Contract Year Ending 2025
Capitation Rate Certification Amendment
Arizona Long Term Care System – Elderly and Physical Disability Program

October 1, 2024 through March 31, 2025 and April 1, 2025 through September 30, 2025

Prepared for:
The Centers for Medicare & Medicaid Services

Prepared by:
AHCCCS Division of Business and Finance

March 31, 2025

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Introduction and Limitations

The purpose of this rate certification amendment is to provide documentation for compliance with the applicable provisions of 42 CFR Part 438. This rate certification amendment provides documentation for revisions to the capitation rates for the Arizona Long Term Care System (ALTCS) Elderly and Physical Disability (ALTCS-EPD) Program for the six-month period covering April 1, 2025, through September 30, 2025. The original rate certification signed September 13, 2024, provides further documentation on the development of the original capitation rates. The Arizona Health Care Cost Containment System (AHCCCS) Division of Business and Finance (DBF) Actuarial Team is updating assumptions used in the development of the capitation rates for the latter half of CYE 25, including the percentage of members receiving Long-Term Services & Supports (LTSS) services, the Home and Community-Based Services (HCBS) mix, and medical expense trends for a few categories of service. There are no other changes to data, assumptions, or methodologies used and provided in the previous actuarial rate certification besides the ones listed in this amendment.

This rate certification amendment was prepared for the Centers for Medicare & Medicaid Services (CMS), or its actuaries, for review and approval of the actuarially sound certified capitation rates contained herein. This rate certification amendment may not be appropriate for any other purpose. The actuarially sound capitation rates represent projections of future events. Actual results may vary from the projections.

This rate certification amendment may also be made available publicly on the Arizona Health Care Cost Containment System (AHCCCS) website or distributed to other parties. If this rate certification amendment is made available to third parties, then this rate certification amendment should be provided in its entirety. Any third party reviewing this rate certification amendment should be familiar with the AHCCCS Medicaid managed care program, the provisions of 42 CFR Part 438 applicable to this rate certification, the 2024-2025 Medicaid Managed Care Rate Development Guide (2025 Guide), Actuarial Standards of Practice, and generally accepted actuarial principles and practices.

The 2025 Guide describes the rate development standards and appropriate documentation to be included within Medicaid managed care rate certifications. This rate certification amendment has been organized to follow the 2025 Guide to help facilitate the review of this rate certification by CMS. This amendment only addresses changes from the original certification; it does not purport to address all subsections of the 2025 Guide as most subsections are unchanged.

Section I Medicaid Managed Care Rates

The capitation rates included with this rate certification amendment are considered actuarially sound according to the following criteria from 42 CFR § 438.4(a) and 42 CFR § 438.4(b). The state did not opt to develop capitation rate ranges, therefore adherence to 42 CFR § 438.4(c) is not required.

- § 438.4(a) Actuarially sound capitation rates defined. Actuarially sound capitation rates are projected to provide for all reasonable, appropriate, and attainable costs that are required under the terms of the contract and for the operation of the MCO, PIHP, or PAHP for the time period and the population covered under the terms of the contract, and such capitation rates are developed in accordance with the requirements in paragraph (b) of this section.
- § 438.4(b) CMS review and approval of actuarially sound capitation rates. Capitation rates for MCOs, PIHPs, and PAHPs must be reviewed and approved by CMS as actuarially sound. To be approved by CMS, capitation rates must:
- § 438.4(b)(1) Have been developed in accordance with standards specified in § 438.5 and generally accepted actuarial principles and practices. Any differences in the assumptions, methodologies, or factors used to develop capitation rates for covered populations must be based on valid rate development standards that represent actual cost differences in providing covered services to the covered populations. Any differences in the assumptions, methodologies, or factors used to develop capitation rates must not vary with the rate of Federal financial participation (FFP) associated with the covered populations in a manner that increases Federal costs. The determination that differences in the assumptions, methodologies, or factors used to develop capitation rates for MCOs, PIHPs, and PAHPs increase Federal costs and vary with the rate of FFP associated with the covered populations must be evaluated for the entire managed care program and include all managed care contracts for all covered populations. CMS may require a State to provide written documentation and justification that any differences in the assumptions, methodologies, or factors used to develop capitation rates for covered populations or contracts represent actual cost differences based on the characteristics and mix of the covered services or the covered populations.
- § 438.4(b)(2) Be appropriate for the populations to be covered and the services to be furnished under the contract.
- § 438.4(b)(3) Be adequate to meet the requirements on MCOs, PIHPs, and PAHPs in §§ 438.206, 438.207, and 438.208.
- § 438.4(b)(4) Be specific to payments for each rate cell under the contract.
- § 438.4(b)(5) Payments from any rate cell must not cross-subsidize or be cross-subsidized by payments for any other rate cell.
- § 438.4(b)(6) Be certified by an actuary as meeting the applicable requirements of this part, including that the rates have been developed in accordance with the requirements specified in § 438.3(c)(1)(ii) and (e).
- § 438.4(b)(7) Meet any applicable special contract provisions as specified in § 438.6.
- § 438.4(b)(8) Be provided to CMS in a format and within a timeframe that meets requirements in § 438.7.

