



**Contract Year Ending 2019
Regional Behavioral Health Authority
Program Capitation Rate Certification**

**October 1, 2018 through September
30, 2019**

**Prepared for:
The Centers for Medicare & Medicaid
Services**

**Prepared by:
AHCCCS Division of Health Care
Management**

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Introduction and Limitations

The purpose of this rate certification is to provide documentation for compliance with the applicable provisions of 42 CFR Part 438 of 81 FR 27497 (published May 6, 2016 and effective July 5, 2016). This includes the data, assumptions, and methodologies used in the development of the October 1, 2018 through September 30, 2019 (Contract Year Ending 2019 or CYE 19) actuarially sound capitation rates for Arizona’s Regional Behavioral Health Authority (RBHA) Program. The RBHA Program is changing effective October 1, 2018. Those changes are described in the rate certification below. This rate certification 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 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 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 is made available to third parties, then this rate certification should be provided in its entirety. Any third party reviewing this rate certification should be familiar with the AHCCCS Medicaid managed care program, the provisions of 42 CFR Part 438 of 81 FR 27497 applicable to this rate certification, the 2019 Medicaid Managed Care Rate Development Guide, Actuarial Standards of Practice, and generally accepted actuarial principles and practices.

The 2019 Medicaid Managed Care Rate Development Guide (2019 Guide) describes the rate development standards and appropriate documentation to be included within Medicaid managed care rate certifications. This rate certification has been organized to follow the 2019 Guide to help facilitate the review of this rate certification by CMS.

Section I Medicaid Managed Care Rates

The capitation rates included with this rate certification are considered actuarially sound according to the following criteria from 42 CFR § 438.4 at 81 FR 27858:

- § 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 proposed differences among capitation rates according to covered populations must be based on valid rate development standards and not based on the rate of Federal financial participation associated with 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.

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.”

As stated on page 2 of the 2019 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

This section provides documentation for the General Information section of the 2019 Guide.

I.1.A. Rate Development Standards

I.1.A.i. Rating Period

The CYE 18 capitation rates for the RBHA Program are effective for the twelve month time period from October 1, 2018 through September 30, 2019.

I.1.A.ii. Required Elements

I.1.A.ii.(a) Letter from Certifying Actuary

The actuarial certification letter for the CYE 19 capitation rates for the RBHA Program, signed by Erica Johnson ASA, MAAA and Windy J. Marks FSA, MAAA, is in Appendix 1. Ms. Johnson and Ms. Marks meet the requirements for the definition of an Actuary described at 42 CFR § 438.2 at 81 FR 27854 which is provided below for reference.

Actuary means an individual who meets the qualification standards established by the American Academy of Actuaries for an actuary and follows the practice standards established by the Actuarial Standards Board. In this part, Actuary refers to an individual who is acting on behalf of the State when used in reference to the development and certification of capitation rates.

Ms. Johnson and Ms. Marks certify that the CYE 19 capitation rates for the RBHA Program contained in this rate certification are actuarially sound and meet the standards within the applicable provisions of 42 CFR Part 438 of 81 FR 27497.

I.1.A.ii.(b) Final and Certified Capitation Rates

The final and certified capitation rates by rate cell are located in Appendix 2. Additionally, the RBHA Contracts include the final and certified capitation rates by rate cell in accordance with 42 CFR § 438.3(c)(1)(i) at 81 FR 27856. The RBHA Contracts use the term risk group instead of rate cell. This rate certification will use the term rate cell to be consistent with the applicable provisions of 42 CFR Part 438 of 81 FR 27497 and the 2019 Guide.

I.1.A.ii.(c) Program Information

This section of the rate certification provides a summary of information about the RBHA Program.

I.1.A.ii.(c)(i) Summary of Program

I.1.A.ii.(c)(i)(A) Type and Number of Managed Care Plans

The RBHA Program has three managed care organizations. The managed care organization is referred to as a RBHA. The RBHA Program has three Geographic Service Areas (GSAs) and one RBHA operating in each GSA. The three GSAs, along with the three RBHAs and their respective effective dates are listed below.

- Central GSA – Mercy Maricopa Integrated Care (MMIC), effective April 1, 2014
 - Effective October 1, 2018, MMIC will be known as Mercy Care - RBHA

- North GSA – Health Choice Integrated Care (HCIC), effective October 1, 2015
 - Effective October 1, 2018, HCIC will be known as Steward Health Choice Arizona - RBHA
- South GSA – Cenpatco Integrated Care (CIC), effective October 1, 2015
 - Effective October 1, 2018, CIC will be known as Arizona Complete Health Complete Care Plan - RBHA (AZCH-CCP - RBHA)

For the time period of October 1, 2013 through September 30, 2015, the RBHAs that operated in the RBHA Program were:

- Central GSA – Magellan Health Services of Arizona (October 1, 2013 through March 30, 2014)
- North GSA – Northern Arizona Regional Behavioral Health Authority, Inc.
- South GSA – Cenpatco Behavioral Health of Arizona LLC and Community Partnership of Arizona, Inc.

I.1.A.ii.(c)(i)(B) Covered Services

The three RBHAs provide behavioral health services (including crisis intervention services) to four main Arizona Medicaid populations described below, and are responsible for providing crisis intervention services to Arizona Medicaid populations whose behavioral health services are provided by other programs. This is a change from prior years, where the RBHAs provided behavioral health services for most Arizona Medicaid members. In addition, the RBHAs provide integrated care, (that is, both physical and behavioral health services) for most members diagnosed with a Serious Mental Illness (SMI). For ease of reference, this certification will speak to the four main populations for which the RBHAs are responsible, and the crisis-only populations for which the RBHAs' only responsibility is crisis intervention services. All tables which do not specifically state otherwise are restricted to the four main populations and do not include any impacts to the crisis-only populations. When there are impacts to the crisis-only populations, the tables will note that the crisis-only populations are included. The Central GSA RBHA began providing integrated care for members with SMI in April 2014, and the North and South GSA RBHAs followed suit in October 2015.

The following list is a general description of behavioral health services covered under the RBHA Program.

- Treatment Services
- Rehabilitation Services
- Medical Services
- Support Services
- Crisis Intervention Services
- Inpatient Behavioral Health
- Behavioral Health Residential
- Behavioral Health Day Programs
- Prevention Services
- Pharmacy

The following list is a general description of physical health services for members with SMI covered under the RBHA Program.

- Hospital Inpatient
- Hospital Outpatient
- Physician Services
- Emergency Services
- Pharmacy
- Dental for members less than 21 years of age
- Durable Medical Equipment
- Transportation
- Laboratory and Radiology

Additional information regarding covered services can be found in the RBHA Program contracts.

I.1.A.ii.(c)(i)(C) Areas of State Covered and Length of Operation

The RBHA Program has operated in the State of Arizona since 1992 and was administered by the Arizona Department of Health Services (ADHS), Division of Behavioral Health Services (DBHS) until July 1, 2016. On July 1, 2016, the administration of the RBHA Program was moved from ADHS/DBHS to AHCCCS. Capitation rates for the RBHA Program prior to July 1, 2016 were developed and paid from AHCCCS to ADHS/DBHS. These historical capitation rates were developed by AHCCCS at the RBHA level and then grossed up to reflect additional expenses for ADHS/BHS administration, additional vendor expenses to determine whether a member has SMI, and additional expenses to cover Tribal Fee-for-Service claims. After the July 1, 2016 move of ADHS/DBHS into AHCCCS, these additional expenses were no longer required to be added to the capitation rates because the administration of the RBHA Program was under AHCCCS. As of October 1, 2018, the AHCCCS Complete Care (ACC) program integrates behavioral health and physical health services for most Arizona Medicaid members through the ACC Contractors. This removed the responsibility for providing behavioral health services for a large portion of members from the RBHAs. Those changes will be described further below.

The RBHA Program is a statewide program with three GSAs. The three GSAs are defined by county and zip code:

- Central GSA – Maricopa, Pinal (includes zip codes 85120, 85140, 85143, 85220)
- North GSA – Apache, Coconino, Gila (excludes zip codes 85542, 85192, 85550), Mohave, Navajo, and Yavapai
- South GSA – Cochise, Gila (includes zip codes 85542, 85192, 85550), Graham, Greenlee, La Paz, Pima, Pinal (excludes zip codes 85120, 85140, 85143, 85220), Santa Cruz, and Yuma

I.1.A.ii.(c)(ii) Rating Period Covered

The rate certification for the CYE 19 capitation rates for the RBHA Program is effective for the twelve month time period from October 1, 2018 through September 30, 2019.

I.1.A.ii.(c)(iii) Covered Populations

The RBHA Program has six rate cells. Three of these rate cells tie directly to the same populations served in the previous rating period under the rate cells of the same name, one rate cell is a combination of two rate cells from the previous rating period, while the final two rate cells do not tie directly to the same populations served in the previous rating period. More information about the populations covered under the RBHA Program can be found in the Eligibility section of the RBHA Contracts.

Table 1 below displays the rate cells and a brief description of the covered populations within each rate cell. The first four rate cells (four main populations) in the table below receive all of their behavioral health services through the RBHA Program; the last two rate cells (crisis-only populations) only receive crisis intervention services through the RBHA Program.

Table 1: Covered Populations by Rate Cell

Rate Cell	Covered Populations
DD Child	DES/DDD Arizona Long Term Care System (ALTCS) eligible children.
CMDP Child	Title XIX eligible children enrolled in Comprehensive Medical and Dental Program (CMDP)
DD Adult	DES/DDD ALTCS eligible adults.
SMI	Title XIX eligible adults diagnosed with a Serious Mental Illness who may additionally receive physical health services under the RBHA Program
Crisis-only Adult	Title XIX/Title XXI eligible adults not represented in other rate cells, crisis services only
Crisis-only Child	Title XIX/Title XXI eligible children not represented in other rate cells, crisis services only

I.1.A.ii.(c)(iv) Eligibility or Enrollment Criteria Impacts

AHCCCS operates as a mandatory managed care program. Additional information regarding eligibility and enrollment criteria can be found in the Enrollment and Disenrollment section of the RBHA Program Contracts.

I.1.A.ii.(c)(v) Summary of Special Contract Provisions Related to Payment

This rate certification includes special contract provisions related to payment as defined in 42 CFR § 438.6 at 81 FR 27859. The special contract provisions related to payment included in the CYE18 capitation rates are:

- Risk Corridor Arrangement (42 CFR § 438.6(b)(1) at 81 FR 27859)
- Reinsurance Arrangement (42 CFR § 438.6(b)(1) at 81 FR 27859)
- Alternative Payment Model (APM) Initiative – Performance Based Payments (Incentive Arrangement) (42 CFR § 438.6(b)(2) at 81 FR 27859)
- Targeted Investments Program (42 CFR § 438.6(c)(1)(ii) at 81 FR 27860)
- Differential Adjusted Payments (DAP) (42 CFR § 438.6(c)(1)(iii)(B) at 81 FR 27860)
- Access to Professional Services Initiative (APSI) (42 CFR § 438.6(c)(1)(iii)(B) at 81 FR 27860)

Documentation on these special contract provisions related to payment can be found in Section I.4 of this rate certification.

I.1.A.ii.(c)(vi) Retroactive Capitation Rate Adjustments

Not Applicable. This rate certification does not cover retroactive adjustments for previous capitation rates.

I.1.A.iii. Rate Development Standards and Federal Financial Participation

Proposed differences among the CYE 19 capitation rates for the RBHA Program are based on valid rate development standards and are not based on the rate of Federal Financial Participation for the populations covered under the RBHA Program.

I.1.A.iv. Rate Cell Cross-subsidization

The CYE 19 capitation rates for the RBHA Program were developed at the rate cell level. There is no cross-subsidization of payments between the rate cells in the RBHA Program.

I.1.A.v. Effective Dates of Changes

The effective dates of changes to the RBHA Program are consistent with the assumptions used to develop the CYE 19 capitation rates for the RBHA Program.

I.1.A.vi. Generally Accepted Actuarial Principles and Practices

I.1.A.vi.(a) Reasonable, Appropriate, and Attainable Costs

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.

I.1.A.vi.(b) Rate Setting Process

Adjustments to the rates that are performed outside of the rate setting process described in the rate certification are not considered actuarially sound under 42 CFR §438.4. There are no adjustments to the rates performed outside the rate setting process.

I.1.A.vi.(c) Contracted Rates

Consistent with 42 CFR §438.7(c), the final contracted rates in each cell must match the capitation rates in the rate certification. This is required in total and for each and every rate cell. The CYE 19 capitation rates certified in this report represent the contracted rates by rate cell.

I.1.A.vii. Rates from Previous Rating Periods

Not Applicable. Capitation rates from previous rating periods are not used in the development of the CYE 19 capitation rates for the RBHA Program.

I.1.A.viii. Rate Certification Procedures

I.1.A.viii.(a) CMS Rate Certification Requirement for Rate Change

This is a new rate certification that documents that the RBHA Program capitation rates are changing effective October 1, 2018.

I.1.A.viii.(b) CMS Rate Certification Requirement for No Rate Change

Not Applicable. This rate certification will change the RBHA Program capitation rates effective October 1, 2018.

I.1.A.viii.(c) CMS Rate Certification Circumstances

This section of the 2019 Guide provides information on when CMS would not require a new rate certification, which include increasing or decreasing capitation rates up to 1.5% per rate cell, in accordance with 42 CFR §438.7(c)(3), and applying risk scores to capitation rates paid to plans under a risk adjustment methodology described in the rate certification for that rating period and contract, in accordance with 42 CFR §438.7(b)(5)(iii).

I.1.A.viii.(d) CMS Contract Amendment Requirement

CMS requires a contract amendment be submitted whenever capitation rates change for any reason other than application of an approved payment term (e.g. risk adjustment methodology) which was included in the initial managed care contract. The state will submit a contract amendment to CMS.

I.1.B. Appropriate Documentation

I.1.B.i. Elements

This rate certification documents all the elements (data, assumptions, and methodologies) used to develop the CYE 19 capitation rates for the RBHA Program.

I.1.B.ii. Rate Certification Index

The table of contents that follows the cover page within this rate certification serves as the index. The table of contents includes the relevant section numbers from the 2019 Guide. Sections of the 2019 Guide that do not apply will be marked as “Not Applicable;” any section wherein all subsections are not applicable will be collapsed to the section heading.

I.1.B.iii. Differences in Federal Medical Assistance Percentage

The RBHA Program includes populations for which the State receives a different Federal Medical Assistance Percentage (FMAP).

The populations, FMAPs, and the percentage of costs for October 1, 2016 through September 30, 2017 (CYE 17) are provided below in Table 2. The FMAPs shown below are for the time period of January 1, 2018 through September 30, 2018.

Table 2: FMAP and Percentage of Costs by Population

Population	FMAP	Percentage of Costs
Adult Expansion	94.00%	1.65%
Child Expansion	100.00%	0.10%
Childless Adult Restoration	91.59%	27.63%
KidsCare (Title XXI)	100.00%	0.00%
Populations not listed above	69.89%	70.62%

I.1.B.iv. Comparison to Prior Rates

Comparisons to the previously certified capitation rates from CYE 18 for the three rate cells (DD Child, CMDP Child, and DD Adult) which did not change in terms of populations included are shown next to the final certified capitation rates for CYE 19 in Appendix 2.

I.2. Data

This section provides documentation for the Data section of the 2019 Guide.

I.2.A. Rate Development Standards

I.2.A.i. Compliance with 42 CFR § 438.5(c)

AHCCCS actuaries have followed the rate development standards related to base data in accordance with 42 CFR §438.5(c). The data types, sources, validation methodologies, material adjustments and other information related to the documentation standards required by CMS are documented in the subsections of I.2.B.

I.2.B. Appropriate Documentation

I.2.B.i. Data Request

Since AHCCCS employs their own actuaries, a formal data request was not needed between the AHCCCS Division of Health Care Management (DHCM) Actuarial Team and the State. The AHCCCS DHCM Actuarial Team worked with the appropriate teams at AHCCCS to obtain the primary sources of data in accordance with 42 CFR § 438.5(c) at 81 FR 27858.

I.2.B.ii. Data Used for Rate Development

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

I.2.B.ii.(a)(i) Types of Data Used

The primary data sources used or reviewed for the development of the CYE 19 capitation rates for the RBHA Program include the following:

- Adjudicated and approved encounter data submitted by the RBHAs and provided from the AHCCCS PMMIS mainframe
 - Incurred from October 1, 2014 through March 31, 2018
 - Adjudicated and approved through April 11, 2018
- Enrollment data for the RBHA Program provided from the AHCCCS PMMIS mainframe
 - October 1, 2014 through March 31, 2018
- Annual audited financial statements submitted by the RBHAs and reviewed by the AHCCCS DHCM Finance & Reinsurance Team
 - October 1, 2014 through September 30, 2015 (CYE 15)
 - October 1, 2015 through September 30, 2016 (CYE 16)
 - October 1, 2016 through September 30, 2017 (CYE 17)
- Quarterly financial statements submitted by the RBHAs and reviewed by the AHCCCS DHCM Finance & Reinsurance Team
 - October 1, 2014 through September 30, 2017 (quarterly financials from CYEs 15, 16 and 17)
 - October 1, 2017 through December 31, 2017 (CYE 18 Q1)
- AHCCCS Fee-for-Service fee schedules developed and maintained by the AHCCCS DHCM Rates & Reimbursement Team.
- Data from AHCCCS DHCM Rates & Reimbursement Team related to DAP, see Section 1.4.D.

- Data from AHCCCS financial analysts related to program changes, see Section I.3.B.ii.(a)

Additional sources of data used or reviewed were:

- Supplemental data from one RBHA regarding CMS Form 1500 (form type A) submissions for CYE 17
- Supplemental data regarding Access to Care initiative spending for CYE 18
- Supplemental non-benefit cost data for the four main populations and annualized expenses to two administrative positions
- Supplemental data regarding crisis intervention services cost projections provided by the RBHAs
- Adjudicated and approved encounter data from the AHCCCS PMMIS mainframe for use in the Abilify to Aripiprazole program change analysis, incurred from October 1, 2014 through April 30, 2018
- Adjudicated and approved encounter data from the AHCCCS PMMIS mainframe for use in the IMD analysis, incurred in CYE 17
- Historical and projected enrollment data provided by AHCCCS Division of Business and Finance (DBF) Budget Team
 - Projections for CYE 19
 - Historical enrollment from mid CYE 18 and earlier
- Any additional data used and not identified here will be identified in their applicable sections below

I.2.B.ii.(a)(ii) Age of the Data

The age of the data are listed above in Section I.2.B.(a).(i).

I.2.B.ii.(a)(iii) Sources of Data

The sources of the data are listed above in Section I.2.B.(a).(i).

I.2.B.ii.(a)(iv) Sub-capitated Arrangements

The RBHA Program has approximately 37% of expenditures in sub-capitation and block purchase payment arrangements (sub-cap/block payments) for the four main populations. A block purchase payment arrangement is defined by AHCCCS as a payment arrangement methodology where a contracted amount for a block of services is divided by 12 and paid in monthly installments to the provider. The encounter data includes encounters for sub-cap/block payment arrangements; however, they are populated with a “HP Paid Amount” (HP standing for health plan) of zero. To use the sub-cap/block payment encounters for rate development, a methodology has been developed and tested for repricing the expenditures for these encounters.

The repricing methodology uses the payment field “HP Allowed Amount” in the AHCCCS PMMIS mainframe which the RBHAs populate on sub-cap/block payment encounters with the payment amount the RBHA would have paid, had the encounter been FFS. This allowed amount field is used in the repricing methodology instead of the paid amount field to estimate the expenditures for the sub-cap/block payment encounters.

Table 3 below provides a distribution of the CYE 17 encounter data by sub-cap/block payments, non-sub-cap/block payments and by Category of Service (COS) for the four main populations. The Crisis-only Adult and Crisis-only Child populations were assumed to have the same distribution for Crisis Intervention Services as calculated for the four main populations below.

Table 3: CYE 17 Non-Subcap/Non-Block and Subcap/Block percentages by Category of Service

Category of Service	Non-Subcap/Non-Block Payments	Subcap/Block Payments
Behavioral Health Day Programs	2.3%	97.7%
Case Management	3.1%	96.9%
Crisis Intervention Services	6.4%	93.6%
Dental Services	100.0%	0.0%
FQHC/RHC	95.6%	4.4%
Inpatient Behavioral Health	85.8%	14.2%
Inpatient Hospital	100.0%	0.0%
Medical Services	61.4%	38.6%
Nursing Facility (Short-term)	100.0%	0.0%
Other Services	96.1%	3.9%
Outpatient Hospital	99.5%	0.5%
Pharmacy	100.0%	0.0%
Rehabilitation Services	7.6%	92.4%
Residential Services	87.9%	12.1%
Support Services	36.6%	63.4%
Transportation	79.9%	20.1%
Treatment Services	15.9%	84.1%
Total	63.0%	37.0%

I.2.B.ii.(b) Availability and Quality of the Data

I.2.B.ii.(b)(i) Data Validation Steps

Guidelines and formats for submitting individual encounters generally follow health insurance industry standards used by commercial insurance companies and Medicare; however some requirements are specific to the AHCCCS program. All encounter submissions are subject to translation and validation using standards and custom business rules (guidelines). Once translation has occurred and the encounters pass validation, they are passed to the AHCCCS PMMIS mainframe and are subject to approximately 500 claims type edits resulting in the approval, denial or pend of each encounter.

The AHCCCS Actuarial Team regularly reviews monthly adjudicated and approved encounters by form type on a cost basis and a per member per month (PMPM) basis looking for anomalous patterns in encounter, unit, or cost totals, such as incurred months where totals are unusually low or high. If any anomalies are found, the AHCCCS Actuarial Team reports the findings to the AHCCCS Data Analysis & Research (DAR) Team, which then works with the RBHAs to identify determinants. In addition, the

AHCCCS DAR Team performs their own checks and validations on the encounters and monitors the number of encounters that are adjudicated and approved each month.

The RBHAs know encounters are used for capitation rate setting, reconciliations (risk corridors), and, starting in CYE 19, reinsurance payments, and thus are cognizant of the importance of timely and accurate encounter submissions. AHCCCS provides the RBHAs with the “Encounter Monthly Data File” (aka the “magic” file) which contains the previous 36 months of encounter data. Data fields contained in this file include, but are not limited to, adjudication status, AHCCCS ID, Claim Reference Number (CRN), Provider ID and various cost amounts. The adjudication status has five types: adjudicated/approved, adjudicated/plan denied, adjudicated/AHCCCS denied, pended and adjudicated/void. Generally, the capitation rate setting process only uses the adjudicated/approved encounters, but providing this file to the RBHAs allows them to compare to their claim payments to identify discrepancies and evaluate the need for new or revised submissions.

