Months                    | 93                                 | \$ 37,698.71                          | \$ 39,118.18                          | 183                                | \$ 28,713.76                          | \$ 30,303.76                          |
| South Central      | SSI                                         | 3-11 Months                   | 1,173                              | \$ 5,096.29                           | \$ 5,399.49                           | 1,145                              | \$ 4,735.85                           | \$ 5,098.97                           |
| South Central      | SSI                                         | Child 1-20 Years              | 96,851                             | \$ 776.72                             | \$ 832.49                             | 98,051                             | \$ 746.28                             | \$ 811.94                             |
| South Central      | SSI                                         | Adult 21+ Years               | 262,880                            | \$ 1,590.65                           | \$ 1,700.86                           | 253,894                            | \$ 1,518.07                           | \$ 1,662.15                           |
| South Central      | F&C                                         | 0-2 Months                    | 29,957                             | \$ 3,517.20                           | \$ 3,714.66                           | 29,712                             | \$ 2,979.98                           | \$ 3,213.17                           |
| South Central      | F&C                                         | 3-11 Months                   | 110,043                            | \$ 347.85                             | \$ 372.90                             | 103,356                            | \$ 338.76                             | \$ 368.63                             |
| South Central      | F&C                                         | Child 1-20 Years              | 2,019,933                          | \$ 193.74                             | \$ 208.23                             | 2,086,233                          | \$ 186.76                             | \$ 204.46                             |
| South Central      | F&C                                         | Adult 21+ Years               | 307,604                            | \$ 433.57                             | \$ 481.28                             | 296,017                            | \$ 416.91                             | \$ 475.17                             |
| South Central      | BCC                                         | All Ages Male & Female        | 54,988                             | \$ 402.67                             | \$ 432.78                             | 55,203                             | \$ 397.01                             | \$ 432.95                             |
| South Central      | BCC                                         | All Ages                      | 787                                | \$ 3,122.27                           | \$ 3,377.01                           | 810                                | \$ 2,726.34                           | \$ 2,992.84                           |
| South Central      | LAP                                         | All Ages                      | 6,013                              | \$ 243.22                             | \$ 259.14                             | 5,610                              | \$ 243.66                             | \$ 263.24                             |
| South Central      | HCBS                                        | Child 1-20 Years              | 3,382                              | \$ 2,814.63                           | \$ 3,023.61                           | 3,392                              | \$ 2,507.86                           | \$ 2,731.49                           |
| South Central      | HCBS                                        | Adult 21+ Years               | 7,778                              | \$ 1,963.51                           | \$ 2,108.84                           | 8,178                              | \$ 1,864.73                           | \$ 2,040.74                           |
| South Central      | CCM                                         | All Ages                      | 11,637                             | \$ 1,542.10                           | \$ 1,642.25                           | 12,502                             | \$ 1,523.35                           | \$ 1,638.51                           |
| South Central      | SBH - CCM                                   | All Ages                      | 5,964                              | \$ 186.10                             | \$ 192.26                             | 5,460                              | \$ 221.96                             | \$ 230.39                             |
| South Central      | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 390,731                            | \$ 33.81                              | \$ 36.76                              | 382,388                            | \$ 33.46                              | \$ 36.57                              |
| South Central      | SBH - LahIPP                                | SBH - LahIPP, All Ages        | 185                                | \$ 33.81                              | \$ 36.76                              | 181                                | \$ 33.46                              | \$ 36.57                              |
| South Central      | SBH - HCBS                                  | Child 1-20 Years              | 5,195                              | \$ 144.55                             | \$ 148.69                             | 4,958                              | \$ 165.08                             | \$ 170.48                             |
| South Central      | SBH - HCBS                                  | Adult 21+ Years               | 9,661                              | \$ 85.43                              | \$ 93.61                              | 9,610                              | \$ 82.68                              | \$ 91.91                              |
| South Central      | SBH - Other                                 | SBH - All Ages                | 9,255                              | \$ 188.86                             | \$ 205.95                             | 8,992                              | \$ 187.04                             | \$ 208.24                             |
| South Central      | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 29,177.63                          | N/A                                   | -                                  | \$ 28,007.45                          | N/A                                   |
| South Central      | Act 421, Non-TPL                            | 3-11 Months                   | 286                                | \$ 3,871.96                           | N/A                                   | 229                                | \$ 3,956.64                           | N/A                                   |
| South Central      | Act 421, Non-TPL                            | Child 1-18 Years              | 2,574                              | \$ 4,344.72                           | N/A                                   | 2,631                              | \$ 4,284.72                           | N/A                                   |
| South Central      | Act 421, Non-TPL                            | 0-2 Months                    | 429                                | \$ 4,752.40                           | N/A                                   | 343                                | \$ 4,752.72                           | N/A                                   |
| South Central      | Act 421, Non-TPL                            | 3-11 Months                   | 429                                | \$ 752.40                             | N/A                                   | 343                                | \$ 752.72                             | N/A                                   |
| South Central      | Act 421, Non-TPL                            | Child 1-18 Years              | 564.90                             | \$ 564.90                             | N/A                                   | 3,946                              | \$ 561.61                             | N/A                                   |
| South Central      | Act 421, LahIPP TPL                         | 0-2 Months                    | -                                  | \$ 19.80                              | N/A                                   | -                                  | \$ 18.06                              | N/A                                   |
| South Central      | Act 421, LahIPP TPL                         | 3-11 Months                   | 429                                | \$ 10.54                              | N/A                                   | 343                                | \$ 10.09                              | N/A                                   |
| South Central      | Act 421, LahIPP TPL                         | Child 1-18 Years              | 3,961                              | \$ 309.98                             | N/A                                   | 3,946                              | \$ 304.83                             | N/A                                   |
| South Central      | Act 421, LahIPP TPL                         | Maternity Kick Payment        | 7,440                              | \$ 10,721.96                          | \$ 11,068.54                          | 7,057                              | \$ 9,695.48                           | \$ 10,088.38                          |
| South Central      | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 5,445.98                           | \$ 5,583.79                           | 1                                  | \$ 4,369.50                           | \$ 4,525.73                           |
| South Central      | Medicaid Expansion                          | Age 19-64                     | 1,827,311                          | \$ 589.06                             | \$ 625.06                             | 1,846,491                          | \$ 562.87                             | \$ 607.80                             |
| South Central      | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 20,109                             | \$ 33.81                              | \$ 36.76                              | 19,921                             | \$ 33.46                              | \$ 36.57                              |
| South Central      | Medicaid Expansion                          | SBH - LahIPP, All Ages        | 1                                  | \$ 33.81                              | \$ 36.76                              | 1                                  | \$ 33.46                              | \$ 36.57                              |
| South Central      | Medicaid Expansion                          | SBH - Other                   | 44                                 | \$ 188.66                             | \$ 205.95                             | 89                                 | \$ 187.04                             | \$ 208.24                             |
| South Central      | Medicaid Expansion                          | SBH - CCM, All Ages           | 159                                | \$ 186.10                             | \$ 192.26                             | 187                                | \$ 221.96                             | \$ 230.39                             |
| South Central      | Medicaid Expansion                          | High Needs                    | 372                                | \$ 589.06                             | \$ 625.06                             | 313                                | \$ 562.87                             | \$ 607.80                             |
| South Central      | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 4,113                              | \$ 13,984.09                          | \$ 14,411.82                          | 3,754                              | \$ 11,901.93                          | \$ 12,382.03                          |
| South Central      | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 8,167.86                           | \$ 8,355.06                           | 1                                  | \$ 6,078.78                           | \$ 6,300.13                           |
| North              | SSI                                         | 0-2 Months                    | 121                                | \$ 37,600.38                          | \$ 39,019.58                          | 141                                | \$ 28,697.44                          | \$ 30,246.66                          |
| North              | SSI                                         | 3-11 Months                   | 1,271                              | \$ 5,096.29                           | \$ 5,399.49                           | 1,133                              | \$ 4,735.85                           | \$ 5,098.97                           |
| North              | SSI                                         | Child 1-20 Years              | 103,410                            | \$ 747.22                             | \$ 802.15                             | 104,544                            | \$ 704.08                             | \$ 769.51                             |
| North              | SSI                                         | Adult 21+ Years               | 236,382                            | \$ 1,548.23                           | \$ 1,663.98                           | 229,909                            | \$ 1,457.23                           | \$ 1,593.96                           |
| North              | F&C                                         | 0-2 Months                    | 21,532                             | \$ 3,352.17                           | \$ 3,542.76                           | 20,521                             | \$ 2,900.78                           | \$ 3,125.79                           |
| North              | F&C                                         | 3-11 Months                   | 78,753                             | \$ 341.42                             | \$ 363.60                             | 72,805                             | \$ 327.30                             | \$ 353.72                             |
| North              | F&C                                         | Child 1-20 Years              | 1,543,541                          | \$ 202.69                             | \$ 215.92                             | 1,545,033                          | \$ 197.15                             | \$ 212.72                             |
| North              | F&C                                         | Adult 21+ Years               | 222,116                            | \$ 436.26                             | \$ 463.18                             | 212,750                            | \$ 439.33                             | \$ 472.52                             |
| North              | FCC                                         | All Ages Male & Female        | 38,325                             | \$ 543.99                             | \$ 586.72                             | 38,932                             | \$ 542.10                             | \$ 592.77                             |
| North              | BCC                                         | All Ages                      | 830                                | \$ 3,118.83                           | \$ 3,373.54                           | 844                                | \$ 2,725.12                           | \$ 2,991.61                           |
| North              | LAP                                         | All Ages                      | 3,990                              | \$ 244.23                             | \$ 260.16                             | 3,912                              | \$ 244.73                             | \$ 264.32                             |
| North              | HCBS                                        | Child 1-20 Years              | 2,572                              | \$ 2,810.07                           | \$ 3,019.00                           | 2,638                              | \$ 2,603.96                           | \$ 2,727.55                           |
| North              | HCBS                                        | Adult 21+ Years               | 5,931                              | \$ 1,966.22                           | \$ 2,111.57                           | 6,059                              | \$ 1,869.42                           | \$ 2,046.49                           |
| North              | CCM                                         | All Ages                      | 9,847                              | \$ 1,542.91                           | \$ 1,643.06                           | 10,756                             | \$ 1,524.25                           | \$ 1,639.42                           |
| North              | SBH - CCM                                   | All Ages                      | 5,465                              | \$ 183.60                             | \$ 189.74                             | 4,776                              | \$ 219.23                             | \$ 227.63                             |
| North              | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 321,051                            | \$ 41.39                              | \$ 45.20                              | 314,005                            | \$ 40.66                              | \$ 44.54                              |
| North              | SBH - LahIPP                                | SBH - LahIPP, All Ages        | 152                                | \$ 41.39                              | \$ 45.20                              | 149                                | \$ 40.66                              | \$ 44.54                              |
| North              | SBH - HCBS                                  | Child 1-20 Years              | 3,283                              | \$ 1,053.54                           | \$ 1,108.84                           | 3,264                              | \$ 983.84                             | \$ 1,045.25                           |
| North              | SBH - HCBS                                  | Adult 21+ Years               | 6,808                              | \$ 90.20                              | \$ 98.42                              | 6,593                              | \$ 88.91                              | \$ 96.23                              |
| North              | SBH - Other                                 | SBH - All Ages                | 7,789                              | \$ 184.69                             | \$ 201.94                             | 7,773                              | \$ 183.03                             | \$ 204.19                             |
| North              | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 20,177.63                          | N/A                                   | -                                  | \$ 28,007.45                          | N/A                                   |
| North              | Act 421, Non-TPL                            | 3-11 Months                   | 286                                | \$ 3,871.96                           | N/A                                   | 229                                | \$ 3,956.64                           | N/A                                   |
| North              | Act 421, Non-TPL                            | Child 1-18 Years              | 2,574                              | \$ 4,344.72                           | N/A                                   | 2,631                              | \$ 4,284.72                           | N/A                                   |
| North              | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 4,451.73                           | N/A                                   | -                                  | \$ 4,280.72                           | N/A                                   |
| North              | Act 421, Non-TPL                            | 3-11 Months                   | 429                                | \$ 752.40                             | N/A                                   | 343                                | \$ 775.22                             | N/A                                   |
| North              | Act 421, Non-TPL                            | Child 1-18 Years              | 3,861                              | \$ 564.90                             | N/A                                   | 3,946                              | \$ 561.61                             | N/A                                   |
| North              | Act 421, LahIPP TPL                         | 0-2 Months                    | -                                  | \$ 19.80                              | N/A                                   | -                                  | \$ 18.06                              | N/A                                   |
| North              | Act 421, LahIPP TPL                         | 3-11 Months                   | 429                                | \$ 10.54                              | N/A                                   | 343                                | \$ 10.09                              | N/A                                   |
| North              | Act 421, LahIPP TPL                         | Child 1-18 Years              | 3,861                              | \$ 309.98                             | N/A                                   | 3,946                              | \$ 304.83                             | N/A                                   |
| North              | Act 421, LahIPP TPL                         | Maternity Kick Payment        | 5,240                              | \$ 13,037.30                          | \$ 13,430.31                          | 4,919                              | \$ 10,760.46                          | \$ 11,221.20                          |
| North              | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 7,067.27                           | \$ 7,223.54                           | 1                                  | \$ 4,818.53                           | \$ 4,993.78                           |
| North              | Medicaid Expansion                          | Age 19-64                     | 1,432,102                          | \$ 588.90                             | \$ 624.46                             | 1,434,478                          | \$ 551.47                             | \$ 595.68                             |
| North              | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 14,374                             | \$ 41.39                              | \$ 45.20                              | 14,390                             | \$ 40.66                              | \$ 44.54                              |
| North              | Medicaid Expansion                          | SBH - LahIPP, All Ages        | 1                                  | \$ 41.39                              | \$ 45.20                              | 1                                  | \$ 40.66                              | \$ 44.54                              |
| North              | Medicaid Expansion                          | SBH - Other                   | 10                                 | \$ 183.60                             | \$ 201.94                             | 35                                 | \$ 219.23                             | \$ 227.63                             |
| North              | Medicaid Expansion                          | SBH - CCM, All Ages           | 139                                | \$ 183.60                             | \$ 189.74                             | 140                                | \$ 219.23                             | \$ 227.63                             |
| North              | Medicaid Expansion                          | High Needs                    | 131                                | \$ 588.90                             | \$ 624.46                             | 182                                | \$ 551.47                             | \$ 595.68                             |
| North              | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,145                              | \$ 16,301.62                          | \$ 16,773.48                          | 2,763                              | \$ 12,928.45                          | \$ 13,454.66                          |
| North              | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 9,886.11                           | \$ 10,103.66                          | 1                                  | \$ 6,570.58                           | \$ 6,812.73                           |

