

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	\$13.12	\$142.23	\$21.83	\$15.50	\$202.91	\$21.83	
Estimated Monthly Caseload ⁽¹⁾	39,154	62,399	107,128	292,661	18,858	491	520,691
Number of Months Rate is Effective	6	6	6	6	6	6	6
Total Estimated Costs for FY 2010-11 Q1 and Q2 Capitated Payments	\$3,082,203	\$53,250,059	\$14,031,625	\$27,217,473	\$22,958,861	\$64,311	\$120,604,532
Estimated Percentage of Claims Paid in Current Period with Current Period Dates of Service ⁽²⁾	98.09%	92.93%	93.63%	97.43%	99.00%	98.69%	
Estimated Expenditures for Claims Paid in Current Period with Current Period Dates of Service	\$3,023,333	\$49,485,280	\$13,137,810	\$26,517,984	\$22,729,272	\$63,469	\$114,957,148
Estimated Expenditures for Prior Period Dates of Service	\$59,000	\$3,545,494	\$722,155	\$654,205	\$252,610	\$688	\$5,234,152
Total Estimated Expenditures in FY 2010-11 Q1 and Q2	\$3,082,333	\$53,030,774	\$13,859,965	\$27,172,189	\$22,981,882	\$64,157	\$120,191,300
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	\$13.08	\$152.91	\$22.49	\$15.89	\$190.84	\$22.49	
Estimated Monthly Caseload ⁽¹⁾	39,535	63,477	115,274	302,015	19,056	530	539,887
Number of Months Rate is Effective	6	6	6	6	6	6	6
Total Estimated Costs for FY 2010-11 Q3 and Q4 Capitated Payments	\$3,102,707	\$58,237,608	\$15,555,074	\$28,794,110	\$21,819,882	\$71,518	\$127,580,899
Estimated Percentage of Claims Paid in Current Period with Current Period Dates of Service ⁽²⁾	98.09%	92.93%	93.63%	97.43%	99.00%	98.69%	
Estimated Expenditures for Claims Paid in Current Period with Current Period Dates of Service	\$3,043,445	\$54,120,209	\$14,564,216	\$28,054,101	\$21,601,683	\$70,581	\$121,454,235
Estimated Expenditures for Prior Period Dates of Service	\$58,979	\$3,652,637	\$866,018	\$695,329	\$234,482	\$842	\$5,508,287
Total Estimated Expenditures in FY 2010-11 Q3 and Q4	\$3,102,424	\$57,772,846	\$15,430,234	\$28,749,430	\$21,836,165	\$71,423	\$126,962,522
Total Estimated FY 2010-11 Expenditures	\$6,184,757	\$110,803,620	\$29,290,199	\$55,921,619	\$44,818,047	\$135,580	\$247,153,822
Estimated Date of Death Retractions ⁽³⁾	(\$89,979)	(\$331,382)	(\$4,532)	(\$6,559)	(\$7,302)	(\$272)	(\$440,026)
Total Estimated FY 2010-11 Expenditures Including Date of Death Retractions	\$6,094,778	\$110,472,238	\$29,285,667	\$55,915,060	\$44,810,745	\$135,308	\$246,713,796
Estimated FY 2010-11 Monthly Caseload	39,345	62,937	111,834	297,340	18,956	511	530,923
Estimated FY 2010-11 Per Capita Expenditure	\$154.91	\$1,755.28	\$261.87	\$188.05	\$2,363.93	\$264.79	\$464.69

¹This number is based on the projected average monthly caseload for the entire fiscal year, as applied through each month's trended growth in caseload.

²Exhibit 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.

³In 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 reduced prior period dates of service expenditure. The Department will continue to identify these claims and retract payments twice a year. The FY 2010-11 retraction is an estimate based on a preliminary claim identification process by the Department.

