



COLORADO

Department of Health Care
Policy & Financing

Priority: S-4A, BA-4
MMA State Contribution Payment
FY 2017-18 Supplemental Request &
FY 2018-19 Budget Amendment

Cost and FTE

- The Department requests an additional reduction of \$1,716,420 General Fund for FY 2017-18; a reduction of \$1,999,243 General Fund for FY 2018-19; and a reduction of \$2,933,478 General Fund for FY 2018-19 to the Medicare Modernization Act State Contribution Payment line item. This request does not require any additional FTE.

Current Program

- The Department serves clients who are eligible for both Medicaid and Medicare.
- Dual-eligible clients are provided prescription drug coverage through the federal Medicare program.
- The State is required to reimburse the federal government for the amount the federal Centers for Medicare and Medicaid Services (CMS) determines is the State's obligation for such prescription drug coverage, which is also called the "clawback" payment.

Problem or Opportunity

- The State's obligation varies from year to year and is affected by changes in caseload and the per member per month (PMPM) rate, which is also determined by CMS.
- The Department must annually forecast both anticipated caseload and PMPM rate to ensure the State is adequately funded to meet its reimbursement obligation to the federal government.

Consequences of Problem

- If this request is not approved and the State is unable to meet its reimbursement obligation to the federal government, the Department would be at risk of having the amount due for the clawback payment – plus interest – deducted from the federal funds received for the Medicaid program, generating overexpenditures on other line items.

Proposed Solution

- The Department requests adjustment to the appropriation in the Medicare Modernization Act State Contribution Payment line item to meet the State's obligation to the federal government for prescription drug coverage for dual-eligible clients while reducing the risk of reverting funds that could be used for other purposes. This request is in addition to changes requested in the Department's FY 2018-19 "R-4 Medicaid Modernization Act State Contribution Payment" request submitted November 1, 2017.



COLORADO

Department of Health Care
Policy & Financing

FY 2017-18 and FY 2018-19 Funding Request | February 15, 2018

John W. Hickenlooper
Governor

Kim Bimestefer
Executive Director

Department Priority: S-4A, BA-4

Request Detail: Medicare Modernization Act State Contribution Payment

Summary of Incremental Funding Change for FY 2017-18	Total Funds	General Fund
Medicare Modernization Act State Contribution Payment	(\$1,716,420)	(\$1,716,420)

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Fund
Medicare Modernization Act State Contribution Payment	(\$1,999,243)	(\$1,999,243)

Problem or Opportunity:

On January 1, 2006, the federal Centers for Medicare and Medicaid Services (CMS) assumed responsibility for the Medicare Part D prescription-drug benefit that replaced the Medicaid prescription-drug coverage for dual-eligible clients, who are individuals eligible for both Medicare and Medicaid. States are required to make mandatory state payments to the federal government, known as the “clawback” payment, to help finance the Medicaid Part D benefit for the dual-eligible population for the states’ share of the costs of outpatient prescription drugs. The amount of each state’s clawback payment roughly reflects the expenditures of its own funds that the state would make if it continued to pay for outpatient prescription drugs through Medicaid on behalf of dual-eligible clients. These clawback payments, if left unpaid, are subject to automatic deduction – plus interest – from the federal funds the State receives for the Medicaid program.

Current projections indicate that incremental funding decreases to the appropriation for FY 2017-18, FY 2018-19, and FY 2019-20 are appropriate in addition to the changes requested in the Department’s FY 2018-19 “R-4 Medicaid Modernization Act State Contribution Payment” request submitted November 1, 2017.

Proposed Solution:

The Department requests an additional reduction of \$1,716,420 General Fund for FY 2017-18; a reduction of \$1,999,243 General Fund for FY 2018-19; and a reduction of \$2,933,478 General Fund for FY 2019-20 for funding adjustment to the Medicare Modernization Act State Contribution Payment line item to cover the State’s share of the costs of the Medicare Part D outpatient prescription drug benefit for dual-eligible clients. This request is in addition to changes requested in the Department’s FY 2018-19 “R-4 Medicaid Modernization Act State Contribution Payment” request submitted November 1, 2017, which included an

incremental decrease of \$2,314,420 in FY 2017-18, an increase of \$4,884,395 in FY 2018-19, and an increase of \$16,026,111 in FY 2019-20. The Medicare Modernization Act State Contribution Payment line item is entirely General Fund, as it is a reimbursement to the federal government and is not eligible to receive a federal match.