All of these processes create confidence in the quality of the encounter data.

I.2.B.ii.(b)(i)(A) Completeness of the Data

The AHCCCS DHCM Data & Research Team performs encounter data validation studies to evaluate the completeness, accuracy, and timeliness of the collected encounter data.

I.2.B.ii.(b)(i)(B) Accuracy of the Data

AHCCCS has an additional encounter process which ensures that each adjudicated and approved encounter contains a valid AHCCCS member ID for an individual who was enrolled on the date that the service was provided. The process also checks to ensure that each adjudicated and approved encounter is for a covered service under the state plan and contains the codes necessary to map it into one of the categories of service used in the rate development process.

The AHCCCS DHCM Actuarial Team reviewed the encounter data provided from the AHCCCS PMMIS mainframe. The AHCCCS DHCM Actuarial Team ensured that encounter data only with valid AHCCCS member IDs was used in developing the CYE 19 capitation rates for the RBHA Program. Additionally, the AHCCCS DHCM Actuarial Team ensured that only services covered under the state plan were included.

I.2.B.ii.(b)(i)(C) Consistency of the Data

The AHCCCS DHCM Actuarial Team compared the encounter data for all services provided by the RBHAs to both the populations covered by the RBHAs going forward and to the services provided by the RBHAs for populations which will be covered by the ACC Contractors to the annual statement financial data for CYE17. After adjustments to the encounter data for completion and an encounter issue for one RBHA, the comparisons showed that the financial statements and the encounter data were consistent.

I.2.B.ii.(b)(ii) Actuaries’ Assessment of the Data

As required by ASOP No. 23, the AHCCCS DHCM Actuarial Team discloses that the rate development process has relied upon encounter data submitted by the RBHAs and provided from the AHCCCS PMMIS mainframe. Additionally, the rate development process has relied upon the audited annual and

quarterly financial statement data submitted by the RBHAs and reviewed by the AHCCCS DHCM Finance & Reinsurance Team. The AHCCCS DHCM Actuarial Team did not audit the data and the rate development is dependent upon this reliance. The actuaries notes additional reliance on data provided by the AHCCCS Rates & Reimbursement Team with regards to DAP and fee schedule impacts, on data provided by the AHCCCS financial analysts with regards to some program changes as well as administrative cost projections, on data provided by the AHCCCS DBF Budget Team with regards to projected enrollment, and on cost projections provided by the RBHAs for the crisis intervention category of service.

The AHCCCS DHCM Actuarial Team found the encounter data, with adjustment for an encounter issue from one RBHA, to be appropriate for the purposes of developing the CYE 19 capitation rates for the RBHA program. An encounter issue adjustment was developed for the final quarter of the selected base data time period for that RBHA. The development of the encounter issue adjustment is described below in Section I.2.B.iii.(b). Due to the encounter issue for the final quarter of CYE 17, the actuaries excluded that quarter from the analysis for trends for categories of service which are based on submissions on CMS Form 1500 in the Central GSA. This will be detailed further in Section I.3.B.iii.

I.2.B.ii.(b)(iii) Data Concerns

The AHCCCS DHCM Actuarial Team has not identified any other concerns with the quality or availability of the data, with the exception of the encounter issue noted in the previous section.

I.2.B.ii.(c) Appropriate Data for Rate Development

The AHCCCS DHCM Actuarial Team determined that the CYE 17 encounter data was appropriate to use as the base data for developing the CYE 19 capitation rates for the RBHA Program with the encounter issue adjustment previously noted.

I.2.B.ii.(c)(i) Not using Encounter or Fee-for-Service Data

Not applicable. As described above in Section I.2.B.ii.(c), managed care encounters served as the primary data source for the development of the CYE 19 capitation rates for the RBHA Program.

I.2.B.ii.(c)(ii) Not Using Managed Care Encounter Data

Not applicable. As described above in Section I.2.B.ii.(c), managed care encounter served as the primary data source for the development of the CYE 19 capitation rates for the RBHA Program.

I.2.B.ii.(d) Use of a Data Book

Not applicable. The AHCCCS DHCM Actuarial Team did not rely on a data book to develop the CYE 19 capitation rates for the RBHA program.

I.2.B.iii. Adjustments to the Data

This section describes adjustments made to the CYE 17 encounter data that was used as the base data for developing the CYE 19 capitation rates for the RBHA Program.

I.2.B.iii.(a) Credibility of the Data

Not applicable. No credibility adjustments were made to the CYE 17 encounter data.

I.2.B.iii.(b) Completion Factors

Completion Factors

The AHCCCS DHCM Actuarial Team developed completion factors to apply to the CYE 17 encounter data. Completion factors were calculated using the development method with monthly encounter data incurred from October 1, 2014 through March 31, 2018 and adjudicated and approved through April 11, 2018. The completion factors were developed by GSA, major category of service, and by month of service. The major category of service was based upon the AHCCCS form type, which indicates the type of form used to submit a claim. AHCCCS has six form types; Professional and Other Services (form type A), Prescription Drug (form type C), Dental Services (form type D), Inpatient Hospital (form type I), Nursing Facility (form type L), and Outpatient Hospital (form type O). Dental Services (0.03% of CYE 17 encounters) were combined with Professional and Other Services and Nursing Facility Services (0.59% of CYE 17 encounters) were combined with Inpatient Hospital. The monthly completion factors for CYE 17 were applied to the CYE 17 encounter data. Table 4a below displays the aggregate completion factors for CYE 17 by GSA and major category of service. Table 4b below displays the aggregate impact of completion by GSA.

Table 4a: CYE17 Completion Factors for Encounters by GSA

GSA	Professional and Other Services (Form Types A and D)	Pharmacy (Form Type C)	Inpatient Hospital and Nursing Facility (Form Types I and L)	Outpatient Hospital (Form Type O)	Total
Central	0.9814	0.9734	0.8613	0.9339	0.9543
North	0.9741	0.9967	0.8988	0.9002	0.9635
South	0.9839	0.9999	0.8831	0.9232	0.9677
Total	0.9813	0.9825	0.8695	0.9259	0.9583

Table 4b: Impact of Completion Factors

GSA	Before Completion	After Completion	Impact
Central	\$973.31	\$1,021.82	5.0%
North	\$958.88	\$995.21	3.8%
South	\$957.15	\$989.04	3.3%
Total	\$966.77	\$1,008.86	4.4%

I.2.B.iii.(c) Errors Found in the Data

Encounter Issue Adjustment Factors

During the rate development process, one RBHA was determined to have incorrectly submitted encounters for a portion of their CMS1500 (form type A) submissions in the last quarter of the base data year (CYE 17). The processes to correct the encounters occurred over the course of several weeks and were not completed in time, to repull all encounter data. To correct for this issue, the actuaries developed encounter adjustment factors for a portion of the encounters (shown in aggregate within this certification, but applied at a monthly detail level during rate development). The encounter adjustment

factors were developed using supplemental data provided by the at-fault RBHA and compared to the original completed base data by month. The first three quarters of completed AHCCCS encounter data were consistent with the supplemental data, and so validated this approach as reasonable and appropriate. The actuaries were confident in the suitability of the data in aggregate after these adjustments. Table 5 below displays the aggregate impact of the encounter issue factor for CYE 17 by GSA.

Table 5: CYE17 Encounter Issue Factor by GSA

GSA	Before Adjustment	After Adjustment	Impact
Central	\$1,021.82	\$1,112.87	8.9%
North	\$995.21	\$995.21	0.0%
South	\$989.04	\$989.04	0.0%
Total	\$1,008.86	\$1,061.94	5.3%

I.2.B.iii.(d) Changes in the Program

All adjustments to the base data for program and fee schedule changes which occurred during the base period (October 1, 2016 through September 30, 2017) are described below, or in section I.3.A.v. for base data adjustments required with respect to IMD in-lieu-of services. All program and fee schedule changes which occurred or are effective on or after October 1, 2017 are described in Section I.3.B.ii.(a).

Abilify to Aripiprazole

Effective April 1, 2017, AHCCCS, on the recommendation of the Pharmacy and Therapeutics (P&T) Committee, made policy changes to allow RBHAs to approve the generic drug aripiprazole in place of the brand drug Abilify. This change was based on the AHCCCS P&T Committee’s determination and recommendation that the generic drug, aripiprazole, is equally efficacious to Abilify, the most cost effective to the State and offers members the same value and clinical outcome.

To adjust the base data for this change, the AHCCCS DHCM Actuarial Team analyzed pharmacy encounter data for Abilify and aripiprazole for the time frame of October 1, 2014 through April 30, 2018. In this analysis, AHCCCS found that on average 99% of the Abilify utilization was shifted to aripiprazole after the policy change. AHCCCS therefore modified 99% of the Abilify prescription data prior to the effective date of change to match the unit costs associated with aripiprazole prescription data after the effective date of change. In this way, the actuaries were able to modify the data so that the entire base data year was as if the change had happened at October 1, 2016 instead of midway through FFY17. The difference between the adjusted data and the original data was divided through by the member months by GSA and rate cell of the base data year, and those PMPMs were then removed from the Pharmacy category of service for the appropriate GSA and rate cell. The revised PMPMs were then trended forward to CYE 19 using pharmacy trends by GSA and rate cell.

The overall impact of the Abilify to aripiprazole program change by GSA is displayed below in Table 6a. Totals may not add up due to rounding.

Table 6a: Ability to Aripiprazole Base Data Adjustment

GSA	Dollars removed for change	PMPM change
Central	(\$7,830,893)	(\$13.21)
North	(\$1,265,775)	(\$10.86)
South	(\$3,083,944)	(\$10.31)
Total	(\$12,180,612)	(\$12.08)

Removal of Differential Adjusted Payments from Base Data

CYE 17 capitation rates funded Differential Adjusted Payments (DAP) made from October 1, 2016 through September 30, 2017 to distinguish providers who committed to supporting designated actions that improve the patient care experience, improve member health and reduce cost of care growth. As these payments expired September 30, 2017, AHCCCS has removed the impact of CYE 17 DAP from the base period. To remove the impact, the AHCCCS DHCM Actuarial Team requested provider IDs for the qualifying providers for the CYE 17 DAP by specific measure from the AHCCCS Rates & Reimbursement Team. Encounter costs submitted by these providers under DAP provisions during CYE 17 were then adjusted downward by the appropriate percentage bump specific to the DAP measure. The associated costs removed from the base data by GSA are displayed below in Table 6b. Totals may not add up due to rounding.

Table 6b: DAP removal from CYE 17 base data

GSA	Dollars removed for change	PMPM change
Central	(\$453,291)	(\$0.76)
North	(\$35,461)	(\$0.30)
South	(\$127,718)	(\$0.43)
Total	(\$616,470)	(\$0.61)

See Section I.3.B.ii.(a) below for information on adjustments included in CYE 19 capitation rates for DAP that are effective from October 1, 2018 through September 30, 2019.

I.2.B.iii.(e) Exclusions of Payments or Services

The AHCCCS DHCM Actuarial Team ensured that all non-covered services were excluded from the encounter data used for developing the CYE 19 capitation rates for the RBHA Program.

I.3. Projected Benefit Costs and Trends

This section provides documentation for the Projected Benefit Costs and Trends section of the 2019 Guide.

I.3.A. Rate Development Standards

I.3.A.i. Compliance with 42 CFR § 438.3(c)(1)(ii) and § 438.3(e)

The final capitation rates are based only upon services allowed under 42 CFR § 438.3(c)(1)(ii) at 81 FR 27856 and 42 CFR § 438.3(e) at 81 FR 27861.

I.3.A.ii. Variations in Assumptions

Any variation in assumptions for covered populations is based upon valid rate development standards and is not based upon the rate of federal financial participation associated with the covered populations.

I.3.A.iii. Projected Benefit Cost Trend Assumptions

Projected benefit cost trend assumptions are developed in accordance with generally accepted actuarial principles and practices. The actual experience of the covered populations was the primary data source used to develop the projected benefit cost trend assumptions.

I.3.A.iv. In-Lieu-Of Services

AHCCCS programs have historically utilized Institution for Mental Diseases (IMD) settings to provide medically appropriate and cost effective in-lieu-of services, as allowed in 42 CFR § 438.3(e)(2) of 81 FR 27497, for inpatient treatment for behavioral health. With the 2016 Medicaid and CHIP Managed Care Final Rule, CMS requirements have changed regarding IMD in-lieu-of services, and additional documentation regarding the projected benefit costs included in the rate development for stays in an IMD setting can be found in Section I.3.A.v. of this rate certification.

I.3.A.v. Institution for Mental Disease

The projected benefit costs include costs for members that have a stay of no more than 15 cumulative days in a month in an Institution for Mental Disease (IMD) in accordance with 42 CFR § 438.6(e) at 81 FR 27861.

Costs Associated with an Institution for Mental Disease Stay

The AHCCCS DHCM Actuarial Team adjusted the base data to remove the costs associated with stays in an IMD in accordance with 42 CFR § 438.6(e) at 81 FR 27861. The AHCCCS DHCM Actuarial Team repriced all utilization of an IMD at the cost of the same services through providers included under the State plan, regardless of length of stay. The AHCCCS DHCM Actuarial Team then removed costs for stays for members served in an IMD for more than 15 cumulative days in a month, whether through a single stay or multiple within the month. Additionally, the AHCCCS DHCM Actuarial Team removed all associated medical costs that were provided to the member during the IMD stay(s) that exceeded 15 cumulative days in a month.

The data used to determine the base data adjustment was the CYE 17 encounter data for members that had an institutional stay at an IMD. To identify IMDs within the CYE 17 encounter data, the AHCCCS DHCM Actuarial Team relied upon a list of IMDs by the Provider ID, Provider Type ID, and Provider Name. This list had been worked on collaboratively between the RBHAs and the AHCCCS DHCM Actuarial Team during 2016. The costs associated with an institutional stay at an IMD were repriced to the Non-IMD price-per-day. The Non-IMD price-per-day used in the analysis was \$882.68 and was derived from the encounter data for similar IMD services that occurred within a Non-IMD setting. The encounter data was used for the repricing analysis rather than the AHCCCS fee-for-service fee schedule. This was selected because payments made by the RBHAs better reflect the intensity of the services within a Non-IMD setting, which may not be fully captured within the AHCCCS fee-for-service fee schedule per diem rate. The costs associated with an institutional stay at an IMD that were repriced in the base data are displayed below in Table 7a. Totals may not add up due to rounding.

Table 7a: Reprice of Costs for all IMD Stays by GSA

GSA	Repriced IMD Dollars Added	Repriced IMD PMPM Added
Central	\$5,485,454	\$9.25
North	\$92,545	\$0.79
South	\$287,960	\$0.96
Total	\$5,865,959	\$5.82

The AHCCCS DHCM Actuarial Team identified all members who had IMD stays which exceeded 15 cumulative days in a month, and removed from the base data the aggregate repriced amounts of these disallowed stays. If a stay crossed months, only the costs associated with a month in which there were more than 15 cumulative days in a month were removed, in accordance with the guidance from CMS released August 17, 2017 (Q4). The repriced costs removed from the base data are displayed below in Table 7b. Totals may not add up due to rounding.

Table 7b: Removal of Repriced Stays More Than 15 Days in a Month by GSA

GSA	Repriced IMD Dollars Removed	Repriced IMD PMPM Removed
Central	(\$8,894,568)	(\$15.00)
North	(\$61,624)	(\$0.53)
South	(\$1,489,142)	(\$4.98)
Total	(\$10,445,334)	(\$10.36)

Once a member was identified as having an IMD stay(s) greater than 15 cumulative days in a month, all encounter data for the member was pulled for the timeframe(s) they were in the IMD in order to remove those additional medical service costs from rate development. The associated costs removed from the base data are displayed below in Table 7c. Totals may not add up due to rounding.

Table 7c: Removal of Related Costs for IMD Stays of More Than 15 Days in a Month by GSA

GSA	Related Cost Dollars Removed	Related Cost PMPM Removed
Central	(\$1,802,626)	(\$3.04)
North	(\$4,447)	(\$0.04)
South	(\$354,246)	(\$1.18)
Total	(\$2,161,318)	(\$2.14)

I.3.A.vi. Section 12002 of the 21st Century Cures Act (P.L. 114-255)

As requested by CMS, this section provides information in connection with Section 12002 of the 21st Century Cures Act (P.L. 114-255).

I.3.A.vi.(a) Number of Enrollees

The number of unique members between the ages of 21 to 64 who received treatment in an IMD in the base data time period was 3,386.

I.3.A.vi.(b) Range of Months and of Length of Stay

I.3.A.vi.(b)(i) Months Information

The number of months assumed for the number of cumulative days a member had in an IMD is provided in Table 8 as a definition table for use in Table 9. The minimum, maximum, mean and median number of months enrollees received care in an IMD for the base data year is provided in Table 9.

Table 8: Cumulative Days to Number of Months Assumed

Cumulative Days	# months
0-15	0
16-45	1
46-75	2
76-105	3
106-135	4
136-165	5
166-195	6
196-225	7
226-255	8
256-285	9
286-315	10
316-345	11
346-365	12

Table 9: Ranges of Number of Months in an IMD

Measure	# months
Minimum	0
Maximum	7
Mean	0.4
Median	0

I.3.A.vi.(b)(ii) Length of Stay Information

The minimum, maximum, mean and median length of stay in an IMD (whether a member had a single stay, multiple stays or stays extending across two or more months) is provided in Table 10.

Table 10: Ranges of Length of Stay in an IMD

Measure	Length of Stay
Minimum	0
Maximum	222
Mean	16
Median	10

I.3.A.vi.(c) Impact on Rates

There is no impact to the capitation rates for providing treatment through IMDs for 15 or fewer cumulative days within a month as these stays have been repriced at the higher cost of a similar stay in an inpatient facility covered under the State plan, the same as the development of capitation rates in the previous rating period. For stays in an IMD exceeding 15 cumulative days within a month, the impact of removing the repriced stay and any related costs provided during the stay(s) from the capitation rate development process is documented in I.3.A.v. of this rate certification.

I.3.A.vi.(c)(i) Amount of Capitation for IMD Services

The amount of the capitation rates related to allowed IMD services, repriced to the same cost as similar stays in inpatient facilities covered under the State plan, is displayed below in Table 11 by GSA and rate cell. Totals may not add up due to rounding.

Table 11: Amount of Capitation Related to IMD stays

Rate Cell	Central	North	South
GSA	0.0%	0.0%	0.0%
Central	0.0%	0.0%	0.0%
North	0.0%	0.0%	0.0%
South	3.5%	1.4%	2.9%
Total	1.6%	0.7%	1.3%

I.3.B. Appropriate Documentation

I.3.B.i. Projected Benefit Costs

The final projected benefit costs are detailed in Appendix 6.

I.3.B.ii. Projected Benefit Cost Development

The section provides information on the projected benefit costs include in the CYE 19 capitation rates for the RBHA Program.

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

The base data described in Section I.2.B.ii was summarized by GSA and rate cell. Adjustments were made to the base data to reflect the completion, encounter issue, DAP and Abilify base data changes described in Section I.2.B.iii. Further base data adjustments for required IMD changes are described in I.3.A.v. The adjusted base data PMPMs were trended forward 24 months, from the midpoint of the CYE 17 time period to the midpoint of the CYE 19 rating period. The projected PMPMs were then adjusted for prospective program changes that are described within this section of the 2019 Guide. Appendix 4 contains the base data and base data adjustments by GSA and rate cell, Appendix 5 contains the projected benefit cost trends by GSA and rate cell, and Appendix 6 contains the prospective program changes by GSA and rate cell. Additionally, Appendix 6 illustrates the capitation rate development by GSA and rate cell, which includes the DAP PMPMs, APSI PMPMs, reinsurance offset PMPMs, administrative expense PMPMS, underwriting gain, and premium tax.

The capitation rates were adjusted for all program changes. If a program change had an impact of 0.2% or less for every individual rate cell, that program change was deemed non-material and has been grouped in the combined miscellaneous subset below. Also see Section I.3.B.vii. for further information on the non-material items.

Some of the projected benefits costs described below (indicated by an asterisk) were developed by AHCCCS financial analysts with oversight from the DHCM Clinical Quality Management Team and the Office of the Director's Chief Medical Officer, as noted above in Section I.2.B.ii.(b)(ii). The actuaries relied upon the professional judgment of the financial analysts with regards to the reasonableness and appropriateness of the data, assumptions, and methodologies that were used to develop the estimated amounts. The actuaries met with the AHCCCS financial analyst to understand at a high level how the estimated amounts were derived and the data used for the amounts. The actuaries were unable to judge the reasonableness of the data, assumptions, and methodologies without performing a substantial amount of additional work.

Emergency Dental for Adults (Aged 21 and Over)

As part of the 2017 Legislative session, the Arizona Legislature passed SB 1527, reinstating emergency adult dental services and extractions up to a limit of \$1,000 annually, a covered service prior to October 1, 2010. AHCCCS restored this as a covered service effective October 1, 2017. This program change only impacts the SMI rate cell because emergency adult dental services are a physical health service.

The AHCCCS DHCM Actuarial Team reviewed actual encounter data from the time period October 1, 2016 to April 30, 2018 to determine the change in expenditures based on the reinstatement of emergency adult dental, and found the original estimate described in CYE 18 certifications to be appropriate in determining the PMPM cost for restoration of this benefit, and is continuing the same estimated PMPM for CYE 19 capitation rates. The language from the CYE 18 certifications is copied here for convenience of review.

“To estimate the impact of restoring emergency adult dental services, the AHCCCS DHCM Actuarial Team used historical SMI dental encounter data and member month data for the time frame October 1, 2009 through September 2011. While this data is outside of the requirement under §438.5(c) to use data from the most recent three years of the rating period to develop capitation rates, the AHCCCS DHCM Actuarial Team determined that this data was reasonable to use to estimate the impact of restoring the benefit. The time frame of October 1, 2009 through September 2011 includes the final year (FFY 10 (10/1/09 – 09/30/10)) AHCCCS covered emergency adult dental services and the first year (FFY 11 (10/1/10 – 09/30/11)) AHCCCS did not cover emergency adult dental services.

The AHCCCS DHCM Actuarial Team developed dental PMPMs by rate cell and GSA for both the FFY10 and FFY11 time frames. The difference between FFY 10 PMPMs and FFY 11 PMPMs was assumed to be the impact of removing the emergency adult dental services. This difference between the FFY 10 PMPMs and FFY 11 PMPMs was trended forward to FFY 18 using an annualized trend of 2.0%. The 2.0% trend was derived using actuarial judgment with consideration of the following information:

- Consumer Price Index - data from IHS Global Insight that was provided to the AHCCCS DHCM Rates & Reimbursement Team;
- National Health Expenditures;
- Encounter data for children dental;
- AHCCCS FFS fee schedule changes.”