## Appendix K

# Data Reliance Letter

John Bel Edwards  
GOVERNOR



Dr. Courtney N. Phillips  
SECRETARY

**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

Mr. Adam Sery, FSA, MAAA  
Principal  
Mercer Government Human Services  
3560 Lenox Rd, NE, Suite #2400  
Atlanta, GA 30326

May 24, 2022

**Subject:** Capitation Rate Certification for the Healthy Louisiana Program – Implementation Year  
July 1, 2022 through June 30, 2023

Dear Adam:

I, Daniel Cocran, Chief Financial Officer, for the Louisiana Department of Health (LDH) - Medicaid, hereby affirm the data prepared and submitted to Mercer Government Human Services Consulting (Mercer) for the purpose of certifying the July 1, 2022 through June 30, 2023 Healthy Louisiana Rates were prepared under my direction, and to the best of my knowledge and belief, are accurate, complete, and consistent with the data used to develop the capitation rates. This data includes managed care organization-submitted encounter data and supplemental information on payments made outside of Louisiana's Medicaid Management Information Systems for the period of January 1, 2018 through December 31, 2019.

Mercer relied on LDH and its fiscal agent for the collection and processing of the encounter data, and other information used in setting these capitation rates. Mercer did not audit the data, but did assess the data for reasonableness as documented in the rate certification letter.

A handwritten signature in black ink, appearing to read "Daniel Cocran", written over a horizontal line.

Signature

May 25, 2022

Date

Copy:  
Roger Figueroa, ASA, MAAA, Senior Associate  
F. Ronald Ogborne, FSA, CERA, MAAA, Partner



**Mercer Health & Benefits LLC**

3560 Lenox Road, Suite 2400

Atlanta, GA 30326

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# Healthy Louisiana Rate Certification Addendum

Effective January 1, 2023 through  
June 30, 2023

Louisiana Department of Health

December 16, 2022

Mr. Daniel Cocran  
Chief Financial Officer  
Louisiana Department of Health  
Bureau of Health Services Financing  
628 North 4th Street  
Baton Rouge, LA 70821

**Subject:** Healthy Louisiana Program — Full Risk-Bearing Managed Care Organization Rate Development and Actuarial Certification Addendum for the Period January 1, 2023 through June 30, 2023

December 19, 2022

Dear Mr. Cocran:

The Louisiana Department of Health (LDH) has contracted with Mercer Government Human Services Consulting (Mercer), part of Mercer Health & Benefits LLC, to develop actuarially sound<sup>1</sup> capitation rates for the State of Louisiana's (State's) Healthy Louisiana program for the period of July 1, 2022 through June 30, 2023, or rate year 2023 (RY23). This certification amends the previous RY23 certification issued on August 24, 2022.

The previous certification letter presents a detailed overview of the methodology used in Mercer's managed care rate development for the purpose of satisfying the requirements of the Center for Medicare & Medicaid Services (CMS). This rate certification includes the impact of program change and fee schedule updates effective January 1, 2023, as well as adjustments for certain pharmacy costs not reflected in the existing RY capitation rates. Based on emerging experience, updates to rating assumptions have also been made for certain populations and services for the rates effective January 1, 2023. Last, this addendum reflects the impact of new contracts to be implemented effective January 1, 2023, which includes an additional managed care organization (MCO) in the Healthy Louisiana program. The final capitation rates are summarized in Appendix A and represent payment in full for the covered services.

---

<sup>1</sup> Actuarially sound/Actuarial soundness — Medicaid capitation rates are "actuarially sound" if, for business for which the certification is being prepared and for the period covered by the certification, projected capitation rates and other revenue sources provide for all reasonable, appropriate, and attainable costs. For purposes of this definition, other revenue sources include, but are not limited to, expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows, and investment income. For purposes of this definition, costs include, but are not limited to, expected health benefits, health benefit settlement expenses, administrative expenses, cost of capital, and government-mandated assessments, fees, and taxes.

# Contents

|                                                                            |    |
|----------------------------------------------------------------------------|----|
| 1. Prospective Rating Adjustments .....                                    | 1  |
| • Fee Schedule Changes .....                                               | 1  |
| • Other Fee Schedule Updates .....                                         | 4  |
| • Tobacco Cessation .....                                                  | 4  |
| • COVID-19 Pandemic Testing and Treatment Costs .....                      | 5  |
| • House Bill No.1 Impact .....                                             | 5  |
| • Genetic Testing of Critically Ill Infants .....                          | 7  |
| • Pharmacy Adjustments.....                                                | 7  |
| • Adjustment for Emerging Experience .....                                 | 8  |
| 2. Projected Non-Benefit Costs.....                                        | 10 |
| • Administrative Expense Load .....                                        | 11 |
| 3. Risk Adjustment.....                                                    | 13 |
| 4. Certification of Final Rates.....                                       | 15 |
| Appendix A: January 2023–June 2023 Healthy Louisiana Capitation Rates..... | 17 |
| Appendix B: Rate Comparison .....                                          | 18 |

## Section 1

# Prospective Rating Adjustments

Prospective rating adjustments recognize the impact of new benefits or other changes not reflected or not fully reflected in the base period. CMS requires that the rate-setting methodology used to determine actuarially sound rates incorporate the results of any program changes that have taken place, or are anticipated to take place, between the start of the base data period and the conclusion of the contract period.

For the prospective rating adjustments described in this section, all were developed for the state fiscal year (SFY) 2023 time period, with the exception of new adjustments impacting the rates effective January 1, 2023. As a result, the impact of most program changes is consistent between the certification submitted on August 24, 2022, for the contract period of July 1, 2022 through June 30, 2023, and this rate certification addendum, effective starting January 1, 2023.

## Fee Schedule Changes

### Inpatient Services

Inpatient claims were adjusted to reflect changes in the fee schedule between the base period and the contract period using the fee schedule effective July 1, 2022. The certification submitted on August 24, 2022, included the fee schedule effective July 1, 2021, which was the most recent available at the time of rate development. The non-graduate medical education (GME) portion of the per diems were used in this fee adjustment process to be consistent with LDH's intention to continue paying GME amounts directly to the teaching hospitals. The total impact of the inpatient fee schedule changes is summarized in Table 1A.

Table 1A

| Inpatient Fee Schedule Change |                 |                            |                                      |            |                                    |
|-------------------------------|-----------------|----------------------------|--------------------------------------|------------|------------------------------------|
| Time Period                   | Historical Cost | Fee Schedule Change Impact | Percentage Impact of Historical Cost | FMP Impact | Percentage Impact of Adjusted Cost |
| CY 2019                       | \$1,127,743,020 | \$123,131,932              | 10.92%                               | N/A        | N/A                                |

FMP = Full Medicaid Pricing

### Outpatient Services

Outpatient claims as of this certification date reflect the most recent charge-to-cost ratios (CCRs) available. The CCRs were reported according to each hospital's fiscal year end, which varied by hospital from December 31, 2019 to March 31, 2022. The certification submitted on August 24, 2022, had used the most recent CCRs available at the time of rate development. The adjustment also included estimation of cost settlements and reflected the most up-to-date cost settlement percentages for each facility.

Effective January 1, 2021, House Concurrent Resolution 2 adjusted reimbursement rates for surgery/operation services for all hospitals, except rural hospitals and Our Lady of the Lake. The rates for the affected facilities increased by 3.2%. Cost settlement percentages remain

unchanged from those effective January 1, 2020, except for the New Orleans East Hospital. New Orleans East Hospital has a cost settlement percentage of 95.0%, effective October 5, 2022. Rural facilities are cost settled at 110.0%. The total impact of the outpatient fee schedule changes is summarized in Table 1B.

**Table 1B**

| Outpatient Fee Schedule Change |                 |                            |                                      |            |                                    |
|--------------------------------|-----------------|----------------------------|--------------------------------------|------------|------------------------------------|
| Time Period                    | Historical Cost | Fee Schedule Change Impact | Percentage Impact of Historical Cost | FMP Impact | Percentage Impact of Adjusted Cost |
| CY 2019                        | \$1,043,528,757 | \$122,816,469              | 11.77%                               | N/A        | N/A                                |

## Federally Qualified Health Center and Rural Health Clinic Fee Schedule Change

Federally qualified health center (FQHC) and rural health clinic (RHC) claims were adjusted to reflect changes in the fee schedule between the base period and the contract period, using the fee schedule effective July 1, 2022, which can be located on LDH's website. The certification submitted on August 24, 2022, included the fee schedule effective July 1, 2021, which was the most recent available at the time of rate development. The total impact of the fee schedule changes is summarized in Table 1C.

**Table 1C**

| FQHC and RHC Fee Schedule Change |                 |                            |                                      |            |                                    |
|----------------------------------|-----------------|----------------------------|--------------------------------------|------------|------------------------------------|
| Time Period                      | Historical Cost | Fee Schedule Change Impact | Percentage Impact of Historical Cost | FMP Impact | Percentage Impact of Adjusted Cost |
| CY 2019                          | \$204,121,896   | \$21,315,281               | 10.44%                               | N/A        | N/A                                |

## Hospice Fee Schedule Change

Effective July 15, 2022, LDH released a new fee schedule for the Hospice Program, which can be located on LDH's website.<sup>2</sup> The certification submitted on August 24, 2022, included the fee schedule effective October 1, 2021, which was the most recent available at the time of rate development. The total impact of the fee schedule changes is summarized in Table 1D.

**Table 1D**

| Hospice Fee Schedule Change |                 |                            |                                      |            |                                    |
|-----------------------------|-----------------|----------------------------|--------------------------------------|------------|------------------------------------|
| Time Period                 | Historical Cost | Fee Schedule Change Impact | Percentage Impact of Historical Cost | FMP Impact | Percentage Impact of Adjusted Cost |
| CY 2019                     | \$7,907,760     | \$460,834                  | 5.83%                                | N/A        | N/A                                |

<sup>2</sup> [https://www.lamedicaid.com/provweb1/fee\\_schedules/Hospice\\_Fee.htm](https://www.lamedicaid.com/provweb1/fee_schedules/Hospice_Fee.htm)

## Louisiana State University Physician Fee Schedule Change

Effective January 1, 2023, LDH released a new fee schedule for Louisiana State University (LSU) Enhanced Professional Services, which can be located on LDH's website.<sup>3</sup> The total impact of the fee schedule changes is summarized in Table 1E.

**Table 1E**

| LSU Physician Fee Schedule Change |                 |                            |                                      |            |                                    |
|-----------------------------------|-----------------|----------------------------|--------------------------------------|------------|------------------------------------|
| Time Period                       | Historical Cost | Fee Schedule Change Impact | Percentage Impact of Historical Cost | FMP Impact | Percentage Impact of Adjusted Cost |
| CY 2019                           | \$84,887,618    | \$51,847,805               | 61.08%                               | N/A        | N/A                                |

## Hospital-Based Physician Services

Mercer calculated the FMP payments for hospital-based physician services provided at participating facilities by participating physicians according to the State Plan methodology. This methodology is designed to bring the payments for the physician services up to the community rate level. The community rate is defined as the rate paid by commercial payers for the same service. For State-owned or operated entities and for non-State owned or operated entities, Mercer calculated the FMP payments according to the State Plan using the units of service from the base data, the most currently available Medicare fees, and the Medicare-to-commercial conversion factors provided by LDH. The conversion factors are maintained by LDH and updated annually for State-owned or operated entities, and triennially for non-State owned or operated entities. The certification submitted on August 24, 2022, included community rate calculations as of August 26, 2021. The refreshed results contain an update to the community rate calculations for some of the participating physicians.

