

Exhibit C7 - Bottom Line Impacts Summary								
	Item	Children Medical to 205% FPL	Children Medical 206%-260% FPL	Children Dental to 205% FPL	Children Dental 206%-260% FPL	Prenatal to 205% FPL	Prenatal 206%-260% FPL	Total
FY 2016-17 Actuals	Reconciliation Payments <sup>(1)</sup>	\$874,970	\$625,995	\$778,560	\$402,922	\$0	\$0	\$2,682,447
	FQHC Payments <sup>(2)</sup>	\$657,938	\$249,703	\$0	\$0	\$0	\$0	\$907,641
	Delta Dental MLR Reconciliation <sup>(3)</sup>	\$0	\$0	(\$530,578)	(\$235,984)	\$0	\$0	(\$766,562)
	HIPF Payments <sup>(4)</sup>	\$147,568	\$84,415	\$45,564	\$23,576	\$0	\$0	\$301,124
	<b>Total Bottom Line Adjustments for FY 2016-17</b>	<b>\$1,680,475</b>	<b>\$960,113</b>	<b>\$293,546</b>	<b>\$190,514</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,124,649</b>
FY 2017-18 Projections	Reconciliation Payments <sup>(1)</sup>	\$1,059,899	\$818,272	\$883,963	\$482,214	\$0	\$0	\$3,244,348
	FQHC Payments <sup>(2)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	SMCN Medical Advance Reconciliation <sup>(5)</sup>	\$898,464	\$347,035	\$0	\$0	\$99,660	\$154,841	\$1,500,000
	SMCN FY 2016-17 Payment Shift <sup>(6)</sup>	\$477,898	\$2,322,102	\$0	\$0	\$477,898	\$2,322,102	\$5,600,000
	Delta Dental MLR Reconciliation <sup>(3)</sup>	\$0	\$0	(\$69,215)	(\$30,785)	\$0	\$0	(\$100,000)
	HIPF Payments <sup>(4)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Bottom Line Adjustments for FY 2017-18</b>	<b>\$2,436,261</b>	<b>\$3,487,409</b>	<b>\$814,748</b>	<b>\$451,429</b>	<b>\$577,558</b>	<b>\$2,476,943</b>	<b>\$10,244,348</b>	
FY 2018-19 Projections	Reconciliation Payments <sup>(1)</sup>	\$1,131,251	\$893,218	\$943,373	\$525,174	\$0	\$0	\$3,493,016
	FQHC Payments <sup>(2)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	SMCN Medical Advance Reconciliation <sup>(5)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	SMCN FY 2016-17 Payment Shift <sup>(6)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Delta Dental MLR Reconciliation <sup>(3)</sup>	\$0	\$0	(\$69,215)	(\$30,785)	\$0	\$0	(\$100,000)
	HIPF Payments <sup>(4)</sup>	\$186,745	\$106,826	\$57,661	\$29,836	\$0	\$0	\$381,068
<b>Total Bottom Line Adjustments for FY 2018-19</b>	<b>\$1,317,996</b>	<b>\$1,000,044</b>	<b>\$931,819</b>	<b>\$524,225</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,774,084</b>	
FY 2019-20 Projections	Reconciliation Payments <sup>(1)</sup>	\$1,204,116	\$965,931	\$1,002,868	\$566,351	\$0	\$0	\$3,739,266
	FQHC Payments <sup>(2)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	SMCN Medical Advance Reconciliation <sup>(5)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	SMCN FY 2016-17 Payment Shift <sup>(6)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Delta Dental MLR Reconciliation <sup>(3)</sup>	\$0	\$0	(\$69,215)	(\$30,785)	\$0	\$0	(\$100,000)
	HIPF Payments <sup>(4)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Bottom Line Adjustments for FY 2019-20</b>	<b>\$1,204,116</b>	<b>\$965,931</b>	<b>\$933,653</b>	<b>\$535,566</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,639,266</b>	

(1) There exists a manual reconciliation process for CHP+ clients. These claims are accounted for as expenditure adjustments, calculations can be found on page R-3.C7-2

(2) FQHC Payments were implemented in FY 2013-14. Final reconciliation payments will be made in FY 2016-17 for prior dates of service. The Department does not expect to make this reconciliation payment any longer.

(3) Estimated reconciliation for Delta Dental medical loss ratio. The Department's dental contractor is federally required to spend a maximum of 20% on administrative costs and those costs are reconciled yearly to determine the actual percentage. If the ratio is higher than 20%, the contractor is required to refund excess costs to the Department. Historically, the Department has recouped money for this reconciliation and expects to in the future.