The overall impact of the emergency adult dental services program change by GSA is displayed below in Table 12a. Totals may not add up due to rounding.

Table 12a: Emergency Dental for Adults (Aged 21 and Over)

GSA	Dollars	PMPM
Central	\$655,713	\$1.11
North	\$244,812	\$2.10
South	\$444,539	\$1.49
Total	\$1,345,064	\$1.33

Rx Rebates Adjustment

An adjustment was made to the base data to reflect the impact of Rx Rebates because the base data does not include any adjustments for Rx Rebates reported within the RBHA Program financial statements. The data that the AHCCCS DHCM Actuarial Team reviewed was the CYE 15, CYE 16, and CYE Contract Year Ending 2019

17 annual financial statement reports as well as the CYE 18 Q1 financial statement reports. From this review, the AHCCCS DHCM Actuarial Team determined that it would be reasonable to apply an adjustment to the encounter base data to reflect a level of reported Rx Rebates. The AHCCCS DHCM Actuarial Team assumed a similar level of Rx Rebates to apply to the projected CYE 19 Pharmacy category of service. The estimated level of Rx Rebates as a percentage of the Pharmacy COS was a decrease of 1.50% for the Central GSA, a decrease of 0.50% for the North GSA, and a decrease of 0.75% for the South GSA.

The overall impact of the Rx Rebates adjustment program change by GSA is displayed below in Table 12b. Totals may not add up due to rounding.

Table 12b: Rx Rebates

GSA	Dollars	PMPM
Central	(\$955,701)	(\$1.61)
North	(\$194,266)	(\$1.67)
South	(\$231,688)	(\$0.77)
Total	(\$1,381,655)	(\$1.37)

Behavioral Health Services in Schools *

The Arizona Legislature passed SB 1520 during the 2018 Legislative session which includes an appropriation to fund increased behavioral health services in schools. The targeted services are in addition to any existing behavioral health services provided, including those provided to students with disabilities under the state’s School Based Services program. AHCCCS is adjusting CYE 19 capitation rates effective October 1, 2018 for the additional costs of services that will be provided in schools. For rate development, the impact was allocated by rate cell and GSA using FFY 17 encounter data of Medicaid behavioral health services provided in schools.

The overall impact of the Behavioral Health Services in Schools program change by GSA is displayed below in Table 12c. Totals may not add up due to rounding.

Table 12c: Behavioral Health Services in Schools

GSA	Dollars	PMPM
Central	\$653,857	\$1.10
North	\$83,216	\$0.71
South	\$271,442	\$0.91
Total	\$1,008,514	\$1.00

Behavioral Health Non-emergency Transportation to Community-Based Support Programs *

Effective July 1, 2018, AHCCCS policy clarifies that covered non-emergency medical transportation (NEMT) services may be provided to transport an individual to select community-based support programs (CBSP). The policy specifies a list of select qualifying CBSP, such as Alcoholics Anonymous and National Alliance on Mental Illness Family Support. The change is expected to impact statewide use of NEMT services in FFY 19.

Under the policy change, one RBHA is anticipated to reduce the number of services for which they reimburse, to exclude NEMT services provided to transport individuals to nonqualified CBSP and other services that are not associated with an AHCCCS-registered provider. Partial-year FFY 17 encounter data for NEMT services was reviewed for this RBHA. First, the percentage of NEMT services provided that were not associated with an AHCCCS-registered provider was quantified. Of that percentage, a proportion was estimated to fund transport to non-CBSP activities that will not be covered under July 1, 2018 policy guidance. That proportion was applied to the RBHA’s total FFY 17 NEMT expenses to estimate the cost reduction for services that will no longer be reimbursed under FFY 19 rates.

Other RBHAs are anticipated to increase the number of services for which they reimburse, to include NEMT services provided to transport individuals to CBSP activities, as a result of the policy change. The added cost was estimated using the encounter data above, under the assumption that the share of NEMT services associated with CBSP would equal the projected share for the RBHA that previously reimbursed for the service.

The policy change is expected to increase statewide use of NEMT services under the RBHA program. The impact was allocated by rate cell and GSA using the distribution of FFY 2017 encounters of NEMT services. The overall impact of the Behavioral Health NEMT policy change by GSA is displayed below in Table 12d. Totals may not add up due to rounding.

Table 12d: Behavioral Health NEMT

GSA	Dollars	PMPM
Central	(\$1,542,489)	(\$2.60)
North	\$423,462	\$3.63
South	\$1,117,331	\$3.73
Total	(\$1,695)	(\$0.00)

AHCCCS Fee-for-Service Fee Schedule Updates

AHCCCS typically makes annual updates to provider fee schedules that are used for AHCCCS fee-for-service programs. The AHCCCS DHCM Rates & Reimbursement Team and the AHCCCS DHCM Actuarial Team have typically determined impacts that the change in fees would have on the managed care programs and have applied these impacts to the managed care capitation rates. Although it is not mandated through the health plan contracts, the health plans typically update their provider fee schedules to reflect changes in the AHCCCS provider fee schedules because the health plans tend to benchmark against the AHCCCS provider fee schedules. This information is known through health plan surveys conducted by the AHCCCS DHCM Finance & Reinsurance Team regarding their fee schedules.

Additionally, the RBHA Contracts have requirements that the RBHAs reimburse Federally Qualified Health Centers (FQHCs) at the Prospective Payment System (PPS) rates. This contract requirement was effective April 1, 2015. The AHCCCS Fee-for-Service Fee Schedule Updates program change includes a fee schedule adjustment to bring the encounter base data from CYE 16 FQHC PPS rates up to projected CYE 19 FQHC PPS rates.

Effective October 1, 2018, AHCCCS will be updating provider fee schedules for certain providers based either on access to care needs, Medicare/ADHS fee schedule rate changes, and/or legislative mandates. The CYE 19 capitation rates have been adjusted to reflect these fee schedule changes. The data used by the AHCCCS DHCM Rates & Reimbursement Team to develop the adjustment to the CYE 19 capitation rates was the CYE 17 encounter data. The AHCCCS DHCM Rates & Reimbursement Team applied AHCCCS provider fee schedule changes as a unit cost change to determine what the impacts would be for the CYE 19 time period. The AHCCCS DHCM Actuarial Team then reviewed the results and applied the impacts by program.

AHCCCS will additionally be increasing some fee schedule rates effective January 1, 2019 as the next minimum wage increase resulting from the passing of Proposition 206, and the increased costs for this change have been included with the fee schedule changes already discussed as the minimum wage change is non-material for the RBHA program when considered alone.

The overall impact of the AHCCCS fee-for-service fee schedule updates program change by GSA is illustrated below in Table 12e. Totals may not add up due to rounding.

Table 12e: AHCCCS Fee-for-Service Fee Schedule and Minimum Wage Updates

GSA	Dollar Impact	PMPM Impact
Central	\$1,868,359	\$3.15
North	\$407,018	\$3.49
South	\$1,149,718	\$3.84
Total	\$3,425,096	\$3.40

Behavioral Health Access to Care Initiatives

CYE 18 capitation rates for the RBHA program included funding for 7 initiatives intended to increase access to care, including initiatives titled Autism Spectrum Disorder, Children in Foster Care, Integrated Care Initiative, First Episode of Psychosis, Opioid Epidemic, Substance Use Disorder and Arnold v. Sarn Agreement. The total statewide estimated impacts for the first six of these initiatives incorporated into the CYE 18 RBHA Program rates were continued in development of CYE 19 rates for the ACC and RBHA Programs. The seventh item was analyzed separately since the implementation of that Access to Care initiative began before the base data year used for the CYE 19 capitation rate development. While the statewide impact incorporated in CYE 19 rates is unchanged from CYE 18 rates, allocation of the impact between programs, rate cells, and GSAs were revised using partial-year encounter data from FFY 18. For more information on the Access to Care initiatives, please refer to the CYE 18 RBHA Program Rate Certification dated October 1, 2017.

The overall impact of the behavioral health access to care initiatives program change by GSA is displayed below in Table 12f. Totals may not add up due to rounding.

Table 12f: Behavioral Health Access to Care

GSA	Dollar Impact	PMPM Impact
Central	\$10,729,650	\$18.09
North	\$2,880,937	\$24.72
South	\$10,375,199	\$34.68
Total	\$23,985,786	\$23.78

Increased Utilization by SMI individuals

CYE 18 capitation rates for the RBHA program included funding for care mandated to be provided under the Arnold v. Sarn exit agreement. This funding was included because not all of the costs were reflected in the base data (CYE 16) used for the CYE 18 capitation rate development. In analyzing the CYE 17 encounter data, the actuaries could see a distinct and continuing increase in utilization of the procedure codes identified as services to be provided under the Arnold v. Sarn exit agreement for providers specifically identified as providing these Arnold v. Sarn services. The actuaries then analyzed the continued increase into the first and second quarters of CYE 18 and determined the base data (CYE 17) encounters did not capture the continued increase in utilization expected to occur in CYE 18. Therefore, the CYE 19 capitation rates include additional funding to reflect the anticipated impact of increased utilization over and above the base period data.

The overall impact of the increased utilization funding for SMI individuals under Arnold v. Sarn by GSA is displayed below in Table 12g.

Table 12g: BH Access to Care Funding for Increased Utilization for SMIs due to Arnold v. Sarn

GSA	Dollar Impact	PMPM Impact
Central	\$11,810,000	\$19.92
North	\$0	\$0.00
South	\$0	\$0.00
Total	\$11,810,000	\$11.71

Adjustments to Crisis Intervention

The CYE 19 capitation rates for the RBHA Program include additional funding for crisis services above what is in the encounter base data due to a large portion of the costs required to provide crisis intervention services being unencounterable. Examples of crisis services that are not encounterable include 24/7 availability of crisis counselors and mobile crisis teams standing by whether or not anyone needs their services. This is a change from the CYE 18 capitation rate development where an under-reporting factor was used to capture costs from sub-capitated/block payment arrangements that were not encounterable; this under-reporting factor was applied across all categories of service in the CYE 18 capitation rate development. CYE 19 is the second year of using encounter data as the base period and AHCCCS has identified the only category of service not able to be encountered to the full cost of providing that service (due to the 24/7 staffing required even when no one is in need of service) to be that of the crisis intervention category of service. This additional funding above what is in the encounter base data is a different approach to the under-reporting factor but has a similar effect. The amount of dollars added to the crisis encounter data was based on RBHA financials (reflecting actual costs for all

services including non-encountered services) as well as RBHA projected expenses (informed by anticipated contract amounts). RBHAs have indicated that previously contracted amounts to provide crisis services would be insufficient to continue to secure contracts with specialized crisis providers. Therefore, RBHA projected expenses for these contracts in CYE 19 most accurately reflect anticipated actual costs. Trended CYE 18 financials reflect an increase of 11.9% over CYE 17 expenses, and CYE 19 projections reflect an increase of 8.4% over CYE 18 trended financials. The cost estimates provided were judged reasonable and appropriate by the actuaries after discussions with AHCCCS executive management including the Chief Medical Officer. This is the first year where rate development has discretely identified a specific category of service which requires a different methodology to capture all necessary and appropriate expenses.

The overall impact of the additional dollars for crisis intervention services over the base encounter data is shown below in Table 12h. Totals may not add due to rounding. Note that the aggregated dollar and PMPM impacts for the GSAs expressed in this table are calculated across all six rate cells where impacts expressed elsewhere within this section are specific to and calculated across the four main populations.

Table 12h: Adjustments to Crisis Intervention

GSA	Dollar Impact	PMPM Impact
Central	\$34,486,342	\$3.00
North	\$4,047,026	\$2.01
South	\$14,371,975	\$2.57
Total	\$52,905,344	\$2.77

Combined Miscellaneous Program Changes

The rate development spreadsheet includes every individual program change as a separate adjustment, however, if an individual program change had an impact of 0.2% or less for every individual rate cell across all GSAs, that program change was deemed non-material for the purpose of the actuarial rate certification. The impacts were aggregated for the certification by summing the dollar impacts for each non-material adjustment across rate cells within a GSA and dividing through by the projected membership for the four main populations by GSA for the PMPMs listed below. The combined overall impact by GSA is illustrated below in Table 12i. Totals may not add up due to rounding. Brief descriptions of the individual program changes are provided below.

- Out-of-Network Inpatient Behavioral Health Services ***

As part of the 2018 Legislative session, the Arizona Legislature passed HB 2659 which limits AHCCCS reimbursement of inpatient behavioral health services provided at a facility that does not contract with the member’s Contractor to 90% of AHCCCS fee schedule rates, beginning July 1, 2018. Prior to the law’s implementation, AHCCCS reimbursed these non-contracted services at 100% of fee schedule rates.
- APR-DRG Reimbursement Rate Changes**

AHCCCS transitioned from version 31 to version 34 of the All Patient Refined Diagnostic Related Groups (APR-DRG) payment classification system on January 1, 2018. To make the APR-DRG grouper fully ICD-10 code compliant, AHCCCS rebased the inpatient system by updating the DRG

grouped version, relative weights and DRG base rates via payment simulation modeling using more recent data.

- **Occupational Therapy in an Outpatient Setting for Adults (Aged 21 and Over)**

As part of the 2017 Legislative session, the Arizona Legislature passed SB 1527 which added occupational therapy in an outpatient setting for adults aged 21 and over (OT for Adults). AHCCCS began coverage for this service effective October 1, 2017.

- **Hepatitis C (HCV) Treatment**

In 2017, the AHCCCS Pharmacy and Therapeutics (P&T) Committee reviewed the HCV Direct Acting Antiviral Agents (DAA) and recommended Mavyret as the sole preferred agent to treat HCV based on both clinical efficacy and cost effectiveness. AHCCCS accepted the P&T’s recommendation and also removed fibrosis level requirements that were previously necessary in order to access treatment and removed a one treatment per lifetime limitation effective January 1, 2018.

- **Applied Behavior Analysis ***

Effective October 1, 2018, AHCCCS policy includes clarifying language on the requirement for the AHCCCS Complete Care and Regional Behavioral Health Authority programs to provide covered Applied Behavior Analysis services to children not receiving these services through another program. They are covered services as part of the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) program for children under 21 years of age.

- **Substance Use Disorder Assessment ***

Effective October 1, 2018, AHCCCS will update provider fee schedules to include a targeted increase to providers who conduct a computer-guided, structured interview utilizing American Society of Addiction Medicine (ASAM) software. The service enables providers to determine the appropriate level of treatment based upon a set of medically accepted criteria.

- **Social Determinants of Health ***

The Targeted Investments Program has benchmarks for screening members for the presence of social determinants of health (SDOH). These benchmarks are expected to result in increased use of the covered screening services in FFY 19.

- **SSI/SSDI Outreach, Access and Recovery (SOAR) ***

Effective October 1, 2018, AHCCCS will recognize SOAR as a distinct reimbursable case management service. Through SOAR, providers assist individuals that are homeless, or at risk of becoming homeless, and that have a serious mental illness in applying for federal SSI/SSDI benefits.

Table 12i: Combined Miscellaneous

GSA	Dollar Impact	PMPM Impact
Central	(\$453,457)	(\$0.76)
North	(\$39,528)	(\$0.34)
South	(\$180,634)	(\$0.60)
Total	(\$673,618)	(\$0.67)

I.3.B.ii.(b) Material Changes to the Data, Assumptions, and Methodologies

The primary source of data used to develop the CYE 19 capitation rates for the RBHA Program has not changed from the previous rating period. The methodology used in the previous rating period for under-reporting of sub-capitated/block encounters has been changed to using completion factors, treating these sub-capitated/block encounters the same as encounters which are not sub-capitated or block encounters. The crisis encounters are not sufficiently addressed in the new methodology, and thus have an adjustment specific to those encounters, which is listed in Section I.3.B.ii.(a) above. There are no other material changes to the data, assumptions, and methodologies used to develop the projected benefit costs since the last rating period.

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

In accordance with 42 CFR § 438.7(b)(2) at 81 FR 27861, this section provides documentation on the projected benefit cost trends.

I.3.B.iii.(a) Requirements

I.3.B.iii.(a)(i) Projected Benefit Cost Trends Data

The data used for development of the projected benefit cost trends was the encounter data incurred from October 1, 2014 through March 31, 2018 and adjudicated and approved through April 11, 2018. There are a couple exceptions to these date ranges. One exception is for categories of service impacted by the encounter issue in the Central GSA; for those categories of service, the dates were truncated to encounters incurred from October 1, 2014 through June 30, 2017. Another exception is for the SMI population in the North and South GSAs; for these rate cells, only data incurred after integration was considered, thus encounters incurred from October 1, 2014 through March 31, 2018. The trend is developed primarily with actual experience from the Medicaid population.

I.3.B.iii.(a)(ii) Projected Benefit Cost Trends Methodologies

The encounter data was summarized by GSA, rate cell, month, and major category of service, and by utilization per 1000, unit cost, and PMPM values. The encounter data was adjusted for completion and the encounter data issue described in Section I.2.B.iii.(c). Additionally, the encounter data was adjusted to normalize for previous program changes. Projected benefit cost trends were developed to project the base data forward 24 months, from the midpoint of CYE 17 (April 1, 2017) to the midpoint of the rating period for CYE 19 (April 1, 2019). The projected benefit cost trends were not based upon a formula-driven approach using historical benefit cost trends. Projected benefit cost trends were based upon actuarial judgment with consideration of 3-month, 6-month, and 12-month moving averages, and with 12-month, 24-month, and 33 to 36-month linear regression results for those rate cells and categories where that length of data was available.

Projected benefit cost trends were developed at the major category of service level of detail for the SMI rate cell within each GSA. For the other rate cells, DD Child, CMDP Child, and DD Adult, for all GSAs, the projected benefit cost trends were developed in aggregate across all major categories of service except Residential Services. The Residential Services category of service was not aggregated because of the different utilization patterns between CMDP children and the DD populations; residential services for DD Child and DD Adult are largely covered through the ALTCS DES/DDD Program. These groupings were

determined to be reasonable given the volume of services and variation within the major category of services.

I.3.B.iii.(a)(iii) Projected Benefit Cost Trends Comparisons

No comparisons were made against other AHCCCS programs due to the unique aspects of the RBHA Program. Comparisons were made against the trends used in the previous rating period, and the change in trends by categories of service was deemed reasonable considering the change in the base data time period.

I.3.B.iii.(b) Projected Benefit Cost Trends by Component

I.3.B.iii.(b)(i) Changes in Price and Utilization

The projected benefit cost trends by GSA, rate cell, and major category of service for utilization per 1000, unit cost, and PMPM values are included in Appendix 5. The aggregate projected benefit cost trends by GSA for utilization per 1000, unit cost, and PMPM values are included below in Table 13.

Table 13: CYE 19 Annualized Trends

GSA	Util/1000	Unit Cost	PMPM
Central	1.22%	1.50%	2.74%
North	1.35%	0.92%	2.29%
South	1.42%	1.30%	2.74%
Total	1.28%	1.39%	2.69%

I.3.B.iii.(b)(ii) Alternative Methods

Not applicable. The projected benefit cost trends were developed using utilization per 1000 and unit cost components.

I.3.B.iii.(b)(iii) Other Components

Not applicable. The projected benefit cost trends did not include other components.

I.3.B.iii.(c) Variation in Trend

Variations within the projected benefit cost trends are driven by the underlying utilization and unit cost data for each GSA and rate cell.

I.3.B.iii.(d) Any Other Material Adjustments

There were no other material adjustments made to the projected benefit cost trends.

I.3.B.iii.(e) Any Other Adjustments

There were no other non-material adjustments made to the projected benefit cost trends.

I.3.B.iv. Mental Health Parity and Addiction Equity Act Compliance

The AHCCCS DHCM Medical Management Team, the AHCCCS Office of Administrative Legal Services (OALS) Legal Counsel Team, and the AHCCCS Office of the Director, have completed a Mental Health Parity and Addiction Equity Act (MHPAEA) analysis to determine if additional services are necessary to

comply with parity standards. No additional services have been identified as necessary services to comply with MHPAEA.

I.3.B.v. In-Lieu-Of Services

The following types of services can be provided as in-lieu-of-services: home and community based services (HCBS) covered in lieu of a nursing facility and services in alternative inpatient settings licensed by ADHS/DLS in lieu of services in an inpatient hospital (distinct and disparate from in-lieu-of services provided in an IMD). These services are then included in the RBHA Program's capitation rate development categories of service. Encounters which are in-lieu-of-services are not identified separately in the data. Thus, the actuaries cannot define the percentage of cost that in-lieu-of services represented in the capitation rate development categories of service. However, the in-lieu-of services are treated exactly the same as all other State Plan approved services in rate development. For inpatient psychiatric or substance use disorder services provided in an IMD setting, the rate development has complied with the requirements of 42 CFR § 438.6(e), and this is described above in Section I.3.A.v.

I.3.B.vi. Retrospective Eligibility Periods

I.3.B.vi.(a) RBHA Responsibility

AHCCCS provides prior period coverage for the period of time prior to the member's enrollment during which the member is eligible for covered services. Prior period coverage refers to the time frame from the effective date of eligibility (usually the first day of the month of application) until the date the member is enrolled with the RBHA. The RBHA receives notification from AHCCCS of the member's enrollment. The RBHA is responsible for payment of all claims for medically necessary behavioral health services and integrated health covered services, provided by the RBHA, provided to members during prior period coverage.

I.3.B.vi.(b) Claims Incorporated in Base Data

Encounter data related to prior period coverage is included with the base data and is included in the capitation rate development process.

I.3.B.vi.(c) Enrollment Incorporated in Base Data

Enrollment data related to prior period coverage is included with the base data and is in the capitation rate development process.

I.3.B.vi.(d) Adjustments, Assumptions, and Methodology

No specific adjustments are made to the CYE 19 capitation rates for the RBHA Program, given that the encounter and enrollment data are already included within the base data used for rate development.

I.3.B.vii. Impact of All Material Changes to Covered Benefits or Services

This section provides documentation on impacts to projected benefit costs made since the last rate certification.

I.3.B.vii.(a) Covered Benefits

Material adjustments related to covered benefits are discussed in Section I.3.B.ii of this rate certification.

I.3.B.vii.(b) Recoveries of Overpayments

Base period data was not adjusted to reflect recoveries of overpayments made to providers because the RBHAs are required to adjust encounters for recovery of overpayments, per the following contract requirement:

“The Contractor must void encounters for claims that are recouped in full. For recoupments that result in a reduced claim value or adjustments that result in an increased claim value, replacement encounters must be submitted.”

I.3.B.vii.(c) Provider Payment Requirements

Material adjustments related to provider payment requirements under Delivery System and Provider Payment Initiatives are discussed in Section I.4.D of this rate certification. Additionally, provider payment requirements related to FQHCs are described in Section I.3.B.ii.

