

Exhibit EE - Expenditure Calculations by Eligibility Category

Mental Health Capitation Calculations by Eligibility Category for FY 2009-10							
FY 2009-10 Q1 and Q2 Calculation							
Service Expenditures	Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Categorically Eligible Low Income Adults (AFDC-A), Expansion Adults, and Baby Care Program-Adults	Eligible Children (AFDC-C/BC)	Foster Care	Breast and Cervical Cancer Program	Totals
Weighted Capitation Rate	\$13.06	\$134.62	\$20.23	\$15.00	\$236.75	\$18.58	
Average Monthly Caseload	38,331	59,668	80,270	268,040	18,224	405	464,938
Number of Months Rate is Effective	6	6	6	6	6	6	
Total Costs for FY 2009-10 Q1 and Q2 Capitated Payments	\$3,004,136	\$48,194,959	\$9,741,728	\$24,131,052	\$25,887,103	\$45,146	\$111,004,124
Percentage of Claims Paid in Current Period with Current Period Dates of Service ⁽¹⁾	98.23%	93.01%	93.13%	96.91%	98.96%	99.83%	
Expenditures for Claims Paid in Current Period with Current Period Dates of Service	\$2,951,045	\$44,824,152	\$9,072,283	\$23,384,826	\$25,616,802	\$45,071	\$105,894,179
Expenditures for Prior Period Dates of Service	\$52,890	\$3,309,362	\$556,966	\$603,503	\$259,798	\$771	\$4,783,290
Expenditures in FY 2009-10 Q1 and Q2	\$3,003,935	\$48,133,514	\$9,629,249	\$23,988,329	\$25,876,600	\$45,842	\$110,677,469
Date of Death Retraction ⁽²⁾	(\$374,988)	(\$905,669)	(\$10,734)	(\$17,173)	(\$8,635)	(\$986)	(\$1,318,185)
Total Estimated Expenditures in FY 2009-10 Q1 and Q2	\$2,628,947	\$47,227,845	\$9,618,515	\$23,971,156	\$25,867,965	\$44,856	\$109,359,284
FY 2009-10 Q3 and Q4 Calculation							
Service Expenditures	Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Categorically Eligible Low Income Adults (AFDC-A), Expansion Adults, and Baby Care Program-Adults	Eligible Children (AFDC-C/BC)	Foster Care	Breast and Cervical Cancer Program	Totals
Estimated Weighted Capitation Rate	\$13.42	\$139.77	\$22.25	\$15.64	\$225.77	\$22.25	
Estimated Monthly Caseload ⁽³⁾	38,660	60,597	87,775	287,616	18,505	432	493,585
Number of Months Rate is Effective	6	6	6	6	6	6	
Total Estimated Costs for FY 2009-10 Q3 and Q4 Capitated Payments	\$3,112,903	\$50,817,856	\$11,717,963	\$26,989,885	\$25,067,243	\$57,684	\$117,763,534
Estimated Percentage of Claims Paid in Current Period with Current Period Dates of Service ⁽⁴⁾	82.15%	77.65%	79.13%	81.78%	82.71%	82.71%	
Estimated Expenditures for Claims Paid in Current Period with Current Period Dates of Service	\$2,557,250	\$39,460,065	\$9,272,424	\$22,072,328	\$20,733,117	\$47,710	\$94,142,894
Estimated Expenditures for Prior Period Dates of Service	\$53,459	\$2,876,369	\$660,737	\$740,759	\$272,718	\$75	\$4,604,117
Estimated Expenditures in FY 2009-10 Q3 and Q4	\$2,610,709	\$42,336,434	\$9,933,161	\$22,813,087	\$21,005,835	\$47,785	\$98,747,011
Total Estimated FY 2009-10 Expenditures	\$5,239,656	\$89,564,279	\$19,551,676	\$46,784,243	\$46,873,800	\$92,641	\$208,106,295
Estimated FY 2009-10 Monthly Caseload	38,496	60,132	83,604	277,828	18,365	418	478,843
Estimated FY 2009-10 Per Capita Expenditure	\$136.11	\$1,489.46	\$233.86	\$168.39	\$2,552.34	\$221.63	\$434.60

¹ Exhibit EE, pages 3 and 4 present the estimated percentage of incurred claims from any six month period that will be paid in that same six month period; for this request, the percentage of incurred claims for the July 2009 through December 2009 was inferred from July 2009 through November 2009 data.