Anticipated Outcomes:

One of the Department’s top priorities in its Performance Plan is to “reduce the cost of health care in Colorado”. The approval of this request would be a direct implementation of this goal by allowing the Department to meet its obligation to the federal government, and ensuring that no amount of federal funds owed to the State for Medicaid would be subject to deduction plus interest.

Assumptions and Calculations:

Detailed calculations for the request are included in the attached appendix.

A summary of the funding request for the Medicare Modernization Act State Contribution Payment line item by fund type is provided for FY 2017-18, FY 2018-19, and FY 2019-20 in tables 1.1, 1.2, and 1.3, respectively. The incremental change requested for each fiscal year is shown in table 1.1 row E, table 1.2 row E, and table 1.3 row E. These incremental changes are in addition to the incremental changes included in the Department’s November 1, 2017 R-4 Medicare Modernization Act State Contribution Payment request.

The State’s clawback payment is calculated according to three factors:

1. The projected number of Medicare and Medicaid dual-eligible clients enrolled in a Part D plan;
2. A per member per month (PMPM) estimate of the amount the State otherwise would have spent on Medicaid prescription drugs for dual-eligible clients; and
3. A “phasedown” percentage of the State’s obligation for the PMPM rate was set forth by the MMA starting at 90% in 2006 and declined by 1.67% each year thereafter until 2015 when it reached 75%, where it will remain ongoing.

The Department’s current estimates of the clawback payment are \$144,919,479 for FY 2017-18; \$151,835,471 for FY 2018-19; and \$162,042,952 for FY 2019-20, based on the Department’s most recent caseload projections and actual and projected per member per month (PMPM) rates paid by the State as required by federal regulations (see row B in tables 3.1, 3.2, and 3.3 of the appendix).

The total caseload and expenditure estimates for FY 2017-18, FY 2018-19, and FY 2019-20 are calculated in tables 2.1a and 2.1b, 2.2a and 2.2b, and 2.3a and 2.3b, respectively. The Department assumes the dual-eligible caseload will follow a 2.00% annual growth trend, consistent with growth over the past three years from December 2014 through November 2017. This method estimates caseload by increasing the total caseload incurred each month by 0.17% to forecast the total caseload for the following month. Rows A through L on tables 2.1a, 2.2a and 2.3a of the appendix show the actual and projected caseload for a given month by the calendar year for which the caseload is attributed. Due to a two-month delay between when the Department receives an invoice from CMS and when the invoice is paid, the amount paid in the state

fiscal year includes invoices received between May and April. Retroactivity is also considered in this forecast because clients are able to be retroactively enrolled and disenrolled for up to 24 months. Tables 2.1b, 2.2b, and 2.3b provide calculations of caseload and expenditures for dual-eligible clients by the various PMPM rates for each calendar year resulting from changes in the Federal Medical Assistance Percentage (FMAP). The PMPM rates are also adjusted based on changes in the FMAP rate which occur on a federal fiscal year (October 1 through September 30 timespan) as follows:

- FFY 2014: 50.00%
- FFY 2015: 51.01%
- FFY 2016: 50.72%
- FFY 2017: 50.02%
- FFY 2018: 50.00%
- FFY 2019: 50.00% is estimated

The changes in the PMPM rate are based on a prescribed methodology established by CMS. Table 3.1 shows the actual CY 2017 PMPM for January through September 2017 based on the 50.02% FMAP rate, and for October through December 2017 at a 50% FMAP rate. Table 3.2 shows the actual PMPM rate for CY 2018 where the FMAP is constant at 50%. The estimated PMPM rates for CY 2019 and CY 2020 are calculated by in tables 3.3 and 3.4, respectively. The CY 2019 change in percentage of growth in table 3.3 row G is calculated by dividing the projected 2018 National Health Expenditure (NHE) percentage growth rate of per capita prescription drug expenditure between years 2003 and 2006 in row F by the 2017 NHE percentage of growth in row C, minus 1. For CY 2019 and CY 2020, the Department uses the median of the last seven years of the annual percentage increase (API) in average per capita Part D expenditures from CY 2011 to CY 2017 to project the percentage change in the rate (found in row J of tables 3.2 and 3.3). The final percentage change in the PMPM rate is calculated in row K of tables 3.3 and 3.4.