- § 438.4(b)(9) Be developed in such a way that the MCO, PIHP, or PAHP would reasonably achieve a medical loss ratio standard, as calculated under § 438.8, of at least 85 percent for the rate year. The capitation rates may be developed in such a way that the MCO, PIHP, or PAHP would reasonably achieve a medical loss ratio standard greater than 85 percent, as calculated under § 438.8, as long as the capitation rates are adequate for reasonable, appropriate, and attainable non-benefit costs.

The actuaries have followed generally accepted actuarial practices and regulatory requirements, including published guidance from the American Academy of Actuaries (AAA), the Actuarial Standards Board (ASB), CMS, and federal regulations. In particular, the actuaries referenced the below during the development of the actuarially sound capitation rates:

- Actuarial Standards of Practice (ASOPs) applicable to Medicaid managed care rate setting which were effective before the start date of the rating period:
  - ASOP No. 1 – Introductory Actuarial Standard of Practice,
  - ASOP No. 5 – Incurred Health and Disability Claims,
  - ASOP No. 12 – Risk Classification (for All Practice Areas),
  - ASOP No. 23 – Data Quality,
  - ASOP No. 25 – Credibility Procedures,
  - ASOP No. 41 – Actuarial Communications,
  - ASOP No. 45 – The Use of Health Status Based Risk Adjustment Methodologies,
  - ASOP No. 49 – Medicaid Managed Care Capitation Rate Development and Certification, and
  - ASOP No. 56 – Modeling.
- The 2016, 2020, and 2024 Medicaid and CHIP Managed Care Final Rules (CMS-2390-F, CMS-2408-F, and CMS-2439-F)
- FAQs related to payments to MCOs and PIHPs for IMD stays
- The 2024-2025 Medicaid Managed Care Rate Development Guide (2025 Guide) and the Addendum to 2024-2025 Medicaid Managed Care Rate Development Guide (Addendum) published by CMS

Throughout this actuarial certification, the term “actuarially sound” will be defined as in ASOP 49 (consistent with the definition at 42 CFR § 438.4(a)):

> “Medicaid capitation rates are “actuarially sound” if, for business for which the certification is being prepared and for the period covered by the certification, projected capitation rates and other revenue sources provide for all reasonable, appropriate, and attainable costs. For purposes of this definition, other revenue sources include, but are not limited to, expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows, and investment income. For purposes of this definition, costs include, but are not limited to, expected health benefits, health benefit settlement expenses, administrative expenses, the cost of capital, and government-mandated assessments, fees, and taxes.”

As stated on page 4 of the 2025 Guide, CMS will also use these three principles in applying the regulation standards:

- the capitation rates are reasonable and comply with all applicable laws (statutes and regulations) for Medicaid managed care;
- the rate development process complies with all applicable laws (statutes and regulations) for the Medicaid program, including but not limited to eligibility, benefits, financing, any applicable waiver or demonstration requirements, and program integrity; and
- the documentation is sufficient to demonstrate that the rate development process meets the requirements of 42 CFR Part 438 and generally accepted actuarial principles and practices.