² In Q1 and Q2 of FY 2009-10, the Department began an aggressive retraction of payments for deceased clients; this activity resulted in retraction of payments originally made in FYs 2004-05 through 2008-09 and are a one-time reduction to prior period dates of service expenditure.

³ This number is based on the projected average monthly caseload for the entire fiscal year, as applied through each month's trended growth in caseload.

⁴ SB 09-265 delayed payment for the final month of FY 2009-10 until the subsequent month, and held that all future payments will be made in the month following service date. In that final month, no claims will be paid in the month in which expenses were incurred.

Exhibit EE - Expenditure Calculations by Eligibility Category

Mental Health Capitation Calculations by Eligibility Category for FY 2010-11							
FY 2010-11 Q1 and Q2 Calculation							
Service Expenditures	Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Categorically Eligible Low Income Adults (AFDC-A), Expansion Adults, and Baby Care Program-Adults	Eligible Children (AFDC-C/BC)	Foster Care	Breast and Cervical Cancer Program	Totals
Estimated Weighted Capitation Rate	\$13.07	\$142.27	\$22.48	\$15.88	\$203.12	\$22.48	
Estimated Monthly Caseload ⁽¹⁾	38,985	61,407	103,264	301,491	18,660	456	524,263
Number of Months Rate is Effective	6	6	6	6	6	6	
Total Estimated Costs for FY 2010-11 Q1 and Q2 Capitated Payments	\$3,057,204	\$52,418,243	\$13,928,248	\$28,726,062	\$22,741,315	\$61,543	\$120,932,615
Estimated Percentage of Claims Paid in Current Period with Current Period Dates of Service ⁽³⁾	82.15%	77.65%	79.13%	81.78%	82.71%	82.71%	
Estimated Expenditures for Claims Paid in Current Period with Current Period Dates of Service	\$2,511,493	\$40,702,766	\$11,021,423	\$23,492,174	\$18,809,342	\$50,902	\$96,588,100
Estimated Expenditures for Prior Period Dates of Service	\$555,110	\$10,593,788	\$2,417,081	\$4,904,979	\$4,336,668	\$9,974	\$22,817,600
Estimated Expenditures in FY 2010-11 Q1 and Q2	\$3,066,603	\$51,296,554	\$13,438,504	\$28,397,153	\$23,146,010	\$60,876	\$119,405,700
FY 2010-11 Q3 and Q4 Calculation							
Service Expenditures	Adults 65 and Older (OAP-A)	Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)	Categorically Eligible Low Income Adults (AFDC-A), Expansion Adults, and Baby Care Program-Adults	Eligible Children (AFDC-C/BC)	Foster Care	Breast and Cervical Cancer Program	Totals
Estimated Weighted Capitation Rate	\$13.13	\$156.10	\$24.21	\$16.31	\$219.85	\$24.21	
Estimated Monthly Caseload ⁽¹⁾	39,339	62,127	107,187	313,065	18,843	486	541,047
Number of Months Rate is Effective	6	6	6	6	6	6	
Total Estimated Costs for FY 2010-11 Q3 and Q4 Capitated Payments	\$3,099,126	\$58,188,148	\$15,569,984	\$30,636,541	\$24,855,801	\$70,544	\$132,420,144
Estimated Percentage of Claims Paid in Current Period with Current Period Dates of Service ⁽³⁾	82.15%	77.65%	79.13%	81.78%	82.71%	82.71%	
Estimated Expenditures for Claims Paid in Current Period with Current Period Dates of Service	\$2,545,932	\$45,183,097	\$12,320,528	\$25,054,563	\$20,558,233	\$58,347	\$105,720,700
Estimated Expenditures for Prior Period Dates of Service	\$545,989	\$10,449,620	\$2,874,998	\$5,226,249	\$3,941,725	\$10,641	\$23,049,222
Estimated Expenditures in FY 2010-11 Q3 and Q4	\$3,091,921	\$55,632,717	\$15,195,526	\$30,280,812	\$24,499,958	\$68,988	\$128,769,922
Total Estimated FY 2010-11 Expenditures	\$6,158,524	\$106,929,271	\$28,634,030	\$58,677,965	\$47,645,968	\$129,864	\$248,175,622
Estimated FY 2010-11 Monthly Caseload	39,162	61,768	104,755	307,278	18,753	471	532,187
Estimated FY 2010-11 Per Capita Expenditure	\$157.26	\$1,731.14	\$273.34	\$190.96	\$2,540.71	\$275.72	\$466.33