Table 4.1 provides actual caseload history from FY 2006-07 through FY 2016-17 and caseload projections based on current trends for FY 2017-18 through FY 2019-20. Table 4.2 provides actual and projected aggregate monthly caseload history by number of member months and average monthly caseload. Table 4.3 shows the PMPM rate history from CY 2014 to CY 2018 and projected PMPM rates for CY 2018 to CY 2020. Table 4.4 shows the actual PMPM rate history by each quarter of the calendar year from CY 2006 to CY 2017 and projected PMPM rates for CY 2018 to CY 2020.

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 1.1				
FY 2017-18 Summary of Incremental Funding Request				
LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item				
Row	Item	Total Funds	General Fund	Source
A	FY 2017-18 Spending Authority	\$148,950,319	\$148,950,319	Long Bill Appropriation (SB 17-254)
B	Current Projected FY 2017-18 Expenditures	\$144,919,479	\$144,919,479	Table 2.1a, Row O
C	FY 2017-18 Estimated Change from Appropriation	(\$4,030,840)	(\$4,030,840)	Row B - Row A
D	Nov 2017 S-4 Projected Expenditure	\$146,635,899	\$146,635,899	From January 2, 2018 FY 2017-18 S-4 Request
E	Difference between S-4A and S-4 Projections	(\$1,716,420)	(\$1,716,420)	Row B - Row D

Table 1.2				
FY 2018-19 Summary of Incremental Funding Request				
LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item				
Row	Item	Total Funds	General Fund	Source
A	FY 2018-19 Spending Authority	\$148,950,319	\$148,950,319	Long Bill Appropriation (SB 17-254)
B	Current Projected FY 2018-19 Expenditures	\$151,835,471	\$151,835,471	Table 2.2a, Row O
C	FY 2018-19 Estimated Change from Appropriation	\$2,885,152	\$2,885,152	Row B - Row A
D	Nov 2017 BA-4 Projected Expenditure	\$153,834,714	\$153,834,714	From November 1, 2017 FY 2018-19 R-4 Request
E	Difference between BA-4A and R-4 Projections	(\$1,999,243)	(\$1,999,243)	Row B - Row D

Table 1.3				
FY 2019-20 Summary of Incremental Funding Request				
LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item				
Row	Item	Total Funds	General Fund	Source
A	FY 2019-20 Spending Authority	\$148,950,319	\$148,950,319	Long Bill Appropriation (SB 17-254)
B	Current Projected FY 2019-20 Expenditures	\$162,042,952	\$162,042,952	Table 2.3a, Row O
C	FY 2019-20 Estimated Change from Appropriation	\$13,092,633	\$13,092,633	Row B - Row A
D	Nov 2017 BA-4 Projected Expenditure	\$164,976,430	\$164,976,430	From November 1, 2017 FY 2018-19 R-4 Request
E	Difference between BA-4A and R-4 Projections	(\$2,933,478)	(\$2,933,478)	Row B - Row D

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 2.1a						
FY 2017-18 Projected Caseload and Expenditures						
Row	Month	CY 2015	CY 2016	CY 2017	CY 2018	FY 2017-18 TOTAL
A	May 2017	131	734	75,881	0	76,746
B	June 2017	(75)	(67)	75,359	0	75,217
C	July 2017	(33)	525	75,302	0	75,794
D	August 2017	(7)	120	75,888	0	76,001
E	September 2017	(4)	89	75,717	0	75,802
F	October 2017	19	180	76,460	0	76,659
G	November 2017	(8)	4	75,968	0	75,964
H	December 2017	0	(2,379)	72,429	0	70,050
I	January 2018	0	(31)	2,936	73,340	76,245
J	February 2018	0	(34)	1,557	74,844	76,367
K	March 2018	0	(39)	941	75,588	76,490
L	April 2018	0	(37)	596	76,063	76,622
M	CY Client Total	23	(935)	609,034	299,835	907,957
N	CY PMPM Rate ⁽¹⁾	Varies ⁽²⁾	Varies ⁽²⁾	Varies ⁽²⁾	\$160.92	
O	Expenditures ⁽³⁾	\$2,869	(\$130,247)	\$96,797,409	\$48,249,448	\$144,919,479