**Table 1F**

| Hospital-Based Physician FMP |                 |                            |                                      |               |                                    |
|------------------------------|-----------------|----------------------------|--------------------------------------|---------------|------------------------------------|
| Time Period                  | Historical Cost | Fee Schedule Change Impact | Percentage Impact of Historical Cost | FMP Impact    | Percentage Impact of Adjusted Cost |
| CY 2019                      | \$260,467,076   | N/A                        | N/A                                  | \$570,200,921 | 218.91%                            |

<sup>3</sup> [https://www.lamedicaid.com/provweb1/fee\\_schedules/LSU\\_Enhanced\\_Pro\\_Serv\\_Fee.htm](https://www.lamedicaid.com/provweb1/fee_schedules/LSU_Enhanced_Pro_Serv_Fee.htm)

## Aggregate Fee Schedule Adjustments

The prospective aggregate fee adjustment as a percent impact of base expenses is 4.87% as shown in Table 1G.

**Table 1G**

| Aggregate Fee Schedule Changes |                   |                            |                                        |               |                                    |
|--------------------------------|-------------------|----------------------------|----------------------------------------|---------------|------------------------------------|
| Time Period                    | All Services Cost | Fee Schedule Change Impact | Percentage Impact of All Services Cost | FMP Impact    | Percentage Impact of Adjusted Base |
| CY 2019                        | \$5,590,133,302   | \$319,813,381              | 5.72%                                  | \$610,483,819 | 10.33%                             |

## Other Fee Schedule Updates

### Psychiatric Residential Treatment Facilities Reimbursement

Effective January 1, 2023, LDH is adjusting the reimbursement rates for three specific psychiatric residential treatment facilities (PRTFs). The specific PRTF entities are identified as Louisiana Methodist Children's Home of Greater New Orleans, Louisiana Methodist Children's Home of Ruston, and Louisiana Methodist Children's Home of Southwest Louisiana. Mercer identified the affected services and estimated the impact of the reimbursement changes. The impact of this adjustment is summarized in Table 2.

**Table 2**

| PRTF Reimbursement |                 |                            |                                      |                                    |
|--------------------|-----------------|----------------------------|--------------------------------------|------------------------------------|
| Time Period        | Historical Cost | Fee Schedule Change Impact | Percentage Impact of Historical Cost | Percentage Impact of Base Expenses |
| CY 2019            | \$15,671,698    | \$1,112,398                | 7.10%                                | 0.02%                              |

## Tobacco Cessation

Effective February 20, 2020, LDH began covering tobacco cessation counseling and pharmacotherapy for pregnant women. The period of coverage for these services includes the prenatal period through one year postpartum. Mercer identified the affected services and estimated the impact of the changes to develop adjustments to the maternity kick payments.

Effective April 1, 2023, LDH is expanding coverage to all adult Medicaid beneficiaries. Mercer identified the affected services and estimated the impact of the changes to develop adjustments to the adult rate cells.

All eligible members may receive four face-to-face counseling sessions with the appropriate health care professional per quit attempt and up to two quit attempts per calendar year (CY). The impact of this adjustment is summarized in Table 3.

**Table 3**

| Tobacco Cessation                           |                        |                        |                  |        |
|---------------------------------------------|------------------------|------------------------|------------------|--------|
| Category of Aid (COA)                       | Rate Cell              | SFY 2023 Projected MMs | Total Adjustment | PMPM   |
| SSI                                         | Adult 21+ Years        | 976,171                | \$27,407         | \$0.03 |
| F&C                                         | Adult 21+ Years        | 1,078,378              | \$30,277         | \$0.03 |
| Maternity Kick Payment                      | Maternity Kick Payment | 25,587                 | \$179,982        | \$7.03 |
| Medicaid Expansion                          | Age 19–64              | 7,221,829              | \$202,763        | \$0.03 |
| Medicaid Expansion — Maternity Kick Payment | Maternity Kick Payment | 13,527                 | \$95,154         | \$7.03 |

MMs = member months

PMPM = per member per month

## COVID-19 Pandemic Testing and Treatment Costs

Uncertainty exists regarding the impact of COVID-19 during the contract period due to the changing situation with regionalized infection rates, the impact of variants, and vaccination rates to name a few factors. January 2023 through June 2023 capitation rates were adjusted to reflect the impact of COVID-19 testing and treatment costs during the rating period. The certification submitted on August 24, 2022, also included this adjustment, but more recent data was available regarding testing utilization and costs. As a result of this, the testing component of this adjustment was updated for the January 2023 through June 2023 capitation rates.

### Aggregate COVID-19 Testing and Treatment Costs Adjustment

The PMPM impact of these adjustments is included in Table 4.

**Table 4**

| COVID-19 PHE Testing and Treatment Costs |                 |
|------------------------------------------|-----------------|
| Region                                   | PMPM Adjustment |
| Gulf                                     | \$2.75          |
| Capital                                  | \$2.67          |
| South Central                            | \$2.65          |
| North                                    | \$2.67          |

## House Bill No.1 Impact

Effective July 1, 2022, a number of provider rate increases were included in the 2022 Regular Session under House Bill No. 1 that was signed into legislation. The services impacted by this legislation include:

- Pediatric day health care

- Emergency/non-emergency transportation
- Applied behavioral analysis

The certification submitted on August 24, 2022, included this adjustment. However, the applied behavioral analysis services impact was clarified by LDH, and Mercer has reduced the adjustment accordingly. The combined impact of these adjustments by rate cell is shown in Table 5.

**Table 5**

| House Bill No. 1 Rate Increases |                               |                          |                     |         |
|---------------------------------|-------------------------------|--------------------------|---------------------|---------|
| COA                             | Rate Cell                     | RY23<br>Projected<br>MMs | Total<br>Adjustment | PMPM    |
| SSI                             | 0–2 Months                    | 727                      | \$744               | \$1.02  |
| SSI                             | 3–11 Months                   | 5,018                    | \$269,523           | \$53.71 |
| SSI                             | Child 1–20 Years              | 404,828                  | \$4,763,490         | \$11.77 |
| SSI                             | Adult 21+ Years               | 976,171                  | \$826,933           | \$0.85  |
| F&C                             | 0–2 Months                    | 107,113                  | \$37,041            | \$0.35  |
| F&C                             | 3–11 Months                   | 375,410                  | \$159,640           | \$0.43  |
| F&C                             | Child 1–20 Years              | 7,677,287                | \$2,932,834         | \$0.38  |
| F&C                             | Adult 21+ Years               | 1,078,378                | \$222,775           | \$0.21  |
| FCC                             | All Ages Male & Female        | 176,828                  | \$313,625           | \$1.77  |
| BCC                             | BCC, All Ages                 | 4,156                    | \$1,148             | \$0.28  |
| LAP                             | LAP, All Ages                 | 22,376                   | \$25,764            | \$1.15  |
| HCBS                            | Child 1–20 Years              | 12,846                   | \$542,824           | \$42.26 |
| HCBS                            | Adult 21+ Years               | 27,950                   | \$24,183            | \$0.87  |
| CCM                             | CCM, All Ages                 | 48,912                   | \$2,193,447         | \$44.84 |
| SBH – CCM                       | SBH – CCM, All Ages           | 21,484                   | \$403,257           | \$18.77 |
| SBH – Duals                     | SBH – Dual Eligible, All Ages | 1,422,992                | \$96,849            | \$0.07  |
| SBH – HCBS                      | Child 1–20 Years              | 18,868                   | \$238,192           | \$12.62 |
| SBH – HCBS                      | Adult 21+ Years               | 34,276                   | \$15,108            | \$0.44  |
| SBH – Other                     | SBH – All Ages                | 31,664                   | \$56,606            | \$1.79  |
| Maternity Kick Payment          | Maternity Kick Payment        | 25,587                   | \$44,288            | \$1.73  |
| Medicaid Expansion              | Age 19–64                     | 7,221,829                | \$1,298,609         | \$0.18  |
| Medicaid Expansion              | High Needs                    | 1,880                    | \$1,905             | \$1.01  |

| House Bill No. 1 Rate Increases             |                        |                    |                  |        |
|---------------------------------------------|------------------------|--------------------|------------------|--------|
| COA                                         | Rate Cell              | RY23 Projected MMs | Total Adjustment | PMPM   |
| Medicaid Expansion – Maternity Kick Payment | Maternity Kick Payment | 13,527             | \$22,898         | \$1.69 |

## Genetic Testing of Critically Ill Infants

Effective April 1, 2023, the State will include Medicaid coverage for rapid whole genome sequencing testing for critically ill infants with no diagnosis. The impact for this adjustment by rate cell is shown in Table 6.

Table 6

| Infant Genetic Testing Coverage |            |                     |                  |         |
|---------------------------------|------------|---------------------|------------------|---------|
| COA                             | Rate Cell  | SFY23 Projected MMs | Total Adjustment | PMPM    |
| SSI                             | 0–2 Months | 727                 | \$11,421         | \$15.70 |
| F&C                             | 0–2 Months | 107,113             | \$1,681,656      | \$15.70 |

## Pharmacy Adjustments

### Six-Month Supply of Contraceptives

Effective January 1, 2023, the State will cover up to a six-month supply of contraceptive drugs. This change is expected to reduce the frequency of contraceptive prescription refills and will contribute to a reduction in pharmacy dispensing fees. The impact for this adjustment is shown in Table 7.

Table 7

| Six-Month Supply of Contraceptives |                        |                        |                  |         |
|------------------------------------|------------------------|------------------------|------------------|---------|
| COA                                | Rate Cell              | SFY 2023 Projected MMs | Total Adjustment | PMPM    |
| SSI                                | Child 1–20 Years       | 404,828                | –\$1,672         | –\$0.00 |
| SSI                                | Adult 21+ Years        | 976,171                | –\$3,508         | –\$0.00 |
| F&C                                | Child 1–20 Years       | 7,677,287              | –\$31,609        | –\$0.00 |
| F&C                                | Adult 21+ Years        | 1,078,378              | –\$23,251        | –\$0.02 |
| FCC                                | All Ages Male & Female | 176,828                | –\$865           | –\$0.00 |
| LAP                                | LAP, All Ages          | 22,376                 | –\$118           | –\$0.01 |
| HCBS                               | Adult 21+ Years        | 27,950                 | –\$235           | –\$0.01 |
| CCM                                | CCM, All Ages          | 48,912                 | –\$104           | –\$0.00 |
| Medicaid Expansion                 | Age 19–64              | 7,221,829              | –\$73,450        | –\$0.01 |

## Special Considerations for Contract Changes Effective January 1, 2023

Concurrent with the implementation of the new MCO contracts effective January 1, 2023, the State intended to implement a single pharmacy benefit manager (PBM). Due to delays in the PBM procurement, the single PBM will not be implemented on January 1, 2023. For the incumbent MCOs, administration of the pharmacy benefit will be consistent with prior contract years, and no adjustment to the rates is necessary. For the incoming MCO, the State has decided to carve out the pharmacy benefit until the single PBM is implemented. As a result, an adjustment was necessary to remove the pharmacy benefit and pharmacy administrative component from the capitation rates for this MCO. Appendix A includes both sets of capitation rates for the contract period from January 2023 through June 2023.

## Impact of Additional Gene Therapy Drugs

Since the rate certification submitted on August 24, 2022, more information has become available regarding the approval and testing of certain gene therapy drugs. At the time of rate development, limited information was available and uncertainty existed around the timing of approvals for these drugs and the cost of these drugs. Since the initial capitation rate development, additional drugs have received approval, and pricing information has become available. There are also additional gene therapy drugs expected to receive approval prior to July 2023. For future rate periods, LDH may consider adding these gene therapy drugs to the high-cost risk pool, which currently only includes Zolgensma®. As a result of limitations in 42 CFR 438.6(b)(1), LDH and Mercer are not able to include these additional drugs in the risk pool during this certification period. Since consideration was not made for these drugs in the initial trend assumptions, an adjustment was necessary to reflect the expected cost of these drugs in the January 2023 through June 2023 time period.

Table 8 reflects the impact of adjustments made for these drugs.