¹ This number is based on the projected average monthly caseload for the entire fiscal year, adjusted for the trended growth in caseload over the fiscal year.

² Exhibit EE, pages 3 and 4 present the estimated percentage of incurred claims from any six month period that will be paid in that same six month period.

³ SB 09-265 delayed payment for the final month of FY 2009-10 until the subsequent month, and held that all future payments will be made in the month following service date. In that final month, 0% of claims will be paid in the month in which expenses were incurred.

Exhibit EE - Incurred But Not Reported Runout by Fiscal Period

Incurred But Not Reported (IBNR) Estimate for Adults 65 and Older (OAP-A)

	Actuals Paid in 2009-10 Q1 and Q2 ⁽¹⁾	Paid in 2009-10 Q3 and Q4 ⁽²⁾	Paid in 2010-11 Q1 and Q2 ⁽²⁾	Paid in 2010-11 Q3 and Q4 ⁽²⁾
Incurring in all other previous periods	<i>0.41%</i>	-	-	-
Incurring in 08-09 Q3 and Q4	<i>1.31%</i>	0.50%	-	-
Incurring in 09-10 Q1 and Q2	<i>98.23%</i>	1.27%	0.50%	-
Incurring in 09-10 Q3 and Q4	-	82.15%	17.35%	0.50%
Incurring in 10-11 Q1 and Q2	-	-	82.15%	17.35%
Incurring in 10-11 Q3 and Q4	-	-	-	82.15%

Incurred But Not Reported (IBNR) Estimate for Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)

	Actuals Paid in 2009-10 Q1 and Q2 ⁽¹⁾	Paid in 2009-10 Q3 and Q4 ⁽²⁾	Paid in 2010-11 Q1 and Q2 ⁽²⁾	Paid in 2010-11 Q3 and Q4 ⁽²⁾
Incurring in all other previous periods prior to retractions.	<i>3.03%</i>	0.99%	1.38%	0.00%
Incurring in 08-09 Q3 and Q4	<i>3.45%</i>	1.64%	0.99%	1.38%
Incurring in 09-10 Q1 and Q2	<i>93.01%</i>	3.36%	1.64%	0.99%
Incurring in 09-10 Q3 and Q4	-	77.65%	18.35%	1.64%
Incurring in 10-11 Q1 and Q2	-	-	77.65%	18.35%
Incurring in 10-11 Q3 and Q4	-	-	-	77.65%

¹ Italicized number represent actual expenditures. In Q1 and Q2 of FY 2009-10, the Department began an aggressive retraction of payments for deceased clients; this activity resulted in retraction of payments originally made in FYs 2004-05 through 2008-09 and are a one-time mass reduction to prior period dates of service expenditure. Actuals on pages EE-1 and EE-5 reflect this activity, however future IBNR estimates assume no further mass payment retractions and are not included in this calculation.

² SB 09-265 delayed payment for the final month of FY 2009-10 until the subsequent month, and held that all future payments will be made in the month following service date. In that final month of the fiscal year, 0% of claims will be paid in the month in which expenses were incurred. Future years will see a similar result as capitated payments will switch to payment in the month following services.