I.1. General Information

The certified capitation rates for the ALTCS-EPD Program are effective for the 12-month time period from October 1, 2024, through September 30, 2025 (CYE 25), with one set of capitation rates being effective for the 6-month time period from October 1, 2024, through March 31, 2025, and the second set of capitation rates being effective for the 6-month time period from April 1, 2025, through September 30, 2025. The CYE 25 capitation rates effective for the first half of the year are unchanged from the original CYE 25 capitation rate certification signed September 13, 2024. This capitation rate certification amendment addresses and accounts for all differences from the previously certified rates, i.e., changes to the LTSS, HCBS mix, and trend projections for the second half of the year. Documentation of these changes can be found in Sections I.3.B.ii. Projected Benefit Cost Development and I.3.B.iii. Projected Benefit Cost Trends, respectively. The capitation rates effective for the second half of the year were developed in the same way as the original capitation rates except for the listed changes. Please see the original rate certification for additional information about the ALTCS-EPD Program. The state has not made any previous adjustment to rates in the rating period by a *de minimis* amount or otherwise.

The actuarial certification letter for the revised CYE 25 capitation rates for the ALTCS-EPD Program, signed by Matthew C. Varitek, FSA, MAAA and Luna Zong, ASA, MAAA, is in Appendix 1. Mr. Varitek and Ms. Zong meet the requirements for the definition of an Actuary described at 42 CFR § 438.2.

Mr. Varitek and Ms. Zong certify that the CYE 25 capitation rates for the ALTCS-EPD Program contained in this rate certification amendment are actuarially sound and meet the standards within the applicable provisions of 42 CFR Part 438.

The final and certified capitation rates by rate cell are located in Appendix 2. Additionally, the ALTCS-EPD Program contract includes the final and certified capitation rates by rate cell in accordance with 42 CFR § 438.3(c)(1)(i). The ALTCS-EPD Program contract uses the term risk group instead of rate cell. This rate certification amendment will use the term rate cell when identifying a population at the certified capitation rate level to be consistent with the applicable provisions of 42 CFR Part 438, the 2024 Guide, and the prior rate certifications, and will use the term risk group when identifying a population not at the certified capitation rate level, e.g., the Duals risk group represents members who are dually eligible for Medicare and Medicaid in the ALTCS-EPD Program. Appendix 3 compares the CYE 24 revised certified capitation rates for the period April 1, 2025, through September 30, 2025, to the CYE 25 original certified capitation rates which are for the period October 1, 2024, through March 31, 2025.

Proposed differences among the CYE 25 capitation rates for the ALTCS-EPD Program are based on valid rate development standards and are not based on the rate of FFP for the populations covered under the ALTCS-EPD Program. The CYE 25 capitation rates were developed at the rate cell level. Payments from rate cells do not cross-subsidize payments from other rate cells. The effective dates of changes to the ALTCS-EPD Program are consistent with the assumptions used to develop the CYE 25 capitation rates for the ALTCS-EPD Program. The capitation rates were developed so each Contractor would reasonably achieve a medical loss ratio, as calculated under 42 CFR § 438.8, of at least 85 percent for CYE 25.

In the actuaries' judgement, all adjustments to the capitation rates or to any portion of the capitation rates reflect reasonable, appropriate, and attainable costs. To the actuaries' knowledge, there are no reasonable, appropriate, and attainable costs which have not been included in the rate certification amendment. There have been no adjustments to the rates performed outside of the rate setting process described in the rate certification amendment. The amended CYE 25 capitation rates certified in this report represent the contracted rates by rate cell. The state will submit a contract amendment to CMS.

I.2. Data

Please see the original capitation rate certification for any subsection which has not been included here, as only those subsections where there have been changes are included in this capitation rate amendment certification.

I.2.B.ii.(a) Description of Data

Please see the original rate certification for a description of the data AHCCCS used in the initial capitation rate development. The additional data that AHCCCS reviewed, beyond the data documented in the original rate certification for the ALTCS-EPD Program, in the development of the revision to the capitation rates for the second six months of the CYE 25 rating period consisted of adjudicated and approved encounter data, submitted by the ALTCS-EPD Contractors, included in the AHCCCS Prepaid Medical Management Information System (PMMIS) mainframe as of the second December 2024 encounter cycle, historical enrollment through February 2025, and placement data through March 2025.