Exhibit EE - Expenditure Calculations by Eligibility Category

Mental Health Capitation Calculations by Eligibility Category for FY 2011-12							
FY 2011-12 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	\$13.34	\$156.04	\$22.95	\$16.21	\$194.73	\$22.95	
Estimated Monthly Caseload ⁽¹⁾	39,943	64,380	121,113	310,845	19,246	570	556,097
Number of Months Rate is Effective	6	6	6	6	6	6	
Total Estimated Costs for FY 2011-12 Q1 and Q2 Capitated Payments	\$3,197,038	\$60,275,131	\$16,677,260	\$30,232,785	\$22,486,641	\$78,489	\$132,947,344
Estimated Percentage of Claims Paid in Current Period with Current Period Dates of Service ⁽²⁾	98.09%	92.93%	93.63%	97.43%	99.00%	98.69%	
Estimated Expenditures for Claims Paid in Current Period with Current Period Dates of Service	\$3,135,975	\$56,013,679	\$15,614,919	\$29,455,802	\$22,261,775	\$77,461	\$126,559,611
Estimated Expenditures for Prior Period Dates of Service	\$59,178	\$3,920,922	\$972,577	\$735,909	\$220,932	\$937	\$5,910,455
Total Estimated Expenditures in FY 2011-12 Q1 and Q2	\$3,195,153	\$59,934,601	\$16,587,496	\$30,191,711	\$22,482,707	\$78,398	\$132,470,066
FY 2011-12 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	\$13.57	\$171.18	\$24.12	\$16.96	\$186.88	\$24.12	
Estimated Monthly Caseload ⁽¹⁾	40,380	65,235	125,282	317,195	19,426	612	568,130
Number of Months Rate is Effective	6	6	6	6	6	6	
Total Estimated Costs for FY 2011-12 Q3 and Q4 Capitated Payments	\$3,287,740	\$67,001,564	\$18,130,811	\$32,277,763	\$21,781,985	\$88,569	\$142,568,432
Estimated Percentage of Claims Paid in Current Period with Current Period Dates of Service ⁽²⁾	98.09%	92.93%	93.63%	97.43%	99.00%	98.69%	
Estimated Expenditures for Claims Paid in Current Period with Current Period Dates of Service	\$3,224,944	\$62,264,553	\$16,975,878	\$31,448,224	\$21,564,165	\$87,409	\$135,565,173
Estimated Expenditures for Prior Period Dates of Service	\$60,677	\$4,100,702	\$1,048,875	\$773,242	\$223,266	\$1,028	\$6,207,790
Total Estimated Expenditures in FY 2011-12 Q3 and Q4	\$3,285,621	\$66,365,255	\$18,024,753	\$32,221,466	\$21,787,431	\$88,437	\$141,772,963
Total Estimated FY 2011-12 Expenditures	\$6,480,774	\$126,299,856	\$34,612,249	\$62,413,177	\$44,270,138	\$166,835	\$274,243,029
Estimated Date of Death Retractions ⁽³⁾	(\$80,982)	(\$298,244)	(\$4,079)	(\$5,903)	(\$6,572)	(\$245)	(\$396,025)
Total Estimated FY 2011-12 Expenditures Including Date of Death Retractions	\$6,399,792	\$126,001,612	\$34,608,170	\$62,407,274	\$44,263,566	\$166,590	\$273,847,004
Estimated FY 2011-12 Monthly Caseload	40,163	69,133	123,852	333,991	20,458	591	588,188
Estimated FY 2011-12 Per Capita Expenditure	\$159.35	\$1,822.60	\$279.43	\$186.85	\$2,163.63	\$281.88	\$465.58

¹ 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.

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 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 reduced prior period dates of service expenditure. The Department will continue to identify these claims and retract payments twice a year. The FY 2011-12 retraction is estimated as a 10% reduction in the total retraction amount estimated for FY 2010-11. The retractions are expected to decline as there is a smaller pool of historical clients from which to retract and current processes of identification become more effective.