Exhibit EE - Incurred But Not Reported Runout by Fiscal Period

Incurred But Not Reported (IBNR) Estimate for Low Income Adults (AFDC-A), Expansion Adults, and Baby Care Program-Adults

	Actuals Paid in 2009-10 Q1 and Q2 ⁽¹⁾	Paid in 2009-10 Q3 and Q4 ⁽²⁾	Paid in 2010-11 Q1 and Q2 ⁽²⁾	Paid in 2010-11 Q3 and Q4 ⁽²⁾
Incurring in all other previous periods prior to retractions.	<i>1.28%</i>	-	-	-
Incurring in 08-09 Q3 and Q4	<i>4.98%</i>	1.44%	-	-
Incurring in 09-10 Q1 and Q2	<i>93.13%</i>	5.43%	1.44%	-
Incurring in 09-10 Q3 and Q4	-	79.13%	19.43%	1.44%
Incurring in 10-11 Q1 and Q2	-	-	79.13%	19.43%
Incurring in 10-11 Q3 and Q4	-	-	-	79.13%

Incurred But Not Reported (IBNR) Estimate for Eligible Children (AFDC-C/BC)

	Actuals Paid in 2009-10 Q1 and Q2 ⁽¹⁾	Paid in 2009-10 Q3 and Q4 ⁽²⁾	Paid in 2010-11 Q1 and Q2 ⁽²⁾	Paid in 2010-11 Q3 and Q4 ⁽²⁾
Incurring in all other previous periods prior to retractions.	<i>0.32%</i>	-	-	-
Incurring in 08-09 Q3 and Q4	<i>2.35%</i>	0.44%	-	-
Incurring in 09-10 Q1 and Q2	<i>96.91%</i>	2.65%	0.44%	-
Incurring in 09-10 Q3 and Q4	-	81.78%	17.78%	0.44%
Incurring in 10-11 Q1 and Q2	-	-	81.78%	17.78%
Incurring in 10-11 Q3 and Q4	-	-	-	81.78%

¹ Italicized number represent actual expenditures. In Q1 and Q2 of FY 2009-10, the Department began an aggressive retraction of payments for deceased clients; this activity resulted in retraction of payments originally made in FYs 2004-05 through 2008-09 and are a one-time mass reduction to prior period dates of service expenditure. Actuals on pages EE-1 and EE-5 reflect this activity, however future IBNR estimates assume no further mass payment retractions and are not included in this calculation.

² SB 09-265 delayed payment for the final month of FY 2009-10 until the subsequent month, and held that all future payments will be made in the month following service date. In that final month of the fiscal year, 0% of claims will be paid in the month in which expenses were incurred. Future years will see a similar result as capitated payments will switch to payment in the month following services.

Exhibit EE - Incurred But Not Reported Runout by Fiscal Period

Incurred But Not Reported (IBNR) Estimate for Foster Care

	Actuals Paid in 2009-10 Q1 and Q2 ⁽¹⁾	Paid in 2009-10 Q3 and Q4 ⁽²⁾	Paid in 2010-11 Q1 and Q2 ⁽²⁾	Paid in 2010-11 Q3 and Q4 ⁽²⁾
Incurring in all other previous periods prior to retractions.	<i>0.27%</i>	-	-	-
Incurring in 08-09 Q3 and Q4	<i>0.67%</i>	0.31%	-	-
Incurring in 09-10 Q1 and Q2	<i>98.96%</i>	0.73%	0.31%	-
Incurring in 09-10 Q3 and Q4	-	82.71%	16.98%	0.31%
Incurring in 10-11 Q1 and Q2	-	-	82.71%	16.98%
Incurring in 10-11 Q3 and Q4	-	-	-	82.71%

Incurred But Not Reported (IBNR) Estimate for Breast and Cervical Cancer Program

	Actuals Paid in 2009-10 Q1 and Q2 ⁽¹⁾	Paid in 2009-10 Q3 and Q4 ⁽²⁾	Paid in 2010-11 Q1 and Q2 ⁽²⁾	Paid in 2010-11 Q3 and Q4 ⁽²⁾
Incurring in all other previous periods prior to retractions.	<i>0.41%</i>	-	-	-
Incurring in 08-09 Q3 and Q4	<i>1.56%</i>	0.00%	-	-
Incurring in 09-10 Q1 and Q2	<i>99.83%</i>	0.17%	0.00%	-
Incurring in 09-10 Q3 and Q4	-	82.71%	17.29%	0.00%
Incurring in 10-11 Q1 and Q2	-	-	82.71%	17.29%
Incurring in 10-11 Q3 and Q4	-	-	-	82.71%

¹ Italicized number represent actual expenditures. In Q1 and Q2 of FY 2009-10, the Department began an aggressive retraction of payments for deceased clients; this activity resulted in retraction of payments originally made in FYs 2004-05 through 2008-09 and are a one-time mass reduction to prior period dates of service expenditure. Actuals, here, reflect this activity, however later IBNR estimates in the following pages of Exhibit EE assume no further mass payment retractions.