I.3. Projected Benefit Costs and Trends

Please see the original capitation rate certification for any subsection which has not been included here, as only those subsections where there have been changes are included in this capitation rate amendment certification.

I.3.B.ii.(a) Description of the Data, Assumptions, and Methodologies

Mix Percentage Change Impacts

As noted in the original rate certification, the ALTCS-EPD Program has a long-standing practice of using mix percentages to create a blended capitation rate. The two percentages that are used to get to a blended rate are the percentage of members receiving LTSS services (LTSS %) and the percentage of members utilizing HCBS rather than Nursing Facility (NF) services, which we call the HCBS mix percentage (HCBS %). The LTSS % is used to project the number of members out of the total ALTCS-EPD population who receive LTSS through the program, with the remainder of the members being those who opt out of receiving LTSS and choose to only have their acute services covered under the program. The HCBS % is used to project the number of LTSS members that will be utilizing HCBS rather than NF services; the HCBS % is applied to the HCBS component of the capitation rates, and the complement (1 minus HCBS %) is applied to the NF component of the capitation rates.

The data reviewed for revision of these mix percentages for the latter half of the CYE 25 contract year was the ALTCS-EPD enrollment and placement data incurred between October 2022 and March 2025. To estimate the revised projections for the LTSS utilization and HCBS mix percentages, the AHCCCS DBF Actuarial Team utilized the placement data from January 2025 through March 2025 as the most recently

available data to determine the average LTSS and HCBS mix percentages by GSA, Contractor, and risk group and used those as the projections for the revised CYE 25 mix percentages.

Please see Table 1 below for the percentage of members receiving LTSS services as well as the HCBS mix percentages, by rate cell and effective date.

Table 1: Percentages of LTSS utilization and HCBS mix

			LTSS Utilization (%) Effective		HCBS Mix (%) Effective	
GSA	Contractor	Risk Group	10/1/2024 through 3/31/2025	4/1/2025 through 9/30/2025	10/1/2024 through 3/31/2025	4/1/2025 through 9/30/2025
North	UnitedHealthcare Community Plan	Dual	97.97%	97.97%	69.90%	69.90%
Central	Banner – University Family Care	Dual	98.32%	98.32%	77.42%	75.83%
Central	Mercy Care	Dual	97.88%	97.88%	79.25%	77.95%
Central	UnitedHealthcare Community Plan	Dual	97.22%	97.82%	82.73%	82.73%
South	Banner – University Family Care	Dual	98.50%	98.50%	73.02%	73.02%
South	Mercy Care	Dual	98.37%	98.37%	71.77%	71.77%
North	UnitedHealthcare Community Plan	Non-Dual	94.81%	96.86%	73.67%	73.67%
Central	Banner – University Family Care	Non-Dual	95.26%	95.83%	65.49%	65.49%
Central	Mercy Care	Non-Dual	94.91%	96.18%	71.61%	71.61%
Central	UnitedHealthcare Community Plan	Non-Dual	94.79%	96.29%	75.15%	72.71%
South	Banner – University Family Care	Non-Dual	96.42%	97.60%	70.37%	70.37%
South	Mercy Care	Non-Dual	95.95%	96.95%	71.35%	69.98%

I.3.B.iii. Projected Benefit Cost Trends

The data reviewed for revision of the projected benefit cost trends for the second six-month period of the rating period was the ALTCS-EPD encounter data incurred from October 2020 through December 2024, adjudicated and approved through the second December 2024 encounter cycle. The revisions applied to the NF, HCBS – Attendant Care, and HCBS – Other COS.

As noted in the original rate certification, the AHCCCS DBF Actuarial Team has defined outlier trends as utilization and unit cost trend combinations which resulted in a PMPM trend greater than 7%. The revisions to the projected benefit cost trends for the second six-month period did not result in any aggregate PMPM trend assumption above the 7% threshold or any negative trends.

