



MI Health Link

Medicaid Rate Component

State of Michigan

Department of Community Health

Prepared for:
Brian Keisling
Director, Actuarial Division

Prepared by:
Robert M. Damler
FSA, MAAA
Principal and Consulting Actuary

Christopher T. Pettit
FSA, MAAA
Consulting Actuary

Chase Center/Circle
111 Monument Circle
Suite 601
Indianapolis, IN 46204 USA

Tel +1 317 639 1000
Fax +1 317 639 1001

milliman.com

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I. BACKGROUND

Milliman, Inc. (Milliman) has been retained by the State of Michigan Department of Community Health (MDCH) to provide actuarial and consulting services related to the development of capitation rates for the Integrated Care Dual Demonstration (Demonstration) program in the State of Michigan referred to as *MI Health Link*. The Demonstration program was introduced by CMS to streamline the delivery and financing of health care to Medicare and Medicaid dually-eligible individuals. This letter provides the documentation and actuarial certification for the Medicaid component of the Demonstration.

The actuarially sound capitation rates were developed using published guidance from the American Academy of Actuaries (AAA), the Actuarial Standards Board, the Centers for Medicare and Medicaid Services (CMS), and federal regulations to ensure compliance with generally accepted actuarial practices and regulatory requirements. Specifically, the following were used as guidance:

- AAA health practice council practice note, published in August 2005 titled: *Actuarial Certification of Rates for Medicaid Managed Care Programs*.
- Actuarial standards of practice applicable to Medicaid managed care rate setting which have been published as of the capitation rate certification date.
- Federal regulation 42 CFR 438.6(c).
- Throughout this document, the term “actuarially sound” is defined as follows:

“Medicaid capitation rates when paid with Medicare rates for this population are “actuarially sound” if, for business in the state for which the certification is being prepared and for the period covered by the certification, projected capitation rates – including expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows, and investment income – provide for all reasonable, appropriate, and attainable costs, including health benefits; health benefit settlement expenses; marketing and administrative expenses; any government-mandated assessments, fees, and taxes; and the cost of capital.”

This report provides the documentation of the actuarially sound capitation rates and has been developed to comply with the requirements outlined above.

Assessment of actuarial soundness under 42 CFR 438.6, in the context of this Demonstration, should consider both Medicare and Medicaid contributions and the opportunities for efficiencies unique to an integrated care program. CMS considers the Medicaid actuarial soundness requirements to be flexible enough to consider efficiencies and savings that may be associated with Medicare. Therefore, CMS does not believe that a waiver of Medicaid actuarial soundness principles is necessary in the context of this Demonstration.

II. EXECUTIVE SUMMARY

The State of Michigan, Department of Community Health intends to enter a three-way contract with the Centers for Medicare and Medicaid Services (CMS) and Demonstration Plans to provide benefits for specific regions for the program initiative to address financial alignment of Medicare and Medicaid services for qualifying dual eligible individuals.

This report provides documentation of the capitation rate development for the Medicaid component of the integrated benefit plan and has been developed to address the requirements outlined under 42 CFR 438.6(c) related to actuarial soundness of the capitation rates. ***It should be emphasized that the capitation rate-setting process for the Demonstration program does not follow a traditional managed care capitation rate-setting process. Rather, the rate-setting methodology is limited to the cost of the Medicaid program for dual eligible beneficiaries in absence of the Demonstration.*** This report completely replaces the previous report dated July 2, 2014.

The basis for the Medicaid rates began with costs developed prior to the application of the Medicare and Medicaid composite savings percentages established by the State and CMS, informed by estimates from CMS and its contractors. The final Medicaid capitation rates were set consistent with 42 CFR 438.6(c) in combination with a qualification that the Medicare capitation rates were established by CMS and the Medicare and Medicaid composite savings percentages were established by the State and CMS.

Table 1 illustrates the proposed monthly capitation rates for each rate cell for Demonstration program Medicaid benefits. The 1% shared savings percentage for the first year of the program, as outlined in the Memorandum of Understanding (MOU), has been applied to these rates, as illustrated in Appendix A of this document.

Table 1 State of Michigan Department of Community Health Integrated Care Dual Demonstration – Medicaid Component Demonstration Capitation Rates Effective January 1, 2015 – December 31, 2015	
Rate Cell	Medicaid Rate
Nursing Facility – Subtier A	
Over Age 65	\$5,907.38
Under Age 65	4,845.02
Nursing Facility – Subtier B	
Over Age 65	\$8,503.68
Under Age 65	8,710.76
Nursing Facility LOC-Waiver	
Over Age 65	\$2,059.64
Under Age 65	3,139.47
Community Residents	
Over Age 65	\$160.66
Under Age 65	120.71
Transition Case Rate	\$1,475

Please note:

- The capitation rates reflect the current benefit package approved by the State and CMS as of the date of this report for January 1, 2015 through December 31, 2015. The rates will be revised appropriately as policy and program decisions are finalized for this period.
- Regional adjustments factors will be applied to the rates noted in Table 1, as illustrated in Appendix A.
- The Nursing Facility population is split into subtiers for publicly owned and privately owned nursing facilities.
- The Nursing Facility capitation rate was developed based on projected gross nursing facility rates. On an individual basis, MDCH will deduct the actual patient pay liability amount from the nursing facility capitation rate shown in Table 1 and pay the net capitation rate to the integrated care organizations (ICOs).