**Table 8**

| Other Gene Therapy Drugs |                 |                     |                  |        |
|--------------------------|-----------------|---------------------|------------------|--------|
| COA                      | Rate Cell       | SFY23 Projected MMs | Total Adjustment | PMPM   |
| SSI                      | Adult 21+ Years | 976,171             | \$ 841,685       | \$0.86 |
| F&C                      | Adult 21+ Years | 1,078,378           | \$ 929,811       | \$0.86 |
| EXP                      | Ages 19-64      | 7,221,829           | \$6,226,883      | \$0.86 |
| EXP                      | High Needs      | 1,880               | \$ 1,621         | \$0.86 |

## Adjustment for Emerging Experience

Based on emerging experience, Mercer and LDH noted that emerging experience for the Family & Child rate cells was higher than expected based on initial rate development assumptions. This is likely the result of a faster return of utilization than originally anticipated as a result of the pandemic, changes in acuity of the population, or other utilization changes. Mercer and LDH reviewed emerging encounter experience through June 2022, as well as additional financial reports in 2022. As a result of this review, Mercer has made adjustments to some categories of service within various rate cells. The impact of these adjustments is shown in Table 9, below.

**Table 9**

| <b>Adjustment for Emerging Experience</b> |                           |                            |                                 |                                |                     |                     |
|-------------------------------------------|---------------------------|----------------------------|---------------------------------|--------------------------------|---------------------|---------------------|
| <b>COA</b>                                | <b>F&amp;C 0–2 Months</b> | <b>F&amp;C 3–11 Months</b> | <b>F&amp;C Child 1–20 Years</b> | <b>F&amp;C Adult 21+ Years</b> | <b>FCC All Ages</b> | <b>LAP All Ages</b> |
| Inpatient                                 | \$50.54                   | \$1.25                     | \$0.18                          | \$2.56                         | \$0.59              | \$0.06              |
| Outpatient                                | \$3.53                    | \$3.69                     | \$2.03                          | \$3.87                         | \$2.79              | \$2.34              |
| Physician                                 | \$43.03                   | \$10.58                    | \$4.54                          | \$0.84                         | \$6.68              | \$6.56              |
| Rx                                        | \$1.98                    | \$0.81                     | \$0.31                          | \$ -                           | \$0.83              | \$0.37              |
| Other                                     | \$0.45                    | \$0.10                     | \$0.05                          | \$ -                           | \$0.17              | \$0.03              |
| Transportation                            | \$0.24                    | \$0.82                     | \$1.18                          | \$5.28                         | \$0.00              | \$0.00              |
| SBH – Inpatient                           | \$0.00                    | \$0.00                     | \$0.23                          | \$(0.47)                       | \$2.34              | \$0.16              |
| SBH – Other                               | \$0.01                    | \$0.01                     | \$0.13                          | \$(2.85)                       | \$0.92              | \$0.08              |

## Section 2

# Special Contract Provisions Related to Payment

### Withhold Arrangement

No changes have been made to the withhold arrangement, as described in the August 24, 2022, certification. However, as a result of the new MCO contracts, effective January 1, 2023, LDH has determined that the measurement period will remain on a CY basis. No changes are necessary to the capitation rates as a result of this decision.

### Incentive Arrangement

No changes have been made to the incentive payments, as described in the August 24, 2022, certification. However, as a result of the new MCO contracts, effective January 1, 2023, LDH has determined that the measurement period will remain on a CY basis. No changes are necessary to the capitation rates as a result of this decision.

## Section 3

# Projected Non-Benefit Costs

## Administrative Expense Load

Additional information on the provision for MCO administration and other non-medical expenses is included in the certification from August 24, 2022. As a result of the difference in administration of the pharmacy benefit for the incoming MCO starting January 1, 2023, the administration PMPM varies between the incumbent MCOs and the incoming MCO for the remaining six months of this certification period.

Administrative expense load assumptions are summarized by program in Table 10a and Table 10b for the incumbent MCOs and the incoming MCO, respectively.

**Table 10a**

| Incumbent MCOs Administrative PMPM by Program |          |
|-----------------------------------------------|----------|
| Non-Expansion PH                              | \$32.66  |
| Non-Expansion SBH                             | \$5.36   |
| Maternity Kick Payment                        | \$410.86 |
| Expansion                                     | \$42.74  |

**Table 10b**

| Incoming MCO Administrative PMPM by Program |          |
|---------------------------------------------|----------|
| Non-Expansion PH                            | \$31.19  |
| Non-Expansion SBH                           | \$5.36   |
| Maternity Kick Payment                      | \$410.86 |
| Expansion                                   | \$40.27  |

The load for each rate cell was determined using a fixed and variable cost model. Under this model, a fixed administrative expense is attributed to each rate cell, which reflects program requirements such as State-mandated staffing and other indirect operational expenses. For the rates effective January 1, 2023, additional consideration was made for new contractual requirements determined to have a cost impact to the MCOs under the new contract. Based on information provided by the MCOs and review with LDH, the fixed administrative expense included an additional \$0.12 PMPM for all non-maternity kick payment rate cells.

Additionally, the cost for Community Case Management, as required by the Department of Justice settlement, is projected to have an increased cost during this certification period. The fixed administrative expense was updated to reflect this additional cost in the capitation rates effective January 1, 2023, as that information was not known at the time of the original certification on August 24, 2022. Added to this is a variable administrative amount based on claims volume. This methodology results in administrative expense loads that vary as a

percentage by rate cell. The resulting variance in administrative expense determined using this methodology results in a higher allocation of administrative expenses on the rate cells with higher utilization, which is more accurate in reflecting the drivers of plan administration requirements.

## Section 4

# Risk Adjustment

This section provides a high-level description of the risk adjustment process that will be utilized for the January 2023 through June 2023 period, which is referred to as the 2023a risk adjustment period. For this period, there is a significant amount of uncertainty regarding MCO acuity due to the planned member redistribution to support the new MCO entering the program, along with other enrollment policy revisions. To address these uncertainties, the MCO risk profiles will be measured after the close of the period to reflect the actual enrollment for the period and to adjust the MCO capitation rates accordingly.

Risk adjustment will be applied to the rates in Appendix A to reflect differences in health status of the members served in each MCO using the University of California, San Diego's combined Chronic Illness and Disability Payment System and Medicaid Rx (CDPS+Rx) risk adjustment model selected by LDH. The CDPS+Rx risk adjustment model will use available information from claims, encounters, and eligibility data to assign members into categories to estimate their health risk. Members will then be assigned to MCOs based on their enrollment in the January 2023 through June 2023 time period to estimate the health risk for each of the participating MCOs.

The application of the CDPS+Rx risk adjustment model will be tailored to the Healthy Louisiana program by using State cost experience to determine the relative costs associated with each model category. This step produces State-specific cost weights that will be used to assign a risk score to each member with sufficient experience (six or more months of enrollment with an MCO). When members lack sufficient experience, an age/gender risk assumption will be utilized. This experience will be aggregated by MCO, and appropriate adjustments will be made to ensure resulting rates are budget neutral — not increasing or decreasing overall program costs — as outlined in 42 CFR §438.5(g).

One unique aspect of the 2023a risk adjustment period is the difference in benefit package between the five incumbent MCOs and the new entrant (Humana) that will be joining the Healthy Louisiana program on January 1, 2023. To account for this, two sets of universal rates and Louisiana-specific cost weights will be developed to align with the different benefit packages.

To help the MCOs and CMS understand the impact of the enrollment policies that are redistributing membership from the five incumbent MCOs to Humana, the selected risk adjustment model will be used to calculate the following population acuity adjustments:

- For the incumbent MCOs, the combined risk profile of the five incumbent MCOs will be compared to the entire program (including Humana) using the cost weights **inclusive** of pharmacy to create a uniform adjustment factor for the five incumbent MCOs.
- For Humana, its risk profile will be compared to the entire program using cost weights **exclusive** of pharmacy.

In addition to the population acuity adjustment, the MCO-specific relative risk will be measured for incumbent MCOs by comparing each of the five incumbent MCOs' risk profiles to the combined risk for all of the incumbent MCOs, where the risk profiles are measured

using cost weights inclusive of pharmacy. To determine the final risk score for each of the incumbent MCOs, the existing MCO population acuity adjustment will be multiplied by the MCO-specific relative risk score.

Humana’s final risk score will be set equal to its population acuity adjustment because this factor is already MCO-specific.

The final risk scores will be applied to the universal capitation rates, excluding the FMP component, which is not risk adjustment. The FMP component is added to the risk-adjusted rate to produce the final rate. Table 11 shows the rate cells that will be risk adjusted.

**Table 11**

| <b>Risk-Adjusted Rate Cells</b> |                  |
|---------------------------------|------------------|
| SSI                             | Child 1–20 Years |
|                                 | Adult 21+ Years  |
| F&C                             | Child 1–20 Years |
|                                 | Adult 21+ Years  |
| FCC                             | All Ages         |
| LAP                             | All Ages         |
| Medicaid Expansion              | Age 19–64        |

Separate sets of risk scores are developed for each rate cell and region, except for FCC and LAP, in which the risk scores are developed on a statewide basis.

For more detail regarding the risk adjustment process, please reference the separate risk adjustment methodology report that corresponds with each risk adjustment period.

## Section 5

# Certification of Final Rates

This certification assumes items in the Medicaid State Plan or waiver, as well as the Healthy Louisiana MCO contract, have been approved by CMS.

In preparing the rates shown in Appendix A, Mercer has used and relied upon enrollment, FFS claims, encounter data, reimbursement level, benefit design, and other information supplied by LDH and its fiscal agent. LDH, its fiscal agent, and the Healthy Louisiana MCOs are responsible for the validity and completeness of the data supplied. Mercer has reviewed the data and information for internal consistency and reasonableness, but did not audit them. In Mercer's opinion, they are appropriate for the intended purposes. The data reliance attestation will be provided in the final rate certification, and its purpose is to certify the accuracy, completeness, and consistency of the base data. However, if the data and information are incomplete/inaccurate, the values shown in this report may differ significantly from values that would be obtained with accurate and complete information; this may require a later revision to this report.

Because modeling all aspects of a situation or scenario is not possible or practical, Mercer may use summary information, estimates, or simplifications of calculations to facilitate the modeling of future events in an efficient and cost-effective manner. Mercer may also exclude factors or data that are immaterial in its judgment. Use of such simplifying techniques does not, in Mercer's judgment, affect the reasonableness, appropriateness, or attainability of the results for the Medicaid program. Actuarial assumptions may also be changed from one certification period to the next because of changes in mandated requirements, program experience, changes in expectations about the future, and other factors. A change in assumptions is not an indication that prior assumptions were unreasonable, inappropriate, or unattainable when they were made.

Mercer certifies the rates in Appendix A, including any risk-sharing mechanisms, were developed in accordance with generally accepted actuarial practices and principles and are appropriate for the Medicaid covered populations and services under the Healthy Louisiana MCO contract. The undersigned actuaries are members of the American Academy of Actuaries and meet its qualification standards to certify to the actuarial soundness of Medicaid managed care capitation rates.

Rates and ranges developed by Mercer are actuarial projections of future contingent events. All estimates are based upon the information and data available at a point in time, and are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely, and potentially wide, range of variability from the estimate. Any estimate or projection may not be used or relied upon by any other party or for any other purpose than for which it was issued by Mercer. Mercer is not responsible for the consequences of any unauthorized use. Actual Healthy Louisiana MCO costs will differ from these projections. Mercer has developed these rates on behalf of LDH to demonstrate compliance with the CMS requirements under 42 CFR §438.4 and accordance with applicable law and regulations. Use of these rate ranges for any purpose beyond that stated may not be appropriate.

Healthy Louisiana MCOs are advised that the use of these rates may not be appropriate for their particular circumstance, and Mercer disclaims any responsibility for the use of these rates by Healthy Louisiana MCOs for any purpose. Mercer recommends that any MCO considering contracting with LDH should analyze its own projected medical expense, administrative expense, and any other premium needs for comparison to these rate ranges before deciding whether to contract with LDH.

LDH understands that Mercer is not engaged in the practice of law or in providing advice on taxation matters. This report, which may include commenting on legal or taxation issues or regulations, does not constitute and is not a substitute for legal or taxation advice. Accordingly, Mercer recommends that LDH secure the advice of competent legal and taxation counsel with respect to any legal or taxation matters related to this report or otherwise.

This certification letter assumes the reader is familiar with the Healthy Louisiana Program, Medicaid eligibility rules, and actuarial rate-setting techniques. It has been prepared exclusively for LDH and CMS, and should not be relied upon by third parties. Other readers should seek the advice of actuaries or other qualified professionals competent in the area of actuarial rate projections to understand the technical nature of these results. Mercer is not responsible for, and expressly disclaims liability for, any reliance on this report by third parties.

LDH agrees to notify Mercer within 30 days of receipt of this report if it disagrees with anything contained in this report or is aware of any information or data that would affect the results of this report that has not been communicated or provided to Mercer or incorporated herein. The report will be deemed final and acceptable to LDH if nothing is received by Mercer within such 30-day period.

If you have any questions on any of the above, please feel free to contact Adam Sery at +1 612 802 0780 or Rogelio Figueroa at +1 470 548 8862 at your convenience.