Please see Table 2 on the following page for the trend assumptions by category of service, GSA, and by effective date.

Table 2: Trends

		10/01/2024 - 03/31/2025			04/01/2025 - 09/30/2025		
GSA	COS	Utilization per 1000	Unit Cost	PMPM	Utilization per 1000	Unit Cost	PMPM
Central	NF	0.0%	2.0%	2.0%	0.0%	3.0%	3.0%
Central	HCBS - Assisted Living	2.4%	0.5%	2.9%	2.4%	0.5%	2.9%
Central	HCBS - Attendant Care	4.0%	0.0%	4.0%	6.5%	0.0%	6.5%
Central	HCBS - Other	2.0%	0.0%	2.0%	3.0%	0.0%	3.0%
Central	Acute - Inpatient	2.5%	0.0%	2.5%	2.5%	0.0%	2.5%
Central	Acute - Other	0.0%	4.0%	4.0%	0.0%	4.0%	4.0%
Central	Acute - Outpatient	2.5%	0.0%	2.5%	2.5%	0.0%	2.5%
Central	Acute - Pharmacy	1.3%	5.3%	6.7%	1.3%	5.3%	6.7%
Central	Acute - Physician	0.0%	4.0%	4.0%	0.0%	4.0%	4.0%
North/South	NF	1.0%	1.2%	2.2%	1.0%	2.0%	3.0%
North/South	HCBS - Assisted Living	1.7%	1.5%	3.2%	1.7%	1.5%	3.2%
North/South	HCBS - Attendant Care	3.5%	0.5%	4.0%	6.0%	0.5%	6.5%
North/South	HCBS - Other	1.7%	0.5%	2.2%	3.0%	0.5%	3.5%
North/South	Acute - Inpatient	2.0%	0.5%	2.5%	2.0%	0.5%	2.5%
North/South	Acute - Other	0.4%	3.0%	3.4%	0.4%	3.0%	3.4%
North/South	Acute - Outpatient	2.0%	0.5%	2.5%	2.0%	0.5%	2.5%
North/South	Acute - Pharmacy	1.0%	5.7%	6.8%	1.0%	5.7%	6.8%
North/South	Acute - Physician	0.4%	3.0%	3.4%	0.4%	3.0%	3.4%

I.4. Special Contract Provisions Related to Payment

Please see the original capitation rate certification for additional information. There have been no changes to the capitation rate development process in this regard.

I.5. Projected Non-Benefit Costs

Please see the original capitation rate certification for additional information. There have been no changes to the capitation rate development process in this regard.

I.6. Risk Adjustment – Not Applicable

Please see the original capitation rate certification for additional information. There have been no changes to the capitation rate development process in this regard.

I.7. Acuity Adjustments – Not Applicable

Please see the original capitation rate certification for additional information. There have been no changes to the capitation rate development process in this regard.

Section II Medicaid Managed Care Rates with Long-Term Services and Supports

Please see the original capitation rate certification for additional information. There have been no changes to the capitation rate development process in this regard.

Section III New Adult Group Capitation Rates – Not Applicable

Please see the original capitation rate certification for additional information. There have been no changes to the capitation rate development process in this regard.

Appendix 1: Actuarial Certification

We, Matthew C. Varitek, FSA, MAAA and Luna Zong, ASA, MAAA, are employees of AHCCCS. We meet the qualification standards established by the American Academy of Actuaries and have followed generally accepted actuarial practices and regulatory requirements, including published guidance from the American Academy of Actuaries, the Actuarial Standards Board, CMS, and federal regulations.

The capitation rates included with this rate certification amendment are considered actuarially sound according to the following criteria from 42 CFR § 438.4(a) and 42 CFR § 438.4(b). The state did not opt to develop capitation rate ranges, therefore adherence to 42 CFR § 438.4(c) is not required.