² SB 09-265 delayed payment for the final month of FY 2009-10 until the subsequent month, and held that all future payments will be made in the month following service date. In that final month of the fiscal year, 0% of claims will be paid in the month in which expenses were incurred. Future years will see a similar result as capitated payments will switch to payment in the month following services.

Exhibit EE - Incurred But Not Reported Expenditures by Fiscal Period

Incurred But Not Reported (IBNR) Estimate for Adults 65 and Older (OAP-A)

	Paid in 09-10 Q1 and Q2 ⁽¹⁾	Paid in 09-10 Q3 and Q4 ⁽²⁾	Paid in 10-11 Q1 and Q2 ^(2,3)	Paid in 10-11 Q3 and Q4 ^(2,3)
Incurring in all other previous periods	\$12,586	-	-	-
Incurring in 08-09 Q3 and Q4	\$40,304	\$15,389	-	-
Incurring in 09-10 Q1 and Q2	\$2,951,045	\$38,070	\$15,021	-
Incurring in 09-10 Q3 and Q4	-	\$2,557,250	\$540,089	\$15,564
Incurring in 10-11 Q1 and Q2	-	-	\$2,511,493	\$530,425
Incurring in 10-11 Q3 and Q4	-	-	-	\$2,545,932
Total Paid in Current Period	\$2,951,045	\$2,557,250	\$2,511,493	\$2,545,932
Total IBNR Amount	\$52,890	\$53,459	\$555,110	\$545,989
Total Paid Prior to Retraction	\$3,003,935	\$2,610,709	\$3,066,603	\$3,091,921
Date of Death Retraction ⁽¹⁾	(\$374,988)	\$0	\$0	\$0
Total Paid for All Incurred Dates	\$2,628,947	\$2,610,709	\$3,066,603	\$3,091,921

Incurred But Not Reported (IBNR) Estimate for Disabled Adults 60 to 64 (OAP-B) and Disabled Individuals to 59 (AND/AB)

	Paid in 09-10 Q1 and Q2 ⁽¹⁾	Paid in 09-10 Q3 and Q4 ⁽²⁾	Paid in 10-11 Q1 and Q2 ^(2,3)	Paid in 10-11 Q3 and Q4 ^(2,3)
Incurring in all other previous periods ⁽⁴⁾	\$1,625,580	\$459,067	\$0	-
Incurring in 08-09 Q3 and Q4	\$1,683,782	\$797,951	\$480,723	\$0
Incurring in 09-10 Q1 and Q2	\$44,824,152	\$1,619,351	\$787,988	\$0
Incurring in 09-10 Q3 and Q4	-	\$39,460,065	\$9,325,077	\$830,872
Incurring in 10-11 Q1 and Q2	-	-	\$40,702,766	\$9,618,748
Incurring in 10-11 Q3 and Q4	-	-	-	\$45,183,097
Total Paid in Current Period	\$44,824,152	\$39,460,065	\$40,702,766	\$45,183,097
Total IBNR Amount	\$3,309,362	\$2,876,369	\$10,593,788	\$10,449,620
Total Paid Prior to Retraction	\$48,133,514			
Date of Death Retraction ⁽²⁾	(\$905,669)			
Total Paid for All Incurred Dates	\$47,227,845	\$42,336,434	\$51,296,554	\$55,632,717

¹ Italicized number represent actual expenditures. In Q1 and Q2 of FY 2009-10, the Department began an aggressive retraction of payments for deceased clients; this activity resulted in retraction of payments originally made in FYs 2004-05 through 2008-09 and are a one-time mass reduction to prior period dates of service expenditure. Actuals, here, reflect this activity, however later IBNR estimates in the following pages of Exhibit EE assume no further mass payment retractions.