Sincerely,



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Adam Sery, FSA, MAAA  
Principal



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Rogelio Figueroa, FSA, MAAA  
Senior Associate

Copy: Tara LeBlanc, Medicaid Executive Director – LDH  
Bogdan Constantin, Managed Care Finance – LDH  
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## Appendix A

# January 2023–June 2023 Healthy Louisiana Capitation Rates

| Region Description | Category of Aid Description                 | Rate Cell Description         | Projected Member Months/Deliveries | Incumbent MCOs Certified Rates | Incoming MCO Certified Rates |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|--------------------------------|------------------------------|
| Gulf               | SSI                                         | 0-2 Months                    | 225                                | \$ 29,156.65                   | \$ 29,066.61                 |
| Gulf               | SSI                                         | 3-11 Months                   | 1,362                              | \$ 4,892.44                    | \$ 4,405.72                  |
| Gulf               | SSI                                         | Child 1-20 Years              | 112,081                            | \$ 819.68                      | \$ 593.48                    |
| Gulf               | SSI                                         | Adult 21+ Years               | 285,554                            | \$ 1,683.64                    | \$ 1,071.23                  |
| Gulf               | F&C                                         | 0-2 Months                    | 29,056                             | \$ 3,073.13                    | \$ 3,065.56                  |
| Gulf               | F&C                                         | 3-11 Months                   | 102,424                            | \$ 351.76                      | \$ 330.40                    |
| Gulf               | F&C                                         | Child 1-20 Years              | 2,109,226                          | \$ 201.50                      | \$ 171.59                    |
| Gulf               | F&C                                         | Adult 21+ Years               | 297,547                            | \$ 480.99                      | \$ 336.42                    |
| Gulf               | FCC                                         | All Ages Male & Female        | 31,457                             | \$ 522.26                      | \$ 435.93                    |
| Gulf               | BCC                                         | BCC, All Ages                 | 1,036                              | \$ 2,803.77                    | \$ 1,900.99                  |
| Gulf               | LAP                                         | LAP, All Ages                 | 5,642                              | \$ 260.31                      | \$ 199.78                    |
| Gulf               | HCBS                                        | Child 1-20 Years              | 3,263                              | \$ 2,493.07                    | \$ 2,069.49                  |
| Gulf               | HCBS                                        | Adult 21+ Years               | 6,992                              | \$ 1,876.40                    | \$ 1,088.94                  |
| Gulf               | CCM                                         | CCM, All Ages                 | 14,827                             | \$ 1,502.54                    | \$ 1,211.94                  |
| Gulf               | SBH - CCM                                   | SBH - CCM, All Ages           | 5,370                              | \$ 204.37                      | \$ 204.37                    |
| Gulf               | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 405,927                            | \$ 36.81                       | \$ 36.81                     |
| Gulf               | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 193                                | \$ 36.81                       | \$ 36.81                     |
| Gulf               | SBH - HCBS                                  | Child 1-20 Years              | 4,716                              | \$ 162.52                      | \$ 162.52                    |
| Gulf               | SBH - HCBS                                  | Adult 21+ Years               | 9,211                              | \$ 80.69                       | \$ 80.69                     |
| Gulf               | SBH - Other                                 | SBH - All Ages                | 5,861                              | \$ 188.40                      | \$ 188.40                    |
| Gulf               | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 28,025.97                   | \$ 27,905.56                 |
| Gulf               | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ 3,981.20                    | \$ 3,467.26                  |
| Gulf               | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ 1,302.36                    | \$ 1,018.93                  |
| Gulf               | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ 4,283.51                    | \$ 4,265.46                  |
| Gulf               | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ 778.85                      | \$ 702.71                    |
| Gulf               | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ 563.83                      | \$ 527.31                    |
| Gulf               | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ 18.06                       | \$ 18.06                     |
| Gulf               | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ 10.09                       | \$ 10.14                     |
| Gulf               | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ 305.27                      | \$ 310.25                    |
| Gulf               | Maternity Kick Payment                      | Maternity Kick Payment        | 9,549                              | \$ 11,704.88                   | \$ 11,704.88                 |
| Gulf               | EED Kick Payment                            | EED Kick Payment              | 3,797                              | \$ 5,956.11                    | \$ 5,956.11                  |
| Gulf               | Medicaid Expansion                          | Age 19-64                     | 538                                | \$ 593.89                      | \$ 406.78                    |
| Gulf               | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 37                                 | \$ 36.81                       | \$ 36.81                     |
| Gulf               | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 37                                 | \$ 36.81                       | \$ 36.81                     |
| Gulf               | Medicaid Expansion                          | SBH - Other                   | 183                                | \$ 188.40                      | \$ 188.40                    |
| Gulf               | Medicaid Expansion                          | SBH - CCM, All Ages           | 215                                | \$ 204.37                      | \$ 204.37                    |
| Gulf               | Medicaid Expansion                          | High Needs                    | 1,304                              | \$ 593.89                      | \$ 406.78                    |
| Gulf               | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,582                              | \$ 13,964.24                   | \$ 13,964.24                 |
| Gulf               | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 7,911.01                    | \$ 7,911.01                  |
| Capital            | SSI                                         | 0-2 Months                    | 178                                | \$ 29,755.62                   | \$ 29,663.71                 |
| Capital            | SSI                                         | 3-11 Months                   | 1,299                              | \$ 4,773.22                    | \$ 4,287.38                  |
| Capital            | SSI                                         | Child 1-20 Years              | 90,152                             | \$ 846.71                      | \$ 627.53                    |
| Capital            | SSI                                         | Adult 21+ Years               | 207,213                            | \$ 1,800.72                    | \$ 1,138.56                  |
| Capital            | F&C                                         | 0-2 Months                    | 27,823                             | \$ 3,526.83                    | \$ 3,519.32                  |
| Capital            | F&C                                         | 3-11 Months                   | 96,825                             | \$ 360.64                      | \$ 339.88                    |
| Capital            | F&C                                         | Child 1-20 Years              | 1,936,770                          | \$ 211.26                      | \$ 172.69                    |
| Capital            | F&C                                         | Adult 21+ Years               | 269,063                            | \$ 515.68                      | \$ 359.35                    |
| Capital            | FCC                                         | All Ages Male & Female        | 51,230                             | \$ 476.92                      | \$ 386.47                    |
| Capital            | BCC                                         | BCC, All Ages                 | 1,460                              | \$ 2,775.83                    | \$ 1,883.30                  |
| Capital            | LAP                                         | LAP, All Ages                 | 7,213                              | \$ 258.48                      | \$ 197.73                    |
| Capital            | HCBS                                        | Child 1-20 Years              | 3,552                              | \$ 2,537.81                    | \$ 2,107.11                  |
| Capital            | HCBS                                        | Adult 21+ Years               | 6,721                              | \$ 1,881.60                    | \$ 1,091.70                  |
| Capital            | CCM                                         | CCM, All Ages                 | 10,827                             | \$ 1,534.37                    | \$ 1,244.77                  |
| Capital            | SBH - CCM                                   | SBH - CCM, All Ages           | 5,879                              | \$ 206.61                      | \$ 206.61                    |
| Capital            | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 320,672                            | \$ 30.95                       | \$ 30.95                     |
| Capital            | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 152                                | \$ 30.95                       | \$ 30.95                     |
| Capital            | SBH - HCBS                                  | Child 1-20 Years              | 5,940                              | \$ 161.21                      | \$ 161.21                    |
| Capital            | SBH - HCBS                                  | Adult 21+ Years               | 8,862                              | \$ 82.55                       | \$ 82.55                     |
| Capital            | SBH - Other                                 | SBH - All Ages                | 9,038                              | \$ 179.79                      | \$ 179.79                    |
| Capital            | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 28,025.97                   | \$ 27,905.56                 |
| Capital            | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ 3,981.20                    | \$ 3,467.26                  |
| Capital            | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ 1,302.36                    | \$ 1,018.93                  |
| Capital            | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ 4,283.51                    | \$ 4,265.46                  |
| Capital            | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ 778.85                      | \$ 702.71                    |
| Capital            | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ 563.83                      | \$ 527.31                    |
| Capital            | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ 18.06                       | \$ 18.06                     |
| Capital            | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ 10.09                       | \$ 10.14                     |
| Capital            | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ 305.27                      | \$ 310.25                    |
| Capital            | Maternity Kick Payment                      | Maternity Kick Payment        | 6,430                              | \$ 10,735.01                   | \$ 10,735.01                 |
| Capital            | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 5,391.45                    | \$ 5,391.45                  |
| Capital            | Medicaid Expansion                          | Age 19-64                     | 1,767,938                          | \$ 659.23                      | \$ 461.20                    |
| Capital            | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 16,267                             | \$ 30.95                       | \$ 30.95                     |
| Capital            | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 30.95                       | \$ 30.95                     |
| Capital            | Medicaid Expansion                          | SBH - Other                   | 113                                | \$ 179.79                      | \$ 179.79                    |
| Capital            | Medicaid Expansion                          | SBH - CCM, All Ages           | 235                                | \$ 206.61                      | \$ 206.61                    |
| Capital            | Medicaid Expansion                          | High Needs                    | 638                                | \$ 659.23                      | \$ 461.20                    |
| Capital            | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,428                              | \$ 13,703.55                   | \$ 13,703.55                 |
| Capital            | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 7,641.84                    | \$ 7,641.84                  |