I.3.B.vii.(d) Applicable Waivers

There was no material adjustments made related to waiver requirements or conditions.

I.3.B.vii.(e) Applicable Litigation

There was no material adjustments made related to litigation.

I.3.B.viii. Impact of All Material and Non-Material Changes

All material and non-material changes have been included in the rate development process and all requirements in this section of the 2019 Guide are documented in Section I.3.B.ii.(a) above.

I.4. Special Contract Provisions Related to Payment

I.4.A. Incentive Arrangements

I.4.A.i. Rate Development Standards

An incentive arrangement, as defined in 42 CFR §438.6(a), is any payment mechanism under which a health plan may receive additional funds over and above the capitation rate it was paid for meeting targets specified in the contract. All ACC program incentive arrangements combined will not exceed 105% of the capitation payments to comply with 42 CFR §438.6(b)(2).

I.4.A.ii. Appropriate Documentation

I.4.A.ii.(a) Description of Any Incentive Arrangements

The CYE 19 capitation rates for the RBHA Program include an incentive arrangement, as described under 42 CFR § 438.6(b)(2) at 81 FR 27589, called the Alternative Payment Model (APM) Initiative – Performance Based Payments. The APM Initiative – Performance Based Payments incentive arrangement is a special provision for payment where a RBHA may receive additional funds over and above the capitation rates for implementing APM arrangements with providers who successfully meet targets established by the RBHA that are aimed at quality improvement, such as reducing costs, improving health outcomes or improving access to care. The incentive arrangement will not exceed 105% of the capitation payments. For reference, the RBHA CYE 17 APM – Performance Based Payment amounts were \$5 million.

I.4.A.ii.(a)(i) Time Period

The time period of the incentive arrangement described herein coincides with the rating period.

I.4.A.ii.(a)(ii) Enrollees, Services, and Providers Covered

All enrollees, children and adults, may be covered by this incentive arrangement. Likewise, all network providers have the opportunity to participate in the APM arrangements and all covered services are eligible for inclusion. RBHAs are mandated to utilize the APM strategies in the Health Care Payment Learning and Action Network (LAN) Alternative Payment Model Framework with a focus on Categories 2, 3 and 4 as defined at <https://hcp-lan.org/workproducts/apm-whitepaper.pdf>. Their provider contracts must include performance measures for quality and/or cost efficiency.

I.4.A.ii.(a)(iii) Purpose

The purpose of the APM Initiative – Performance Based Payments incentive arrangement is to align incentives between the RBHAs and providers to the quality and efficiency of care provided by rewarding providers for their measured performance across the dimensions of quality to achieve cost savings and quantifiable improved outcomes.

I.4.A.ii.(a)(iv) Effect on Capitation Rate Development

Incentive payments for the APM Initiative – Performance Based Payments incentive arrangement are not included in the CYE 19 capitation rates for the RBHA Program. Additionally, incentive payments for the APM Initiative – Performance Based Payments incentive arrangement had no impact on the development of the CYE 19 capitation rates for the RBHA Program. The anticipated incentive payment

amount will be paid by AHCCCS to the RBHAs through lump sum payments after the completion of the CYE 19 contract year.

I.4.B. Withhold Arrangements

Not applicable. There are no withhold arrangements in the CYE 19 capitation rates for the RBHA Program.

I.4.C. Risk-Sharing Mechanisms

I.4.C.i. Rate Development Standards

This section of the 2019 Guide provides information on the requirements for risk-sharing mechanisms.

I.4.C.ii. Appropriate Documentation

I.4.C.ii.(a) Description of Risk-Sharing Mechanisms

The CYE 19 capitation rates for the RBHA Program will include a risk corridor across all rate cells. The CYE 19 capitation rates for the RBHA Program will also include reinsurance for the SMI rate cell, and a separate risk corridor specific to the Access to Professional Services Initiative (APSI).

I.4.C.ii.(a)(i) Rationale for Risk-Sharing Mechanisms

AHCCCS has a long-standing program policy of including risk corridors within the managed care programs to protect the State against excessive Contractor profits, and to protect Contractors from excessive losses. This risk sharing arrangement also contributes to Contractor stability and program continuity, which is an additional intangible benefit to the stability of the Medicaid member. The CYE 19 capitation rates will continue AHCCCS' long-standing program policy and will include a risk corridor. This rate certification will use the term risk corridor to be consistent with the 2019 Guide. The RBHA Contracts refer to the risk corridors as either a risk corridor or as limiting Contractor's profits and losses.

I.4.C.ii.(a)(ii) Description of Risk-Sharing Mechanisms

The risk corridor will reconcile the RBHA's medical cost expenses to the net capitation paid to each RBHA. Net capitation is equal to the capitation rates paid less the premium tax, the health insurance provider fee (if applicable) and the administrative component plus the reinsurance payments. The RBHA's medical cost expenses are equal to the RBHA's fully adjudicated encounters and sub-cap/block payment expenses as reported by the RBHA with dates of service during the contract year. Initial reconciliations are typically performed no sooner than 6 months after the end of the contract year and final reconciliations are typically computed no sooner than 15 months after the contract year.

APSI is a relatively new initiative and utilization of Qualified Practitioners will vary across RBHAs. AHCCCS will mitigate the RBHA's risk associated with overpayment or underpayment through a risk corridor.

Additional information regarding the risk corridors can be found in the RBHA Program contracts.

I.4.C.ii.(a)(iii) Effect of Risk-Sharing Mechanisms on Capitation Rates

The risk corridor did not have any effect on the development of the CYE 19 capitation rates for the RBHA Program.

I.4.C.ii.(a)(iv) Risk-Sharing Mechanisms Documentation

The threshold amounts for the risk corridors were set using actuarial judgment with consideration of conversations between the AHCCCS DHCM Actuarial Team, the AHCCCS DHCM Finance & Reinsurance Team, and the AHCCCS Office of the Director.

I.4.C.ii.(b) Medical Loss Ratio

Not applicable. The RBHA Program contracts do not include an MLR remittance/payment requirement.

I.4.C.ii.(c) Reinsurance Requirements

I.4.C.ii.(c)(i) Description of Reinsurance Requirements

To better align integrated populations across programs, effective October 1, 2018, AHCCCS will extend the reinsurance program it operates to the RBHA Contracts for the SMI rate cell. AHCCCS provides a reinsurance program for the partial reimbursement of covered medical services incurred during the contract year. This reinsurance program is similar to what you would see in commercial reinsurance programs with a few differences. The deductible is lower than a standard commercial reinsurance program. AHCCCS has different reinsurance case types – with the majority of the reinsurance cases falling into the regular reinsurance case type. Regular reinsurance cases cover partial reimbursement (anything above the deductible and the coinsurance percentage amounts) of inpatient facility medical services. Most of the other reinsurance cases fall under catastrophic, including reinsurance for biotech drugs. Additionally, rather than the RBHAs paying a premium, the capitation rates are instead adjusted by subtracting the reinsurance offset from the gross medical expenses. One could view the reinsurance offset as a premium.

The AHCCCS reinsurance program has been in place for more than twenty years and is funded with General Fund for State Match and Federal Matching authority. AHCCCS is self-insured for the reinsurance program, which is characterized by an initial deductible level and a subsequent coinsurance percentage. The coinsurance percentage is the rate at which AHCCCS will reimburse the RBHA Contractors for covered services incurred above the deductible. The deductible is the responsibility of the RBHA Contractors. The deductible for regular reinsurance cases is \$35,000. The limit on other catastrophic reinsurance is \$1,000,000. This limit is applied on all reinsurance case types other than transplants. Once a reinsurance case hits this limit, the RBHA Contractor is reimbursed 100% for all medically necessary covered expenses.

The actual reinsurance case amounts are paid to the RBHA Contractors whether the actual amount is above or below the reinsurance offset in the capitation rates. This can result in a loss or gain by a RBHA Contractor based on actual reinsurance payments versus expected reinsurance payments.

For additional information, including all deductibles and coinsurance amounts, on the reinsurance program refer to the Reinsurance section of the RBHA program contracts.

I.4.C.ii.(c)(ii) Effect on Development of Capitation Rates

The reinsurance offset (expected PMPM of reinsurance payments for the rate setting period) is subtracted from the gross medical expense PMPM calculated for the rate setting period. It is a separate

calculation and does not affect the methodologies for development of the gross medical capitation PMPM rate.

I.4.C.ii.(c)(iii) Development in Accordance with Generally Accepted Actuarial Principles and Practices

Projected reinsurance offsets are developed in accordance with generally accepted actuarial principles and practices.

I.4.C.ii.(c)(iv) Data, Assumptions, Methodologies to Develop the Reinsurance Offset

The data used to develop the reinsurance offset was completed encounter data for CYE 17 (base data year). The actuaries calculated what reinsurance payments would have been made in CYE 17 if the reinsurance program had been effect at that time, using the specific deductibles and coinsurance percentages for the different reinsurance types. Using those calculated reinsurance payments, the actuaries then changed the amounts to a PMPM offset by dividing through by base data year member months for the SMI rate cell. No trend or program changes were applied to the calculated reinsurance offset for the first year of the new reinsurance program.

I.4.D. Delivery System and Provider Payment Initiatives

I.4.D.i. Rate Development Standards

This section of the 2019 Guide provides information on delivery system and provider payment initiatives.

I.4.D.ii. Appropriate Documentation

I.4.D.ii.(a) Description of Delivery System and Provider Payment Initiatives

I.4.D.ii.(a)(i) Description

Targeted Investments Program

The Targeted Investments Program is designed to provide a uniform dollar increase to eligible AHCCCS providers to develop systems for integrated care and support ongoing efforts to improve care coordination, increase efficiencies in service delivery, and reduce fragmentation between behavioral health and physical health care.

Differential Adjusted Payments

The Differential Adjusted Payment (DAP) initiative delivers a uniform percentage increase to registered providers who provide a particular service under the contract and who meet specific criteria established by AHCCCS. The purpose of the DAP is to distinguish providers which have committed to supporting designated actions that improve patients' care experience, improve members' health, and reduce cost of care growth. The rate increase is intended to supplement, not supplant, payments to eligible providers. The rate increases range from 0.5% to 10%, depending on the provider type.

Access to Professional Services Initiative

The Access to Professional Services Initiative (APSI) seeks to provide enhanced support to certain professionals in order to (1) preserve and enhance access to these professionals who deliver essential services to Medicaid recipients in Arizona and (2) support professionals who are critical to professional

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training and education efforts. APSI is a program to preserve and promote access to medical services through a uniform percentage increase to the Contractors’ rates for professional services provided by qualified physicians and non-physician professionals affiliated with designated hospitals who meet the following definition:

- A hospital facility with an ACGME-accredited teaching program and which is operated pursuant to the authority in Arizona Statute Title 48, Chapter 31; or,
- A hospital facility with:
 - An ACGME-accredited teaching program with a state university, and
 - AHCCCS inpatient discharge utilization volume greater than or equal to 30 percent as calculated by the Arizona Department of Health Services for calendar year 2014; or,
- A freestanding children’s hospital or a pediatric unit of a general acute care hospital with greater than one hundred (100) licensed pediatric beds, excluding nursery beds.

The APSI provides a uniform percentage increase of 40% to otherwise contracted rates for qualified practitioners for all claims for which AHCCCS is the primary payer. The rate increase is intended to supplement, not supplant, payments to eligible providers.

I.4.D.ii.(a)(ii) Amount

Targeted Investments Program

Anticipated payments for Targeted Investments are approximately \$28.3 million. AHCCCS will adjust capitation rates in the form of an annual lump sum payment to the RBHAs after the completion of the contract year.

Differential Adjusted Payments

The amount of payments for the DAP included in the CYE 19 capitation rates for the RBHA Program are displayed below in Table 14a. Totals may not add up due to rounding.

Table 14a: DAP

GSA	Dollars	PMPM
Central	\$3,897,404	\$6.57
North	\$473,440	\$4.06
South	\$1,746,378	\$5.84
Total	\$6,117,222	\$6.06

Access to Professional Services Initiative

The amount of payments for the APSI included in the CYE 19 capitation rates for the RBHA program are displayed below in Table 14b. Totals may not add up due to rounding.

Table 14b: APSI

GSA	Dollars	PMPM
Central	\$1,396,604	\$2.36
North	\$41,288	\$0.35
South	\$1,930,339	\$6.45
Total	\$3,368,231	\$3.34

I.4.D.ii.(a)(iii) Providers Receiving Payment

Targeted Investments Program

The providers receiving the payments include primary care physicians, Integrated Clinic providers, Behavioral Health Outpatient Clinics, and hospitals which qualify for the Targeted Investments Program and who demonstrate performance improvement by meeting certain benchmarks for integrating and coordinating physical and behavioral health care.

Differential Adjusted Payments

The qualifying providers receiving the payments include hospitals subject to APR-DRG reimbursement (eligible for up to a 3.5% increase), other hospitals and inpatient facilities (eligible for up to a 3.5% increase), nursing facilities (eligible for up to a 2.0% increase), integrated clinics (eligible for a 10% increase on a limited set of codes), federally qualified health centers (eligible for a 1.5% increase), physicians, physician assistants, and registered nurse practitioners (all eligible for a 1.0% increase). All providers were notified via a proposed and a final Public Notice of the criteria required to qualify for the DAP.

Access to Professional Services Initiative

The qualifying providers receiving the payment increase include physicians, including doctors of medicine and doctors of osteopathic medicine; certified registered nurse anesthetists; certified registered nurse practitioners; physician assistants; certified nurse midwives; clinical social workers; clinical psychologists; dentists; and optometrists.

I.4.D.ii.(a)(iv) Effect on Capitation Rate Development

Targeted Investments Program

Targeted Investments had no effect on the development of the capitation rates. AHCCCS will submit to CMS a notification letter when the Targeted Investments payments are made detailing the actual amount of the payments. That letter will describe the distribution methodology of the total payments to the individual rate cells. The expected distribution methodology is to use adjudicated and approved encounter data to allocate the TI payments by capitation rate cell. The encounter data used for this distribution includes: billing provider tax IDs (TINs) that were eligible and received payments for the TI program, relevant claim health plan information, relevant rate cell information, and health plan paid (HPP) information. The encounter HPP data for these TINs and claim health plans could exceed the amount that each TIN received in TI payments. The encounter data is therefore only used for distribution purposes to calculate the distribution percentage at the capitation rate cell level per TIN and claim health plan. This distribution percentage is then applied to the actual TI amounts by TIN and claim

health plan to derive the amount per capitation rate cell level. Member month data is also utilized to develop the PMPMs for TI payments associated with each rate cell. AHCCCS describes the methodology, data and assumptions related to the Targeted Investments Program within the 438.6(c) pre-print, which has been submitted but not yet approved.

Differential Adjusted Payments

The AHCCCS DHCM Rates & Reimbursement Team provided the AHCCCS DHCM Actuarial Team with data for the impact of DAP. The data used by the AHCCCS DHCM Rates & Reimbursement Team to develop the DAP impacts was the CYE 17 encounter data across all programs for the providers who qualify for DAP. The AHCCCS DHCM Rates & Reimbursement Team applied the percentage increase earned under DAP to the AHCCCS provider payments resulting from the fee schedule changes, for all services subject to DAP, to determine what the impacts would be for the CYE 19 time period. The AHCCCS DHCM Actuarial Team then reviewed the results and applied the impacts by program and rate cell (the data provided by the AHCCCS DHCM Rates & Reimbursement Team was at a detailed rate code level which the AHCCCS DHCM Actuarial Team then aggregated to the specific rate cells for each program due to the various changes to programs effective October 1, 2018). AHCCCS describes the methodology, data and assumptions related to the DAP within the 438.6(c) pre-prints, which have been submitted but not yet approved.

Access to Professional Services Initiative

The AHCCCS DHCM Actuarial Team relied upon information provided by the APSI Hospital Coalition and their consultants. The information provided by the APSI Hospital Coalition and their consultants was the Billing Provider Tax IDs, which were used to identify the hospital provider groups within the CYE 17 encounter data. They also provided the Average Commercial Rate (ACR) for these hospital provider groups. The AHCCCS DHCM Actuarial Team was unable to determine the reasonableness of the ACR data provided without performing a substantial amount of work and has relied upon the APSI Hospital Coalition and their consultants for the reasonability of the ACR data.

For CYE 19 capitation rates, the 40% fee schedule increase that was determined for CYE 18 capitation rates for other AHCCCS programs was expanded to include the RBHA program. The language from the CYE 18 Acute certification on how the 40% was determined is copied here for convenience of review.

“The methodology to determine the 40% fee schedule increase followed the upper payment limit calculation using an ACR. The data used for this analysis was the CYE 16 encounter data for the hospital provider groups to be included in the initiative. The CYE 16 encounter data was repriced with both the ACRs and with the AHCCCS fee schedule. Under this repriced comparison, the ACR amounts were approximately 53% higher than the AHCCCS fee schedule amounts. The 40% increase for the APSI was then determined through collaborative meetings with the AHCCCS Office of the Director and subsequent meetings with the Hospital Coalition.”

The 40 percent uniform percentage increase was applied to CYE 17 encounters for the providers who were participating in the Access to Professional Services Initiative. The providers were identified by Billing Provider Tax IDs in the AHCCCS PMMIS mainframe. The encounter data excluded any

subcapitated/block purchasing arrangements, any encounters for dual members and was limited to Form CMS-1500s and dental encounters. AHCCCS describes the methodology, data and assumptions related to the APSI within the 438.6(c) pre-print, which has been submitted but not yet approved.

I.4.D.ii.(a)(v) Description of How the Payments are Included in the Capitation Rates

Targeted Investments Program

Funding for Targeted Investments is not included in the certified capitation rates and will be paid out as a lump sum payment.

Differential Adjusted Payments

Funding for DAP is included in the certified capitation rates as an addition to the gross medical expense PMPM.

Access to Professional Services Initiative

Funding for APSI is included in the certified capitation rates as an addition to the gross medical expense PMPM.

I.4.E. Pass-Through Payments

Not applicable. There are no pass-through payments in the CYE 19 capitation rates for the RBHA Program.

I.5. Projected Non-Benefit Costs

I.5.A. Rate Development Standards

This section of the 2019 Guide provides information on the non-benefit component of the capitation rates.

I.5.B. Appropriate Documentation

I.5.B.i. Description of the Development of Projected Non-Benefit Costs

The actuaries have relied upon administrative projections for the RBHAs developed by an AHCCCS financial analyst as noted in Section I.2.B.ii.(b)(ii). The data, assumptions, and methodology included in Section I.5.B.i.(a) have not been audited by the actuaries to determine whether they would have made different assumptions as they relied upon the available expertise of the financial analyst.

I.5.B.i.(a) Data, Assumptions, Methodology

The primary data sources used to develop the administrative component of the CYE 19 capitation rates for the RBHA Program were reported administrative expenses from the CYE 17 annual and CYE 18 Q1 and Q2 financial statements. In addition, RBHAs were required to submit administrative expense estimates for CYE 19, which were reviewed to inform development of cost projections. Also reviewed were trends and forecasts for Consumer Price Index (CPI) and Employment Cost Index (ECI) data from IHS Global Insight.

RBHA administrative expenses on financial statements are allocated to each rate cell. In CYE 19, the previous rating periods' GMH/SA Non-Dual and Non-CMDP Child rate cells are no longer fully covered populations under the RBHA Program. These rate cells no longer exist in the format they did previously due to the AHCCCS Complete Care RFP. These members, combined with members of other AHCCCS programs will only receive a small sub-set of the behavioral health services covered under AHCCCS through the RBHAs. This subset is crisis intervention services, which are the responsibility of the RBHAs for all AHCCCS members, so two new Crisis-only rate cells have been developed to pay for crisis intervention services for AHCCCS member populations which are not included in the four main rate cells of the RBHA Program. The only administrative expenses reviewed and considered were those allocated to the four main rate cells remaining from the prior rating period, CMDP Child, DD Adult, DD Child, and SMI, as these rate cells will continue to receive the full array of services they have previously through the RBHAs. This step ensures the reported administrative costs considered are aligned with only those attributable to populations fully covered in CYE 19. Therefore, all administrative costs attributable to the full benefits provided in the previous period's GMH/SA Non-Dual and Non-CMDP Child rate cells were not included in the administrative cost component build-up for the RBHA Program.

Next, reported administrative costs were reviewed for each GSA separately and trended forward to produce CYE 18 and CYE 19 projected administrative expenses. Two methodologies were prepared and considered for each GSA.

Under the first methodology, CYE 18 Q1 and Q2 expenses were used as the base, considered representative of anticipated CYE 18 annual costs, and annualized to produce a CYE 18 projection. This

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was a reasonable approach because costs reported for Q1 and Q2 are generally half of annual RBHA administrative costs. The CYE 18 projection was adjusted to reflect changes in variable costs due to projected changes in member months for covered populations, and then compensation, professional and outside services (P&O), and other administrative costs were inflated by the estimated change in CPI for wage earners in the period, in order to produce CYE 19 projected costs.

Under the second methodology, CYE 17 expenses were used as the base, adjusted to reflect changes in variable costs due to projected changes in member months for covered populations, and then compensation, P&O, and other administrative costs were inflated by the estimated change in CPI for wage earners in the period, in order to produce CYE 18 projected costs. The CYE 18 projection was adjusted to reflect changes in variable costs due to projected changes in member months for covered populations, and then compensation, P&O, and other administrative costs were inflated by the estimated change in CPI for wage earners in the period, in order to produce CYE 19 projected costs.

The first methodology was utilized for the Central GSA and South GSA, as it is preferable to utilize the most current available administrative financial data, if appropriate.

The second methodology was utilized for the North GSA. While the first methodology, using more current data from CYE 18 Q1 and Q2, would ordinarily be preferred, administrative costs reported in North GSA for that period were 28.7% less than the costs reported for CYE 17 Q1 and Q2. Utilizing the second methodology would have resulted in a significant decrease of 14.5% in administrative costs, which would not be consistent with the Contractor continuing to provide the same level of administrative report for covered populations in CYE 18 as in CYE 17. Therefore, these expenses were not a reasonable basis for projecting CYE 18 costs. Beginning with CYE 17 annual financial data and then projecting CYE 18 and CYE 19 costs is a reasonable and appropriate alternative methodology, which produces a result that is more consistent with the level of administrative support for covered populations that is being provided.

The CYE 19 administrative cost projections for each GSA were also compared to the expenditure projections provided by Contractors for each GSA and were determined to be reasonable in comparison.