(1) PMPM rates in Row N are shown in Table 2.1b

(2) PMPM rates changes occurred for calendar years 2015, 2016, and 2017 due to FMAP changes shown in Table 4.4

(3) Expenditures are calculated by multiplying caseload by the respective PMPM rates shown in Table 2.1b

Table 2.1b					
Caseload Breakdown for FY 2017-18 with CY 2015, CY 2016 and CY 2017 Rates					
Row	Rate Period	Caseload Forecast	Rates	Total	Source
A	Jan-Sept 2015	21	\$124.68	\$2,618	Caseload Forecast * Actual Rate
B	Oct-Dec 2015	2	\$125.42	\$251	Caseload Forecast * Actual Rate
C	CY 2015 Total	23		\$2,869	Row A + Row B
D	Jan-Sept 2016	(1,254)	\$139.98	(\$175,535)	Caseload Forecast * Actual Rate
E	Oct-Dec 2016	319	\$141.97	\$45,288	Caseload Forecast * Actual Rate
F	CY 2016 Total	(935)		(\$130,247)	Row D + Row E
G	Jan-Sept 2017	383,088	\$158.91	\$60,876,514	Caseload Forecast * Table 3.1 Row A
H	Oct-Dec 2017	225,946	\$158.98	\$35,920,895	Caseload Forecast * Table 3.1 Row B
I	CY 2017 Total	609,034		\$96,797,409	Row G + Row H

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 2.2a						
FY 2018-19 Projected Caseload and Expenditures						
Row	Month	CY 2016	CY 2017	CY 2018	CY 2019	FY 2018-19 TOTAL
A	May 2019	(38)	412	76,374	0	76,748
B	June 2019	(36)	302	76,605	0	76,871
C	July 2019	(33)	232	76,807	0	77,006
D	August 2019	(27)	166	76,997	0	77,136
E	September 2019	(23)	107	77,176	0	77,260
F	October 2019	(15)	57	77,353	0	77,395
G	November 2019	(8)	17	77,516	0	77,525
H	December 2019	0	(15)	77,671	0	77,656
I	January 2020	0	(32)	2,968	74,851	77,787
J	February 2020	0	(35)	1,571	76,385	77,921
K	March 2020	0	(41)	947	77,145	78,051
L	April 2020	0	(40)	598	77,628	78,186
M	CY Client Total	(180)	1,130	622,583	306,009	929,542
N	CY PMPM Rate ⁽¹⁾	Varies ⁽²⁾	Varies ⁽²⁾	\$160.92	\$168.28	
O	Expenditures ⁽³⁾	(\$25,412)	\$179,632	\$100,186,056	\$51,495,195	\$151,835,471

(1) PMPM Rates in Row N are shown in table 2.2b
(2) Rate changes occurred for calendar years 2015, 2016 and 2017 due to FMAP changes shown in Table 4.4
(3) Expenditures are calculated by multiplying caseload by the respective PMPM rates shown in Table 2.2b

Table 2.2b					
Caseload Breakdown for FY 2018-19 with CY 2016 and CY 2017 Rates					
Row	Rate Period	Caseload Forecast	Rates	Total	Source
D	Jan - Sept 2016	(72)	\$139.98	(\$10,079)	Caseload Forecast * Actual Rate
E	Oct - Dec 2016	(108)	\$141.97	(\$15,333)	Caseload Forecast * Actual Rate
F	CY 2016 Total	(180)		(\$25,412)	Row D + Row E
G	Jan - Sept 2017	223	\$158.91	\$35,437	Caseload Forecast * Table 3.1 Row A
H	Oct - Dec 2017	907	\$158.98	\$144,195	Caseload Forecast * Table 3.1 Row B
I	CY 2017 Total	1,130		\$179,632	Row G + Row H