| Region Description | Category of Aid Description                 | Rate Cell Description         | Projected Member Months/Deliveries | Incumbent MCOs Certified Rates | Incoming MCO Certified Rates |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|--------------------------------|------------------------------|
| South Central      | SSI                                         | 0-2 Months                    | 183                                | \$ 28,719.09                   | \$ 28,628.48                 |
| South Central      | SSI                                         | 3-11 Months                   | 1,145                              | \$ 4,764.87                    | \$ 4,277.23                  |
| South Central      | SSI                                         | Child 1-20 Years              | 98,051                             | \$ 747.24                      | \$ 546.16                    |
| South Central      | SSI                                         | Adult 21+ Years               | 253,894                            | \$ 1,535.25                    | \$ 990.01                    |
| South Central      | F&C                                         | 0-2 Months                    | 29,712                             | \$ 3,082.46                    | \$ 3,074.19                  |
| South Central      | F&C                                         | 3-11 Months                   | 103,356                            | \$ 361.90                      | \$ 336.85                    |
| South Central      | F&C                                         | Child 1-20 Years              | 2,086,258                          | \$ 205.47                      | \$ 164.68                    |
| South Central      | F&C                                         | Adult 21+ Years               | 299,017                            | \$ 460.18                      | \$ 326.07                    |
| South Central      | FCC                                         | All Ages Male & Female        | 55,209                             | \$ 415.96                      | \$ 333.47                    |
| South Central      | BCC                                         | BCC, All Ages                 | 816                                | \$ 2,735.07                    | \$ 1,835.44                  |
| South Central      | LAP                                         | LAP, All Ages                 | 5,610                              | \$ 257.37                      | \$ 196.95                    |
| South Central      | HCBS                                        | Child 1-20 Years              | 3,392                              | \$ 2,514.01                    | \$ 2,087.37                  |
| South Central      | HCBS                                        | Adult 21+ Years               | 8,178                              | \$ 1,887.48                    | \$ 1,089.64                  |
| South Central      | CCM                                         | CCM, All Ages                 | 12,502                             | \$ 1,512.62                    | \$ 1,223.55                  |
| South Central      | SBH - CCM                                   | SBH - CCM, All Ages           | 5,460                              | \$ 211.02                      | \$ 211.02                    |
| South Central      | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 382,388                            | \$ 33.66                       | \$ 33.66                     |
| South Central      | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 181                                | \$ 33.66                       | \$ 33.66                     |
| South Central      | SBH - HCBS                                  | Child 1-20 Years              | 4,958                              | \$ 158.71                      | \$ 158.71                    |
| South Central      | SBH - HCBS                                  | Adult 21+ Years               | 9,610                              | \$ 83.57                       | \$ 83.57                     |
| South Central      | SBH - Other                                 | SBH - All Ages                | 8,992                              | \$ 190.60                      | \$ 190.60                    |
| South Central      | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 28,025.97                   | \$ 27,905.56                 |
| South Central      | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ 3,981.20                    | \$ 3,467.26                  |
| South Central      | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ 1,302.36                    | \$ 1,018.93                  |
| South Central      | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ 4,283.51                    | \$ 4,265.46                  |
| South Central      | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ 778.85                      | \$ 702.71                    |
| South Central      | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ 563.83                      | \$ 527.31                    |
| South Central      | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ 18.06                       | \$ 18.06                     |
| South Central      | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ 10.09                       | \$ 10.14                     |
| South Central      | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ 305.27                      | \$ 310.25                    |
| South Central      | Maternity Kick Payment                      | Maternity Kick Payment        | 7,057                              | \$ 9,769.38                    | \$ 9,769.38                  |
| South Central      | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 4,397.33                    | \$ 4,397.33                  |
| South Central      | Medicaid Expansion                          | Age 19-64                     | 1,846,491                          | \$ 572.10                      | \$ 418.89                    |
| South Central      | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 19,921                             | \$ 33.66                       | \$ 33.66                     |
| South Central      | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 33.66                       | \$ 33.66                     |
| South Central      | Medicaid Expansion                          | SBH - Other                   | 89                                 | \$ 190.60                      | \$ 190.60                    |
| South Central      | Medicaid Expansion                          | SBH - CCM, All Ages           | 187                                | \$ 211.02                      | \$ 211.02                    |
| South Central      | Medicaid Expansion                          | High Needs                    | 313                                | \$ 572.10                      | \$ 418.89                    |
| South Central      | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,754                              | \$ 11,998.77                   | \$ 11,998.77                 |
| South Central      | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 6,122.37                    | \$ 6,122.37                  |
| North              | SSI                                         | 0-2 Months                    | 141                                | \$ 28,662.77                   | \$ 28,573.44                 |
| North              | SSI                                         | 3-11 Months                   | 1,213                              | \$ 4,707.19                    | \$ 4,225.63                  |
| North              | SSI                                         | Child 1-20 Years              | 104,544                            | \$ 706.25                      | \$ 561.83                    |
| North              | SSI                                         | Adult 21+ Years               | 229,509                            | \$ 1,467.05                    | \$ 998.93                    |
| North              | F&C                                         | 0-2 Months                    | 20,521                             | \$ 3,014.03                    | \$ 3,007.29                  |
| North              | F&C                                         | 3-11 Months                   | 72,805                             | \$ 353.55                      | \$ 332.10                    |
| North              | F&C                                         | Child 1-20 Years              | 1,545,033                          | \$ 210.60                      | \$ 181.13                    |
| North              | F&C                                         | Adult 21+ Years               | 212,750                            | \$ 454.83                      | \$ 340.18                    |
| North              | FCC                                         | All Ages Male & Female        | 38,932                             | \$ 567.74                      | \$ 507.51                    |
| North              | BCC                                         | BCC, All Ages                 | 844                                | \$ 2,733.86                    | \$ 1,842.95                  |
| North              | LAP                                         | LAP, All Ages                 | 3,912                              | \$ 258.44                      | \$ 198.30                    |
| North              | HCBS                                        | Child 1-20 Years              | 2,638                              | \$ 2,510.11                    | \$ 2,087.69                  |
| North              | HCBS                                        | Adult 21+ Years               | 6,059                              | \$ 1,892.19                    | \$ 1,102.66                  |
| North              | CCM                                         | CCM, All Ages                 | 10,756                             | \$ 1,513.51                    | \$ 1,224.27                  |
| North              | SBH - CCM                                   | SBH - CCM, All Ages           | 4,776                              | \$ 208.29                      | \$ 208.29                    |
| North              | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 314,005                            | \$ 40.85                       | \$ 40.85                     |
| North              | SBH - LaHIPP                                | SBH - LaHIPP, All Ages        | 149                                | \$ 40.85                       | \$ 40.85                     |
| North              | SBH - HCBS                                  | Child 1-20 Years              | 3,254                              | \$ 159.46                      | \$ 159.46                    |
| North              | SBH - HCBS                                  | Adult 21+ Years               | 6,593                              | \$ 89.82                       | \$ 89.82                     |
| North              | SBH - Other                                 | SBH - All Ages                | 7,773                              | \$ 186.58                      | \$ 186.58                    |
| North              | Act 421, Non-TPL                            | 0-2 Months                    | -                                  | \$ 28,025.97                   | \$ 27,905.56                 |
| North              | Act 421, Non-TPL                            | 3-11 Months                   | 229                                | \$ 3,981.20                    | \$ 3,467.26                  |
| North              | Act 421, Non-TPL                            | Child 1-18 Years              | 2,631                              | \$ 1,302.36                    | \$ 1,018.93                  |
| North              | Act 421, Non-LaHIPP TPL                     | 0-2 Months                    | -                                  | \$ 4,283.51                    | \$ 4,265.46                  |
| North              | Act 421, Non-LaHIPP TPL                     | 3-11 Months                   | 343                                | \$ 778.85                      | \$ 702.71                    |
| North              | Act 421, Non-LaHIPP TPL                     | Child 1-18 Years              | 3,946                              | \$ 563.83                      | \$ 527.31                    |
| North              | Act 421, LaHIPP TPL                         | 0-2 Months                    | -                                  | \$ 18.06                       | \$ 18.06                     |
| North              | Act 421, LaHIPP TPL                         | 3-11 Months                   | 343                                | \$ 10.09                       | \$ 10.14                     |
| North              | Act 421, LaHIPP TPL                         | Child 1-18 Years              | 3,946                              | \$ 305.27                      | \$ 310.25                    |
| North              | Maternity Kick Payment                      | Maternity Kick Payment        | 4,919                              | \$ 10,927.53                   | \$ 10,927.53                 |
| North              | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 4,877.22                    | \$ 4,877.22                  |
| North              | Medicaid Expansion                          | Age 19-64                     | 1,434,478                          | \$ 558.46                      | \$ 409.40                    |
| North              | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 14,390                             | \$ 40.85                       | \$ 40.85                     |
| North              | Medicaid Expansion                          | SBH - LaHIPP, All Ages        | 1                                  | \$ 40.85                       | \$ 40.85                     |
| North              | Medicaid Expansion                          | SBH - Other                   | 35                                 | \$ 186.58                      | \$ 186.58                    |
| North              | Medicaid Expansion                          | SBH - CCM, All Ages           | 140                                | \$ 208.29                      | \$ 208.29                    |
| North              | Medicaid Expansion                          | High Needs                    | 182                                | \$ 558.46                      | \$ 409.40                    |
| North              | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 2,763                              | \$ 13,105.16                   | \$ 13,105.16                 |
| North              | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 6,651.92                    | \$ 6,651.92                  |