Finally, CYE 19 administrative cost projections were adjusted downward in order to remove discrete funding for two administrative positions in each GSA. Effective CYE 19, the RBHA Contract does not require the positions of Chief Executive Officer (CEO) and Quality Management (QM) Manager if the Contractor also holds an AHCCCS Complete Care (ACC) Contract, in which case the ACC positions are required to perform the corresponding duties under the RBHA Contract. All RBHA Contractors meet this requirement. The administrative component of the ACC capitation rates was bid under the requirement that all funding for the CEO and QM Manager be included. Therefore, in order to ensure the two positions, which are fully funded in the ACC capitation rates, do not receive duplicative funding in the RBHA capitation rates, funding associated with those positions is removed from the RBHA administrative cost projection. Each RBHA Contractor was required to provide the total annualized compensation amount for the two positions that was reported in the CYE 2018 Q1 and Q2 financial statements and Contract Year Ending 2019

allocated to the four main rate cells. The CYE 19 administrative cost projections for each GSA were then reduced by the compensation amount, which was also adjusted to include indirect administrative costs.

The CYE 19 projected administrative costs on a PMPM basis were added to each rate cell for each GSA. This was completed by creating projected benefit cost relativities using the CYE 19 projected benefit cost PMPMs by rate cell relative to the CYE 19 projected benefit cost PMPM by GSA. These relativities were applied to the GSA CYE 19 projected administrative cost PMPMs to develop the rate cell specific administrative cost PMPM.

The total CYE 19 administrative expense PMPMs and percentage of the pre-tax capitation rates are displayed below in Table 15. Note that the aggregated PMPM impacts and percentages of pre-tax capitation for the GSAs expressed in this table are calculated across all six rate cells.

Table 15: CYE 19 Administrative Expenses and Percentage of Pre-tax Capitation

GSA	Admin PMPM	Percentage of Pre-tax Capitation
Central	\$5.69	7.99%
North	\$5.25	7.45%
South	\$5.71	8.12%
Total	\$5.65	7.97%

I.5.B.i.(b) Changes since the Previous Rate Certification

The data, assumptions, and methodology used to develop the CYE 19 projected administrative costs are different than the previous rating period and have been documented above. The previous methodology is documented in the CYE 18 actuarial rate certification. The DHCM Actuarial Team determined that the change in methodology was reasonable given the change in the responsibilities of the RBHA Program.

I.5.B.i.(c) Any Other Material Changes

No other material adjustments were applied to the projected non-benefit costs of the CYE 19 capitation rates for the RBHA Program.

I.5.B.ii. Projected Non-Benefit Costs by Category

I.5.B.ii.(a) Administrative Costs

The administrative component of the CYE 19 capitation rates for the RBHA Program is described above in Section I.5.B.i. (a).

I.5.B.ii.(b) Taxes and Other Fees

The CYE 19 capitation rates for the RBHA Program include a provision of 2.0% for premium tax. The premium tax is applied to the total capitation. The Health Insurance Providers Fee (HIPF) is discussed below in I.5.B.iii. No other taxes, fees, or assessments are applicable for this filing.

I.5.B.ii.(c) Contribution to Reserves, Risk Margin, and Cost of Capital

The CYE 19 capitation rates for the RBHA Program include a provision of 1.0% for underwriting gain. This represents a change from the previous rating period for the RBHA Program capitation rates, in which

2.0% was included in the capitation rates for underwriting gain for the first year of capitation rate development based on encounters instead of financials. The 2.0% provision has been reduced back to 1.0% for the second year of the encounter-based capitation rate development.

I.5.B.ii.(d) Other Material Non-Benefit Costs

There are no other material non-benefit costs added to the non-benefit component for the CYE 19 capitation rates for the RBHA Program.

I.5.B.iii. Health Insurance Providers Fee

I.5.B.iii.(a) Address if in Rates

The capitation rates for the RBHA Program reflected in this rate certification do not incorporate the Health Insurance Providers Fee (HIPF). AHCCCS will follow previous capitation rate methodologies for the HIPF in which capitation rates are amended to reflect the calculated HIPF and related tax impacts, except in years where there is a moratorium and no capitation rate adjustment happens. AHCCCS intends to submit a new actuarial certification due to this update, except in years where there is a moratorium and no capitation rate adjustment happens.

I.5.B.iii.(b) Data Year or Fee Year

Not applicable. The HIPF is not incorporated into the CYE 19 capitation rates for the RBHA Program.

I.5.B.iii.(c) Description of how Fee was Determined

Not applicable. The HIPF is not incorporated into the CYE 19 capitation rates for the RBHA Program.

I.5.B.iii.(d) Address if not in Rates

The capitation rates in this certification do not include the fee because the rates will be adjusted to account for the fee at a later date, except in years where there is a moratorium and no capitation rate adjustment happens. If there is no moratorium, a new certification will be submitted with the rate impacts to CMS once the fees are known.

The PMPM capitation adjustments will be developed based on the HIPF liability reported to AHCCCS. The Contractors are notified of the HIPF liability for the entire corporate entity by the Treasury Department. The Contractors who receive multiple streams of revenue applicable to the HIPF calculation will be responsible for allocating an appropriate portion of their HIPF liability to AHCCCS, which will be verified by the AHCCCS DHCM Actuarial Team for reasonableness and appropriateness. To determine if the reported revenue and the HIPF liability allocations to AHCCCS from the Contractors is reasonable and appropriate, the AHCCCS DHCM Actuarial Team will review for each Contractor the HIPF liability allocated to AHCCCS as a percentage of the total HIPF liability from the IRS, and the revenue allocated to AHCCCS as a percentage of the total revenue reported to the IRS. Additionally, the AHCCCS DHCM Actuarial Team will compare the revenue allocated to each AHCCCS program from each Contractor against paid capitation data and determine if the revenue allocated by Contractor to each AHCCCS program is reasonable and appropriate.

As in previous years, the PMPM adjustments will be developed based on each corporate entity’s actual member months within each applicable rate cell. The HIPF adjustment to the capitation rates is expected to be calculated late in the fee year.

I.5.B.iii.(e) Summary of Benefits Under 26 CFR § 57.2(h)(2)(ix)

The portion of the CYE 19 capitation rates for the RBHA Program attributable to nursing facility services, and related home and community based services, for 90 days of short-term convalescent care are located below in Table 16.

Table 16: Portion of the CYE 19 Capitation Rates for HCBS and NF

Rate Cell	Central	North	South
	HCBS/NF	HCBS/NF	HCBS/NF
DD Child	\$3.86	\$35.91	\$12.03
CMDP Child	\$8.07	\$62.48	\$35.04
DD Adult	\$1.63	\$3.04	\$1.04
SMI	\$38.09	\$12.62	\$17.07

I.5.B.iii.(f) Historical HIPF Fees in Capitation Rates

For any HIPF that has been paid in 2014, 2015 and 2016 the HIPF has been included in the capitation rates as a retroactive amendment to the initially certified capitation rates.

I.6. Risk Adjustment and Acuity Adjustments

Not applicable. The CYE 19 capitation rates for the RBHA program do not include risk adjustment or acuity adjustment.

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

Section II of the 2019 Medicaid Managed Care Rate Development Guide is not applicable to the RBHA Program. Managed long-term services and supports, as defined at 42 CFR § 438.2 at 81 FR 27855, are not covered services under the RBHA Program. The RBHA Program does cover nursing facility services, and related home and community based services, for 90 days of short-term convalescent care.

Section III New Adult Group Capitation Rates

Section III of the 2018 Medicaid Managed Care Rate Development Guide is not applicable to the RBHA Program, as there have been no changes to the capitation rate development process in this regard.

AHCCCS expanded coverage for childless adults up to 100% of the federal poverty level (FPL) in 2000 under Proposition 204. In January 2011, this population was subject to an enrollment freeze. Effective January 1, 2014, AHCCCS opted to expand Medicaid eligibility for all adults up to 133% FPL (Adult Expansion) and restored coverage for the childless adults up to 100% FPL (Childless Adult Restoration) population. Collectively, these two populations will be referred to as the new adult group.

Prior to January 1, 2014, the RBHA Program did not have a separate rate cell for the childless adults up to 100% FPL population. This population would have been included in the various adult rate cells which existed at the time, without any delineation between the members based on their income. After January 1, 2014, the RBHA Program rate cell structure included the new adult group in the various adult rate cells which existed at the time, without any delineation between the members based on their income. The RBHA Program has never analyzed the new adult group separate of other members, and there are no data, assumptions, or methodologies specific to the new adult group within any rate cell. The CYE 19 capitation rates for the RBHA Program have continued this approach.

Appendix 1: Actuarial Certification

We, Erica Johnson, ASA, MAAA and Windy J. Marks, FSA, MAAA, are employees of Arizona Health Care Cost Containment System (AHCCCS). We meet the qualification standards established by the American Academy of Actuaries and have followed the practice standards established the Actuarial Standards Board.

The capitation rates included with this rate certification are considered actuarially sound according to the following criteria from 42 CFR § 438.4 at 81 FR 27858:

- § 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 proposed differences among capitation rates according to covered populations must be based on valid rate development standards and not based on the rate of Federal financial participation associated with 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.

Additionally, the term actuarially sound is 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 19 capitation rates for the RBHA Program have been documented according to the guidelines established by CMS in the 2019 Guide. The CYE 19 capitation rates for the RBHA Program are effective for the twelve month time period from October 1, 2018 through September 30, 2019.

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, information, and the professional judgment provided by teams at AHCCCS and the RBHAs. We have relied upon AHCCCS and the RBHAs 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

August 21, 2018

Erica Johnson

Date

Associate, Society of Actuaries
Member, American Academy of Actuaries

SIGNATURE ON FILE

August 21, 2018

Windy J. Marks

Date

Fellow, Society of Actuaries
Member, American Academy of Actuaries

Appendix 2: Certified Capitation Rates

Central GSA

Rate Cell	CYE 19 Capitation Rate	CYE 18 Capitation Rate (only populations which have not changed)
DD Child	\$299.01	\$245.78
CMDP Child	\$762.00	\$627.43
DD Adult	\$193.72	\$159.97
SMI	\$2,368.16	Population changed from prior year
Crisis-only Adult	\$7.58	Population changed from prior year
Crisis-only Child	\$1.08	Population changed from prior year

North GSA

Rate Cell	CYE 19 Capitation Rate	CYE 18 Capitation Rate (only populations which have not changed)
DD Child	\$546.32	\$583.15
CMDP Child	\$1,266.40	\$1,172.40
DD Adult	\$307.68	\$243.30
SMI	\$1,466.58	Population changed from prior year
Crisis-only Adult	\$3.78	Population changed from prior year
Crisis-only Child	\$1.12	Population changed from prior year

South GSA

Rate Cell	CYE 19 Capitation Rate	CYE 18 Capitation Rate (only populations which have not changed)
DD Child	\$469.73	\$374.30
CMDP Child	\$970.35	\$919.94
DD Adult	\$204.75	\$234.79
SMI	\$1,706.25	Population changed from prior year
Crisis-only Adult	\$9.33	Population changed from prior year
Crisis-only Child	\$2.17	Population changed from prior year

Appendix 3: Fiscal Impact Summary

Central GSA

Rate Cell	CYE 19 Projected Membership	CYE 19 Capitation Rate	CYE 19 Projected Expenses
DD Child	105,854	\$299.01	\$31,650,983
CMDP Child	111,470	\$762.00	\$84,940,270
DD Adult	100,021	\$193.72	\$19,375,502
SMI	275,641	\$2,368.16	\$652,762,408
Crisis-only Adult	5,574,650	\$7.58	\$42,277,717
Crisis-only Child	5,342,734	\$1.08	\$5,789,760
Total	11,510,370	\$72.70	\$836,796,639

North GSA

Rate Cell	CYE 19 Projected Membership	CYE 19 Capitation Rate	CYE 19 Projected Expenses
DD Child	7,671	\$546.32	\$4,190,668
CMDP Child	15,513	\$1,266.40	\$19,645,417
DD Adult	18,314	\$307.68	\$5,634,989
SMI	75,025	\$1,466.58	\$110,030,148
Crisis-only Adult	1,138,325	\$3.78	\$4,306,771
Crisis-only Child	755,025	\$1.12	\$843,475
Total	2,009,873	\$71.97	\$144,651,468

South GSA

Rate Cell	CYE 19 Projected Membership	CYE 19 Capitation Rate	CYE 19 Projected Expenses
DD Child	29,033	\$469.73	\$13,637,906
CMDP Child	49,684	\$970.35	\$48,211,006
DD Adult	47,112	\$204.75	\$9,645,991
SMI	173,336	\$1,706.25	\$295,756,150
Crisis-only Adult	3,006,230	\$9.33	\$28,037,904
Crisis-only Child	2,276,258	\$2.17	\$4,930,412
Total	5,581,654	\$71.70	\$400,219,370

Totals may not add up due to rounding.

Appendix 4: Base Data and Base Data Adjustments

GSA: Central
 Rate Cell: DD Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 97,018
 Projection Period Member Months: 105,854

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9814	0.8675	\$0.00	\$0.02	0.9814	0.8603	\$0.02	\$0.02	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.02
Case Management	\$0.61	0.9814	0.8603	\$0.73	\$34.78	0.9814	0.8603	\$41.20	\$41.93	0.00%	0.00%	0.00%	0.00%	0.00%	\$41.93
Crisis Intervention Services	\$0.04	0.9814	0.8603	\$0.04	\$2.13	0.9814	0.8603	\$2.52	\$2.56	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.56
Dental Services	\$0.00	0.9814	1.0000	\$0.00	\$0.00	0.9814	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.13	0.9814	0.8646	\$0.15	\$0.00	0.9814	1.0000	\$0.00	\$0.15	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.15
Inpatient Behavioral Health	\$21.43	0.8685	0.9775	\$25.25	\$0.01	0.9814	0.9881	\$0.01	\$25.25	0.00%	-0.07%	0.00%	0.00%	0.00%	\$25.24
Inpatient Hospital	\$5.41	0.8613	1.0000	\$6.28	\$0.00	0.8613	1.0000	\$0.00	\$6.28	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.28
Medical Services	\$0.74	0.9814	0.8603	\$0.87	\$5.09	0.9814	0.8603	\$6.03	\$6.90	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.90
Nursing Facility (Short-term)	\$0.00	0.8613	1.0000	\$0.00	\$0.00	0.8613	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	0.9814	0.8603	\$0.00	\$0.00	0.9814	0.8603	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.04	0.9339	1.0000	\$0.04	\$0.13	0.9339	1.0000	\$0.14	\$0.18	0.00%	-0.11%	0.00%	0.00%	0.00%	\$0.18
Pharmacy	\$37.01	0.9734	1.0000	\$38.02	\$0.00	0.9734	1.0000	\$0.00	\$38.02	-26.37%	0.00%	0.00%	0.00%	0.00%	\$27.99
Rehabilitation Services	\$2.24	0.9814	0.8603	\$2.65	\$46.86	0.9814	0.8603	\$55.50	\$58.15	0.00%	0.00%	0.00%	0.00%	0.00%	\$58.15
Residential Services	\$0.71	0.9814	0.8603	\$0.84	\$0.00	0.9814	0.8603	\$0.00	\$0.84	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.84
Support Services	\$4.29	0.9814	0.8603	\$5.08	\$11.11	0.9814	0.8603	\$13.16	\$18.25	0.00%	0.00%	0.00%	0.00%	0.00%	\$18.25
Transportation	\$5.15	0.9814	0.8603	\$6.10	\$1.34	0.9814	0.8603	\$1.59	\$7.68	0.00%	0.00%	0.00%	0.00%	0.00%	\$7.68
Treatment Services	\$1.29	0.9814	0.8603	\$1.53	\$19.37	0.9814	0.8603	\$22.95	\$24.47	0.00%	0.00%	0.00%	0.00%	0.00%	\$24.47
Gross Medical	\$79.08			\$87.58	\$120.85			\$143.12	\$230.70						\$220.66

GSA: Central
 Rate Cell: CMDP Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 120,070
 Projection Period Member Months: 111,470

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9814	0.8675	\$0.00	\$0.37	0.9814	0.8603	\$0.44	\$0.44	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.44
Case Management	\$0.97	0.9814	0.8603	\$1.14	\$106.23	0.9814	0.8603	\$125.83	\$126.97	0.00%	0.00%	0.00%	0.00%	0.00%	\$126.97
Crisis Intervention Services	\$0.09	0.9814	0.8603	\$0.10	\$12.39	0.9814	0.8603	\$14.67	\$14.78	0.00%	0.00%	0.00%	0.00%	0.00%	\$14.78
Dental Services	\$0.00	0.9814	1.0000	\$0.00	\$0.00	0.9814	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.15	0.9814	0.8646	\$0.18	\$0.00	0.9814	1.0000	\$0.00	\$0.18	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.18
Inpatient Behavioral Health	\$91.18	0.8655	0.9775	\$107.77	\$0.07	0.9621	0.9881	\$0.08	\$107.85	0.00%	-0.04%	0.00%	0.00%	0.00%	\$107.81
Inpatient Hospital	\$8.03	0.8613	1.0000	\$9.32	\$0.00	0.8613	1.0000	\$0.00	\$9.32	0.00%	0.00%	0.00%	0.00%	0.00%	\$9.32
Medical Services	\$0.77	0.9814	0.8603	\$0.91	\$4.80	0.9814	0.8603	\$5.68	\$6.59	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.59
Nursing Facility (Short-term)	\$0.00	0.8613	1.0000	\$0.00	\$0.00	0.8613	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	0.9814	0.8603	\$0.00	\$0.00	0.9814	0.8603	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.01	0.9339	1.0000	\$0.01	\$1.55	0.9339	1.0000	\$1.66	\$1.68	0.00%	0.00%	0.00%	0.00%	0.00%	\$1.68
Pharmacy	\$23.89	0.9734	1.0000	\$24.54	\$0.00	0.9734	1.0000	\$0.00	\$24.54	-19.12%	0.00%	0.00%	0.00%	0.00%	\$19.85
Rehabilitation Services	\$2.87	0.9814	0.8603	\$3.40	\$61.22	0.9814	0.8603	\$72.52	\$75.92	0.00%	0.00%	0.00%	0.00%	0.00%	\$75.92
Residential Services	\$27.55	0.9814	0.8603	\$32.64	\$0.00	0.9814	0.8603	\$0.00	\$32.64	0.00%	0.00%	0.00%	0.00%	0.00%	\$32.64
Support Services	\$31.62	0.9814	0.8603	\$37.45	\$12.05	0.9814	0.8603	\$14.27	\$51.72	0.00%	0.00%	0.00%	0.00%	0.00%	\$51.72
Transportation	\$12.65	0.9814	0.8603	\$14.98	\$3.73	0.9814	0.8603	\$4.42	\$19.40	0.00%	0.00%	0.00%	0.00%	0.00%	\$19.40
Treatment Services	\$2.81	0.9814	0.8603	\$3.33	\$65.70	0.9814	0.8603	\$77.82	\$81.15	0.00%	0.00%	0.00%	0.00%	0.00%	\$81.15
Gross Medical	\$202.59			\$235.78	\$268.12			\$317.39	\$553.17						\$548.44

GSA: Central
 Rate Cell: DD Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 92,556
 Projection Period Member Months: 100,021

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9814	0.8675	\$0.00	\$0.27	0.9814	0.8603	\$0.31	\$0.31	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.31
Case Management	\$0.72	0.9814	0.8603	\$0.85	\$13.51	0.9814	0.8603	\$16.01	\$16.86	0.00%	0.00%	0.00%	0.00%	0.00%	\$16.86
Crisis Intervention Services	\$0.00	0.9814	0.8603	\$0.01	\$5.77	0.9814	0.8603	\$6.83	\$6.84	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.84
Dental Services	\$0.00	0.9814	1.0000	\$0.00	\$0.00	0.9814	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.06	0.9814	0.8646	\$0.07	\$0.00	0.9814	1.0000	\$0.00	\$0.07	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.07
Inpatient Behavioral Health	\$6.06	0.8767	0.9775	\$7.07	\$2.90	0.8686	0.9881	\$3.38	\$10.45	0.00%	-0.78%	0.00%	0.00%	0.00%	\$10.37
Inpatient Hospital	\$14.33	0.8613	1.0000	\$16.64	\$0.00	0.8613	1.0000	\$0.00	\$16.64	0.00%	0.00%	0.00%	0.00%	0.00%	\$16.64
Medical Services	\$0.84	0.9814	0.8603	\$1.00	\$7.34	0.9814	0.8603	\$8.70	\$9.70	0.00%	0.00%	0.00%	0.00%	0.00%	\$9.70
Nursing Facility (Short-term)	\$0.00	0.8613	1.0000	\$0.00	\$0.00	0.8613	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	0.9814	0.8603	\$0.00	\$0.00	0.9814	0.8603	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.34	0.9339	1.0000	\$0.36	\$0.00	0.9339	1.0000	\$0.00	\$0.36	0.00%	-0.03%	0.00%	0.00%	0.00%	\$0.36
Pharmacy	\$62.34	0.9734	1.0000	\$64.05	\$0.00	0.9734	1.0000	\$0.00	\$64.05	-15.97%	0.00%	0.00%	0.00%	0.00%	\$53.82
Rehabilitation Services	\$1.35	0.9814	0.8603	\$1.59	\$8.02	0.9814	0.8603	\$9.50	\$11.09	0.00%	0.00%	0.00%	0.00%	0.00%	\$11.09
Residential Services	\$2.26	0.9814	0.8603	\$2.68	\$0.05	0.9814	0.8603	\$0.06	\$2.73	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.73
Support Services	\$0.60	0.9814	0.8603	\$0.72	\$4.79	0.9814	0.8603	\$5.68	\$6.39	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.39
Transportation	\$5.11	0.9814	0.8603	\$6.05	\$0.87	0.9814	0.8603	\$1.03	\$7.08	0.00%	0.00%	0.00%	0.00%	0.00%	\$7.08
Treatment Services	\$2.01	0.9814	0.8603	\$2.38	\$8.39	0.9814	0.8603	\$9.93	\$12.31	0.00%	0.00%	0.00%	0.00%	0.00%	\$12.31
Gross Medical	\$96.02			\$103.46	\$51.91			\$61.43	\$164.88						\$154.57

GSA: Central
 Rate Cell: SMI
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 261,740
 Projection Period Member Months: 275,641