² Beginning November 1, 2009, the Department instituted a policy to cease paying capitations for retroactively eligible clients beyond 18 months of Runout. This policy does not alter the likely percentage of claims that would have been paid (see pages EE-3 and EE-4), but does set to zero the likely expenditure for claims incurred from beyond 18 months prior to the payment date. For estimating purposes, only Disabled sees significant incurred claims that would have been paid more than 18 months after the date of service.

³ SB 09-265 delayed payment for the final month of FY 2009-10 until the subsequent month, and held that all future payments will be made in the month following service date. In that final month of the fiscal year, 0% of claims will be paid in the month in which expenses were incurred. Future years will see a similar result as capitated payments will switch to payment in the month following services.

⁴ Complete runout for claims on Disabled clients takes approximately 42 months. The paid totals presented here do not account for the entirety of incurred claims as some claims will be paid in future periods beyond this request.

Exhibit EE - Incurred But Not Reported Expenditures by Fiscal Period

Incurred But Not Reported (IBNR) Estimate for Low Income Adults (AFDC-A), Expansion Adults, and Baby Care Program-Adults

	Paid in 09-10 Q1 and Q2 ⁽¹⁾	Paid in 09-10 Q3 and Q4 ⁽²⁾	Paid in 10-11 Q1 and Q2 ^(2,3)	Paid in 10-11 Q3 and Q4 ^(2,3)
Incurred in all other previous periods	\$101,913	-	-	-
Incurred in 08-09 Q3 and Q4	\$455,053	\$131,573	-	-
Incurred in 09-10 Q1 and Q2	\$9,072,283	\$529,164	\$140,281	-
Incurred in 09-10 Q3 and Q4	-	\$9,272,424	\$2,276,800	\$168,739
Incurred in 10-11 Q1 and Q2	-	-	\$11,021,423	\$2,706,259
Incurred in 10-11 Q3 and Q4	-	-	-	\$12,320,528
Total Paid in Current Period	\$9,072,283	\$9,272,424	\$11,021,423	\$12,320,528
Total IBNR Amount	\$556,966	\$660,737	\$2,417,081	\$2,874,998
Total Paid Prior to Retraction	\$9,629,249			
Date of Death Retraction ⁽³⁾	(\$10,734)			
Total Paid for All Incurred Dates	\$9,618,515	\$9,933,161	\$13,438,504	\$15,195,526

Incurred But Not Reported (IBNR) Estimate for Eligible Children (AFDC-C/BC)

	Paid in 09-10 Q1 and Q2 ⁽¹⁾	Paid in 09-10 Q3 and Q4 ⁽²⁾	Paid in 10-11 Q1 and Q2 ^(2,3)	Paid in 10-11 Q3 and Q4 ^(2,3)
Incurred in all other previous periods	\$66,254	-	-	-
Incurred in 08-09 Q3 and Q4	\$537,249	\$100,710	-	-
Incurred in 09-10 Q1 and Q2	\$23,384,826	\$640,049	\$106,177	-
Incurred in 09-10 Q3 and Q4	-	\$22,072,328	\$4,798,802	\$118,755
Incurred in 10-11 Q1 and Q2	-	-	\$23,492,174	\$5,107,494
Incurred in 10-11 Q3 and Q4	-	-	-	\$25,054,563
Total Paid in Current Period	\$23,384,826	\$22,072,328	\$23,492,174	\$25,054,563
Total IBNR Amount	\$603,503	\$740,759	\$4,904,979	\$5,226,249
Total Paid Prior to Retraction	\$23,988,329			
Date of Death Retraction ⁽¹⁾	(\$17,173)			
Total Paid for All Incurred Dates	\$23,971,156	\$22,813,087	\$28,397,153	\$30,280,812

¹ Italicized number represent actual expenditures. In Q1 and Q2 of FY 2009-10, the Department began an aggressive retraction of payments for deceased clients; this activity resulted in retraction of payments originally made in FYs 2004-05 through 2008-09 and are a one-time mass reduction to prior period dates of service expenditure. Actuals, here, reflect this activity, however later IBNR estimates in the following pages of Exhibit EE assume no further mass payment retractions.

² Beginning November 1, 2009, the Department instituted a policy to cease paying capitations for retroactively eligible clients beyond 18 months of Runout. This policy does not alter the likely percentage of claims that would have been paid (see pages EE-3 and EE-4), but does set to zero the likely expenditure for claims incurred from beyond 18 months prior to the payment date. For estimating purposes, only Disabled sees significant incurred claims that would have been paid more than 18 months after the date of service.