## Appendix B

# Rate Comparison

| Region Description | Category of Aid Description                 | Rate Cell Description         | 7/1/23 Rates                       |                                       |                                       | 1/1/23 Rates                       |                                       |                                       |
|--------------------|---------------------------------------------|-------------------------------|------------------------------------|---------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
|                    |                                             |                               | Projected Member Months/Deliveries | Lower Bound PMPM or Cost per Delivery | Upper Bound PMPM or Cost per Delivery | Projected Member Months/Deliveries | Lower Bound PMPM or Cost per Delivery | Upper Bound PMPM or Cost per Delivery |
| Guif               | SSI                                         | 0-2 Months                    | 225                                | \$ 29,151.32                          | \$ 30,745.80                          | 225                                | \$ 29,156.65                          | \$ 30,752.37                          |
| Guif               | SSI                                         | 3-11 Months                   | 1,362                              | \$ 4,863.42                           | \$ 5,227.85                           | 1,362                              | \$ 4,892.44                           | \$ 5,258.75                           |
| Guif               | SSI                                         | Child 1-20 Years              | 112,081                            | \$ 814.54                             | \$ 885.71                             | 112,081                            | \$ 819.68                             | \$ 891.39                             |
| Guif               | SSI                                         | Adult 21+ Years               | 285,584                            | \$ 1,069.06                           | \$ 1,624.63                           | 285,584                            | \$ 1,065.64                           | \$ 1,640.15                           |
| Guif               | F&C                                         | 0-2 Months                    | 2,109,424                          | \$ 3,151.52                           | \$ 3,151.52                           | 2,109,424                          | \$ 3,151.52                           | \$ 3,151.52                           |
| Guif               | F&C                                         | 3-11 Months                   | 102,424                            | \$ 326.97                             | \$ 351.97                             | 102,424                            | \$ 321.73                             | \$ 374.32                             |
| Guif               | F&C                                         | Child 1-20 Years              | 2,109,226                          | \$ 187.81                             | \$ 201.80                             | 2,109,226                          | \$ 201.50                             | \$ 213.66                             |
| Guif               | F&C                                         | Adult 21+ Years               | 297,547                            | \$ 462.15                             | \$ 486.70                             | 297,547                            | \$ 480.99                             | \$ 510.59                             |
| Guif               | FOC                                         | All Ages Male & Female        | 31,457                             | \$ 497.57                             | \$ 541.44                             | 31,457                             | \$ 522.26                             | \$ 564.41                             |
| Guif               | BCC                                         | BCC, All Ages                 | 1,036                              | \$ 2,795.03                           | \$ 3,062.24                           | 1,036                              | \$ 2,803.77                           | \$ 3,071.71                           |
| Guif               | LAP                                         | LAP, All Ages                 | 5,642                              | \$ 246.58                             | \$ 266.18                             | 5,642                              | \$ 260.31                             | \$ 278.84                             |
| Guif               | HCBS                                        | Child 1-20 Years              | 3,263                              | \$ 2,486.92                           | \$ 2,710.34                           | 3,263                              | \$ 2,493.07                           | \$ 2,717.44                           |
| Guif               | HCBS                                        | Adult 21+ Years               | 6,992                              | \$ 1,853.86                           | \$ 2,029.56                           | 6,992                              | \$ 1,876.40                           | \$ 2,054.05                           |
| Guif               | CCM                                         | CCM, All Ages                 | 14,827                             | \$ 1,513.25                           | \$ 1,628.30                           | 14,827                             | \$ 1,502.54                           | \$ 1,617.97                           |
| Guif               | SBH - CCM                                   | SBH - CCM, All Ages           | 5,370                              | \$ 215.32                             | \$ 223.68                             | 5,370                              | \$ 204.37                             | \$ 212.68                             |
| Guif               | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 405,927                            | \$ 36.63                              | \$ 40.35                              | 405,927                            | \$ 36.81                              | \$ 40.53                              |
| Guif               | SBH - Lahipp                                | SBH - Lahipp, All Ages        | 193                                | \$ 36.63                              | \$ 40.35                              | 193                                | \$ 36.81                              | \$ 40.53                              |
| Guif               | SBH - HCBS                                  | Child 1-20 Years              | 4,716                              | \$ 168.89                             | \$ 174.33                             | 4,716                              | \$ 162.52                             | \$ 167.93                             |
| Guif               | SBH - HCBS                                  | Adult 21+ Years               | 9,211                              | \$ 79.81                              | \$ 89.01                              | 9,211                              | \$ 80.69                              | \$ 90.01                              |
| Guif               | SBH - Other                                 | SBH - All Ages                | 5,861                              | \$ 164.85                             | \$ 206.02                             | 5,861                              | \$ 168.40                             | \$ 210.13                             |
| Guif               | Act 421 - Non-TPL                           | 0-2 Months                    | 229                                | \$ 3,067.43                           | \$ 3,067.43                           | 229                                | \$ 28,025.97                          | N/A                                   |
| Guif               | Act 421 - Non-TPL                           | 3-11 Months                   | 229                                | \$ 3,067.43                           | \$ 3,067.43                           | 229                                | \$ 3,302.36                           | \$ 3,302.36                           |
| Guif               | Act 421 - Non-TPL                           | Child 1-18 Years              | 2,631                              | \$ 1,294.12                           | N/A                                   | 2,631                              | \$ 4,283.51                           | N/A                                   |
| Guif               | Act 421 - Non-TPL                           | 0-2 Months                    | -                                  | \$ 4,280.72                           | N/A                                   | -                                  | \$ 4,283.51                           | N/A                                   |
| Guif               | Act 421 - Non-TPL                           | 3-11 Months                   | 343                                | \$ 775.22                             | N/A                                   | 343                                | \$ 778.85                             | N/A                                   |
| Guif               | Act 421 - Non-TPL                           | Child 1-18 Years              | 3,946                              | \$ 561.81                             | N/A                                   | 3,946                              | \$ 563.83                             | N/A                                   |
| Guif               | Act 421 - Lahipp TPL                        | 0-2 Months                    | -                                  | \$ 18.06                              | N/A                                   | -                                  | \$ 18.06                              | N/A                                   |
| Guif               | Act 421 - Lahipp TPL                        | 3-11 Months                   | 343                                | \$ 10.09                              | N/A                                   | 343                                | \$ 10.09                              | N/A                                   |
| Guif               | Act 421 - Lahipp TPL                        | Child 1-18 Years              | 3,946                              | \$ 304.83                             | N/A                                   | 3,946                              | \$ 305.27                             | N/A                                   |
| Guif               | Act 421 - Lahipp TPL                        | Maternity Kick Payment        | 7,180                              | \$ 11,644.33                          | \$ 12,067.29                          | 7,180                              | \$ 11,704.88                          | \$ 12,129.05                          |
| Guif               | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 5,911.37                           | \$ 6,079.56                           | 1                                  | \$ 5,956.11                           | \$ 6,124.78                           |
| Guif               | Medicaid Expansion                          | Age 19-64                     | 2,172,921                          | \$ 586.45                             | \$ 633.47                             | 2,172,921                          | \$ 593.89                             | \$ 641.28                             |
| Guif               | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 20,906                             | \$ 36.63                              | \$ 40.35                              | 20,906                             | \$ 36.81                              | \$ 40.53                              |
| Guif               | Medicaid Expansion                          | SBH - Lahipp, All Ages        | 1                                  | \$ 36.63                              | \$ 40.35                              | 1                                  | \$ 36.81                              | \$ 40.53                              |
| Guif               | Medicaid Expansion                          | SBH - Other                   | 35                                 | \$ 164.85                             | \$ 206.02                             | 35                                 | \$ 168.40                             | \$ 210.13                             |
| Guif               | Medicaid Expansion                          | SBH - CCM, All Ages           | 171                                | \$ 215.32                             | \$ 223.68                             | 171                                | \$ 204.37                             | \$ 212.68                             |
| Guif               | Medicaid Expansion                          | High Needs                    | 747                                | \$ 586.45                             | \$ 633.47                             | 747                                | \$ 593.89                             | \$ 641.28                             |
| Guif               | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,362                              | \$ 13,883.35                          | \$ 14,493.44                          | 3,362                              | \$ 13,958.69                          | \$ 14,493.44                          |
| Guif               | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 7,885.35                           | \$ 8,081.83                           | 1                                  | \$ 7,911.01                           | \$ 8,114.44                           |
| Capital            | SSI                                         | 0-2 Months                    | 178                                | \$ 29,750.29                          | \$ 31,350.92                          | 178                                | \$ 29,755.62                          | \$ 31,357.48                          |
| Capital            | SSI                                         | 3-11 Months                   | 1,299                              | \$ 4,744.20                           | \$ 5,107.41                           | 1,299                              | \$ 4,773.22                           | \$ 5,138.31                           |
| Capital            | SSI                                         | Child 1-20 Years              | 90,152                             | \$ 842.00                             | \$ 917.13                             | 90,152                             | \$ 846.71                             | \$ 922.34                             |
| Capital            | SSI                                         | Adult 21+ Years               | 207,213                            | \$ 1,787.86                           | \$ 1,954.49                           | 207,213                            | \$ 1,800.72                           | \$ 1,968.17                           |
| Capital            | F&C                                         | 0-2 Months                    | 27,823                             | \$ 3,364.74                           | \$ 3,607.76                           | 27,823                             | \$ 3,526.83                           | \$ 3,729.73                           |
| Capital            | F&C                                         | 3-11 Months                   | 96,825                             | \$ 336.40                             | \$ 361.22                             | 96,825                             | \$ 360.64                             | \$ 382.71                             |
| Capital            | F&C                                         | Child 1-20 Years              | 1,936,770                          | \$ 198.67                             | \$ 213.72                             | 1,936,770                          | \$ 211.26                             | \$ 224.13                             |
| Capital            | F&C                                         | Adult 21+ Years               | 269,063                            | \$ 498.04                             | \$ 536.16                             | 269,063                            | \$ 515.68                             | \$ 548.31                             |
| Capital            | FCC                                         | All Ages Male & Female        | 51,230                             | \$ 455.41                             | \$ 495.60                             | 51,230                             | \$ 476.92                             | \$ 516.02                             |
| Capital            | BCC                                         | BCC, All Ages                 | 1,460                              | \$ 2,767.09                           | \$ 3,034.02                           | 1,460                              | \$ 2,775.83                           | \$ 3,043.48                           |
| Capital            | LAP                                         | LAP, All Ages                 | 7,213                              | \$ 244.76                             | \$ 264.35                             | 7,213                              | \$ 258.48                             | \$ 276.99                             |
| Capital            | HCBS                                        | Child 1-20 Years              | 3,552                              | \$ 2,531.66                           | \$ 2,755.53                           | 3,552                              | \$ 2,537.81                           | \$ 2,762.64                           |
| Capital            | CCM                                         | Adult 21+ Years               | 6,721                              | \$ 1,838.86                           | \$ 2,034.81                           | 6,721                              | \$ 1,881.60                           | \$ 2,059.30                           |
| Capital            | SBH - CCM                                   | SBH - CCM, All Ages           | 10,827                             | \$ 217.55                             | \$ 223.94                             | 10,827                             | \$ 206.61                             | \$ 214.94                             |
| Capital            | SBH - Duals                                 | SBH - Dual Eligible, All Ages | 5,879                              | \$ 30.76                              | \$ 33.65                              | 5,879                              | \$ 30.95                              | \$ 33.84                              |
| Capital            | SBH - Lahipp                                | SBH - Lahipp, All Ages        | 320,152                            | \$ 30.76                              | \$ 33.65                              | 320,152                            | \$ 30.95                              | \$ 33.84                              |
| Capital            | SBH - HCBS                                  | Child 1-20 Years              | 5,940                              | \$ 167.89                             | \$ 173.02                             | 5,940                              | \$ 161.21                             | \$ 166.62                             |
| Capital            | SBH - HCBS                                  | Adult 21+ Years               | 8,862                              | \$ 81.67                              | \$ 90.89                              | 8,862                              | \$ 82.55                              | \$ 91.89                              |
| Capital            | SBH - Other                                 | SBH - All Ages                | 9,038                              | \$ 176.24                             | \$ 197.33                             | 9,038                              | \$ 179.79                             | \$ 201.43                             |
| Capital            | Act 421 - Non-TPL                           | 0-2 Months                    | -                                  | \$ 28,007.45                          | N/A                                   | -                                  | \$ 28,025.97                          | N/A                                   |
| Capital            | Act 421 - Non-TPL                           | 3-11 Months                   | 229                                | \$ 3,956.64                           | N/A                                   | 229                                | \$ 3,981.20                           | N/A                                   |
| Capital            | Act 421 - Non-TPL                           | Child 1-18 Years              | 2,631                              | \$ 1,294.12                           | N/A                                   | 2,631                              | \$ 1,302.36                           | N/A                                   |
| Capital            | Act 421 - Non-TPL                           | 0-2 Months                    | -                                  | \$ 4,280.72                           | N/A                                   | -                                  | \$ 4,283.51                           | N/A                                   |
| Capital            | Act 421 - Non-TPL                           | 3-11 Months                   | 343                                | \$ 775.22                             | N/A                                   | 343                                | \$ 778.85                             | N/A                                   |
| Capital            | Act 421 - Non-TPL                           | Child 1-18 Years              | 3,946                              | \$ 561.81                             | N/A                                   | 3,946                              | \$ 563.83                             | N/A                                   |
| Capital            | Act 421 - Lahipp TPL                        | 0-2 Months                    | -                                  | \$ 18.06                              | N/A                                   | -                                  | \$ 18.06                              | N/A                                   |
| Capital            | Act 421 - Lahipp TPL                        | 3-11 Months                   | 343                                | \$ 10.09                              | N/A                                   | 343                                | \$ 10.09                              | N/A                                   |
| Capital            | Act 421 - Lahipp TPL                        | Child 1-18 Years              | 3,946                              | \$ 304.83                             | N/A                                   | 3,946                              | \$ 305.27                             | N/A                                   |
| Capital            | Act 421 - Lahipp TPL                        | Maternity Kick Payment        | 6,430                              | \$ 10,744.75                          | \$ 11,139.63                          | 6,430                              | \$ 10,735.01                          | \$ 11,129.43                          |
| Capital            | EED Kick Payment                            | EED Kick Payment              | 1                                  | \$ 5,385.05                           | \$ 5,552.07                           | 1                                  | \$ 5,391.45                           | \$ 5,548.28                           |
| Capital            | Medicaid Expansion                          | Age 19-64                     | 1,767,938                          | \$ 683.23                             | \$ 705.68                             | 1,767,938                          | \$ 689.23                             | \$ 712.11                             |
| Capital            | Medicaid Expansion                          | SBH - Dual Eligible, All Ages | 16,261                             | \$ 30.76                              | \$ 33.65                              | 16,261                             | \$ 30.95                              | \$ 33.84                              |
| Capital            | Medicaid Expansion                          | SBH - Lahipp, All Ages        | 1                                  | \$ 30.76                              | \$ 33.65                              | 1                                  | \$ 30.95                              | \$ 33.84                              |
| Capital            | Medicaid Expansion                          | SBH - Other                   | 113                                | \$ 176.24                             | \$ 197.33                             | 113                                | \$ 179.79                             | \$ 201.43                             |
| Capital            | Medicaid Expansion                          | SBH - CCM, All Ages           | 235                                | \$ 217.55                             | \$ 225.94                             | 235                                | \$ 206.61                             | \$ 214.94                             |
| Capital            | Medicaid Expansion                          | High Needs                    | 638                                | \$ 653.23                             | \$ 705.89                             | 638                                | \$ 659.23                             | \$ 712.11                             |
| Capital            | Medicaid Expansion - Maternity Kick Payment | Maternity Kick Payment        | 3,428                              | \$ 13,715.66                          | \$ 14,216.42                          | 3,428                              | \$ 13,703.55                          | \$ 14,203.56                          |
| Capital            | Medicaid Expansion - EED Kick Payment       | EED Kick Payment              | 1                                  | \$ 7,645.10                           | \$ 7,875.97                           | 1                                  | \$ 7,641.84                           | \$ 7,872.37                           |