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9814	0.8675	\$0.00	\$9.32	0.9814	0.8603	\$11.04	\$11.04	0.00%	0.00%	0.00%	0.00%	0.00%	\$11.04
Case Management	\$1.62	0.9814	0.8603	\$1.92	\$159.26	0.9814	0.8603	\$188.63	\$190.55	0.00%	0.00%	0.00%	0.00%	0.00%	\$190.55
Crisis Intervention Services	\$0.13	0.9814	0.8603	\$0.15	\$40.85	0.9814	0.8603	\$48.38	\$48.54	0.00%	0.00%	0.00%	0.00%	0.00%	\$48.54
Dental Services	\$0.65	0.9814	1.0000	\$0.66	\$0.00	0.9814	1.0000	\$0.00	\$0.66	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.66
FQHC/RHC	\$17.20	0.9814	0.8646	\$20.27	\$0.00	0.9814	1.0000	\$0.00	\$20.27	0.00%	0.00%	0.00%	0.00%	0.00%	\$20.27
Inpatient Behavioral Health	\$148.42	0.8825	0.9775	\$172.05	\$19.68	0.8701	0.9881	\$22.89	\$194.94	0.00%	0.00%	10.21%	-15.02%	0.00%	\$182.57
Inpatient Hospital	\$197.16	0.8613	1.0000	\$228.92	\$0.00	0.8613	1.0000	\$0.00	\$228.92	0.00%	-0.47%	0.00%	0.00%	0.00%	\$227.84
Medical Services	\$101.98	0.9814	0.8603	\$120.79	\$54.74	0.9814	0.8603	\$64.83	\$185.63	0.00%	0.00%	0.00%	0.00%	-3.52%	\$179.08
Nursing Facility (Short-term)	\$5.09	0.8613	1.0000	\$5.91	\$0.00	0.8613	1.0000	\$0.00	\$5.91	0.00%	-0.77%	0.00%	0.00%	0.00%	\$5.86
Other Services	\$13.30	0.9814	0.8603	\$15.75	\$0.75	0.9814	0.8603	\$0.89	\$16.64	0.00%	0.00%	0.00%	0.00%	0.00%	\$16.64
Outpatient Hospital	\$97.06	0.9339	1.0000	\$103.94	\$0.22	0.9339	1.0000	\$0.23	\$104.17	0.00%	-0.44%	0.00%	0.00%	0.00%	\$103.71
Pharmacy	\$376.75	0.9734	1.0000	\$387.06	\$0.00	0.9734	1.0000	\$0.00	\$387.06	-4.90%	0.00%	0.00%	0.00%	0.00%	\$368.11
Rehabilitation Services	\$0.42	0.9814	0.8603	\$0.49	\$118.44	0.9814	0.8603	\$140.28	\$140.78	0.00%	0.00%	0.00%	0.00%	0.00%	\$140.78
Residential Services	\$138.29	0.9814	0.8603	\$163.80	\$5.91	0.9814	0.8603	\$7.00	\$170.79	0.00%	0.00%	0.00%	0.00%	0.00%	\$170.79
Support Services	\$2.07	0.9814	0.8603	\$2.45	\$60.58	0.9814	0.8603	\$71.75	\$74.20	0.00%	0.00%	0.00%	0.00%	0.00%	\$74.20
Transportation	\$127.95	0.9814	0.8603	\$151.55	\$13.06	0.9814	0.8603	\$15.47	\$167.02	0.00%	0.00%	0.00%	0.00%	0.00%	\$167.02
Treatment Services	\$17.76	0.9814	0.8603	\$21.04	\$53.76	0.9814	0.8603	\$63.68	\$84.71	0.00%	0.00%	0.00%	0.00%	0.00%	\$84.71
Gross Medical	\$1,245.86			\$1,396.76	\$536.56			\$635.08	\$2,031.84						\$1,992.39

GSA: North
 Rate Cell: DD Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 7,155
 Projection Period Member Months: 7,671

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Case Management	\$3.56	0.9741	1.0000	\$3.65	\$65.67	0.9741	1.0000	\$67.42	\$71.07	0.00%	0.00%	0.00%	0.00%	0.00%	\$71.07
Crisis Intervention Services	\$0.56	0.9741	1.0000	\$0.57	\$1.42	0.9741	1.0000	\$1.46	\$2.03	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.03
Dental Services	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.22	0.9741	1.0000	\$0.23	\$0.00	0.9741	1.0000	\$0.00	\$0.23	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.23
Inpatient Behavioral Health	\$21.85	0.9006	1.0000	\$24.26	\$0.04	0.9741	1.0000	\$0.04	\$24.30	0.00%	-0.04%	0.00%	0.00%	0.00%	\$24.29
Inpatient Hospital	\$1.58	0.8988	1.0000	\$1.76	\$0.00	0.8988	1.0000	\$0.00	\$1.76	0.00%	0.00%	0.00%	0.00%	0.00%	\$1.76
Medical Services	\$0.68	0.9741	1.0000	\$0.69	\$8.47	0.9741	1.0000	\$8.69	\$9.39	0.00%	0.00%	0.00%	0.00%	0.00%	\$9.39
Nursing Facility (Short-term)	\$0.00	0.8988	1.0000	\$0.00	\$0.00	0.8988	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.07	0.9741	1.0000	\$0.07	\$0.00	0.9741	1.0000	\$0.00	\$0.07	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.07
Outpatient Hospital	\$0.00	0.9002	1.0000	\$0.00	\$0.00	0.9002	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Pharmacy	\$46.68	0.9967	1.0000	\$46.83	\$0.00	0.9967	1.0000	\$0.00	\$46.83	-43.80%	0.00%	0.00%	0.00%	0.00%	\$26.32
Rehabilitation Services	\$5.87	0.9741	1.0000	\$6.02	\$134.36	0.9741	1.0000	\$137.94	\$143.96	0.00%	0.00%	0.00%	0.00%	0.00%	\$143.96
Residential Services	\$17.78	0.9741	1.0000	\$18.25	\$0.00	0.9741	1.0000	\$0.00	\$18.25	0.00%	0.00%	0.00%	0.00%	0.00%	\$18.25
Support Services	\$28.01	0.9741	1.0000	\$28.75	\$33.30	0.9741	1.0000	\$34.18	\$62.94	0.00%	0.00%	0.00%	0.00%	0.00%	\$62.94
Transportation	\$5.65	0.9741	1.0000	\$5.80	\$17.01	0.9741	1.0000	\$17.46	\$23.27	0.00%	0.00%	0.00%	0.00%	0.00%	\$23.27
Treatment Services	\$4.55	0.9741	1.0000	\$4.67	\$28.40	0.9741	1.0000	\$29.15	\$33.82	0.00%	0.00%	0.00%	0.00%	0.00%	\$33.82
Gross Medical	\$137.04			\$141.57	\$288.66			\$296.34	\$437.91						\$417.38

GSA: North
 Rate Cell: CMDP Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 16,153
 Projection Period Member Months: 15,513

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Case Management	\$12.57	0.9741	1.0000	\$12.90	\$184.88	0.9741	1.0000	\$189.80	\$202.70	0.00%	0.00%	0.00%	0.00%	0.00%	\$202.70
Crisis Intervention Services	\$1.63	0.9741	1.0000	\$1.68	\$4.20	0.9741	1.0000	\$4.31	\$5.99	0.00%	0.00%	0.00%	0.00%	0.00%	\$5.99
Dental Services	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.03	0.9741	1.0000	\$0.03	\$0.00	0.9741	1.0000	\$0.00	\$0.03	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.03
Inpatient Behavioral Health	\$153.93	0.8993	1.0000	\$171.17	\$0.27	0.9741	1.0000	\$0.28	\$171.45	0.00%	-0.01%	0.00%	0.00%	0.00%	\$171.42
Inpatient Hospital	\$4.49	0.8988	1.0000	\$5.00	\$0.00	0.8988	1.0000	\$0.00	\$5.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$5.00
Medical Services	\$0.73	0.9741	1.0000	\$0.75	\$5.99	0.9741	1.0000	\$6.15	\$6.90	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.90
Nursing Facility (Short-term)	\$0.00	0.8988	1.0000	\$0.00	\$0.00	0.8988	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.00	0.9002	1.0000	\$0.00	\$0.00	0.9002	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Pharmacy	\$24.37	0.9967	1.0000	\$24.45	\$0.00	0.9967	1.0000	\$0.00	\$24.45	-19.22%	0.00%	0.00%	0.00%	0.00%	\$19.75
Rehabilitation Services	\$2.82	0.9741	1.0000	\$2.89	\$104.19	0.9741	1.0000	\$106.96	\$109.85	0.00%	0.00%	0.00%	0.00%	0.00%	\$109.85
Residential Services	\$56.51	0.9741	1.0000	\$58.02	\$2.35	0.9741	1.0000	\$2.41	\$60.42	0.00%	0.00%	0.00%	0.00%	0.00%	\$60.42
Support Services	\$204.73	0.9741	1.0000	\$210.17	\$66.28	0.9741	1.0000	\$68.04	\$278.22	0.00%	0.00%	0.00%	0.00%	0.00%	\$278.22
Transportation	\$6.24	0.9741	1.0000	\$6.41	\$21.84	0.9741	1.0000	\$22.42	\$28.83	0.00%	0.00%	0.00%	0.00%	0.00%	\$28.83
Treatment Services	\$26.67	0.9741	1.0000	\$27.38	\$94.00	0.9741	1.0000	\$96.50	\$123.88	0.00%	0.00%	0.00%	0.00%	0.00%	\$123.88
Gross Medical	\$494.73			\$520.85	\$483.99			\$496.87	\$1,017.71						\$1,012.99

GSA: North
 Rate Cell: DD Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 17,611
 Projection Period Member Months: 18,314

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Case Management	\$1.02	0.9741	1.0000	\$1.04	\$36.78	0.9741	1.0000	\$37.76	\$38.80	0.00%	0.00%	0.00%	0.00%	0.00%	\$38.80
Crisis Intervention Services	\$0.29	0.9741	1.0000	\$0.30	\$5.75	0.9741	1.0000	\$5.91	\$6.20	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.20
Dental Services	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.13	0.9741	1.0000	\$0.14	\$0.00	0.9741	1.0000	\$0.00	\$0.14	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.14
Inpatient Behavioral Health	\$9.05	0.9044	1.0000	\$10.01	\$23.76	0.9034	1.0000	\$26.30	\$36.31	0.00%	-0.10%	0.00%	0.00%	0.00%	\$36.27
Inpatient Hospital	\$6.42	0.8988	1.0000	\$7.15	\$0.00	0.8988	1.0000	\$0.00	\$7.15	0.00%	0.00%	0.00%	0.00%	0.00%	\$7.15
Medical Services	\$0.16	0.9741	1.0000	\$0.16	\$8.47	0.9741	1.0000	\$8.69	\$8.85	0.00%	0.00%	0.00%	0.00%	0.00%	\$8.85
Nursing Facility (Short-term)	\$0.00	0.8988	1.0000	\$0.00	\$0.00	0.8988	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.9741	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.00	0.9002	1.0000	\$0.00	\$0.00	0.9002	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Pharmacy	\$33.19	0.9967	1.0000	\$33.30	\$0.00	0.9967	1.0000	\$0.00	\$33.30	-16.41%	0.00%	0.00%	0.00%	0.00%	\$27.83
Rehabilitation Services	\$6.09	0.9741	1.0000	\$6.25	\$41.55	0.9741	1.0000	\$42.66	\$48.91	0.00%	0.00%	0.00%	0.00%	0.00%	\$48.91
Residential Services	\$22.61	0.9741	1.0000	\$23.21	\$4.55	0.9741	1.0000	\$4.67	\$27.88	0.00%	0.00%	0.00%	0.00%	0.00%	\$27.88
Support Services	\$0.96	0.9741	1.0000	\$0.98	\$7.01	0.9741	1.0000	\$7.19	\$8.17	0.00%	0.00%	0.00%	0.00%	0.00%	\$8.17
Transportation	\$2.65	0.9741	1.0000	\$2.72	\$7.98	0.9741	1.0000	\$8.20	\$10.91	0.00%	0.00%	0.00%	0.00%	0.00%	\$10.91
Treatment Services	\$2.20	0.9741	1.0000	\$2.26	\$22.55	0.9741	1.0000	\$23.15	\$25.40	0.00%	0.00%	0.00%	0.00%	0.00%	\$25.40
Gross Medical	\$84.76			\$87.51	\$158.39			\$164.52	\$252.02						\$246.52

GSA: North
 Rate Cell: SMI
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 72,144
 Projection Period Member Months: 75,025

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9741	1.0000	\$0.00	\$0.14	0.9741	1.0000	\$0.15	\$0.15	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.15
Case Management	\$0.36	0.9741	1.0000	\$0.37	\$118.78	0.9741	1.0000	\$121.94	\$122.31	0.00%	0.00%	0.00%	0.00%	0.00%	\$122.31
Crisis Intervention Services	\$1.02	0.9741	1.0000	\$1.04	\$11.70	0.9741	1.0000	\$12.01	\$13.06	0.00%	0.00%	0.00%	0.00%	0.00%	\$13.06
Dental Services	\$0.25	0.9741	1.0000	\$0.25	\$0.00	0.9741	1.0000	\$0.00	\$0.25	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.25
FQHC/RHC	\$12.05	0.9741	1.0000	\$12.37	\$0.01	0.9741	1.0000	\$0.01	\$12.38	0.00%	0.00%	0.00%	0.00%	0.00%	\$12.38
Inpatient Behavioral Health	\$37.15	0.9088	1.0000	\$40.87	\$62.45	0.9046	1.0000	\$69.04	\$109.91	0.00%	0.00%	1.12%	-0.74%	0.00%	\$110.32
Inpatient Hospital	\$48.57	0.8988	1.0000	\$54.04	\$0.00	0.8988	1.0000	\$0.00	\$54.04	0.00%	-0.33%	0.00%	0.00%	0.00%	\$53.86
Medical Services	\$57.38	0.9741	1.0000	\$58.90	\$25.45	0.9741	1.0000	\$26.12	\$85.03	0.00%	0.00%	0.00%	0.00%	-0.07%	\$84.97
Nursing Facility (Short-term)	\$3.58	0.8988	1.0000	\$3.98	\$0.00	0.8988	1.0000	\$0.00	\$3.98	0.00%	-0.92%	0.00%	0.00%	0.00%	\$3.94
Other Services	\$4.61	0.9741	1.0000	\$4.73	\$0.43	0.9741	1.0000	\$0.44	\$5.17	0.00%	0.00%	0.00%	0.00%	0.00%	\$5.17
Outpatient Hospital	\$82.72	0.9002	1.0000	\$91.88	\$0.00	0.9002	1.0000	\$0.00	\$91.88	0.00%	-0.27%	0.00%	0.00%	0.00%	\$91.64
Pharmacy	\$245.58	0.9967	1.0000	\$246.39	\$0.00	0.9967	1.0000	\$0.00	\$246.39	-5.06%	0.00%	0.00%	0.00%	0.00%	\$233.92
Rehabilitation Services	\$1.85	0.9741	1.0000	\$1.90	\$96.12	0.9741	1.0000	\$98.68	\$100.57	0.00%	0.00%	0.00%	0.00%	0.00%	\$100.57
Residential Services	\$113.63	0.9741	1.0000	\$116.65	\$60.06	0.9741	1.0000	\$61.66	\$178.31	0.00%	0.00%	0.00%	0.00%	0.00%	\$178.31
Support Services	\$0.61	0.9741	1.0000	\$0.63	\$48.53	0.9741	1.0000	\$49.82	\$50.45	0.00%	0.00%	0.00%	0.00%	0.00%	\$50.45
Transportation	\$35.97	0.9741	1.0000	\$36.93	\$41.81	0.9741	1.0000	\$42.93	\$79.86	0.00%	0.00%	0.00%	0.00%	0.00%	\$79.86
Treatment Services	\$3.27	0.9741	1.0000	\$3.36	\$67.96	0.9741	1.0000	\$69.77	\$73.12	0.00%	0.00%	0.00%	0.00%	0.00%	\$73.12
Gross Medical	\$648.58			\$674.30	\$533.45			\$552.56	\$1,226.86						\$1,214.29

GSA: South
 Rate Cell: DD Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 27,574
 Projection Period Member Months: 29,033

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.00	0.9839	1.0000	\$0.00	\$0.11	0.9839	1.0000	\$0.12	\$0.12	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.12
Case Management	\$9.69	0.9839	1.0000	\$9.85	\$49.93	0.9839	1.0000	\$50.75	\$60.60	0.00%	0.00%	0.00%	0.00%	0.00%	\$60.60
Crisis Intervention Services	\$0.33	0.9839	1.0000	\$0.34	\$6.15	0.9839	1.0000	\$6.26	\$6.59	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.59
Dental Services	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$2.06	0.9839	1.0000	\$2.10	\$0.08	0.9839	1.0000	\$0.08	\$2.18	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.18
Inpatient Behavioral Health	\$13.19	0.8924	1.0000	\$14.78	\$1.29	0.9839	1.0000	\$1.32	\$16.10	0.00%	-0.07%	0.00%	0.00%	0.00%	\$16.09
Inpatient Hospital	\$1.99	0.8831	1.0000	\$2.26	\$0.00	0.8831	1.0000	\$0.00	\$2.26	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.26
Medical Services	\$0.99	0.9839	1.0000	\$1.01	\$12.72	0.9839	1.0000	\$12.93	\$13.93	0.00%	-0.02%	0.00%	0.00%	0.00%	\$13.93
Nursing Facility (Short-term)	\$0.00	0.8831	1.0000	\$0.00	\$0.00	0.8831	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.13	0.9232	1.0000	\$0.14	\$0.00	0.9232	1.0000	\$0.00	\$0.14	0.00%	-0.53%	0.00%	0.00%	0.00%	\$0.14
Pharmacy	\$41.64	0.9999	1.0000	\$41.64	\$0.00	0.9999	1.0000	\$0.00	\$41.64	-26.76%	0.00%	0.00%	0.00%	0.00%	\$30.50
Rehabilitation Services	\$14.57	0.9839	1.0000	\$14.81	\$24.91	0.9839	1.0000	\$25.32	\$40.12	0.00%	0.00%	0.00%	0.00%	0.00%	\$40.12
Residential Services	\$45.20	0.9839	1.0000	\$45.93	\$0.13	0.9839	1.0000	\$0.13	\$46.07	0.00%	0.00%	0.00%	0.00%	0.00%	\$46.07
Support Services	\$19.77	0.9839	1.0000	\$20.09	\$13.48	0.9839	1.0000	\$13.71	\$33.80	0.00%	0.00%	0.00%	0.00%	0.00%	\$33.80
Transportation	\$4.98	0.9839	1.0000	\$5.06	\$5.49	0.9839	1.0000	\$5.58	\$10.64	0.00%	0.00%	0.00%	0.00%	0.00%	\$10.64
Treatment Services	\$11.82	0.9839	1.0000	\$12.01	\$37.76	0.9839	1.0000	\$38.38	\$50.39	0.00%	0.00%	0.00%	0.00%	0.00%	\$50.39
Gross Medical	\$166.37			\$170.03	\$152.07			\$154.56	\$324.58						\$313.43

GSA: South
 Rate Cell: CMDP Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 55,545
 Projection Period Member Months: 49,684

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.02	0.9839	1.0000	\$0.02	\$4.01	0.9839	1.0000	\$4.08	\$4.10	0.00%	0.00%	0.00%	0.00%	0.00%	\$4.10
Case Management	\$13.46	0.9839	1.0000	\$13.68	\$139.24	0.9839	1.0000	\$141.51	\$155.19	0.00%	0.00%	0.00%	0.00%	0.00%	\$155.19
Crisis Intervention Services	\$1.76	0.9839	1.0000	\$1.79	\$12.38	0.9839	1.0000	\$12.58	\$14.38	0.00%	0.00%	0.00%	0.00%	0.00%	\$14.38
Dental Services	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$2.02	0.9839	1.0000	\$2.05	\$0.45	0.9839	1.0000	\$0.46	\$2.51	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.51
Inpatient Behavioral Health	\$68.37	0.8895	1.0000	\$76.86	\$6.51	0.9839	1.0000	\$6.62	\$83.47	0.00%	-0.02%	0.00%	0.00%	0.00%	\$83.46
Inpatient Hospital	\$2.90	0.8831	1.0000	\$3.28	\$0.00	0.8831	1.0000	\$0.00	\$3.28	0.00%	0.00%	0.00%	0.00%	0.00%	\$3.28
Medical Services	\$0.45	0.9839	1.0000	\$0.46	\$9.29	0.9839	1.0000	\$9.44	\$9.89	0.00%	0.00%	0.00%	0.00%	0.00%	\$9.89
Nursing Facility (Short-term)	\$0.00	0.8831	1.0000	\$0.00	\$0.00	0.8831	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.02	0.9232	1.0000	\$0.02	\$0.00	0.9232	1.0000	\$0.00	\$0.02	0.00%	-0.35%	0.00%	0.00%	0.00%	\$0.02
Pharmacy	\$20.24	0.9999	1.0000	\$20.25	\$0.00	0.9999	1.0000	\$0.00	\$20.25	-14.22%	0.00%	0.00%	0.00%	0.00%	\$17.37
Rehabilitation Services	\$8.51	0.9839	1.0000	\$8.65	\$28.17	0.9839	1.0000	\$28.63	\$37.28	0.00%	0.00%	0.00%	0.00%	0.00%	\$37.28
Residential Services	\$106.69	0.9839	1.0000	\$108.43	\$4.84	0.9839	1.0000	\$4.92	\$113.34	0.00%	0.00%	0.00%	0.00%	0.00%	\$113.34
Support Services	\$87.90	0.9839	1.0000	\$89.33	\$19.99	0.9839	1.0000	\$20.32	\$109.65	0.00%	0.00%	0.00%	0.00%	0.00%	\$109.65
Transportation	\$5.50	0.9839	1.0000	\$5.59	\$25.27	0.9839	1.0000	\$25.68	\$31.27	0.00%	0.00%	0.00%	0.00%	0.00%	\$31.27
Treatment Services	\$27.81	0.9839	1.0000	\$28.27	\$179.46	0.9839	1.0000	\$182.39	\$210.66	0.00%	0.00%	0.00%	0.00%	0.00%	\$210.66
Gross Medical	\$345.65			\$358.68	\$429.60			\$436.62	\$795.30						\$792.40

GSA: South
 Rate Cell: DD Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 44,699
 Projection Period Member Months: 47,112