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 2.3a						
FY 2019-20 Projected Caseload and Expenditures						
Row	Month	CY 2017	CY 2018	CY 2019	CY 2020	FY 2019-20 TOTAL
A	May 2018	(39)	411	77,948	0	78,320
B	June 2018	(38)	306	78,182	0	78,450
C	July 2018	(34)	231	78,389	0	78,586
D	August 2018	(28)	166	78,580	0	78,718
E	September 2018	(23)	109	78,768	0	78,854
F	October 2018	(15)	58	78,947	0	78,990
G	November 2018	(9)	18	79,111	0	79,120
H	December 2018	0	(14)	79,269	0	79,255
I	January 2019	0	(30)	3,029	76,392	79,391
J	February 2019	0	(38)	1,604	77,958	79,524
K	March 2019	0	(39)	967	78,734	79,662
L	April 2019	0	(40)	611	79,226	79,797
M	CY Client Total	(186)	1,138	635,405	312,310	948,667
N	CY PMPM Rate ⁽¹⁾	Varies ⁽²⁾	\$160.92	\$168.28	\$175.99	
O	Expenditures ⁽³⁾	(\$29,565)	\$183,127	\$106,925,953	\$54,963,437	\$162,042,952

(1) PMPM Rates in Row N are shown in table 2.3b
(2) Rate changes occurred for calendar years 2015, 2016 and 2017 due to FMAP changes shown in Table 4.4
(3) Expenditures are calculated by multiplying caseload by the respective PMPM rates shown in Table 2.3b

Table 2.3b					
Caseload Breakdown for FY 2019-20 with CY 2016 and CY 2017 Rates					
Row	Rate Period	Caseload Forecast	Rates	Total	Source
G	Jan - Sept 2017	(77)	\$158.91	(\$12,236)	Caseload Forecast * Table 3.1 Row A
H	Oct - Dec 2017	(109)	\$158.98	(\$17,329)	Caseload Forecast * Table 3.1 Row B
I	CY 2017 Total	(186)		(\$29,565)	Row G + Row H

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 3.1		
CY 2017 PMPM Rate Calculation		
Row	Item	Source
A	CY 2017 PMPM Rate (January through September 2017 with 50.02% FMAP)	\$158.91
B	CY 2017 PMPM Rate (October through December 2017 with 50.00% FMAP)	\$158.98

⁽¹⁾ Centers for Medicare and Medicaid Services (CMS) State Medicaid Director Letter Calendar Year (CY) 2017 Oct-Dec Phased- down State Contribution Final Per-Capita Rates, Issued October 28, 2016

⁽²⁾ Centers for Medicare and Medicaid Services (CMS) State Medicaid Director Letter Calendar Year (CY) 2018 Jan-Sep Phased- down State Contribution Final Per-Capita Rates, Issued September 26, 2017

Table 3.2		
Estimated CY 2018 PMPM Rate Calculation		
Row	Item	Source
A	CY 2018 PMPM Rate (January through December 2018 with 50.00% FMAP)	\$160.92

⁽¹⁾ Centers for Medicare and Medicaid Services (CMS) State Medicaid Director Letter Calendar Year (CY) 2018 Jan-Sep Phased- down State Contribution Final Per-Capita Rates, Issued September 26, 2017

Table 3.3		
Estimated CY 2019 PMPM Rate Calculation		
Row	Item	Source
2017 NHE Estimates		
A	Estimated 2003 Per Capita Rx Drug Expenditures	\$609
B	Estimated 2006 Per Capita Rx Drug Expenditures	\$752
C	Percentage Growth	23.48%
Projected 2018 NHE Estimates		
D	Estimated 2003 Per Capita Rx Drug Expenditures	\$609
E	Estimated 2006 Per Capita Rx Drug Expenditures	\$752
F	Percentage Growth	23.48%
G	Change in Percentage Growth	0.00%
Projected Figures from Announcements of CY 2011 through CY 2018 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies		
H	Projected Annual percentage trend for July 2018	4.07%
I	Projected Prior Year Revisions of the Annual percentage trend	0.49%
J	Projected Annual Percentage Increase in Average Per Capita Aggregate Part D Expenditures for 2019	4.58%
K	FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2019	4.58%
L	CY 2018 PMPM Rate Prior to FMAP and Phasedown	\$429.10
M	Projected CY 2019 PMPM Rate Prior to FMAP and Phasedown	\$448.75
N	Projected FFY 19 FMAP State Share	50.00%
O	Projected CY 2019 PMPM Rate Prior to Phasedown	\$224.38
P	Phasedown Percentage Rate	75.00%
Q	Estimated CY 2019 PMPM Rate (January through December 2019 with 50.00% FMAP)	\$168.28

