



Cost and FTE

- The Department requests an additional reduction of \$1,083,334 General Fund for FY 2016-17; a reduction of \$1,391,414 General Fund for FY 2017-18; and a reduction of \$1,886,503 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.



COLORADO

Department of Health Care
Policy & Financing

FY 2016-17 and FY 2017-18 Funding Request | February 15, 2017

John W. Hickenlooper
Governor

Susan E. Birch
Executive Director

Department Priority: S-4A, BA-4

Request Detail: Medicare Modernization Act State Contribution Payment

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Medicare Modernization Act State Contribution Payment	(\$1,083,334)	(\$1,083,334)

Summary of Incremental Funding Change for FY 2017-18	Total Funds	General Fund
Medicare Modernization Act State Contribution Payment	(\$1,391,414)	(\$1,391,414)

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 2016-17, FY 2017-18 and FY 2018-19 are needed in addition to changes requested in the Department’s FY 2017-18 “R-4 Medicaid Modernization Act State Contribution Payment” request submitted November 1, 2016.

Proposed Solution:

The Department requests an additional reduction of \$1,083,334 General Fund for FY 2016-17; a reduction of \$1,391,414 General Fund for FY 2017-18; and a reduction of \$1,886,503 General Fund for FY 2018-19 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 2017-18 “R-4 Medicaid Modernization Act State Contribution Payment” request submitted November 1, 2016, which included an incremental increase of \$1,369,323 in FY 2016-17, an increase of \$19,674,000 in FY 2017-18 and an increase

of \$33,239,453 in FY 2018-19. 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 2016-17, FY 2017-18, and FY 2018-19 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.

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 \$130,953,722 for FY 2016-17; \$148,950,319 for FY 2017-18; and \$162,020,683 for FY 2018-19, 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 tables 3.1, 3.2, and 3.3 of the appendix).

The total caseload and expenditure estimates for FY 2016-17, FY 2017-18, and FY 2018-19 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 3.06% annual growth trend consistent with growth over the past three years from November 2013 through October 2016. This method estimates caseload by increasing the total caseload incurred each month by 0.26% 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. The estimated PMPM rates for CY 2017 and CY 2018 are calculated by in tables 3.2 and 3.3, respectively. The CY 2018 change in percentage of growth in table 3.2 row G is calculated by dividing the projected 2017 Health Expenditure (NHE) percentage growth rate of per capita prescription drug expenditure between years 2003 and 2006 in row F by the 2016 NHE percentage of growth in row C, minus 1. The CY 2019 change in percentage of growth in table 3.3 row G is calculated by dividing the projected 2018 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 2018 and CY 2019, the Department uses the median of the last five 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 3.2 and 3.3.

To calculate the CY 2018 PMPM rate before the phasedown (found in table 3.2 row M), the CY 2017 PMPM in row L is increased by the final percentage change in the PMPM rate in 3.2 row K. To determine the State's share of the PMPM rate for January through September 2018 (table 3.2 row Q), the total projected PMPM rate (found in table 3.2 row M) is multiplied by the State share of the FMAP in row N (100% minus applicable FMAP percentage above) and by the 75% phasedown percentage in row P. Table 3.2 row Q shows the rate adjusted by the change in the FFY 2017 FMAP for October through December 2017.

Table 4.1 provides actual caseload history from FY 2006-07 through FY 2015-16 and caseload projections based on current trends for FY 2016-17 through FY 2018-19. 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 2017 and projected PMPM rates for CY 2018 to CY 2019. 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 2019.