Appendix A illustrates the development of the capitation rates for each rate cell along with the regional adjustment factors.

Appendix B provides an illustration of the rate cell payment structure of the program.

Appendix C contains an actuarial certification regarding the actuarial soundness of the capitation rates.

Appendix D provides the actuarial models which illustrate the development of the capitation rates.

Appendix E provides the assumed trends used in the development of the capitation rates.

Appendix F provides the development of the completion adjustments used in the development of the capitation rates.

Appendix G provides the development of the seasonality adjustment used in the development of the capitation rates.

Appendix H provides the development of the selection factors applied to the Community population tier in the development of the capitation rates.

The remainder of this report provides the documentation of the development of the capitation rates.

III. DEVELOPMENT OF ACTUARIALLY SOUND CAPITATION RATES

OVERVIEW OF RATE SETTING METHODOLOGY

MDCH contracted with Milliman to determine actuarially sound capitation rates, as defined in 42 CFR 438.6(c), for the Medicaid component of the Demonstration program. The capitation rate-setting methodology was subject to the limitation prescribed by CMS that the capitation rates developed prior to applying any savings assumptions cannot exceed the cost of the Medicaid program for the targeted dual eligible beneficiaries in absence of the Demonstration. In the State of Michigan, a majority of dual eligible individuals are enrolled in the fee-for-service (FFS) program, with a portion of members enrolled in the Duals Lite and MIChoice waiver managed care programs. The Duals Lite program is a voluntary managed care program which enables dual eligibles to enroll in Michigan's Medicaid Health Plans (MHP). Additionally, the State's Home and Community Based Services waiver, referred to as MIChoice, is a 1915c waiver managed care program that provides Long Term Care Supports and Services (LTCSS) to individuals statewide. The services offered for a beneficiary under the MIChoice program are nearly identical to those provided under the Demonstration's waiver tier.

Therefore, the data utilized in the development of the capitation rates for the Demonstration is a combination of historical fee-for-service (FFS) data and capitation rates for the Duals Lite and MIChoice programs. The historical FFS claims and enrollment experience was for state fiscal years (SFY) 2011, 2012, and 2013 incurred through June 2013. The FFS historical experience was summarized by utilization per 1,000 members as well as cost per measured unit, and stratified by population rate cell and category of service. Adjustments were applied to the utilization and cost values to reflect changes in the Medicaid program applicable to dual eligible beneficiaries between the base period and effective rate period. The historical experience was blended assuming 50% weight to SFY 2012, 30% to SFY 2013 and 20% to SFY 2011. The blended utilization and cost per unit rates were adjusted for policy and program changes, trend and other adjustments (as noted throughout the remainder of this correspondence), and converted to estimated PMPM values for the January 1, 2015 through December 31, 2015 contract period.

For purposes of the waiver tier, SFY 2015 contracted MIChoice capitation rates were utilized to develop the base claims for waiver services along with additional FFS costs for services not included in the waiver. The Community rates were developed by using a blend of FFS costs and Duals Lite capitation rates. The resulting PMPMs established the adjusted claim cost by population rate cell for the contract period. Appendix A illustrates the development of the capitation rates by tier. Appendix B provides an illustration of the proposed rate structure for the different program tiers.

COVERED POPULATION

Target Population

The target population for the Demonstration program was limited to full Medicare-Medicaid dual eligible individuals who are age 21 and over and entitled to benefits under Medicare Parts A, B, and D. The Demonstration program will be offered only in select counties across the State of Michigan. These counties include those in the Upper Peninsula, Southwestern Michigan, Macomb county, and Wayne county.

Excluded Populations

The following populations are not eligible for the Demonstration program and will be excluded from enrollment:

- Individuals under age 21;
- Partial dual eligibles (those without both Part A and B coverage or who do not qualify for full Medicaid benefits);
- Individuals who reside in a state psychiatric hospital;
- Individuals with comprehensive third party insurance coverage (other than Medicare);
- Individuals who are incarcerated in a correctional facility;
- Individuals receiving services in a hospice setting;
- Individuals living in a geographic area other than those counties included in the demonstration.

Additional detail related to the eligible and excluded populations can be found in the MOU between MDCH and CMS.

The following describes each of the distinct populations which correspond directly with the capitation rate cells.

Nursing Facility Population

This population includes individuals residing in a nursing facility who meet the state definition of nursing home level of care and who are not enrolled in a waiver. Milliman identified the population in the capitation rate-setting process by using fields in the MDCH eligibility data that denote Medicaid individuals as meeting the nursing home level of care criteria and reside in a nursing facility. The capitation rate for this rate cell was developed based on projected gross nursing facility rates. On an individual basis, MDCH will deduct the actual patient pay liability amount from the nursing facility capitation rate shown in Table 1 and pay the net capitation rate to the ICOs. The nursing facility population is divided into subtiers, split by individuals residing in a privately owned (Subtier A) versus a publicly owned (Subtier B) nursing facility.