⁽¹⁾ Centers for Medicare and Medicaid Services (CMS) State Medicaid Director Letter Calendar Year (CY) 2018 Jan-Sep Phased- down State Contribution Final Per-Capita Rates, Issued September 26, 2017

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 3.4		
Estimated CY 2020 PMPM Rate Calculation		
Row	Item	Source
Projected 2018 NHE Estimates		
A	Estimated 2003 Per Capita Rx Drug Expenditures	\$609 Department estimate
B	Estimated 2006 Per Capita Rx Drug Expenditures	\$752 Department estimate
C	Percentage Growth	23.48% (Row B ÷ Row A) - 1
Projected 2019 NHE Estimates		
D	Estimated 2003 Per Capita Rx Drug Expenditures	\$609 Department estimate
E	Estimated 2006 Per Capita Rx Drug Expenditures	\$752 Department estimate
F	Percentage Growth	23.48% (Row E ÷ Row D) - 1
G	Change in Percentage Growth	0.00% (1 + Row F) ÷ (1 + Row C) - 1
Projected Figures from Announcements of CY 2011 through CY 2018 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies		
H	Projected Annual Percentage Trend for July 2019	4.07% Median Change from CY 2011 to CY 2017
I	Projected Prior Year Revisions of the Annual Percentage Trend	0.49% Average Change from CY 2011 to CY 2017
J	Projected Annual Percentage Increase in Average Per Capita Aggregate Part D Expenditures for 2020	4.58% (1 + Row H) × (1 + Row I) - 1
K	FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2020	4.58% Row G + Row H
L	CY 2019 PMPM Rate Prior to FMAP and Phasedown	\$448.75 Table 3.3 Row M
M	Projected CY 2020 PMPM Rate Prior to FMAP and Phasedown	\$469.31 Row L × (1 + Row K)
N	Projected FFY 20 FMAP State Share	50.00% Estimated FFY 19 FMAP is 50%
O	Projected CY 2020 PMPM Rate Prior to Phasedown	\$234.65 Row M × Row N
P	Phasedown Percentage Rate	75.00% Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5]
Q	Estimated CY 2020 PMPM Rate (January through December 2020 with 50.00% FMAP)	\$175.99 Row O × Row P

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 4.1		
Invoice Caseload History		
Item	Total Member Months Caseload	Average Monthly Caseload
FY 2006-07	611,212	50,934
FY 2007-08	642,840	53,570
% Change from FY 2006-07	5.17%	5.18%
FY 2008-09	651,968	54,331
% Change from FY 2007-08	1.42%	1.42%
FY 2009-10	664,292	55,358
% Change from FY 2008-09	1.89%	1.89%
FY 2010-11	697,817	58,151
% Change from FY 2009-10	5.05%	5.05%
FY 2011-12	725,075	60,423
% Change from FY 2010-11	3.91%	3.91%
FY 2012-13	750,509	62,542
% Change from FY 2011-12	3.51%	3.51%
FY 2013-14	812,812	67,734
% Change from FY 2012-13	8.30%	8.30%
FY 2014-15	865,253	72,104
% Change from FY 2013-14	6.45%	6.45%
FY 2015-16	877,707	73,142
% Change from FY 2014-15	1.44%	1.44%
FY 2016-17	888,070	74,006
% Change from FY 2015-16	1.18%	1.18%
FY 2017-18 Projection	907,957	75,663
% Change from FY 2016-17	2.24%	2.24%
FY 2018-19 Projection	929,542	77,462
% Change from FY 2017-18 Projection	2.38%	2.24%
FY 2019-20 Projection	948,667	79,056
% Change from FY 2018-19 Projection	2.06%	2.38%