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

Table 1.1				
FY 2016-17 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 2016-17 Spending Authority	\$130,667,733	\$130,667,733	Long Bill Appropriation (HB 16-1405)
B	Projected FY 2016-17 Expenditures	\$130,953,722	\$130,953,722	Table 2.1a Row O
C	FY 2016-17 Estimated Change from Appropriation	\$285,989	\$285,989	Row B - Row A
D	FY 2016-17 Estimated Expenditure in November 2016 R-4 Request	\$132,037,056	\$132,037,056	FY 2017-18 R-4 Request Table 1.1 Row B
E	Difference - Current Supplemental Request (S-4A, BA-4)	(\$1,083,334)	(\$1,083,334)	Row B - Row D

Table 1.2				
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	\$130,667,733	\$130,667,733	Long Bill Appropriation (HB 16-1405)
B	Projected FY 2017-18 Expenditures	\$148,950,319	\$148,950,319	Table 2.2a Row O
C	FY 2017-18 Estimated Change from Appropriation	\$18,282,586	\$18,282,586	Row B - Row A
D	FY 2017-18 Estimated Expenditure in November 2016 R-4 Request	\$150,341,733	\$150,341,733	FY 2017-18 R-4 Request Table 1.2 Row B
E	Difference - Current Supplemental Request (S-4A, BA-4)	(\$1,391,414)	(\$1,391,414)	Row B - Row D

Table 1.3				
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	\$130,667,733	\$130,667,733	Long Bill Appropriation (HB 16-1405)
B	Projected FY 2018-19 Expenditures	\$162,020,683	\$162,020,683	Table 2.3a Row O
C	FY 2018-19 Estimated Change from Appropriation	\$31,352,950	\$31,352,950	Row B - Row A
D	FY 2018-19 Estimated Expenditure in November 2016 R-4 Request	\$163,907,186	\$163,907,186	FY 2017-18 R-4 Request Table 1.3 Row B
E	Difference - Current Supplemental Request (S-4A, BA-4)	(\$1,886,503)	(\$1,886,503)	Row B - Row D

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Appendix A: Calculations and Assumptions

Table 2.1a						
FY 2016-17 Projected Caseload and Expenditures						
Row	Month	CY 2014	CY 2015	CY 2016	CY 2017	FY 2016-17 TOTAL
A	May 2016	(118)	967	73,612	0	74,461
B	June 2016	44	195	73,062	0	73,301
C	July 2016	(51)	(10)	73,401	0	73,340
D	August 2016	(40)	21	74,136	0	74,117
E	September 2016	(48)	(94)	73,797	0	73,655
F	October 2016	(16)	(85)	73,987	0	73,886
G	November 2016	(9)	(10)	74,478	0	74,459
H	December 2016	0	(41)	74,692	0	74,651
I	January 2017	0	(59)	2,628	72,274	74,843
J	February 2017	0	(60)	1,343	73,756	75,039
K	March 2017	0	(57)	734	74,560	75,237
L	April 2017	0	(54)	430	75,051	75,427
M	CY Client Total	(238)	713	596,300	295,641	892,416
N	CY PMPM Rate ⁽¹⁾	Varies ⁽²⁾	Varies ⁽²⁾	Varies ⁽²⁾	Varies ⁽²⁾	N/A
O	Expenditures ⁽³⁾	(\$29,477)	\$89,191	\$83,913,697	\$46,980,311	\$130,953,722

(1) PMPM rates for Row N are shown in Table 2.1b
(2) PMPM rates changes occurred for calendar years 2014, 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 2016-17 with CY 2014, CY 2015, CY 2016, and CY 2017 Rates					
Row	Rate Period	Caseload Forecast	PMPM Rates	Total	Source
A	Jan - Sept 2014	(83)	\$125.50	(\$10,417)	Caseload Forecast * Actual Rate
B	Oct - Dec 2014	(155)	\$122.97	(\$19,060)	Caseload Forecast * Actual Rate
C	CY 2014 Total	(238)		(\$29,477)	Row A + Row B
D	Jan - Sept 2015	316	\$124.68	\$39,399	Caseload Forecast * Actual Rate
E	Oct - Dec 2015	397	\$125.42	\$49,792	Caseload Forecast * Actual Rate
F	CY 2015 Total	713		\$89,191	Row D + Row E
G	Jan - Sept 2016	373,374	\$139.98	\$52,264,893	Caseload Forecast * Actual Rate
H	Oct - Dec 2016	222,926	\$141.97	\$31,648,804	Caseload Forecast * Actual Rate
I	CY 2016 Total	596,300		\$83,913,697	Row G + Row H
J	Jan - April 2017	295,641	\$158.91	\$46,980,311	Caseload Forecast * Table 3.1 row A
K	CY 2017 Total	295,641		\$46,980,311	Row J