A transition case rate payment will be made after the transition of a Nursing Facility enrollee into a home or community setting (Waiver or Community tier). In order for the transition to qualify for the case rate, the ICO must have been paid three consecutive Nursing Facility tier capitation payments for the individual.

Nursing Facility Level of Care-Waiver Population

This population includes individuals who meet the state definition of nursing home level of care, but do not reside in a nursing facility. Demonstration eligible individuals must not be enrolled in the State's MIChoice program. Milliman utilized current MIChoice enrollee experience in the rate-setting process to determine the capitation rates for this population. The development of the rates is a combination of SFY 2015 MIChoice capitation payments and historical FFS costs for services that are not identified as a waiver service. The development of these rates is illustrated in Appendix A.

Community Residents Population

This population includes all other qualifying individuals who were not previously categorized. This population is comprised of Demonstration-eligible individuals who are neither institutionalized nor participating in a 1915(c) waiver program. The development of the capitation rates for this population is a blend of historical FFS experience and the capitation rates for the Duals Lite program. As certain services are not covered under the Duals Lite capitation rate, fee-for-service costs related to Duals Lite enrollees are also included in the development of this rate. These costs are illustrated separately from fee-for-service experience on non-HMO enrollees in Appendix A.

BASE DATA DEVELOPMENT

Appendix D contains the base FFS experience for SFY 2011, 2012 and 2013 incurred through June 2013 illustrated as actuarial models reflecting claims paid through October 2013. The models have been created for each fiscal year, by tier, and age (Over or Under 65).

Historical Stratification

The historical expenditures were stratified using date of service, category of service, and provider type. The following provides additional details regarding the expenditures.

- **Date of Service** – The data have been stratified into state fiscal years (SFY) which begin on October 1st and end on September 30th. The date of service was assigned to the SFY based on the first date of service. In the base data, if a hospital inpatient admission extended beyond the end of the fiscal year, all days of the admission were assigned to the SFY associated with the date of admission. For SFY 2013, only 9 months of base claims information was collected.
- **Category of Service** – Claim line detail provided by MDCH was used to summarize the expenditure data for the base data summaries. Milliman internal software was used to group services using detailed procedure and diagnosis code information for all service categories with the exception of institutional claims. For these expenditures, procedure code and MDCH-specific information was used to categorize the expenditure data. Service category lines are contained within the appropriate provider types outlined below.
- **Provider Type** – Expenditures were stratified by provider type. The provider type includes nursing facility, inpatient hospital, outpatient hospital, prescription drugs, other ancillary services, and physician services. The following provides additional information regarding the provider type.
 - Nursing facility services include daily costs for members residing in a nursing facility. These costs have been split between days where Medicaid was the primary payer and days when Medicare was the primary payer. The Nursing Facility cost per day includes gross adjustment payments made by MDCH to all nursing facilities for Quality Assurance Supplement payments and Certified Public Expenditures on county-owned facilities.
 - Inpatient hospital services include all services performed and billed on the hospital facility claim, including any outpatient services that may have occurred in conjunction with that inpatient admission. This would include emergency room services that may have been incurred if the individual was admitted to the hospital.
 - Hospital Inpatient services were split between general and psychiatric services based on the DRG on the claim. Utilization rates have been shown for the number of admissions, length of stay, and days.
 - Outpatient hospital services include all services performed and billed on the hospital facility claim that were not associated with an inpatient admission. These services were split between general and hospice service based on the procedure and revenue codes on the claim.
 - Prescription drug claims were identified by the invoice type H, noted on the claim.
 - Ancillary services were stratified using HCPCS code and MDCH code information. Utilization for other ancillary services represents the number of units billed on each individual claim.
 - A separate line item was included for services that are covered under the 1915c waiver. Please note that for the Nursing Facility Level of Care-Waiver tier, waiver services in the historical FFS actuarial models is removed as the MIChoice capitation rates were used to represent the expected cost of these services for this population in the rate development.

- Physician services were stratified by CPT-4 code for the majority of service categories. Milliman performed additional stratifications for physician services by CPT-4 code to provide details regarding the services provided. Utilization represents the count of claim lines associated with each individual claim number.

Actuarial Models

Each actuarial model illustrates annual utilization rates per 1,000, average cost per unit, and per member per month (PMPM) claims cost developed using FFS data. Appendix D contains actuarial models for services incurred during SFY 2011, 2012, and SFY 2013 incurred through June 2013, paid through October 2013. Additional factors are reflected to illustrate the adjustments being applied to the base data to calendar year 2015. The following provides a brief description of each of the data fields.

- **Annual Admits Per 1,000** – This value represents the annual number of admissions per 1,000 for both the nursing facility and inpatient hospital service categories. The value was calculated by dividing the total number of admissions for each service category by the member months in the corresponding period and multiplying by 12 times 1,000.
- **Average Length of Stay** – This value represents the average number of days a member stayed in a nursing facility each month or the average number of days per inpatient hospital admission.
- **Annual Utilization Per 1,000** – This value represents the annual utilization rates per 1,000 by type of service. The value was calculated by dividing the total units for each service category by the member months in the corresponding period and multiplying by 12 times 1,000.
- **Cost per Service** – This value represents the net paid amount per unit of service.
- **Member Months** – This value represents the number of enrollee months in each rate cell during each experience period. Each enrollee was assumed to be eligible for the entire month.
- **PMPM** – The per member per month (PMPM) value represents the net claim cost for each type of service. The value was calculated by multiplying the annual utilization per 1,000 times the average cost per unit and dividing by the product of 12 times 1,000.