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.06	0.9839	1.0000	\$0.06	\$0.12	0.9839	1.0000	\$0.12	\$0.18	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.18
Case Management	\$4.00	0.9839	1.0000	\$4.07	\$28.46	0.9839	1.0000	\$28.93	\$32.99	0.00%	0.00%	0.00%	0.00%	0.00%	\$32.99
Crisis Intervention Services	\$0.73	0.9839	1.0000	\$0.74	\$15.62	0.9839	1.0000	\$15.87	\$16.61	0.00%	0.00%	0.00%	0.00%	0.00%	\$16.61
Dental Services	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$1.80	0.9839	1.0000	\$1.83	\$0.12	0.9839	1.0000	\$0.12	\$1.95	0.00%	0.00%	0.00%	0.00%	0.00%	\$1.95
Inpatient Behavioral Health	\$9.49	0.8973	1.0000	\$10.58	\$3.93	0.9839	1.0000	\$4.00	\$14.58	0.00%	-0.06%	0.00%	0.00%	0.00%	\$14.57
Inpatient Hospital	\$2.60	0.8831	1.0000	\$2.95	\$0.00	0.8831	1.0000	\$0.00	\$2.95	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.95
Medical Services	\$0.58	0.9839	1.0000	\$0.59	\$13.34	0.9839	1.0000	\$13.55	\$14.14	0.00%	0.00%	0.00%	0.00%	0.00%	\$14.14
Nursing Facility (Short-term)	\$0.00	0.8831	1.0000	\$0.00	\$0.00	0.8831	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.9839	1.0000	\$0.00	\$0.00	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.12	0.9232	1.0000	\$0.13	\$0.00	0.9232	1.0000	\$0.00	\$0.13	0.00%	-0.50%	0.00%	0.00%	0.00%	\$0.13
Pharmacy	\$33.46	0.9999	1.0000	\$33.46	\$0.00	0.9999	1.0000	\$0.00	\$33.46	-20.21%	0.00%	0.00%	0.00%	0.00%	\$26.70
Rehabilitation Services	\$3.74	0.9839	1.0000	\$3.80	\$8.29	0.9839	1.0000	\$8.43	\$12.23	0.00%	0.00%	0.00%	0.00%	0.00%	\$12.23
Residential Services	\$6.87	0.9839	1.0000	\$6.98	\$0.98	0.9839	1.0000	\$0.99	\$7.98	0.00%	0.00%	0.00%	0.00%	0.00%	\$7.98
Support Services	\$4.79	0.9839	1.0000	\$4.86	\$1.56	0.9839	1.0000	\$1.58	\$6.45	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.45
Transportation	\$2.14	0.9839	1.0000	\$2.17	\$2.09	0.9839	1.0000	\$2.12	\$4.30	0.00%	0.00%	0.00%	0.00%	0.00%	\$4.30
Treatment Services	\$4.65	0.9839	1.0000	\$4.73	\$21.31	0.9839	1.0000	\$21.66	\$26.39	0.00%	0.00%	0.00%	0.00%	0.00%	\$26.39
Gross Medical	\$75.04			\$76.96	\$95.82			\$97.39	\$174.35						\$167.58

GSA: South
 Rate Cell: SMI
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 167,964
 Projection Period Member Months: 173,336

Category of Service	Non-Subcapitated/Block Payment Base Data				Subcapitated/Block Payment Base Data				Combined Base PMPM	Ability to Aripiprazole	CYE 17 DAP removal	IMD (Reprice Stays of all Lengths)	IMD (Remove Stays > 15)	IMD (Remove Related Expenses > 15)	Adjusted Base PMPM
	PMPM	Completion	Encounter Issue	Adjusted PMPM	PMPM	Completion	Encounter Issue	Adjusted PMPM							
Behavioral Health Day Programs	\$0.43	0.9839	1.0000	\$0.44	\$0.17	0.9839	1.0000	\$0.17	\$0.61	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.61
Case Management	\$8.38	0.9839	1.0000	\$8.51	\$120.80	0.9839	1.0000	\$122.77	\$131.28	0.00%	0.00%	0.00%	0.00%	0.00%	\$131.28
Crisis Intervention Services	\$9.27	0.9839	1.0000	\$9.42	\$57.89	0.9839	1.0000	\$58.84	\$68.26	0.00%	0.00%	0.00%	0.00%	0.00%	\$68.26
Dental Services	\$0.20	0.9839	1.0000	\$0.20	\$0.00	0.9839	1.0000	\$0.00	\$0.20	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.20
FQHC/RHC	\$24.61	0.9839	1.0000	\$25.01	\$2.69	0.9839	1.0000	\$2.74	\$27.75	0.00%	0.00%	0.00%	0.00%	0.00%	\$27.75
Inpatient Behavioral Health	\$110.05	0.9016	1.0000	\$122.06	\$17.76	0.9839	1.0000	\$18.05	\$140.11	0.00%	0.00%	1.19%	-6.06%	0.00%	\$133.19
Inpatient Hospital	\$101.69	0.8831	1.0000	\$115.16	\$0.00	0.8831	1.0000	\$0.00	\$115.16	0.00%	-0.31%	0.00%	0.00%	0.00%	\$114.80
Medical Services	\$90.06	0.9839	1.0000	\$91.53	\$56.67	0.9839	1.0000	\$57.60	\$149.13	0.00%	-0.01%	0.00%	0.00%	-1.37%	\$147.08
Nursing Facility (Short-term)	\$10.60	0.8831	1.0000	\$12.01	\$0.00	0.8831	1.0000	\$0.00	\$12.01	0.00%	-0.59%	0.00%	0.00%	0.00%	\$11.94
Other Services	\$12.23	0.9839	1.0000	\$12.43	\$0.00	0.9839	1.0000	\$0.00	\$12.43	0.00%	0.00%	0.00%	0.00%	0.00%	\$12.43
Outpatient Hospital	\$97.49	0.9232	1.0000	\$105.60	\$0.00	0.9232	1.0000	\$0.00	\$105.60	0.00%	-0.27%	0.00%	0.00%	0.00%	\$105.31
Pharmacy	\$241.30	0.9999	1.0000	\$241.32	\$0.00	0.9999	1.0000	\$0.00	\$241.32	-5.50%	0.00%	0.00%	0.00%	0.00%	\$228.06
Rehabilitation Services	\$20.97	0.9839	1.0000	\$21.31	\$39.22	0.9839	1.0000	\$39.86	\$61.17	0.00%	0.00%	0.00%	0.00%	0.00%	\$61.17
Residential Services	\$69.94	0.9839	1.0000	\$71.08	\$22.26	0.9839	1.0000	\$22.62	\$93.70	0.00%	0.00%	0.00%	0.00%	0.00%	\$93.70
Support Services	\$16.83	0.9839	1.0000	\$17.11	\$12.73	0.9839	1.0000	\$12.94	\$30.04	0.00%	0.00%	0.00%	0.00%	0.00%	\$30.04
Transportation	\$56.84	0.9839	1.0000	\$57.77	\$22.22	0.9839	1.0000	\$22.58	\$80.34	0.00%	0.00%	0.00%	0.00%	0.00%	\$80.34
Treatment Services	\$17.28	0.9839	1.0000	\$17.56	\$90.83	0.9839	1.0000	\$92.31	\$109.87	0.00%	0.00%	0.00%	0.00%	0.00%	\$109.87
Gross Medical	\$888.16			\$928.52	\$443.24			\$450.48	\$1,379.00						\$1,356.04

Appendix 5: Projected Benefit Cost Trends

Central				
Rate Cell	Trend COS	Utilization per 1000	Unit Cost	PMPM
DD Child	Inpatient Behavioral Health	2.0%	1.5%	3.5%
DD Child	Inpatient Hospital	0.0%	0.0%	0.0%
DD Child	Medical Services	0.0%	1.0%	1.0%
DD Child	Other Services	0.0%	4.0%	4.0%
DD Child	Pharmacy	1.5%	6.0%	7.6%
DD Child	Rehabilitation/Treatment Services	4.0%	0.0%	4.0%
DD Child	Residential Services	1.0%	3.0%	4.0%
DD Child	Support Services	2.5%	0.0%	2.5%
CMDP Child	Inpatient Behavioral Health	2.0%	1.5%	3.5%
CMDP Child	Inpatient Hospital	0.0%	0.0%	0.0%
CMDP Child	Medical Services	0.0%	1.0%	1.0%
CMDP Child	Other Services	0.0%	4.0%	4.0%
CMDP Child	Pharmacy	1.5%	6.0%	7.6%
CMDP Child	Rehabilitation/Treatment Services	4.0%	0.0%	4.0%
CMDP Child	Residential Services	3.5%	1.5%	5.1%
CMDP Child	Support Services	2.5%	0.0%	2.5%
DD Adult	Inpatient Behavioral Health	2.0%	1.5%	3.5%
DD Adult	Inpatient Hospital	0.0%	0.0%	0.0%
DD Adult	Medical Services	0.0%	1.0%	1.0%
DD Adult	Other Services	0.0%	4.0%	4.0%
DD Adult	Pharmacy	1.5%	6.0%	7.6%
DD Adult	Rehabilitation/Treatment Services	4.0%	0.0%	4.0%
DD Adult	Residential Services	1.0%	3.0%	4.0%
DD Adult	Support Services	2.5%	0.0%	2.5%
SMI	Inpatient Behavioral Health	1.5%	2.5%	4.0%
SMI	Inpatient Hospital	1.0%	1.0%	2.0%
SMI	Medical Services	1.0%	0.0%	1.0%
SMI	Other Services	0.0%	3.0%	3.0%
SMI	Pharmacy	1.0%	5.5%	6.6%
SMI	Rehabilitation/Treatment Services	3.0%	1.0%	4.0%
SMI	Residential Services	-1.0%	0.5%	-0.5%
SMI	Support Services	-0.5%	0.0%	-0.5%

North				
Rate Cell	Trend COS	Utilization per 1000	Unit Cost	PMPM
DD Child	Inpatient Behavioral Health	2.0%	1.0%	3.0%
DD Child	Inpatient Hospital	0.0%	0.0%	0.0%
DD Child	Medical Services	1.0%	1.0%	2.0%
DD Child	Other Services	3.0%	1.5%	4.5%
DD Child	Pharmacy	2.0%	5.0%	7.1%
DD Child	Rehabilitation/Treatment Services	4.0%	0.0%	4.0%
DD Child	Residential Services	0.0%	4.0%	4.0%
DD Child	Support Services	3.0%	2.0%	5.1%
CMDP Child	Inpatient Behavioral Health	2.0%	1.0%	3.0%
CMDP Child	Inpatient Hospital	0.0%	0.0%	0.0%
CMDP Child	Medical Services	1.0%	1.0%	2.0%
CMDP Child	Other Services	3.0%	1.5%	4.5%
CMDP Child	Pharmacy	2.0%	5.0%	7.1%
CMDP Child	Rehabilitation/Treatment Services	4.0%	0.0%	4.0%
CMDP Child	Residential Services	4.0%	1.0%	5.0%
CMDP Child	Support Services	3.0%	2.0%	5.1%
DD Adult	Inpatient Behavioral Health	2.0%	1.0%	3.0%
DD Adult	Inpatient Hospital	0.0%	0.0%	0.0%
DD Adult	Medical Services	1.0%	1.0%	2.0%
DD Adult	Other Services	3.0%	1.5%	4.5%
DD Adult	Pharmacy	2.0%	5.0%	7.1%
DD Adult	Rehabilitation/Treatment Services	4.0%	0.0%	4.0%
DD Adult	Residential Services	0.0%	4.0%	4.0%
DD Adult	Support Services	3.0%	2.0%	5.1%
SMI	Inpatient Behavioral Health	2.0%	1.0%	3.0%
SMI	Inpatient Hospital	1.0%	1.0%	2.0%
SMI	Medical Services	0.0%	2.0%	2.0%
SMI	Other Services	0.0%	3.0%	3.0%
SMI	Pharmacy	0.0%	2.0%	2.0%
SMI	Rehabilitation/Treatment Services	1.0%	0.0%	1.0%
SMI	Residential Services	0.0%	1.0%	1.0%
SMI	Support Services	1.0%	0.0%	1.0%

South				
Rate Cell	Trend COS	Utilization per 1000	Unit Cost	PMPM
DD Child	Inpatient Behavioral Health	1.5%	-0.5%	1.0%
DD Child	Inpatient Hospital	0.0%	0.0%	0.0%
DD Child	Medical Services	0.0%	2.5%	2.5%
DD Child	Other Services	0.0%	1.0%	1.0%
DD Child	Pharmacy	0.0%	3.0%	3.0%
DD Child	Rehabilitation/Treatment Services	3.0%	0.0%	3.0%
DD Child	Residential Services	0.0%	1.0%	1.0%
DD Child	Support Services	1.0%	0.0%	1.0%
CMDP Child	Inpatient Behavioral Health	1.5%	-0.5%	1.0%
CMDP Child	Inpatient Hospital	0.0%	0.0%	0.0%
CMDP Child	Medical Services	0.0%	2.5%	2.5%
CMDP Child	Other Services	0.0%	1.0%	1.0%
CMDP Child	Pharmacy	0.0%	3.0%	3.0%
CMDP Child	Rehabilitation/Treatment Services	3.0%	0.0%	3.0%
CMDP Child	Residential Services	4.0%	1.0%	5.0%
CMDP Child	Support Services	1.0%	0.0%	1.0%
DD Adult	Inpatient Behavioral Health	1.5%	-0.5%	1.0%
DD Adult	Inpatient Hospital	0.0%	0.0%	0.0%
DD Adult	Medical Services	0.0%	2.5%	2.5%
DD Adult	Other Services	0.0%	1.0%	1.0%
DD Adult	Pharmacy	0.0%	3.0%	3.0%
DD Adult	Rehabilitation/Treatment Services	3.0%	0.0%	3.0%
DD Adult	Residential Services	0.0%	1.0%	1.0%
DD Adult	Support Services	1.0%	0.0%	1.0%
SMI	Inpatient Behavioral Health	1.5%	3.0%	4.5%
SMI	Inpatient Hospital	0.0%	1.5%	1.5%
SMI	Medical Services	2.0%	2.0%	4.0%
SMI	Other Services	1.5%	2.0%	3.5%
SMI	Pharmacy	-0.5%	5.0%	4.5%
SMI	Rehabilitation/Treatment Services	3.0%	0.0%	3.0%
SMI	Residential Services	2.5%	0.0%	2.5%
SMI	Support Services	0.0%	0.0%	0.0%

Appendix 6: CYE 19 Capitation Rate Development

GSA: Central
 Rate Cell: DD Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 97,018
 Projection Period Member Months: 105,854

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.02	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.03
Case Management	\$41.93	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	12.77%	0.00%	0.00%	0.16%	\$49.75
Crisis Intervention Services	\$2.56	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	41.92%	0.00%	\$3.93
Dental Services	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.15	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.16
Inpatient Behavioral Health	\$25.24	3.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-1.41%	\$26.67
Inpatient Hospital	\$6.28	3.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	\$6.74
Medical Services	\$6.90	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	12.79%	0.00%	0.00%	0.00%	\$7.94
Nursing Facility (Short-term)	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.18	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.20
Pharmacy	\$27.99	7.59%	0.00%	-0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$32.16
Rehabilitation Services	\$58.15	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	18.83%	0.00%	0.00%	0.00%	\$74.74
Residential Services	\$0.84	4.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.91
Support Services	\$18.25	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	12.79%	0.00%	0.00%	0.00%	\$21.62
Transportation	\$7.68	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$8.07
Treatment Services	\$24.47	4.00%	0.00%	0.00%	0.00%	4.16%	0.00%	18.83%	0.00%	0.00%	0.00%	\$32.76
Gross Medical	\$220.66	3.85%	0.00%	-0.10%	0.00%	0.46%	0.00%	10.91%	0.00%	0.44%	-0.13%	\$265.69

Total DAP	\$0.67
Total APSI	\$0.31
Total Gross Medical PMPM	\$266.67
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$266.67

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.04
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.17
Nursing Facility	\$0.00
Other Hospital	\$0.46
FQHC/RHC	\$0.00
Total AHCCCS DAP	\$0.67

Non-benefit Expenses	
Admin	\$23.42
Total Medical with Admin	\$290.10
UW Gain	\$2.93
Pre-tax Capitation PMPM	\$293.03
Premium Tax	\$5.98
Capitation PMPM	\$299.01

GSA: Central
 Rate Cell: CMDP Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 120,070
 Projection Period Member Months: 111,470

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.44	4.00%	0.00%	0.00%	0.42%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.48
Case Management	\$126.97	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	1.41%	0.00%	0.00%	0.01%	\$135.28
Crisis Intervention Services	\$14.78	4.00%	0.00%	0.00%	0.42%	0.00%	0.00%	0.00%	0.00%	75.03%	0.00%	\$28.09
Dental Services	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.18	4.00%	0.00%	0.00%	2.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.20
Inpatient Behavioral Health	\$107.81	3.53%	0.00%	0.00%	0.00%	0.00%	0.00%	36.28%	0.00%	0.00%	-0.02%	\$157.45
Inpatient Hospital	\$9.32	3.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.38%	\$10.03
Medical Services	\$6.59	1.00%	0.00%	0.00%	2.73%	0.00%	0.00%	2.49%	0.00%	0.00%	0.00%	\$7.08
Nursing Facility (Short-term)	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$1.68	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$1.81
Pharmacy	\$19.85	7.59%	0.00%	-0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$22.81
Rehabilitation Services	\$75.92	4.00%	0.00%	0.00%	0.42%	0.00%	0.00%	12.63%	0.00%	0.00%	0.88%	\$93.69
Residential Services	\$32.64	5.05%	0.00%	0.00%	0.42%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$36.17
Support Services	\$51.72	2.50%	0.00%	0.00%	0.69%	0.00%	0.00%	11.79%	0.00%	0.00%	0.00%	\$61.17
Transportation	\$19.40	2.50%	0.00%	0.00%	0.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$20.44
Treatment Services	\$81.15	4.00%	0.00%	0.00%	0.42%	5.47%	0.00%	11.33%	0.00%	0.00%	0.00%	\$103.49
Gross Medical	\$548.44	3.52%	0.00%	-0.03%	0.26%	0.82%	0.00%	12.01%	0.00%	1.80%	0.13%	\$678.18

Total DAP	\$1.14
Total APSI	\$0.24
Total Gross Medical PMPM	\$679.55
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$679.55

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.07
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.26
Nursing Facility	\$0.00
Other Hospital	\$0.81
FQHC/RHC	\$0.00
Total AHCCCS DAP	\$1.14

Non-benefit Expenses		PMPM
Admin		\$59.74
Total Medical with Admin		\$739.29
UW Gain		\$7.47
Pre-tax Capitation PMPM		\$746.76
Premium Tax		\$15.24
Capitation PMPM		\$762.00

GSA: Central
 Rate Cell: DD Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 92,556
 Projection Period Member Months: 100,021

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.31	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.34
Case Management	\$16.86	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.52%	\$17.80
Crisis Intervention Services	\$6.84	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	40.17%	0.00%	\$10.37
Dental Services	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.07	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.07
Inpatient Behavioral Health	\$10.37	3.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.68%	\$11.04
Inpatient Hospital	\$16.64	3.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$17.83
Medical Services	\$9.70	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$9.89
Nursing Facility (Short-term)	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.36	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.39
Pharmacy	\$53.82	7.59%	0.00%	-0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$61.83
Rehabilitation Services	\$11.09	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$12.00
Residential Services	\$2.73	4.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.96
Support Services	\$6.39	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.72
Transportation	\$7.08	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$7.44
Treatment Services	\$12.31	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$13.32
Gross Medical	\$154.57	4.71%	0.00%	-0.28%	0.00%	0.00%	0.00%	0.00%	0.00%	1.75%	0.01%	\$172.00

Total DAP	\$0.72
Total APSI	\$0.04
Total Gross Medical PMPM	\$172.75
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$172.75

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.08
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.45
Nursing Facility	\$0.00
Other Hospital	\$0.19
FQHC/RHC	\$0.00
Total AHCCCS DAP	\$0.72

Non-benefit Expenses	
Admin	\$15.19
Total Medical with Admin	\$187.94
UW Gain	\$1.90
Pre-tax Capitation PMPM	\$189.84
Premium Tax	\$3.87
Capitation PMPM	\$193.72

GSA: Central
 Rate Cell: SMI
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 261,740
 Projection Period Member Months: 275,641

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$11.04	3.00%	0.00%	0.00%	0.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$11.78
Case Management	\$190.55	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	8.49%	0.00%	0.42%	\$205.52
Crisis Intervention Services	\$48.54	3.00%	0.00%	0.00%	0.53%	0.00%	0.00%	0.00%	0.00%	59.64%	0.00%	\$82.63
Dental Services	\$0.66	3.00%	338.70%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$3.08
FQHC/RHC	\$20.27	3.00%	0.00%	0.00%	2.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$21.97
Inpatient Behavioral Health	\$182.57	4.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-1.12%	\$195.40
Inpatient Hospital	\$227.84	2.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.93%	\$239.29
Medical Services	\$179.08	1.00%	0.00%	0.00%	0.58%	0.00%	0.00%	0.00%	1.29%	0.00%	0.00%	\$186.13
Nursing Facility (Short-term)	\$5.86	3.00%	0.00%	0.00%	2.94%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$6.40
Other Services	\$16.64	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.13%	\$17.85
Outpatient Hospital	\$103.71	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$110.03
Pharmacy	\$368.11	6.56%	0.00%	-0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.68%	\$412.00
Rehabilitation Services	\$140.78	4.03%	0.00%	0.00%	0.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$153.16
Residential Services	\$170.79	-0.51%	0.00%	0.00%	0.53%	0.00%	0.00%	0.00%	7.58%	0.00%	0.00%	\$182.85
Support Services	\$74.20	-0.50%	0.00%	0.00%	1.10%	0.00%	0.00%	0.00%	3.59%	0.00%	0.00%	\$76.94
Transportation	\$167.02	-0.50%	0.00%	0.00%	0.68%	0.00%	-3.36%	0.00%	0.04%	0.00%	0.00%	\$160.95
Treatment Services	\$84.71	4.03%	0.00%	0.00%	0.53%	0.00%	0.00%	0.00%	9.53%	0.00%	0.00%	\$100.95
Gross Medical	\$1,992.39	2.55%	0.11%	-0.15%	0.29%	0.00%	-0.27%	0.00%	2.05%	1.43%	-0.09%	\$2,166.94

Total DAP	\$13.16
Total APSI	\$4.83
Total Gross Medical PMPM	\$2,184.94
Reinsurance Offset	(\$72.64)
Total Net Medical PMPM	\$2,112.30

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.61
Integrated Clinic	\$0.01
Inpatient Hospital	\$8.74
Nursing Facility	\$0.02
Other Hospital	\$3.65
FQHC/RHC	\$0.14
Total AHCCCS DAP	\$13.16

Non-benefit Expenses		PMPM
Admin		\$185.34
Total Medical with Admin		\$2,297.64
UW Gain		\$23.16
Pre-tax Capitation PMPM		\$2,320.80
Premium Tax		\$47.36
Capitation PMPM		\$2,368.16

GSA: Central
 Rate Cell: Crisis-only Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 5,150,559
 Projection Period Member Months: 5,574,650