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Table 2.2a						
FY 2017-18 Projected Caseload and Expenditures						
Row	Month	CY 2015	CY 2016	CY 2017	CY 2018	FY 2017-18 TOTAL
A	May 2017	(53)	279	75,396	0	75,622
B	June 2017	(45)	200	75,667	0	75,822
C	July 2017	(39)	144	75,915	0	76,020
D	August 2017	(32)	98	76,150	0	76,216
E	September 2017	(26)	61	76,378	0	76,413
F	October 2017	(18)	23	76,607	0	76,612
G	November 2017	(9)	(10)	76,833	0	76,814
H	December 2017	0	(40)	77,052	0	77,012
I	January 2018	0	(58)	2,709	74,560	77,211
J	February 2018	0	(63)	1,385	76,089	77,411
K	March 2018	0	(57)	755	76,919	77,617
L	April 2018	0	(55)	446	77,425	77,816
M	CY Client Total	(222)	522	615,293	304,993	920,586
N	CY PMPM Rate ⁽¹⁾	Varies ⁽²⁾	Varies ⁽²⁾	Varies ⁽²⁾	\$167.59	
O	Expenditures ⁽³⁾	(\$27,779)	\$74,311	\$97,790,010	\$51,113,777	\$148,950,319

(1) PMPM rates in Row N are shown in Table 2.2b
(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 2.2b

Table 2.2b					
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	(86)	\$124.68	(\$10,722)	Caseload Forecast * Actual Rate
B	Oct-Dec 2015	(136)	\$125.42	(\$17,057)	Caseload Forecast * Actual Rate
C	CY 2015 Total	(222)		(\$27,779)	Row A + Row B
D	Jan-Sept 2016	(102)	\$139.98	(\$14,278)	Caseload Forecast * Actual Rate
E	Oct-Dec 2016	624	\$141.97	\$88,589	Caseload Forecast * Actual Rate
F	CY 2016 Total	522		\$74,311	Row D + Row E
G	Jan-Sept 2017	385,316	\$158.91	\$61,230,566	Caseload Forecast * Table 3.1 row A
H	Oct-Dec 2017	229,977	\$158.97	\$36,559,444	Caseload Forecast * Table 3.1 row D
I	CY 2017 Total	615,293		\$97,790,010	Row G + Row H

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Table 2.3a						
FY 2018-19 Projected Caseload and Expenditures						
Row	Month	CY 2016	CY 2017	CY 2018	CY 2019	FY 2018-19 TOTAL
A	May 2018	(51)	287	77,781	0	78,017
B	June 2018	(46)	209	78,060	0	78,223
C	July 2018	(39)	148	78,316	0	78,425
D	August 2018	(34)	101	78,560	0	78,627
E	September 2018	(25)	64	78,793	0	78,832
F	October 2018	(18)	26	79,029	0	79,037
G	November 2018	(10)	(12)	79,262	0	79,240
H	December 2018	0	(44)	79,492	0	79,448
I	January 2019	0	(57)	2,795	76,918	79,656
J	February 2019	0	(62)	1,427	78,495	79,860
K	March 2019	0	(61)	780	79,352	80,071
L	April 2019	0	(58)	461	79,875	80,278
M	CY Client Total	(223)	541	634,756	314,640	949,714
N	CY PMPM Rate ⁽¹⁾	Varies ⁽²⁾	Varies ⁽²⁾	\$167.59	\$176.67	
O	Expenditures ⁽³⁾	(\$31,486)	\$85,962	\$106,378,758	\$55,587,449	\$162,020,683