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 4.2 Aggregate Monthly Caseload History		
Item	Total Member Months Caseload	Average Monthly Caseload
FY 2006-07	618,862	51,572
FY 2007-08	630,715	52,560
% Change from FY 2006-07	1.92%	1.92%
FY 2008-09	649,533	54,128
% Change from FY 2007-08	2.98%	2.98%
FY 2009-10	665,732	55,478
% Change from FY 2008-09	2.49%	2.49%
FY 2010-11	693,267	57,772
% Change from FY 2009-10	4.14%	4.13%
FY 2011-12	728,875	60,740
% Change from FY 2010-11	5.14%	5.14%
FY 2012-13	757,424	63,119
% Change from FY 2011-12	3.92%	3.92%
FY 2013-14	803,259	66,938
% Change from FY 2012-13	6.05%	6.05%
FY 2014-15	865,730	72,144
% Change from FY 2013-14	7.78%	7.78%
FY 2015-16	871,372	72,614
% Change from FY 2014-15	0.65%	0.65%
FY 2016-17	894,200	74,517
% Change from FY 2015-16	2.62%	2.62%
FY 2017-18 Projection	926,520	77,210
% Change from FY 2016-17	3.61%	3.61%
FY 2018-19 Projection	929,668	77,472
% Change from FY 2017-18 Projection	0.34%	0.34%
FY 2019-20 Projection	948,810	79,068
% Change from FY 2018-19 Projection	2.06%	2.06%

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 4.3				
Summary of PMPM Rates by Calendar Year (CY) with FMAP Adjustments				
Row	Year	Rate	FMAP	Source
CY 2014				
A	Jan-Sept 2014	\$125.50	50.00%	Actual CMS
B	Oct-Dec 2014	\$122.97	51.01%	Actual CMS
CY 2015				
C	Jan-Sept 2015	\$124.68	51.01%	Actual CMS
D	Oct-Dec 2015	\$125.42	50.72%	Actual CMS
CY 2016				
E	Jan-Sept 2016	\$139.98	50.72%	Actual CMS
F	Oct-Dec 2016	\$141.97	50.02%	Actual CMS
CY 2017				
G	Jan-Sept 2017	\$158.91	50.02%	Actual CMS
H	Oct-Dec 2017	\$158.98	50.00%	Actual CMS
CY 2018				
I	Jan-Dec 2018	\$160.92	50.00%	Table 3.1 Row Q
CY 2019				
J	Estimated Jan-Dec 2019	\$168.28	50.00%	Table 3.2 Row Q
CY 2020				
K	Estimated Jan-Dec 2019	\$175.99	50.00%	Table 3.3 Row Q

S-4A, BA-4A Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 4.4					
Quarterly PMPM Rate History					
Item	Q1	Q2	Q3	Q4	Average PMPM Rate
CY 2006	\$114.71	\$114.71	\$114.71	\$114.71	\$114.71
CY 2007	\$120.30	\$120.30	\$120.30	\$120.30	\$120.30
% Change from CY 2006					4.87%
CY 2008	\$120.03	\$120.03	\$120.03	\$98.95	\$114.76
% Change from CY 2007					-4.61%
CY 2009	\$106.03	\$98.81	\$98.81	\$98.81	\$100.62
% Change from CY 2008					-12.33%
CY 2010	\$101.49	\$101.49	\$101.49	\$101.49	\$101.49
% Change from CY 2009					0.87%
CY 2011	\$107.07	\$111.97	\$129.84	\$129.84	\$119.68
% Change from CY 2010					17.92%
CY 2012	\$132.41	\$132.41	\$132.41	\$132.41	\$132.41
% Change from CY 2011					10.64%
CY 2013	\$133.62	\$133.62	\$133.62	\$133.62	\$133.62
% Change from CY 2012					0.91%
CY 2014	\$125.50	\$125.50	\$125.50	\$122.97	\$124.87
% Change from CY 2013					-6.55%
CY 2015	\$124.68	\$124.68	\$124.68	\$125.42	\$124.87
% Change from CY 2014					0.00%
CY 2016	\$139.98	\$139.98	\$139.98	\$141.97	\$140.48
% Change from CY 2015					12.50%
CY 2017	\$158.91	\$158.91	\$158.91	\$158.98	\$158.93
% Change from CY 2016					13.13%
CY 2018	\$160.92	\$160.92	\$160.92	\$160.92	\$160.92
% Change from CY 2017					1.25%
CY 2019 Projection	\$168.28	\$168.28	\$168.28	\$168.28	\$168.28
% Change from CY 2018					4.57%
CY 2020 Projection	\$175.99	\$175.99	\$175.99	\$175.99	\$175.99
% Change from CY 2019					4.58%