ADJUSTMENTS TO BASE EXPERIENCE DATA

In developing the actuarially sound capitation rates, we applied certain adjustments to the base data experience. These adjustments are outlined below.

Trend

Milliman developed trend rate assumptions for the populations and services covered under the proposed Dual Demonstration program based on claims experience data from October 1, 2010 through June 30, 2013. Utilization, cost per unit, and per member per month costs were summarized for the experience period by incurred month, rate cell, and medical service category. Trend rate assumptions were developed based on a review of regression modeling results, Medicare market basket forecasts, and actuarial judgment. Separate trend rates were developed by demonstration tier and medical service category. Separate trend adjustments were developed for utilization and cost per service. Cost per unit trend rates are reflective of both changes in the unit cost of a given medical service and changes in the mix or intensity of services within a given medical service category.

Appendix E provides the assumed utilization and cost trends that were applied to the base period data in the development of the capitation rates for the Demonstration program.

Completion

Historical FFS claims experience was run through an internal Milliman claims reserving system to estimate completion factors. Separate sets of factors were developed for each demonstration tier and category of service. Milliman combined the nursing facility subtiers for purposes of the completion factor analysis. Average adjustments were used for each fiscal year to account for the runout applicable to each of the experience periods. Appendix F provides the development of the average completion factors applied to each demonstration tier and applicable fiscal year.

Policy and program changes

During the base period, certain changes were made to services covered under the demonstration. The following provides adjustments made for known policy and program changes as identified below.

- An 8.0% provider rate reduction was enacted effective October 1, 2010. As this change occurred on October 1, 2010, it is fully reflected in the base data experience.
- Addition of dental, podiatry, and low vision services (does not include routine vision services or eyeglasses) for adults ages 21 and over. As this change occurred on October 1, 2010, it is fully reflected in the base data experience.
- Addition of chiropractic services for adults ages 21 and over. An adjustment was made to historical data prior to June 1, 2012 to reflect addition of these services.
- Addition of routine vision and eyeglasses for adults ages 21 and over. An adjustment was made to historical data prior to June 1, 2012 to reflect addition of these services.

Seasonality

A seasonality adjustment was applied to the FFS base data experience for SFY 2013 due to the lack of a complete 12 months of claims information. The seasonality adjustments were developed separately by population and category of service. Based on the information provided, the months of July to September were missing from the historical claims information for SFY 2013. Appendix G illustrates the development of the seasonality factors applied to the base data.

Risk selection

Prospective risk selection factors were applied to the base data in order to reflect the voluntary and opt-out nature of the Demonstration. These selection factors were developed using claims probability distributions (CPDs) by population and applying penetration assumptions by cost category which reflects a more favorable mix of enrollment than the current FFS experience. Evaluation of the CPDs showed that the risk selection is applicable only to the Community population, since the majority of service cost for the Nursing Facility and waiver populations is determined by the nursing facility and waiver services.

Overall penetration for community residents was assumed at 20% during the applicable voluntary periods and 75% during the passive enrollment period. However, assumed penetration levels varied based on members' annual cost and types of services that were utilized.

The composite selection factor that was estimated for the Community population assumed to participate in the Demonstration is approximately 0.818 for the Over Age 65 population and 0.812 for the Under Age 65 population. This adjustment is applied to the total per member per month (PMPM) cost after application of trend, program and rating period adjustments.

The CPDs for the Community Tier and related selection factor analysis is included as Appendix H of this report. The selection factor for the Community tier (Tier 3) is only applied to the fee-for-service base experience as the Duals Lite experience reflects the impact of enrollment selection being estimated for the demonstration.

Other Rating Items Not Included

Based on discussions with MDCH and CMS, adjustments have not been reflected in the capitation rates illustrated in this report for the following items:

ACA Primary Care Physician Fee Increase

Consistent with the treatment of applicable primary care physician fee increase payments in current Medicaid managed care programs in the State of Michigan, enhanced fee payments made in CY 2013 and 2014 are a non-risk payment to the health plans and paid outside of the normal capitation rates. With the primary care physician fee increase required under the ACA set to end on December 31, 2014, we do not anticipate payments being made during this Demonstration rating period. If the State of Michigan chooses to extend the enhanced fee payment beyond CY 2014, the rates in this report will have to be revised.

ACA Health Insurer Assessment Fee

The health insurance assessment fee required under the Affordable Care Act (ACA) is not applicable to all carriers and is only known in an aggregate amount on a national basis. The assessment fee in 2014 is \$8 billion on a national basis. As the Demonstration program will not make any capitation payments in CY 2014, the impact of this fee is not reflected in the PMPM costs for the capitation rates to be paid from January 1, 2015 to December 31, 2015. The impact of the health insurer fee will be reviewed for future rating periods.