(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 2018-19 with CY 2016 and CY 2017 Rates					
Row	Rate Period	Caseload Forecast	Rates	Total	Source
D	Jan - Sept 2016	(87)	\$139.98	(\$12,178)	Caseload Forecast * Actual Rate
E	Oct - Dec 2016	(136)	\$141.97	(\$19,308)	Caseload Forecast * Actual Rate
F	CY 2016 Total	(223)		(\$31,486)	Row D + Row E
G	Jan - Sept 2017	679	\$158.91	\$107,900	Caseload Forecast * Table 3.1 row A
H	Oct - Dec 2017	(138)	\$158.97	(\$21,938)	Caseload Forecast * Table 3.1 row D
I	CY 2017 Total	541		\$85,962	Row G + Row H

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Table 3.1			
Estimated CY 2017 PMPM Rate Calculation			
Row	Item		Source
A	CY 2017 PMPM Rate (January through September 2017 with 50.02% FMAP)	\$158.91	Centers for Medicare and Medicaid Services (CMS) ⁽¹⁾
B	FFY 17 FMAP State Share Percentage	49.98%	FFY 17 FMAP is 50.02%
C	FFY 18 FMAP State Share Percentage	50.00%	FFY 18 FMAP is 50%
D	CY 2017 PMPM Rate (October through December 2017 with projected 50.00% FMAP)	\$158.97	Row A / Row B * Row C

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

Table 3.2			
Estimated CY 2018 PMPM Rate Calculation			
Row	Item		Source
2016 NHE Estimates			
A	Estimated 2003 Per Capita Rx Drug Expenditures	\$609	Centers for Medicare and Medicaid Services (CMS) ⁽¹⁾
B	Estimated 2006 Per Capita Rx Drug Expenditures	\$752	Centers for Medicare and Medicaid Services (CMS) ⁽¹⁾
C	Percentage Growth	23.48%	(Row B ÷ Row A) - 1
Projected 2017 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 2017 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies			
H	Projected Annual percentage trend for July 2017	4.37%	Median Change from CY 2011 to CY 2017
I	Projected Prior Year Revisions of the Annual percentage trend	1.01%	Average Change from CY 2011 to CY 2017
J	Projected Annual Percentage Increase in Average Per Capita Aggregate Part D Expenditures for 2018	5.42%	(1 + Row H) × (1 + Row I) - 1
K	FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2018	5.42%	Row G + Row J
L	CY 2017 PMPM Rate Prior to FMAP and Phasedown	\$423.93	Actual
M	Projected CY 2018 PMPM Rate Prior to FMAP and Phasedown	\$446.91	Row L × (1 + Row K)
N	FFY 18 FMAP State Share	50.00%	FFY 18 FMAP is 50%
O	Projected CY 2018 PMPM Rate Prior to Phasedown	\$223.45	Row M × Row N
P	Ongoing Phasedown Percentage Rate	75.00%	Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5]
Q	Estimated CY 2018 PMPM Rate (January through December 2018 with 50.00% FMAP)	\$167.59	Row O × Row P