Exhibit EE - Incurred But Not Reported Runout by Fiscal Period

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	0.41%	-	-	-
Incurring in 09-10 Q3 and Q4	1.50%	0.41%	-	-
Incurring in 10-11 Q1 and Q2	98.09%	1.50%	0.41%	-
Incurring in 10-11 Q3 and Q4	-	98.09%	1.50%	0.41%
Incurring in 11-12 Q1 and Q2	-	-	98.09%	1.50%
Incurring in 11-12 Q3 and Q4	-	-	-	98.09%

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	3.55%	1.77%	-	-
Incurring in 09-10 Q3 and Q4	3.52%	1.78%	1.77%	-
Incurring in 10-11 Q1 and Q2	92.93%	3.52%	1.78%	1.77%
Incurring in 10-11 Q3 and Q4	-	92.93%	3.52%	1.78%
Incurring in 11-12 Q1 and Q2	-	-	92.93%	3.52%
Incurring in 11-12 Q3 and Q4	-	-	-	92.93%

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	1.20%	-	-	-
Incurring in 09-10 Q3 and Q4	5.17%	1.20%	-	-
Incurring in 10-11 Q1 and Q2	93.63%	5.17%	1.20%	-
Incurring in 10-11 Q3 and Q4	-	93.63%	5.17%	1.20%
Incurring in 11-12 Q1 and Q2	-	-	93.63%	5.17%
Incurring in 11-12 Q3 and Q4	-	-	-	93.63%

Exhibit EE - Incurred But Not Reported Runout by Fiscal Period

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	0.26%	-	-	-
Incurring in 09-10 Q3 and Q4	2.31%	0.26%	-	-
Incurring in 10-11 Q1 and Q2	97.43%	2.31%	0.26%	-
Incurring in 10-11 Q3 and Q4	-	97.43%	2.31%	0.26%
Incurring in 11-12 Q1 and Q2	-	-	97.43%	2.31%
Incurring in 11-12 Q3 and Q4	-	-	-	97.43%

Incurred But Not Reported (IBNR) Estimate for Foster Care

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	0.24%	-	-	-
Incurring in 09-10 Q3 and Q4	0.76%	0.24%	-	-
Incurring in 10-11 Q1 and Q2	99.00%	0.76%	0.24%	-
Incurring in 10-11 Q3 and Q4	-	99.00%	0.76%	0.24%
Incurring in 11-12 Q1 and Q2	-	-	99.00%	0.76%
Incurring in 11-12 Q3 and Q4	-	-	-	99.00%

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	0.00%	-	-	-
Incurring in 09-10 Q3 and Q4	1.31%	0.00%	-	-
Incurring in 10-11 Q1 and Q2	98.69%	1.31%	0.00%	-
Incurring in 10-11 Q3 and Q4	-	98.69%	1.31%	0.00%
Incurring in 11-12 Q1 and Q2	-	-	98.69%	1.31%
Incurring in 11-12 Q3 and Q4	-	-	-	98.69%

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 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	\$12,367	-	-	-
Incurring in 09-10 Q3 and Q4	\$46,633	\$12,746	-	-
Incurring in 10-11 Q1 and Q2	\$3,023,333	\$46,233	\$12,637	-
Incurring in 10-11 Q3 and Q4	-	\$3,043,445	\$46,541	\$12,721
Incurring in 11-12 Q1 and Q2	-	-	\$3,135,975	\$47,956
Incurring in 11-12 Q3 and Q4	-	-	-	\$3,224,944
Total Paid in Current Period	\$3,023,333	\$3,043,445	\$3,135,975	\$3,224,944
Total IBNR Amount	\$59,000	\$58,979	\$59,178	\$60,677
Total Paid for All Incurred Dates	\$3,082,333	\$3,102,424	\$3,195,153	\$3,285,621

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods ⁽¹⁾	\$1,719,563	\$856,337	-	-
Incurring in 09-10 Q3 and Q4	\$1,825,931	\$921,898	\$924,588	-
Incurring in 10-11 Q1 and Q2	\$49,485,280	\$1,874,402	\$946,370	\$944,007
Incurring in 10-11 Q3 and Q4	-	\$54,120,209	\$2,049,964	\$1,035,010
Incurring in 11-12 Q1 and Q2	-	-	\$56,013,679	\$2,121,685
Incurring in 11-12 Q3 and Q4	-	-	-	\$62,264,553
Total Paid in Current Period	\$49,485,280	\$54,120,209	\$56,013,679	\$62,264,553
Total IBNR Amount	\$3,545,494	\$3,652,637	\$3,920,922	\$4,100,702
Total Paid for All Incurred Dates	\$53,030,774	\$57,772,846	\$59,934,601	\$66,365,255