Claims Tax

The claims tax currently paid on Medicaid managed care payments in the State of Michigan has not been applied to the base FFS data. As the requirements by CMS are to reflect projected costs absent the demonstration, the claims tax would not have been applied to FFS claims experience. However, the claims tax that is included in the Duals Lite capitation rate has been included as part of the HMO cost illustrated in Appendix A.

Use Tax

The use tax currently paid on Medicaid managed care payments in the State of Michigan has not been applied to the base FFS data. As the requirements by CMS are to reflect projected costs absent the demonstration, the claims tax would not have been applied to FFS claims experience. While the use tax is currently paid under the Duals Lite program, MDCH has indicated that ICOs will not be responsible for paying the use tax on applicable capitation rates. Therefore, the use tax has been completely removed from the demonstration rate development.

IV. DATA RELIANCE

We relied upon the following information provided by MDCH to develop the actuarially sound capitation rates for the January 1, 2015 – December 31, 2015 contract period.

- Detailed fee-for-service claims data incurred October 1, 2010 through June 30, 2013, and paid through October 2013.
- Detailed fee-for-service and managed care enrollment data for period October 1, 2010 through June 30, 2013.
- Managed care capitation rates paid to the health plans serving enrollees in the Duals Lite and MIChoice managed care programs.
- Additional gross adjustment expenditure information outside the MMIS claims system.
- Summary of policy and program changes through state fiscal year 2014 (including changes to fee schedules and other payment rates).

We have relied upon MDCH for the accuracy of the information provided. Although the data were reviewed for reasonableness, we have accepted the data without audit. To the extent the data provided to Milliman was incomplete or was otherwise inaccurate, the information presented in this letter will need to be modified. It should be emphasized that capitation rates are a projection of future costs based on a set of assumptions. Results will differ if actual experience is different from the assumptions contained in this report. MDCH and Milliman provide no guarantee, either written or implied, that the data and information is 100% accurate or error free. The capitation rates provided in this letter will change to the extent that there are material errors in the information that was provided.

V. LIMITATIONS AND QUALIFICATIONS

The services provided for this project were performed under the signed contract between Milliman and MDCH approved October 21, 2010.

The information contained in this letter, including the enclosures, has been prepared for the State of Michigan, Department of Community Health and their consultants and advisors. It is our understanding that this letter may be utilized in a public document. To the extent that the information contained in this letter is provided to third parties, the letter should be distributed in its entirety. Any user of the data must possess a certain level of expertise in actuarial science and healthcare modeling so as not to misinterpret the data presented.

Milliman makes no representations or warranties regarding the contents of this letter to third parties. Likewise, third parties are instructed that they are to place no reliance upon this letter prepared for MDCH by Milliman that would result in the creation of any duty or liability under any theory of law by Milliman or its employees to third parties.

In performing this analysis, we relied on data and other information provided by MDCH and its vendors. We have not audited or verified this data and other information. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete.

Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

We performed a limited review of the data used directly in our analysis for reasonableness and consistency and have not found material defects in the data. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment.

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. Robert Damler is a member of the American Academy of Actuaries, and meets the qualification standards for performing the analyses in this report.

APPENDIX A

State of Michigan
Department of Community Health
MI Health Link
Demonstration Year 1 Rate Development

	<u>Base FFS Experience</u>	<u>Selection Factor</u>	<u>Savings Percentage</u>	<u>Proposed Rate</u>
Nursing Facility - Subtier A				
Over 65	\$5,967.05	1.000	0.010	\$5,907.38
Under 65	\$4,893.96	1.000	0.010	\$4,845.02

	<u>Base FFS Experience</u>	<u>Selection Factor</u>	<u>Savings Percentage</u>	<u>Proposed Rate</u>
Nursing Facility - Subtier B				
Over 65	\$8,589.58	1.000	0.010	\$8,503.68
Under 65	\$8,798.75	1.000	0.010	\$8,710.76

	<u>Base FFS Experience</u>	<u>MIChoice Capitation</u>	<u>Fully Loaded Cost</u>	<u>Selection Factor</u>	<u>Savings Percentage</u>	<u>Proposed Rate</u>
Waiver C (NF Level of Care)						
Over 65	\$97.16	\$1,983.28	\$2,080.44	1.000	0.010	\$2,059.64
Under 65	\$130.32	\$3,040.86	\$3,171.18	1.000	0.010	\$3,139.47

	<u>Base FFS Experience</u>	<u>Selection Factor</u>	<u>Total FFS Cost</u>	<u>Percent of FFS</u>
Community Well				
Over 65	\$199.19	0.818	\$162.88	83.0%
Under 65	\$144.86	0.812	\$117.61	79.0%

	<u>Duals Lite Capitation</u>	<u>Duals Lite FFS Cost</u>	<u>Total HMO Cost</u>	<u>Percent of MCO</u>	<u>Blended Cost</u>	<u>Savings Percentage</u>	<u>Proposed Rate</u>
Over 65	\$73.05	\$86.34	\$159.39	17.0%	\$162.28	0.010	\$160.66
Under 65	\$73.05	\$65.10	\$138.15	21.0%	\$121.92	0.010	\$120.71