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Table 3.3			
Estimated CY 2019 PMPM Rate Calculation			
Row	Item		Source
Projected 2017 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 2018 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 2017 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies			
H	Projected Annual percentage trend for July 2018	4.37%	Median Change from CY 2011 to CY 2017
I	Projected Prior Year Revisions of the Annual percentage trend	1.01%	Average Change from CY 2011 to CY 2017
J	Projected Annual Percentage Increase in Average Per Capita Aggregate Part D Expenditures for 2018	5.42%	(1 + Row H) × (1 + Row I) - 1
K	FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2018	5.42%	Row G + Row H
L	CY 2019 PMPM Rate Prior to FMAP and Phasedown	\$446.91	Table 3.2 Row M
M	FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2018	5.42%	Row K
M	Projected CY 2019 PMPM Rate Prior to FMAP and Phasedown	\$471.13	Row L × (1 + Row K)
N	Projected FFY 19 FMAP State Share	50.00%	Estimated FFY 19 FMAP is 50%
O	Projected CY 2019 PMPM Rate Prior to Phasedown	\$235.56	Row M × Row N
P	Ongoing Phasedown Percentage Rate	75.00%	Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5]
Q	Estimated CY 2019 PMPM Rate (January through December 2019 with 50.00% FMAP)	\$176.67	Row O × Row P

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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 Projection	892,416	74,368
% Change from FY 2015-16 Projection	1.68%	1.68%
FY 2017-18 Projection	920,586	76,716
% Change from FY 2016-17 Projection	3.16%	3.16%
FY 2018-19 Projection	949,714	79,143
% Change from FY 2017-18 Projection	3.16%	3.16%

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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	621,662	51,805
% Change from FY 2007-08	-1.44%	-1.44%
FY 2009-10	665,732	55,478
% Change from FY 2008-09	7.09%	7.09%
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	867,341	72,278
% Change from FY 2013-14	7.98%	7.98%
FY 2015-16	877,148	73,096
% Change from FY 2014-15	1.13%	1.13%
FY 2016-17 Projection	892,621	74,385
% Change from FY 2015-16 Projection	1.76%	1.76%
FY 2017-18 Projection	920,752	76,729
% Change from FY 2016-17 Projection	3.15%	3.15%
FY 2018-19 Projection	949,875	79,156
% Change from FY 2017-18 Projection	3.16%	3.16%

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

Table 4.3				
Summary of PMPM Rates by Calendar Year (CY) with FMAP				
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%	Table 3.1 Row Q
H	Oct-Dec 2017	\$158.97	50.00%	Table 3.1 Row S
CY 2018				
I	Estimated Jan-Dec 2018	\$167.59	50.00%	Table 3.2 Row Q
CY 2019				
J	Estimated Jan-Dec 2019	\$176.67	50.00%	Table 3.3 Row Q

S-4A, BA-4 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 % Change from CY 2006	\$120.30	\$120.30	\$120.30	\$120.30	\$120.30 4.87%
CY 2008 % Change from CY 2007	\$120.03	\$120.03	\$120.03	\$98.95	\$114.76 -4.61%
CY 2009 % Change from CY 2008	\$106.03	\$98.81	\$98.81	\$98.81	\$100.62 -12.33%
CY 2010 % Change from CY 2009	\$101.49	\$101.49	\$101.49	\$101.49	\$101.49 0.87%
CY 2011 % Change from CY 2010	\$107.07	\$111.97	\$129.84	\$129.84	\$119.68 17.92%
CY 2012 % Change from CY 2011	\$132.41	\$132.41	\$132.41	\$132.41	\$132.41 10.64%
CY 2013 % Change from CY 2012	\$133.62	\$133.62	\$133.62	\$133.62	\$133.62 0.91%
CY 2014 % Change from CY 2013	\$125.50	\$125.50	\$125.50	\$122.97	\$124.87 -6.55%
CY 2015 % Change from CY 2014	\$124.68	\$124.68	\$124.68	\$125.42	\$124.87 0.00%
CY 2016 % Change from CY 2015	\$139.98	\$139.98	\$139.98	\$141.97	\$140.48 12.50%
CY 2017 % Change from CY 2016	\$158.91	\$158.91	\$158.91	\$158.97	\$158.93 13.13%
CY 2018 Projection % Change from CY 2017	\$167.59	\$167.59	\$167.59	\$167.59	\$167.59 5.45%
CY 2019 Projection % Change from CY 2018	\$176.67	\$176.67	\$176.67	\$176.67	\$176.67 5.42%