³ SB 09-265 delayed payment for the final month of FY 2009-10 until the subsequent month, and held that all future payments will be made in the month following service date. In that final month of the fiscal year, 0% of claims will be paid in the month in which expenses were incurred. Future years will see a similar result as capitated payments will switch to payment in the month following services.

Exhibit EE - Incurred But Not Reported Expenditures by Fiscal Period

Incurred But Not Reported (IBNR) Estimate for Foster Care

	Paid in 09-10 Q1 and Q2 ⁽¹⁾	Paid in 09-10 Q3 and Q4 ⁽²⁾	Paid in 10-11 Q1 and Q2 ^(2,3)	Paid in 10-11 Q3 and Q4 ^(2,3)
Incurred in all other previous periods	\$81,290	-	-	-
Incurred in 08-09 Q3 and Q4	\$178,508	\$82,667	-	-
Incurred in 09-10 Q1 and Q2	\$25,616,802	\$190,051	\$80,250	-
Incurred in 09-10 Q3 and Q4	-	\$20,733,117	\$4,256,418	\$80,250
Incurred in 10-11 Q1 and Q2	-	-	\$18,809,342	\$3,861,475
Incurred in 10-11 Q3 and Q4	-	-	-	\$20,558,233
Total Paid in Current Period	\$25,616,802	\$20,733,117	\$18,809,342	\$20,558,233
Total IBNR Amount	\$259,798	\$272,718	\$4,336,668	\$3,941,725
Total Paid Prior to Retraction	\$25,876,600			
Date of Death Retraction ⁽¹⁾	(\$8,635)			
Total Paid for All Incurred Dates	\$25,867,965	\$21,005,835	\$23,146,010	\$24,499,958

Incurred But Not Reported (IBNR) Estimate for Breast and Cervical Cancer Program

	Paid in 09-10 Q1 and Q2 ⁽¹⁾	Paid in 09-10 Q3 and Q4 ⁽²⁾	Paid in 10-11 Q1 and Q2 ^(2,3)	Paid in 10-11 Q3 and Q4 ^(2,3)
Incurred in all other previous periods	\$134	-	-	-
Incurred in 08-09 Q3 and Q4	\$637	\$0	-	-
Incurred in 09-10 Q1 and Q2	\$45,071	\$75	\$0	-
Incurred in 09-10 Q3 and Q4	-	\$47,710	\$9,974	\$0
Incurred in 10-11 Q1 and Q2	-	-	\$50,902	\$10,641
Incurred in 10-11 Q3 and Q4	-	-	-	\$58,347
Total Paid in Current Period	\$45,071	\$47,710	\$50,902	\$58,347
Total IBNR Amount	\$771	\$75	\$9,974	\$10,641
Total Paid Prior to Retraction	\$45,842			
Date of Death Retraction ⁽¹⁾	(\$986)			
Total Paid for All Incurred Dates	\$44,856	\$47,785	\$60,876	\$68,988

¹ Italicized number represent actual expenditures. In Q1 and Q2 of FY 2009-10, the Department began an aggressive retraction of payments for deceased clients; this activity resulted in retraction of payments originally made in FYs 2004-05 through 2008-09 and are a one-time mass reduction to prior period dates of service expenditure. Actuals, here, reflect this activity, however later IBNR estimates in the following pages of Exhibit EE assume no further mass payment retractions.

² Beginning November 1, 2009, the Department instituted a policy to cease paying capitations for retroactively eligible clients beyond 18 months of Runout. This policy does not alter the likely percentage of claims that would have been paid (see pages EE-3 and EE-4), but does set to zero the likely expenditure for claims incurred from beyond 18 months prior to the payment date. For estimating purposes, only Disabled sees significant incurred claims that would have been paid more than 18 months after the date of service.

³ SB 09-265 delayed payment for the final month of FY 2009-10 until the subsequent month, and held that all future payments will be made in the month following service date. In that final month of the fiscal year, 0% of claims will be paid in the month in which expenses were incurred. Future years will see a similar result as capitated payments will switch to payment in the month following services.