- § 438.4(a) Actuarially sound capitation rates defined. Actuarially sound capitation rates are projected to provide for all reasonable, appropriate, and attainable costs that are required under the terms of the contract and for the operation of the MCO, PIHP, or PAHP for the time period and the population covered under the terms of the contract, and such capitation rates are developed in accordance with the requirements in paragraph (b) of this section.
- § 438.4(b) CMS review and approval of actuarially sound capitation rates. Capitation rates for MCOs, PIHPs, and PAHPs must be reviewed and approved by CMS as actuarially sound. To be approved by CMS, capitation rates must:
- § 438.4(b)(1) Have been developed in accordance with standards specified in § 438.5 and generally accepted actuarial principles and practices. Any differences in the assumptions, methodologies, or factors used to develop capitation rates for covered populations must be based on valid rate development standards that represent actual cost differences in providing covered services to the covered populations. Any differences in the assumptions, methodologies, or factors used to develop capitation rates must not vary with the rate of Federal financial participation (FFP) associated with the covered populations in a manner that increases Federal costs. The determination that differences in the assumptions, methodologies, or factors used to develop capitation rates for MCOs, PIHPs, and PAHPs increase Federal costs and vary with the rate of FFP associated with the covered populations must be evaluated for the entire managed care program and include all managed care contracts for all covered populations. CMS may require a State to provide written documentation and justification that any differences in the assumptions, methodologies, or factors used to develop capitation rates for covered populations or contracts represent actual cost differences based on the characteristics and mix of the covered services or the covered populations.
- § 438.4(b)(2) Be appropriate for the populations to be covered and the services to be furnished under the contract.
- § 438.4(b)(3) Be adequate to meet the requirements on MCOs, PIHPs, and PAHPs in §§ 438.206, 438.207, and 438.208.
- § 438.4(b)(4) Be specific to payments for each rate cell under the contract.
- § 438.4(b)(5) Payments from any rate cell must not cross-subsidize or be cross-subsidized by payments for any other rate cell.
- § 438.4(b)(6) Be certified by an actuary as meeting the applicable requirements of this part, including that the rates have been developed in accordance with the requirements specified in § 438.3(c)(1)(ii) and (e).
- § 438.4(b)(7) Meet any applicable special contract provisions as specified in § 438.6.
- § 438.4(b)(8) Be provided to CMS in a format and within a timeframe that meets requirements in § 438.7.

- § 438.4(b)(9) Be developed in such a way that the MCO, PIHP, or PAHP would reasonably achieve a medical loss ratio standard, as calculated under § 438.8, of at least 85 percent for the rate year. The capitation rates may be developed in such a way that the MCO, PIHP, or PAHP would reasonably achieve a medical loss ratio standard greater than 85 percent, as calculated under § 438.8, as long as the capitation rates are adequate for reasonable, appropriate, and attainable non-benefit costs.

Additionally, the term "actuarially sound" is defined in Actuarial Standard of Practice (ASOP) 49, "Medicaid Managed Care Capitation Rate Development and Certification," as:

> "Medicaid capitation rates are "actuarially sound" if, for business for which the certification is being prepared and for the period covered by the certification, projected capitation rates and other revenue sources provide for all reasonable, appropriate, and attainable costs. For purposes of this definition, other revenue sources include, but are not limited to, expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows, and investment income. For purposes of this definition, costs include, but are not limited to, expected health benefits, health benefit settlement expenses, administrative expenses, the cost of capital, and government-mandated assessments, fees, and taxes."

The data, assumptions, and methodologies used to develop the CYE 25 capitation rates for the ALTCS-EPD Program have been documented according to the guidelines established by CMS in the 2025 Guide. The certified capitation rates for the ALTCS-EPD Program are effective for the 12-month time period from October 1, 2024, through September 30, 2025 (CYE 25), with the original capitation rate being effective for the 6-month time period from October 1, 2024, through March 31, 2025, and the revised capitation rate being effective for the 6-month time period from April 1, 2025, through September 30, 2025.

The actuarially sound capitation rates are based on projections of future events. Actual results may vary from the projections. In developing the actuarially sound capitation rates, we have relied upon data and information provided by AHCCCS and ALTCS-EPD Contractors. We have relied upon AHCCCS and ALTCS-EPD Contractors for the accuracy of the data and we have accepted the data without audit, after checking the data for reasonableness and consistency unless stated otherwise.