Regional Adjustment Factors

	<u>Nursing Facility - Subtier A</u>	<u>Nursing Facility - Subtier B</u>	<u>Waiver (NF Level of Care)</u>	<u>Community Well</u>
Region 1	96.8%	97.5%	99.0%	98.0%
Region 4	101.0%	102.0%	100.0%	103.4%
Region 7	98.8%	N/A	100.0%	100.4%
Region 9	104.6%	107.0%	101.8%	95.8%

Notes:

1. The blend of State Fiscal Year experience was applied using a weighting of 50% to SFY 2012, 30% to SFY 2013, and 20% to SFY 2011
2. The blend of State Fiscal Year experience for Duals Lite enrollee FFS experience was the average of SFY 2012 and 2013
3. The regional adjustment factors are applicable to the fully loaded (proposed) rate

APPENDIX B

**State of Michigan - Department of Community Health
MI Health Link
Rate Cell Payment Methodology**

		<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>	<u>Apr-15</u>	<u>May-15</u>	<u>Jun-15</u>	<u>Jul-15</u>	<u>Aug-15</u>	<u>Sep-15</u>	<u>Oct-15</u>	<u>Nov-15</u>	<u>Dec-15</u>	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	<u>Apr-16</u>	<u>May-16</u>	<u>Jun-16</u>
Nursing Facility -> Waiver (for more than 3 months)	Elig Cat	NF	W	W	W	W	W	W	W	W	W	W	W	W	W	W	W	W	W
	Rate Cell	NF	W	W	W+TCR	W	W	W	W	W	W	W	W	W	W	W	W	W	W
Nursing Facility -> Waiver -> Nursing Facility (for less than 3 months)	Elig Cat	NF	W	W	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF
	Rate Cell	NF	W	W	W	W	W	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF
Nursing Facility -> Community (for more than 3 months)	Elig Cat	NF	NF	NF	NF	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm
	Rate Cell	NF	NF	NF	NF	Comm	Comm	Comm+TCR	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm
Nursing Facility -> Community -> Nursing Facility (for less than 3 months)	Elig Cat	NF	NF	NF	NF	Comm	Comm	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF
	Rate Cell	NF	NF	NF	NF	Comm	Comm	Comm	Comm	Comm	NF	NF	NF	NF	NF	NF	NF	NF	NF
Waiver -> Nursing Facility	Elig Cat	W	W	W	W	W	W	W	W	NF	NF	NF	NF	NF	NF	NF	NF	NF	NF
	Rate Cell	W	W	W	W	W	W	W	W	W	W	W	NF	NF	NF	NF	NF	NF	NF
Waiver -> Nursing Facility -> Waiver (with Transition Case Rate Payment)	Elig Cat	W	W	W	W	W	W	W	W	NF	NF	NF	NF	NF	NF	W	W	W	W
	Rate Cell	W	W	W	W	W	W	W	W	W	W	W	NF	NF	NF	W	W	W+TCR	W
Waiver -> Nursing Facility -> Waiver (without Transition Case Rate Payment)	Elig Cat	W	W	W	W	W	W	W	W	NF	NF	NF	NF	W	W	W	W	W	W
	Rate Cell	W	W	W	W	W	W	W	W	W	W	W	NF	W	W	W	W	W	W
Community -> Nursing Facility	Elig Cat	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	NF	NF	NF	NF	NF	NF	NF	NF	NF
	Rate Cell	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	NF	NF	NF	NF	NF	NF
Community -> Nursing Facility -> Community (with Transition Case Rate Payment)	Elig Cat	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	NF	NF	NF	NF	NF	NF	Comm	NF	NF
	Rate Cell	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	NF	NF	NF	Comm	Comm	Comm+TCR
Community -> Nursing Facility -> Community (without Transition Case Rate Payment)	Elig Cat	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	NF	NF	NF	NF	NF	Comm	Comm	Comm	Comm
	Rate Cell	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	NF	NF	Comm	Comm	Comm	Comm
Waiver -> Community	Elig Cat	W	W	W	W	W	W	W	W	W	W	W	W	Comm	Comm	Comm	Comm	Comm	Comm
	Rate Cell	W	W	W	W	W	W	W	W	W	W	W	W	Comm	Comm	Comm	Comm	Comm	Comm
Community -> Waiver	Elig Cat	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	W	W	W	W
	Rate Cell	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	Comm	W	W	W	W

Notes:

- For purposes of the rate cell structure table, NF represents the Nursing Facility tier (both Subtier A and B), W stands for Waiver services, Comm represents the Community tier and TCR reflects the Transition Case Rate.
- For members who move from Nursing Facility to Waiver services, the Waiver rate will commence at the beginning of the month following the move.
- For members who move from Nursing Facility to the Community, the Community rate will commence at the beginning of the month following the move.
- For members who move from Nursing Facility to either Waiver services or the Community, a transition case rate payment will be made three months following the move.
- If a member moves from Nursing Facility to Waiver Services or the Community and then back to Nursing facility prior to three months, no transition payment will be made.
- For members who move from Waiver Services to Nursing Facility, the Waiver Services rate will be paid for the three months following the move.
- For members who move from Waiver Services to Nursing Facility and back to Waiver Services, a transition payment will only be made if three Tier 1 payments were made (would have had to reside in NF for at least 6 months).
- For members who move from the Community to Nursing Facility, the Community rate will be paid for the three months following the move.
- For members who move from the Community to Nursing Facility and back to the Community, a transition payment will only be made if three Tier 1 payments were made (would have had to reside in NF for at least 6 months).
- For members who move from Waiver Services to the Community, the Community rate will commence at the beginning of the month following the move.
- For members who move from the Community to Waiver Services, the Waiver services rate will commence at the beginning of the month following the move.
- With the development of Subtiers A and B for the Nursing Facility tier, movements between Subtier A and B will result in the applicable subtier payment commencing at the beginning of the month following the move.