Category of Service	Adjusted Base PMPM	Adjustments to Crisis Intervention	Gross Medical
Crisis Intervention Services	\$3.72	\$3.04	\$6.76
Gross Medical	\$3.72	81.75%	\$6.76

Total Gross Medical PMPM	\$6.76
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$6.76

Non-benefit Expenses	PMPM
Admin	\$0.59
Total Medical with Admin	\$7.36
UW Gain	\$0.07
Pre-tax Capitation PMPM	\$7.43
Premium Tax	\$0.15
Capitation PMPM	\$7.58

GSA: Central
 Rate Cell: Crisis-only Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 5,440,482
 Projection Period Member Months: 5,342,734

Category of Service	Adjusted Base PMPM	Adjustments to Crisis Intervention	Gross Medical
Crisis Intervention Services	\$0.48	\$0.48	\$0.97
Gross Medical	\$0.48	100.31%	\$0.97

Total Gross Medical PMPM	\$0.97
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$0.97

Non-benefit Expenses	PMPM
Admin	\$0.08
Total Medical with Admin	\$1.05
UW Gain	\$0.01
Pre-tax Capitation PMPM	\$1.06
Premium Tax	\$0.02
Capitation PMPM	\$1.08

GSA: North
 Rate Cell: DD Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 7,155
 Projection Period Member Months: 7,671

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.00	4.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Case Management	\$71.07	5.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	\$78.55
Crisis Intervention Services	\$2.03	4.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	92.00%	0.00%	\$4.25
Dental Services	\$0.00	4.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.23	4.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.25
Inpatient Behavioral Health	\$24.29	3.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-2.18%	\$25.22
Inpatient Hospital	\$1.76	3.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$1.86
Medical Services	\$9.39	2.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$9.77
Nursing Facility (Short-term)	\$0.00	4.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.07	4.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.08
Outpatient Hospital	\$0.00	4.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Pharmacy	\$26.32	7.10%	0.00%	-1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$29.89
Rehabilitation Services	\$143.96	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	16.18%	0.00%	0.00%	0.00%	\$180.90
Residential Services	\$18.25	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$19.74
Support Services	\$62.94	5.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$69.47
Transportation	\$23.27	5.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$25.68
Treatment Services	\$33.82	4.00%	0.00%	0.00%	0.00%	3.01%	0.00%	16.18%	0.00%	0.00%	0.00%	\$43.78
Gross Medical	\$417.38	4.50%	0.00%	-0.07%	0.00%	0.24%	0.00%	6.86%	0.00%	0.42%	-0.10%	\$489.43

Total DAP	\$0.57
Total APSI	\$0.15
Total Gross Medical PMPM	\$490.16
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$490.16

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.07
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.05
Nursing Facility	\$0.00
Other Hospital	\$0.45
FQHC/RHC	\$0.00
Total AHCCCS DAP	\$0.57

Non-benefit Expenses		PMPM
Admin		\$39.88
Total Medical with Admin		\$530.04
UW Gain		\$5.35
Pre-tax Capitation PMPM		\$535.39
Premium Tax		\$10.93
Capitation PMPM		\$546.32

GSA: North
 Rate Cell: CMDP Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 16,153
 Projection Period Member Months: 15,513

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Case Management	\$202.70	5.06%	0.00%	0.00%	0.00%	0.00%	0.00%	1.83%	0.00%	0.00%	0.00%	\$227.84
Crisis Intervention Services	\$5.99	4.54%	0.00%	0.00%	0.36%	0.00%	0.00%	0.00%	0.00%	120.70%	0.00%	\$14.50
Dental Services	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.03	4.54%	0.00%	0.00%	3.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.03
Inpatient Behavioral Health	\$171.42	3.02%	0.00%	0.00%	0.00%	0.00%	0.00%	2.50%	0.00%	0.00%	-0.05%	\$186.38
Inpatient Hospital	\$5.00	3.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$5.30
Medical Services	\$6.90	2.01%	0.00%	0.00%	3.51%	0.00%	0.00%	1.83%	0.00%	0.00%	0.00%	\$7.57
Nursing Facility (Short-term)	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Pharmacy	\$19.75	7.10%	0.00%	-1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$22.43
Rehabilitation Services	\$109.85	4.00%	0.00%	0.00%	0.36%	0.00%	0.00%	0.11%	0.00%	0.00%	0.61%	\$120.09
Residential Services	\$60.42	5.04%	0.00%	0.00%	0.36%	0.00%	0.00%	0.11%	0.00%	0.00%	0.00%	\$66.98
Support Services	\$278.22	5.06%	0.00%	0.00%	0.79%	0.00%	0.00%	0.11%	0.00%	0.00%	0.00%	\$309.85
Transportation	\$28.83	5.06%	0.00%	0.00%	0.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$31.88
Treatment Services	\$123.88	4.00%	0.00%	0.00%	0.36%	3.58%	0.00%	1.83%	0.00%	0.00%	0.00%	\$141.83
Gross Medical	\$1,012.99	4.48%	0.00%	-0.02%	0.35%	0.43%	0.00%	1.06%	0.00%	0.70%	0.06%	\$1,134.70

Total DAP	\$1.33
Total APSI	\$0.18
Total Gross Medical PMPM	\$1,136.21
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$1,136.21

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.10
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.14
Nursing Facility	\$0.00
Other Hospital	\$1.09
FQHC/RHC	\$0.00
Total AHCCCS DAP	\$1.33

Non-benefit Expenses	PMPM
Admin	\$92.45
Total Medical with Admin	\$1,228.66
UW Gain	\$12.41
Pre-tax Capitation PMPM	\$1,241.07
Premium Tax	\$25.33
Capitation PMPM	\$1,266.40

GSA: North
 Rate Cell: DD Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 17,611
 Projection Period Member Months: 18,314

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Case Management	\$38.80	5.06%	0.00%	0.00%	0.00%	0.00%	0.00%	1.08%	0.00%	0.00%	0.59%	\$43.54
Crisis Intervention Services	\$6.20	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	91.01%	0.00%	\$12.95
Dental Services	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$0.14	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.15
Inpatient Behavioral Health	\$36.27	3.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-1.30%	\$37.99
Inpatient Hospital	\$7.15	3.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$7.58
Medical Services	\$8.85	2.01%	0.00%	0.00%	0.00%	0.00%	0.00%	1.09%	0.00%	0.00%	0.00%	\$9.31
Nursing Facility (Short-term)	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.00	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Pharmacy	\$27.83	7.10%	0.00%	-1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$31.61
Rehabilitation Services	\$48.91	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	\$52.92
Residential Services	\$27.88	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	\$30.17
Support Services	\$8.17	5.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	\$9.03
Transportation	\$10.91	5.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$12.05
Treatment Services	\$25.40	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.09%	0.00%	0.00%	0.00%	\$27.78
Gross Medical	\$246.52	4.38%	0.00%	-0.12%	0.00%	0.00%	0.00%	0.34%	0.00%	2.29%	-0.09%	\$275.09

Total DAP	\$0.96
Total APSI	\$0.00
Total Gross Medical PMPM	\$276.05
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$276.05

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.07
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.20
Nursing Facility	\$0.00
Other Hospital	\$0.68
FQHC/RHC	\$0.00
Total AHCCCS DAP	\$0.96

Non-benefit Expenses		PMPM
Admin		\$22.47
Total Medical with Admin		\$298.51
UW Gain		\$3.02
Pre-tax Capitation PMPM		\$301.53
Premium Tax		\$6.15
Capitation PMPM		\$307.68

GSA: North
 Rate Cell: SMI
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 72,144
 Projection Period Member Months: 75,025

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.15	3.00%	0.00%	0.00%	0.66%	0.00%	0.00%	0.44%	0.00%	0.00%	0.00%	\$0.16
Case Management	\$122.31	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.91%	0.00%	0.00%	0.50%	\$132.80
Crisis Intervention Services	\$13.06	3.00%	0.00%	0.00%	0.66%	0.00%	0.00%	0.00%	0.00%	113.58%	0.00%	\$29.78
Dental Services	\$0.25	3.00%	1219.95%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$3.53
FQHC/RHC	\$12.38	3.00%	0.00%	0.00%	2.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$13.40
Inpatient Behavioral Health	\$110.32	3.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.92%	\$116.00
Inpatient Hospital	\$53.86	2.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%	\$56.09
Medical Services	\$84.97	2.00%	0.00%	0.00%	0.59%	0.00%	0.00%	10.90%	0.00%	0.00%	0.00%	\$98.62
Nursing Facility (Short-term)	\$3.94	3.00%	0.00%	0.00%	3.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$4.32
Other Services	\$5.17	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.13%	\$5.55
Outpatient Hospital	\$91.64	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$97.22
Pharmacy	\$233.92	2.00%	0.00%	-1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.09%	\$240.73
Rehabilitation Services	\$100.57	1.00%	0.00%	0.00%	0.66%	0.00%	0.00%	0.44%	0.00%	0.00%	0.00%	\$103.73
Residential Services	\$178.31	1.00%	0.00%	0.00%	0.66%	0.00%	0.00%	5.40%	0.00%	0.00%	0.00%	\$192.98
Support Services	\$50.45	1.00%	0.00%	0.00%	0.90%	0.00%	0.00%	0.44%	0.00%	0.00%	0.00%	\$52.16
Transportation	\$79.86	1.00%	0.00%	0.00%	0.93%	0.00%	6.86%	0.44%	0.00%	0.00%	0.00%	\$88.25
Treatment Services	\$73.12	1.00%	0.00%	0.00%	0.66%	0.00%	0.00%	5.94%	0.00%	0.00%	0.00%	\$79.54
Gross Medical	\$1,214.29	1.70%	0.26%	-0.19%	0.37%	0.00%	0.45%	2.57%	0.00%	1.21%	-0.04%	\$1,314.88

Total DAP	\$5.74
Total APSI	\$0.50
Total Gross Medical PMPM	\$1,321.12
Reinsurance Offset	(\$5.28)
Total Net Medical PMPM	\$1,315.84

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.35
Integrated Clinic	\$0.00
Inpatient Hospital	\$3.76
Nursing Facility	\$0.02
Other Hospital	\$1.56
FQHC/RHC	\$0.05
Total AHCCCS DAP	\$5.74

Non-benefit Expenses	
Admin	\$107.05
Total Medical with Admin	\$1,422.89
UW Gain	\$14.37
Pre-tax Capitation PMPM	\$1,437.25
Premium Tax	\$29.33
Capitation PMPM	\$1,466.58

GSA: North
 Rate Cell: Crisis-only Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 1,065,367
 Projection Period Member Months: 1,138,325

Category of Service	Adjusted Base PMPM	Adjustments to Crisis Intervention	Gross Medical
Crisis Intervention Services	\$1.63	\$1.77	\$3.39
Gross Medical	\$1.63	108.52%	\$3.39

Total Gross Medical PMPM	\$3.39
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$3.39

Non-benefit Expenses	PMPM
Admin	\$0.28
Total Medical with Admin	\$3.67
UW Gain	\$0.04
Pre-tax Capitation PMPM	\$3.71
Premium Tax	\$0.08
Capitation PMPM	\$3.78

GSA: North
 Rate Cell: Crisis-only Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 777,212
 Projection Period Member Months: 755,025

Category of Service	Adjusted Base PMPM	Adjustments to Crisis Intervention	Gross Medical
Crisis Intervention Services	\$0.44	\$0.57	\$1.00
Gross Medical	\$0.44	129.35%	\$1.00

Total Gross Medical PMPM	\$1.00
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$1.00

Non-benefit Expenses	PMPM
Admin	\$0.08
Total Medical with Admin	\$1.08
UW Gain	\$0.01
Pre-tax Capitation PMPM	\$1.09
Premium Tax	\$0.02
Capitation PMPM	\$1.12

GSA: South
 Rate Cell: DD Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 27,574
 Projection Period Member Months: 29,033

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.12	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.12
Case Management	\$60.60	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.12%	0.00%	0.00%	0.18%	\$62.00
Crisis Intervention Services	\$6.59	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	42.08%	0.00%	\$9.56
Dental Services	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$2.18	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.22
Inpatient Behavioral Health	\$16.09	0.99%	0.00%	0.00%	0.00%	0.00%	0.00%	496.91%	0.00%	0.00%	-1.31%	\$96.65
Inpatient Hospital	\$2.26	0.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.30
Medical Services	\$13.93	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	1.77%	0.00%	0.00%	0.00%	\$14.90
Nursing Facility (Short-term)	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.14	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.15
Pharmacy	\$30.50	3.00%	0.00%	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$32.20
Rehabilitation Services	\$40.12	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.10%	0.00%	0.00%	0.00%	\$45.59
Residential Services	\$46.07	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.65%	0.00%	0.00%	0.00%	\$47.77
Support Services	\$33.80	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$34.48
Transportation	\$10.64	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$10.85
Treatment Services	\$50.39	3.00%	0.00%	0.00%	0.00%	2.06%	0.00%	7.22%	0.00%	0.00%	0.00%	\$58.50
Gross Medical	\$313.43	1.84%	0.00%	-0.05%	0.00%	0.34%	0.00%	27.16%	0.00%	0.68%	-0.03%	\$417.29

Total DAP	\$0.63
Total APSI	\$0.28
Total Gross Medical PMPM	\$418.20
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$418.20

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.12
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.07
Nursing Facility	\$0.00
Other Hospital	\$0.44
FQHC/RHC	\$0.00
Total AHCCCS DAP	\$0.63

Non-benefit Expenses	PMPM
Admin	\$37.54
Total Medical with Admin	\$455.74
UW Gain	\$4.60
Pre-tax Capitation PMPM	\$460.34
Premium Tax	\$9.39
Capitation PMPM	\$469.73

GSA: South
 Rate Cell: CMDP Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 55,545
 Projection Period Member Months: 49,684

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$4.10	1.00%	0.00%	0.00%	0.82%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	\$4.21
Case Management	\$155.19	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.01%	\$158.36
Crisis Intervention Services	\$14.38	1.00%	0.00%	0.00%	0.82%	0.00%	0.00%	0.00%	0.00%	65.03%	0.00%	\$24.40
Dental Services	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$2.51	1.00%	0.00%	0.00%	1.88%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.61
Inpatient Behavioral Health	\$83.46	0.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.08%	\$85.05
Inpatient Hospital	\$3.28	0.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$3.34
Medical Services	\$9.89	2.50%	0.00%	0.00%	7.23%	0.00%	0.00%	7.28%	0.00%	0.00%	0.00%	\$11.96
Nursing Facility (Short-term)	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.02	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.03
Pharmacy	\$17.37	3.00%	0.00%	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$18.33
Rehabilitation Services	\$37.28	3.00%	0.00%	0.00%	0.82%	0.00%	0.00%	0.84%	0.00%	0.00%	1.83%	\$40.94
Residential Services	\$113.34	5.04%	0.00%	0.00%	0.82%	0.00%	0.00%	7.26%	0.00%	0.00%	0.00%	\$135.23
Support Services	\$109.65	1.00%	0.00%	0.00%	1.52%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	\$113.56
Transportation	\$31.27	1.00%	0.00%	0.00%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$31.99
Treatment Services	\$210.66	3.00%	0.00%	0.00%	0.82%	2.14%	0.00%	0.87%	0.00%	0.00%	0.00%	\$232.14
Gross Medical	\$792.40	2.28%	0.00%	-0.01%	0.71%	0.58%	0.00%	1.47%	0.00%	1.13%	0.08%	\$862.17

Total DAP	\$1.31
Total APSI	\$0.40
Total Gross Medical PMPM	\$863.87
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$863.87

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.12
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.11
Nursing Facility	\$0.00
Other Hospital	\$1.06
FQHC/RHC	\$0.02
Total AHCCCS DAP	\$1.31

Non-benefit Expenses	PMPM
Admin	\$77.56
Total Medical with Admin	\$941.43
UW Gain	\$9.51
Pre-tax Capitation PMPM	\$950.94
Premium Tax	\$19.41
Capitation PMPM	\$970.35

GSA: South
 Rate Cell: DD Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 44,699
 Projection Period Member Months: 47,112

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.18	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	0.00%	0.00%	\$0.19
Case Management	\$32.99	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	0.00%	0.62%	\$33.89
Crisis Intervention Services	\$16.61	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	42.19%	0.00%	\$24.09
Dental Services	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
FQHC/RHC	\$1.95	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$1.99
Inpatient Behavioral Health	\$14.57	0.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.84%	\$14.73
Inpatient Hospital	\$2.95	0.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$3.01
Medical Services	\$14.14	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.55%	0.00%	0.00%	0.00%	\$14.94
Nursing Facility (Short-term)	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Other Services	\$0.00	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00
Outpatient Hospital	\$0.13	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.14
Pharmacy	\$26.70	3.00%	0.00%	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$28.18
Rehabilitation Services	\$12.23	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.73%	0.00%	0.00%	0.00%	\$13.20
Residential Services	\$7.98	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.55%	0.00%	0.00%	0.00%	\$8.18
Support Services	\$6.45	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	0.00%	0.00%	\$6.58
Transportation	\$4.30	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$4.38
Treatment Services	\$26.39	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.73%	0.00%	0.00%	0.00%	\$28.48
Gross Medical	\$167.58	1.91%	0.00%	-0.08%	0.00%	0.00%	0.00%	0.49%	0.00%	4.08%	0.05%	\$181.99

Total DAP	\$0.26
Total APSI	\$0.02
Total Gross Medical PMPM	\$182.28
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$182.28

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.11
Integrated Clinic	\$0.00
Inpatient Hospital	\$0.09
Nursing Facility	\$0.00
Other Hospital	\$0.07
FQHC/RHC	\$0.00
Total AHCCCS DAP	\$0.26

Non-benefit Expenses	PMPM
Admin	\$16.37
Total Medical with Admin	\$198.65
UW Gain	\$2.01
Pre-tax Capitation PMPM	\$200.65
Premium Tax	\$4.09
Capitation PMPM	\$204.75

GSA: South
 Rate Cell: SMI
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 167,964
 Projection Period Member Months: 173,336

Category of Service	Adjusted Base PMPM	Trend	ER Dental	Rx Rebates	Fee Schedule Changes/Min Wage	Behavioral Health In Schools	BH NEMT	Access to Care	Increased Utilization SMI	Adjustments to Crisis Intervention	Combined Misc. Changes	Gross Medical
Behavioral Health Day Programs	\$0.61	3.53%	0.00%	0.00%	0.58%	0.00%	0.00%	0.81%	0.00%	0.00%	0.00%	\$0.66
Case Management	\$131.28	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.73%	0.00%	0.00%	0.57%	\$139.59
Crisis Intervention Services	\$68.26	3.53%	0.00%	0.00%	0.58%	0.00%	0.00%	0.00%	0.00%	43.35%	0.00%	\$105.49
Dental Services	\$0.20	3.53%	1200.95%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$2.78
FQHC/RHC	\$27.75	3.53%	0.00%	0.00%	1.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$30.25
Inpatient Behavioral Health	\$133.19	4.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.80%	\$144.41
Inpatient Hospital	\$114.80	1.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.74%	\$120.33
Medical Services	\$147.08	4.04%	0.00%	0.00%	0.42%	0.00%	0.00%	11.58%	0.00%	0.00%	0.00%	\$178.38
Nursing Facility (Short-term)	\$11.94	3.53%	0.00%	0.00%	3.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$13.21
Other Services	\$12.43	3.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.13%	\$13.47
Outpatient Hospital	\$105.31	3.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	\$112.88
Pharmacy	\$228.06	4.48%	0.00%	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-1.23%	\$244.64
Rehabilitation Services	\$61.17	3.00%	0.00%	0.00%	0.58%	0.00%	0.00%	1.13%	0.00%	0.00%	0.00%	\$66.01
Residential Services	\$93.70	2.50%	0.00%	0.00%	0.58%	0.00%	0.00%	6.31%	0.00%	0.00%	0.00%	\$105.27
Support Services	\$30.04	0.00%	0.00%	0.00%	0.74%	0.00%	0.00%	1.13%	0.00%	0.00%	0.00%	\$30.61
Transportation	\$80.34	0.00%	0.00%	0.00%	1.34%	0.00%	7.92%	0.81%	0.00%	0.00%	0.00%	\$88.58
Treatment Services	\$109.87	3.00%	0.00%	0.00%	0.58%	0.00%	0.00%	6.08%	0.00%	0.00%	0.00%	\$124.36
Gross Medical	\$1,356.04	2.92%	0.18%	-0.09%	0.34%	0.00%	0.45%	2.85%	0.00%	2.11%	-0.08%	\$1,520.93

Total DAP	\$9.52
Total APSI	\$10.97
Total Gross Medical PMPM	\$1,541.42
Reinsurance Offset	(\$21.44)
Total Net Medical PMPM	\$1,519.98

AHCCCS Differential Adjusted Payments (DAP)	
E-Prescribing	\$0.72
Integrated Clinic	\$0.00
Inpatient Hospital	\$6.05
Nursing Facility	\$0.03
Other Hospital	\$2.53
FQHC/RHC	\$0.19
Total AHCCCS DAP	\$9.52

Non-benefit Expenses		PMPM
Admin		\$135.54
Total Medical with Admin		\$1,655.52
UW Gain		\$16.61
Pre-tax Capitation PMPM		\$1,672.13
Premium Tax		\$34.13
Capitation PMPM		\$1,706.25

GSA: South
 Rate Cell: Crisis-only Adult
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 2,768,106
 Projection Period Member Months: 3,006,230

Category of Service	Adjusted Base PMPM	Adjustments to Crisis Intervention	Gross Medical
Crisis Intervention Services	\$6.43	\$1.87	\$8.30
Gross Medical	\$6.43	29.04%	\$8.30

Total Gross Medical PMPM	\$8.30
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$8.30

Non-benefit Expenses	PMPM
Admin	\$0.75
Total Medical with Admin	\$9.05
UW Gain	\$0.09
Pre-tax Capitation PMPM	\$9.14
Premium Tax	\$0.19
Capitation PMPM	\$9.33

GSA: South
 Rate Cell: Crisis-only Child
 Base Period: October 1, 2016 through September 30, 2017
 Projection Period: October 1, 2018 through September 30, 2019
 Base Period Member Months: 2,298,550
 Projection Period Member Months: 2,276,258

Category of Service	Adjusted Base PMPM	Adjustments to Crisis Intervention	Gross Medical
Crisis Intervention Services	\$1.36	\$0.57	\$1.93
Gross Medical	\$1.36	41.51%	\$1.93

Total Gross Medical PMPM	\$1.93
Reinsurance Offset	\$0.00
Total Net Medical PMPM	\$1.93

Non-benefit Expenses	PMPM
Admin	\$0.17
Total Medical with Admin	\$2.10
UW Gain	\$0.02
Pre-tax Capitation PMPM	\$2.12
Premium Tax	\$0.04
Capitation PMPM	\$2.17