SIGNATURE ON FILE	March 31, 2025
Matthew C. Varitek Fellow, Society of Actuaries Member, American Academy of Actuaries	Date

SIGNATURE ON FILE	March 31, 2025
Luna Zong Associate, Society of Actuaries Member, American Academy of Actuaries	Date

Appendix 2: Certified Capitation Rates

Original Capitation Rates Effective October 1, 2024, through March 31, 2025

GSA	Contractor	Dual	Non-Dual
North	UnitedHealthcare Community Plan	$3,929.28	$7,887.39
Central	Banner – University Family Care	$5,054.36	$10,617.65
Central	Mercy Care	$5,232.04	$10,605.87
Central	UnitedHealthcare Community Plan	$3,761.56	$8,553.83
South	Banner – University Family Care	$5,094.75	$9,437.84
South	Mercy Care	$5,084.30	$8,787.27

Revised Capitation Rates Effective April 1, 2025, through September 30, 2025

GSA	Contractor	Dual	Non-Dual
North	UnitedHealthcare Community Plan	$3,995.39	$8,073.46
Central	Banner – University Family Care	$5,215.58	$10,777.24
Central	Mercy Care	$5,411.94	$10,849.31
Central	UnitedHealthcare Community Plan	$3,846.17	$8,897.73
South	Banner – University Family Care	$5,196.40	$9,619.94
South	Mercy Care	$5,190.16	$9,079.02

Appendix 3: Fiscal Impact Summary and Comparison to Prior Rates

GSA	Contractor	Risk Group	Projected MMs (4/1/2025 - 9/30/2025)	Original Cap Rates (10/1/2024 - 3/31/2025)	Revised Cap Rates (4/1/2025 - 9/30/2025)	Projected Expenditures Original Cap Rates	Projected Expenditures Revised Cap Rates	Percentage Change
North	UnitedHealthcare Community Plan	Dual	11,254	$3,929.28	$3,995.39	$ 44,220,955	$ 44,964,975	1.68%
Central	Banner – University Family Care	Dual	10,340	$5,054.36	$5,215.58	$ 52,259,901	$ 53,926,916	3.19%
Central	Mercy Care	Dual	31,466	$5,232.04	$5,411.94	$ 164,633,347	$ 170,294,148	3.44%
Central	UnitedHealthcare Community Plan	Dual	44,436	$3,761.56	$3,846.17	$ 167,148,585	$ 170,908,542	2.25%
South	Banner – University Family Care	Dual	22,828	$5,094.75	$5,196.40	$ 116,302,060	$ 118,622,572	2.00%
South	Mercy Care	Dual	8,505	$5,084.30	$5,190.16	$ 43,244,429	$ 44,144,858	2.08%
North	UnitedHealthcare Community Plan	Non-Dual	1,860	$7,887.39	$8,073.46	$ 14,670,472	$ 15,016,553	2.36%
Central	Banner – University Family Care	Non-Dual	2,872	$10,617.65	$10,777.24	$ 30,491,126	$ 30,949,434	1.50%
Central	Mercy Care	Non-Dual	11,818	$10,605.87	$10,849.31	$ 125,343,688	$ 128,220,801	2.30%
Central	UnitedHealthcare Community Plan	Non-Dual	6,014	$8,553.83	$8,897.73	$ 51,443,684	$ 53,511,914	4.02%
South	Banner – University Family Care	Non-Dual	4,216	$9,437.84	$9,619.94	$ 39,789,455	$ 40,557,205	1.93%
South	Mercy Care	Non-Dual	1,697	$8,787.27	$9,079.02	$ 14,915,103	$ 15,410,311	3.32%
Composite		**Dual**	**128,829**	**$4,562.69**	**$4,679.54**	**$ 587,809,277**	**$ 602,862,011**	**2.56%**
Composite		**Non-Dual**	**28,477**	**$9,714.82**	**$9,961.07**	**$ 276,653,528**	**$ 283,666,218**	**2.53%**
Composite		**Total**	**157,307**	**$5,495.39**	**$5,635.66**	**$ 864,462,805**	**$ 886,528,230**	**2.55%**