APPENDIX C



**STATE OF MICHIGAN
DEPARTMENT OF COMMUNITY HEALTH
MI Health Link – Medicaid Component
Capitation Rates Effective January 1, 2015 through December 31, 2015**

Actuarial Certification

I, Robert M. Damler, am a Principal and Consulting Actuary with the firm of Milliman, Inc. I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. I was retained by the State of Michigan, Department of Community Health to perform an actuarial review and certification regarding the development of the capitation rates to be effective for the contract period of January 1, 2015 through December 31, 2015 for the MI Health Link program. I have experience in the examination of financial calculations for Medicaid programs and meet the qualification standards for rendering this opinion.

I reviewed the historical claims experience for reasonableness and consistency. I have developed certain actuarial assumptions and actuarial methodologies regarding the projection of healthcare expenditures into future periods. I relied upon the State of Michigan for a data extract of the medical claims data, eligibility information, and financial reports. Assessment of actuarial soundness under 42 CFR 438.6, in the context of this Demonstration, should consider both Medicare and Medicaid contributions and the opportunities for efficiencies unique to an integrated care program. CMS considers the Medicaid actuarial soundness requirements to be flexible enough to consider efficiencies and savings that may be associated with Medicare. Therefore, CMS does not believe that a waiver of Medicaid actuarial soundness principles is necessary in the context of this Demonstration.

The capitation rates provided with this certification are considered actuarially sound, defined as:

- the capitation rates have been developed in accordance with generally accepted actuarial principles and practices;
- the capitation rates are appropriate for the populations to be covered, and the services to be furnished under the contract; and,
- the capitation rates meet the requirements of 42 CFR 438.6(c).

For the purposes of this certification “actuarial soundness” is defined as follows:

Medicaid capitation rates are “actuarially sound” if, for business in the state for which the certification is being prepared and for the period covered by the certification, projected capitation rates – including expected reinsurance and governmental stop-loss cash flows, governmental risk adjustment cash flows, and investment income – provide for all reasonable, appropriate, and attainable costs, including health benefits; health benefit settlement expenses; marketing and administrative expenses; any government-mandated assessments, fees, and taxes; and the cost of capital.

The basis for the Medicaid rates began with costs developed prior to the application of the Medicare and Medicaid composite savings percentages established by the State and CMS, informed by estimates from CMS and its contractors. The final Medicaid capitation rates were set consistent with 42 CFR 438.6(c) in combination with a qualification that the Medicare capitation rates were established by CMS and the Medicare and Medicaid composite savings percentages were established by the State and CMS.

This Opinion is intended for the State of Michigan and should not be relied on by other parties. The reader should be advised by actuaries or other professionals competent in the area of actuarial projections of the type in this Opinion, so as to properly interpret the projection results. It should be emphasized that capitation rates are a projection of future costs based on a set of assumptions. Actual costs will be dependent on each contracted health plan’s situation and experience.

This actuarial certification has been based on the actuarial methods, considerations, and analyses promulgated from time to time through the Actuarial Standards of Practice by the Actuarial Standards Board.


ELECTRONIC
SIGNATURE

Robert M. Damler, FSA
Member, American Academy of Actuaries

March 2, 2015

Date

APPENDIX D

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier Private Facilities / HLTCU
Age Over 65