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	\$116,478	-	-	-
Incurring in 09-10 Q3 and Q4	\$605,677	\$140,583	-	-
Incurring in 10-11 Q1 and Q2	\$13,137,810	\$725,435	\$168,380	-
Incurring in 10-11 Q3 and Q4	-	\$14,564,216	\$804,197	\$186,661
Incurring in 11-12 Q1 and Q2	-	-	\$15,614,919	\$862,214
Incurring in 11-12 Q3 and Q4	-	-	-	\$16,975,878
Total Paid in Current Period	\$13,137,810	\$14,564,216	\$15,614,919	\$16,975,878
Total IBNR Amount	\$722,155	\$866,018	\$972,577	\$1,048,875
Total Paid for All Incurred Dates	\$13,859,965	\$15,430,234	\$16,587,496	\$18,024,753

¹ The Department pays capitations for retroactive eligibility determinations up to 18 months after the date of service.

Exhibit EE - Incurred But Not Reported Expenditures by Fiscal Period

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	\$62,444	-	-	-
Incurring in 09-10 Q3 and Q4	\$591,761	\$66,605	-	-
Incurring in 10-11 Q1 and Q2	\$26,517,984	\$628,724	\$70,765	-
Incurring in 10-11 Q3 and Q4	-	\$28,054,101	\$665,144	\$74,865
Incurring in 11-12 Q1 and Q2	-	-	\$29,455,802	\$698,377
Incurring in 11-12 Q3 and Q4	-	-	-	\$31,448,224
Total Paid in Current Period	\$26,517,984	\$28,054,101	\$29,455,802	\$31,448,224
Total IBNR Amount	\$654,205	\$695,329	\$735,909	\$773,242
Total Paid for All Incurred Dates	\$27,172,189	\$28,749,430	\$30,191,711	\$32,221,466

Incurred But Not Reported (IBNR) Estimate for Foster Care

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	\$62,625	-	-	-
Incurring in 09-10 Q3 and Q4	\$189,985	\$59,995	-	-
Incurring in 10-11 Q1 and Q2	\$22,729,272	\$174,487	\$55,101	-
Incurring in 10-11 Q3 and Q4	-	\$21,601,683	\$165,831	\$52,368
Incurring in 11-12 Q1 and Q2	-	-	\$22,261,775	\$170,898
Incurring in 11-12 Q3 and Q4	-	-	-	\$21,564,165
Total Paid in Current Period	\$22,729,272	\$21,601,683	\$22,261,775	\$21,564,165
Total IBNR Amount	\$252,610	\$234,482	\$220,932	\$223,266
Total Paid for All Incurred Dates	\$22,981,882	\$21,836,165	\$22,482,707	\$21,787,431

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

	Paid in 10-11 Q1 and Q2	Paid in 10-11 Q3 and Q4	Paid in 11-12 Q1 and Q2	Paid in 11-12 Q3 and Q4
Incurring in all other previous periods	\$0	-	-	-
Incurring in 09-10 Q3 and Q4	\$688	\$0	-	-
Incurring in 10-11 Q1 and Q2	\$63,469	\$842	\$0	-
Incurring in 10-11 Q3 and Q4	-	\$70,581	\$937	\$0
Incurring in 11-12 Q1 and Q2	-	-	\$77,461	\$1,028
Incurring in 11-12 Q3 and Q4	-	-	-	\$87,409
Total Paid in Current Period	\$63,469	\$70,581	\$77,461	\$87,409
Total IBNR Amount	\$688	\$842	\$937	\$1,028
Total Paid for All Incurred Dates	\$64,157	\$71,423	\$78,398	\$88,437