(4) The Health Insurance Provider Fee is a federally mandated payment that for profit insurance provider must pay. The fee was required in CY 2016 and CY 2018, with a moratorium in CY 2017 and CY 2019. As a result, the Department made a payment in FY 2016-17 and will make another payment in FY 2018-19. The estimate in FY 2018-19 is based on current projections from CMS.

(5) Estimated reconciliation for medical advance payments to the State Managed Care Network. A prospective capitation is paid to the SMCN and then reconciled in the future based on actual medical costs. This reconciliation covers January 2016 through February 2017.

(6) Due to the implementation of the new MMIS, the Department incurred expenditure in FY 2016-17 with FY 2016-17 dates of service in another appropriation for CHP+ clients and the transfer to the correct appropriation took place in FY 2017-18. No future payment shifts are expected.

<b>Exhibit C7 - Bottom Line Impact Calculations</b>							
<b>Projected Reconciliation Payments Calculations</b>							
<b>Estimated FY 2017-18 Reconciliations</b>							
<b>Item</b>	<b>Children Medical to 205% FPL</b>	<b>Children Medical 206%-260% FPL</b>	<b>Children Dental to 205% FPL</b>	<b>Children Dental 206%-260% FPL</b>	<b>Prenatal to 205% FPL</b>	<b>Prenatal 206%-260% FPL</b>	<b>Average Total</b>
Actual FY 2016-17 Reconciliation Payments	\$874,970	\$625,995	\$778,560	\$402,922	\$0	\$0	\$2,682,447
FY 2017-18 Projected Rate Inflation Exhibit C9	8.96%	11.96%	2.13%	2.50%	0.05%	0.00%	6.71%
Estimated Reconciliations After Rate Inflation	\$953,400	\$700,833	\$795,142	\$413,006	\$0	\$0	\$2,862,381
FY 2017-18 Projected Base Caseload Growth Exhibit C4	11.17%	16.76%	11.17%	16.76%	45.64%	12.76%	13.34%
<b>Final Estimated FY 2017-18 Reconciliations</b>	<b>\$1,059,899</b>	<b>\$818,272</b>	<b>\$883,963</b>	<b>\$482,214</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,244,348</b>
<b>Estimated FY 2018-19 Reconciliations</b>							
<b>Item</b>	<b>Children Medical to 205% FPL</b>	<b>Children Medical 206%-260% FPL</b>	<b>Children Dental to 205% FPL</b>	<b>Children Dental 206%-260% FPL</b>	<b>Prenatal to 205% FPL</b>	<b>Prenatal 206%-260% FPL</b>	<b>Average Total</b>
FY 2017-18 Projected Reconciliation Payments	\$1,059,899	\$818,272	\$883,963	\$482,214	\$0	\$0	\$3,244,348
FY 2018-19 Projected Rate Inflation Exhibit C9	2.35%	2.57%	2.34%	2.34%	1.58%	1.48%	2.40%
Estimated Reconciliations After Rate Inflation	\$1,084,811	\$839,324	\$904,646	\$493,487	\$0.00	\$0.00	\$3,322,268
FY 2018-19 Projected Base Caseload Growth Exhibit C4	4.28%	6.42%	4.28%	6.42%	41.90%	0.00%	5.14%
<b>Final Estimated FY 2018-19 Reconciliations</b>	<b>\$1,131,251</b>	<b>\$893,218</b>	<b>\$943,373</b>	<b>\$525,174</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,493,016</b>
<b>Estimated FY 2019-20 Reconciliations</b>							
<b>Item</b>	<b>Children Medical to 205% FPL</b>	<b>Children Medical 206%-260% FPL</b>	<b>Children Dental to 205% FPL</b>	<b>Children Dental 206%-260% FPL</b>	<b>Prenatal to 205% FPL</b>	<b>Prenatal 206%-260% FPL</b>	<b>Average Total</b>
FY 2018-19 Projected Reconciliation Payments	\$1,131,251	\$893,218	\$943,373	\$525,174	\$0	\$0	\$3,493,016
FY 2019-20 Projected Rate Inflation Exhibit C9	2.42%	2.62%	2.29%	2.34%	1.58%	1.48%	2.42%
Estimated Reconciliations After Rate Inflation	\$1,158,578	\$916,617	\$964,941	\$537,437	\$0.00	\$0.00	\$3,577,573
FY 2019-20 Projected Base Caseload Growth Exhibit C4	3.93%	5.38%	3.93%	5.38%	3.47%	0.00%	4.52%
<b>Final Estimated FY 2019-20 Reconciliations</b>	<b>\$1,204,116</b>	<b>\$965,931</b>	<b>\$1,002,868</b>	<b>\$566,351</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,739,266</b>