| Region Description |                                             | Category of Aid Description | Rate Cell Description         | 7/1/22 Rates                       |                                       |                                       | 1/1/23 Rates                       |                                       |                                       |
|--------------------|---------------------------------------------|-----------------------------|-------------------------------|------------------------------------|---------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
|                    |                                             |                             |                               | Projected Member Months/Deliveries | Lower Bound PMPM or Cost per Delivery | Upper Bound PMPM or Cost per Delivery | Projected Member Months/Deliveries | Lower Bound PMPM or Cost per Delivery | Upper Bound PMPM or Cost per Delivery |
| South Central      | SSI                                         |                             | 0-2 Months                    | 183                                | \$ 28,713.76                          | \$ 30,303.76                          | 183                                | \$ 28,719.09                          | \$ 30,310.32                          |
| South Central      | SSI                                         |                             | 3-11 Months                   | 1,145                              | \$ 4,735.95                           | \$ 5,098.97                           | 1,145                              | \$ 4,764.87                           | \$ 5,129.87                           |
| South Central      | SSI                                         |                             | Child 1-20 Years              | 98,051                             | \$ 1,746.28                           | \$ 811.94                             | 98,051                             | \$ 1,747.24                           | \$ 813.25                             |
| South Central      | SSI                                         |                             | Adult 21+ Years               | 253,894                            | \$ 1,518.07                           | \$ 1,662.15                           | 253,894                            | \$ 1,535.25                           | \$ 1,660.43                           |
| South Central      | F&C                                         |                             | 0-2 Months                    | 103,356                            | \$ 338.76                             | \$ 3,483.72                           | 103,356                            | \$ 338.76                             | \$ 3,483.72                           |
| South Central      | F&C                                         |                             | 3-11 Months                   | 103,356                            | \$ 338.76                             | \$ 368.83                             | 103,356                            | \$ 361.96                             | \$ 389.10                             |
| South Central      | F&C                                         |                             | Child 1-20 Years              | 2,086,258                          | \$ 192.78                             | \$ 308.47                             | 2,086,258                          | \$ 205.47                             | \$ 218.78                             |
| South Central      | F&C                                         |                             | Adult 21+ Years               | 299,017                            | \$ 440.97                             | \$ 475.17                             | 299,017                            | \$ 460.18                             | \$ 490.04                             |
| South Central      | FOC                                         |                             | All Ages Male & Female        | 55,209                             | \$ 397.01                             | \$ 432.95                             | 55,209                             | \$ 415.96                             | \$ 451.15                             |
| South Central      | BCC                                         |                             | BCC, All Ages                 | 816                                | \$ 2,726.34                           | \$ 2,992.84                           | 816                                | \$ 2,735.07                           | \$ 3,002.31                           |
| South Central      | LAP                                         |                             | LAP, All Ages                 | 5,610                              | \$ 243.66                             | \$ 263.24                             | 5,610                              | \$ 257.37                             | \$ 276.87                             |
| South Central      | HCBS                                        |                             | Child 1-20 Years              | 3,392                              | \$ 2,507.86                           | \$ 2,731.49                           | 3,392                              | \$ 2,514.01                           | \$ 2,738.59                           |
| South Central      | HCBS                                        |                             | Adult 21+ Years               | 8,178                              | \$ 1,864.73                           | \$ 2,040.74                           | 8,178                              | \$ 1,887.48                           | \$ 2,065.24                           |
| South Central      | CCM                                         |                             | CCM, All Ages                 | 12,502                             | \$ 1,523.35                           | \$ 1,638.51                           | 12,502                             | \$ 1,512.62                           | \$ 1,628.16                           |
| South Central      | SBH - CCM                                   |                             | SBH - CCM, All Ages           | 5,460                              | \$ 221.96                             | \$ 230.39                             | 5,460                              | \$ 211.02                             | \$ 219.40                             |
| South Central      | SBH - Duals                                 |                             | SBH - Dual Eligible, All Ages | 382,388                            | \$ 33.46                              | \$ 36.57                              | 382,388                            | \$ 33.66                              | \$ 36.78                              |
| South Central      | SBH - LaHIPP                                |                             | SBH - LaHIPP, All Ages        | 181                                | \$ 33.46                              | \$ 36.57                              | 181                                | \$ 33.66                              | \$ 36.78                              |
| South Central      | SBH - HCBS                                  |                             | Child 1-20 Years              | 4,958                              | \$ 165.08                             | \$ 170.48                             | 4,958                              | \$ 158.71                             | \$ 164.08                             |
| South Central      | SBH - HCBS                                  |                             | Adult 21+ Years               | 9,610                              | \$ 82.08                              | \$ 91.91                              | 9,610                              | \$ 83.57                              | \$ 92.91                              |
| South Central      | SBH - Other                                 |                             | SBH - All Ages                | 8,992                              | \$ 167.04                             | \$ 208.24                             | 8,992                              | \$ 190.60                             | \$ 212.35                             |
| South Central      | Act 421, Non-TPL                            |                             | 0-2 Months                    | 229                                | \$ 3,067.43                           | \$ 3,352.83                           | 229                                | \$ 28,025.97                          | N/A                                   |
| South Central      | Act 421, Non-TPL                            |                             | 3-11 Months                   | 229                                | \$ 3,067.43                           | N/A                                   | 229                                | \$ 3,302.36                           | N/A                                   |
| South Central      | Act 421, Non-TPL                            |                             | Child 1-18 Years              | 2,631                              | \$ 1,294.12                           | N/A                                   | 2,631                              | \$ 1,283.51                           | N/A                                   |
| South Central      | Act 421, Non-LaHIPP TPL                     |                             | 0-2 Months                    | -                                  | \$ 4,280.72                           | N/A                                   | -                                  | \$ 4,283.51                           | N/A                                   |
| South Central      | Act 421, Non-LaHIPP TPL                     |                             | 3-11 Months                   | 343                                | \$ 775.22                             | N/A                                   | 343                                | \$ 778.85                             | N/A                                   |
| South Central      | Act 421, Non-LaHIPP TPL                     |                             | Child 1-18 Years              | 3,946                              | \$ 561.61                             | N/A                                   | 3,946                              | \$ 563.83                             | N/A                                   |
| South Central      | Act 421, LaHIPP TPL                         |                             | 0-2 Months                    | -                                  | \$ 18.06                              | N/A                                   | -                                  | \$ 18.06                              | N/A                                   |
| South Central      | Act 421, LaHIPP TPL                         |                             | 3-11 Months                   | 343                                | \$ 10.09                              | N/A                                   | 343                                | \$ 10.09                              | N/A                                   |
| South Central      | Act 421, LaHIPP TPL                         |                             | Child 1-18 Years              | 3,946                              | \$ 304.83                             | N/A                                   | 3,946                              | \$ 305.27                             | N/A                                   |
| South Central      | Maternity Kick Payment                      |                             | Maternity Kick Payment        | 7,057                              | \$ 9,695.48                           | \$ 10,088.38                          | 7,057                              | \$ 9,769.38                           | \$ 10,165.81                          |
| South Central      | EED Kick Payment                            |                             | EED Kick Payment              | 1                                  | \$ 4,369.50                           | \$ 4,525.73                           | 1                                  | \$ 4,397.33                           | \$ 4,554.96                           |
| South Central      | Medicaid Expansion                          |                             | Age 19-64                     | 1,846,491                          | \$ 562.87                             | \$ 607.80                             | 1,846,491                          | \$ 572.10                             | \$ 617.51                             |
| South Central      | Medicaid Expansion                          |                             | SBH - Dual Eligible, All Ages | 19,921                             | \$ 33.46                              | \$ 36.57                              | 19,921                             | \$ 33.66                              | \$ 36.78                              |
| South Central      | Medicaid Expansion                          |                             | SBH - LaHIPP, All Ages        | 1                                  | \$ 33.46                              | \$ 36.57                              | 1                                  | \$ 33.66                              | \$ 36.78                              |
| South Central      | Medicaid Expansion                          |                             | SBH - Other                   | 89                                 | \$ 167.04                             | \$ 208.24                             | 89                                 | \$ 190.60                             | \$ 212.35                             |
| South Central      | Medicaid Expansion                          |                             | SBH - CCM, All Ages           | 187                                | \$ 221.96                             | \$ 230.39                             | 187                                | \$ 211.02                             | \$ 219.40                             |
| South Central      | Medicaid Expansion                          |                             | High Needs                    | 313                                | \$ 562.87                             | \$ 607.80                             | 313                                | \$ 572.10                             | \$ 617.51                             |
| South Central      | Medicaid Expansion - Maternity Kick Payment |                             | Maternity Kick Payment        | 3,754                              | \$ 6,078.38                           | \$ 6,362.13                           | 3,754                              | \$ 6,132.37                           | \$ 6,416.12                           |
| South Central      | Medicaid Expansion - EED Kick Payment       |                             | EED Kick Payment              | 1                                  | \$ 28,662.77                          | \$ 30,246.86                          | 1                                  | \$ 28,662.77                          | \$ 30,246.86                          |
| North              | SSI                                         |                             | 0-2 Months                    | 141                                | \$ 28,662.77                          | \$ 30,246.86                          | 141                                | \$ 28,662.77                          | \$ 30,246.86                          |
| North              | SSI                                         |                             | 3-11 Months                   | 1,213                              | \$ 4,678.17                           | \$ 5,040.70                           | 1,213                              | \$ 4,707.19                           | \$ 5,071.59                           |
| North              | SSI                                         |                             | Child 1-20 Years              | 104,544                            | \$ 704.08                             | \$ 767.51                             | 104,544                            | \$ 706.25                             | \$ 770.05                             |
| North              | SSI                                         |                             | Adult 21+ Years               | 229,509                            | \$ 1,457.23                           | \$ 1,593.96                           | 229,509                            | \$ 1,467.05                           | \$ 1,604.53                           |
| North              | F&C                                         |                             | 0-2 Months                    | 20,521                             | \$ 2,900.78                           | \$ 3,125.79                           | 20,521                             | \$ 3,014.03                           | \$ 3,219.16                           |
| North              | F&C                                         |                             | 3-11 Months                   | 72,805                             | \$ 327.30                             | \$ 353.72                             | 72,805                             | \$ 353.55                             | \$ 377.08                             |
| North              | F&C                                         |                             | Child 1-20 Years              | 1,545,033                          | \$ 197.15                             | \$ 212.72                             | 1,545,033                          | \$ 210.60                             | \$ 224.39                             |
| North              | F&C                                         |                             | Adult 21+ Years               | 212,750                            | \$ 439.33                             | \$ 472.52                             | 212,750                            | \$ 454.83                             | \$ 484.57                             |
| North              | F&C                                         |                             | All Ages Male & Female        | 38,932                             | \$ 542.10                             | \$ 592.77                             | 38,932                             | \$ 567.74                             | \$ 617.22                             |
| North              | BCC                                         |                             | BCC, All Ages                 | 844                                | \$ 2,725.12                           | \$ 2,991.61                           | 844                                | \$ 2,733.86                           | \$ 3,001.08                           |
| North              | LAP                                         |                             | LAP, All Ages                 | 3,912                              | \$ 244.73                             | \$ 264.32                             | 3,912                              | \$ 258.44                             | \$ 276.94                             |
| North              | HCBS                                        |                             | Child 1-20 Years              | 2,638                              | \$ 2,503.96                           | \$ 2,727.55                           | 2,638                              | \$ 2,510.11                           | \$ 2,734.66                           |
| North              | CCM                                         |                             | CCM, All Ages                 | 6,059                              | \$ 1,869.42                           | \$ 2,045.49                           | 6,059                              | \$ 1,892.19                           | \$ 2,070.00                           |
| North              | SBH - CCM                                   |                             | SBH - CCM, All Ages           | 10,756                             | \$ 1,524.25                           | \$ 1,639.42                           | 10,756                             | \$ 1,513.51                           | \$ 1,629.06                           |
| North              | SBH - Duals                                 |                             | SBH - Dual Eligible, All Ages | 4,776                              | \$ 219.23                             | \$ 227.63                             | 4,776                              | \$ 206.29                             | \$ 216.94                             |
| North              | SBH - LaHIPP                                |                             | SBH - LaHIPP, All Ages        | 314                                | \$ 40.86                              | \$ 44.54                              | 314                                | \$ 40.85                              | \$ 44.74                              |
| North              | SBH - HCBS                                  |                             | Child 1-20 Years              | 3,254                              | \$ 165.84                             | \$ 171.25                             | 3,254                              | \$ 159.46                             | \$ 164.85                             |
| North              | SBH - HCBS                                  |                             | Adult 21+ Years               | 6,593                              | \$ 88.93                              | \$ 98.23                              | 6,593                              | \$ 89.82                              | \$ 99.23                              |
| North              | SBH - Other                                 |                             | SBH - All Ages                | 7,773                              | \$ 183.03                             | \$ 204.19                             | 7,773                              | \$ 186.58                             | \$ 208.30                             |
| North              | Act 421, Non-TPL                            |                             | 0-2 Months                    | -                                  | \$ 28,007.45                          | N/A                                   | -                                  | \$ 28,025.97                          | N/A                                   |
| North              | Act 421, Non-TPL                            |                             | 3-11 Months                   | 229                                | \$ 3,956.64                           | N/A                                   | 229                                | \$ 3,981.20                           | N/A                                   |
| North              | Act 421, Non-TPL                            |                             | Child 1-18 Years              | 2,631                              | \$ 1,294.12                           | N/A                                   | 2,631                              | \$ 1,302.36                           | N/A                                   |
| North              | Act 421, Non-LaHIPP TPL                     |                             | 0-2 Months                    | -                                  | \$ 4,280.72                           | N/A                                   | -                                  | \$ 4,283.51                           | N/A                                   |
| North              | Act 421, Non-LaHIPP TPL                     |                             | 3-11 Months                   | 343                                | \$ 775.22                             | N/A                                   | 343                                | \$ 778.85                             | N/A                                   |
| North              | Act 421, Non-LaHIPP TPL                     |                             | Child 1-18 Years              | 3,946                              | \$ 561.61                             | N/A                                   | 3,946                              | \$ 563.83                             | N/A                                   |
| North              | Act 421, LaHIPP TPL                         |                             | 0-2 Months                    | -                                  | \$ 18.06                              | N/A                                   | -                                  | \$ 18.06                              | N/A                                   |
| North              | Act 421, LaHIPP TPL                         |                             | 3-11 Months                   | 343                                | \$ 10.09                              | N/A                                   | 343                                | \$ 10.09                              | N/A                                   |
| North              | Act 421, LaHIPP TPL                         |                             | Child 1-18 Years              | 3,946                              | \$ 304.83                             | N/A                                   | 3,946                              | \$ 305.27                             | N/A                                   |
| North              | Maternity Kick Payment                      |                             | Maternity Kick Payment        | 4,919                              | \$ 10,780.46                          | \$ 11,221.20                          | 4,919                              | \$ 10,927.53                          | \$ 11,375.03                          |
| North              | EED Kick Payment                            |                             | EED Kick Payment              | 1                                  | \$ 4,818.53                           | \$ 4,993.78                           | 1                                  | \$ 4,877.22                           | \$ 5,055.16                           |
| North              | Medicaid Expansion                          |                             | Age 19-64                     | 1,434,478                          | \$ 561.61                             | \$ 607.80                             | 1,434,478                          | \$ 566.46                             | \$ 603.05                             |
| North              | Medicaid Expansion                          |                             | SBH - Dual Eligible, All Ages | 14,390                             | \$ 40.86                              | \$ 44.54                              | 14,390                             | \$ 40.85                              | \$ 44.74                              |
| North              | Medicaid Expansion                          |                             | SBH - LaHIPP, All Ages        | 1                                  | \$ 33.46                              | \$ 36.57                              | 1                                  | \$ 33.66                              | \$ 36.78                              |
| North              | Medicaid Expansion                          |                             | SBH - Other                   | 35                                 | \$ 183.03                             | \$ 204.19                             | 35                                 | \$ 186.58                             | \$ 208.30                             |
| North              | Medicaid Expansion                          |                             | SBH - CCM, All Ages           | 140                                | \$ 219.23                             | \$ 227.63                             | 140                                | \$ 208.29                             | \$ 216.94                             |
| North              | Medicaid Expansion                          |                             | High Needs                    | 182                                | \$ 551.47                             | \$ 595.68                             | 182                                | \$ 558.46                             | \$ 603.05                             |
| North              | Medicaid Expansion - Maternity Kick Payment |                             | Maternity Kick Payment        | 2,763                              | \$ 12,929.45                          | \$ 13,454.66                          | 2,763                              | \$ 13,105.16                          | \$ 13,638.43                          |
| North              | Medicaid Expansion - EED Kick Payment       |                             | EED Kick Payment              | 1                                  | \$ 6,570.58                           | \$ 6,812.73                           | 1                                  | \$ 6,651.92                           | \$ 6,897.78                           |



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