Months of Trend 51

Total Member Months 93,386

Type of Service	Fiscal Year 2011					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	11,305.5	27.1	306,044.3	\$ 181.56	\$ 4,630.44	1.000	1.005	1.010	1.000	312,600.8	\$ 189.40	\$ 4,933.88
Nursing Facility - Medicare	26.9	17.4	468.4	115.96	4.53	1.000	1.005	1.010	1.000	478.4	120.97	4.82
Subtotal	11,332.3	27.0	306,512.7	\$ 181.46	\$ 4,634.96					313,079.2	\$ 189.30	\$ 4,938.71
Inpatient Hospital												
General	83.9	11.1	933.3	\$ 333.31	\$ 25.92	1.000	0.980	1.020	1.000	856.5	\$ 362.58	\$ 25.88
Psychiatric	0.1	12.0	1.5	243.98	0.03	1.000	0.980	1.020	1.000	1.4	265.40	0.03
Subtotal	84.0	11.1	934.8	\$ 333.16	\$ 25.95					857.9	\$ 362.42	\$ 25.91
Outpatient Hospital												
General			1,567.9	\$ 38.01	\$ 4.97	1.000	1.015	0.980	1.000	1,670.4	\$ 34.88	\$ 4.86
Hospice			-	-	-	1.000	1.015	0.980	1.000	-	-	-
Subtotal			1,567.9	\$ 38.01	\$ 4.97					1,670.4	\$ 34.88	\$ 4.86
Prescription Drugs					\$ 2.09	1.000	0.975	1.015	1.000			\$ 2.00
Other Ancillaries												
Transportation			74.6	55.41	0.34	1.000	1.010	1.020	1.000	77.9	\$ 60.27	\$ 0.39
DME/Prosthetics/Orthotics			1,763.1	51.10	7.51	1.000	1.010	1.020	1.000	1,839.3	55.59	8.52
Medical Supplies			683.9	17.11	0.98	1.000	1.010	1.020	1.000	713.4	18.61	1.11
Waiver Services			672.0	35.24	1.97	1.000	1.010	1.020	1.000	701.1	38.33	2.24
Other Ancillary			18.4	2.03	0.00	1.000	1.010	1.020	1.000	19.2	2.21	0.00
Home Help			363.8	311.24	9.44	1.000	1.010	1.020	1.000	379.5	338.56	10.71
Subtotal			3,575.8	\$ 67.92	\$ 20.24					3,730.3	\$ 73.88	\$ 22.97
Physician												
Private Duty Nursing/Home Health			1.2	\$ 142.89	\$ 0.01	1.000	1.035	1.020	1.000	1.3	\$ 155.44	\$ 0.02
Phys Visits Office/Consult			81.7	31.99	0.22	1.000	1.035	1.020	1.000	94.6	34.80	0.27
Phys Visit Other			957.1	29.81	2.38	1.000	1.035	1.020	1.000	1,107.7	32.43	2.99
Surgery/Anesthesia			4.4	19.06	0.01	1.000	1.035	1.020	1.000	5.1	20.73	0.01
Lab/Pathology			192.5	12.53	0.20	1.000	1.035	1.020	1.000	222.8	13.63	0.25
Surgery			186.8	25.48	0.40	1.000	1.035	1.020	1.000	216.3	27.71	0.50
Vision/Hearing			136.3	31.21	0.35	1.000	1.035	1.020	1.000	157.8	33.95	0.45
Therapeutic Inj.			69.3	23.07	0.13	1.000	1.035	1.020	1.000	80.2	25.10	0.17
Other			224.7	14.87	0.28	1.000	1.035	1.020	1.000	260.1	16.17	0.35
Subtotal			1,854.0	\$ 25.76	\$ 3.98					2,145.9	\$ 28.02	\$ 5.01
Total Claims/Benefit Cost			314,445.3	\$ 179.07	\$ 4,692.19					321,483.7	\$ 186.61	\$ 4,999.45
Supplemental SNF Copayments					\$ 827.13	1.000	1.005	1.010	1.000			\$ 881.35
Total Adjusted Gross Cost					\$5,519.32							\$5,880.80

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier Private Facilities / HLTCU
Age Over 65

Months of Trend 39

Total Member Months 90,460

		Fiscal Year 2012				Trended/Adjusted to CY 2015							
		Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM	Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Annual Utilization Per 1,000	Cost Per Service	PMPM
Type of Service													
Nursing Facility													
	Nursing Facility	11,739.3	26.5	310,759.0	\$ 183.84	\$ 4,760.76	1.001	1.005	1.010	1.000	316,141.5	\$ 189.88	\$ 5,002.41
	Nursing Facility - Medicare	5.8	19.4	113.4	122.22	1.16	1.001	1.005	1.010	1.000	115.4	126.23	1.21
Subtotal		11,745.2	26.5	310,872.4	\$ 183.82	\$ 4,761.92					316,256.9	\$ 189.86	\$ 5,003.63
Inpatient Hospital													
	General	71.0	13.5	955.1	\$ 298.73	\$ 23.78	1.007	0.980	1.020	1.000	900.2	\$ 318.59	\$ 23.90
	Psychiatric	0.3	2.0	0.5	191.65	0.01	1.007	0.980	1.020	1.000	0.5	204.39	0.01
Subtotal		71.2	13.4	955.6	\$ 298.67	\$ 23.79					900.7	\$ 318.53	\$ 23.91
Outpatient Hospital													
	General			2,284.5	\$ 22.46	\$ 4.27	1.002	1.015	0.980	1.000	2,402.6	\$ 21.03	\$ 4.21
	Hospice			-	-	-	1.002	1.015	0.980	1.000	-	-	-
Subtotal				2,284.5	\$ 22.46	\$ 4.27					2,402.6	\$ 21.03	\$ 4.21
Prescription Drugs						\$ 2.97	1.000	0.975	1.015	1.000			\$ 2.87
Other Ancillaries													
	Transportation			46.3	168.71	0.65	1.015	1.010	1.020	1.000	48.5	\$ 179.92	\$ 0.73
	DME/Prosthetics/Orthotics			1,841.1	49.74	7.63	1.015	1.010	1.020	1.000	1,929.6	53.04	8.53
	Medical Supplies			522.9	17.01	0.74	1.015	1.010	1.020	1.000	548.0	18.14	0.83
	Waiver Services			472.5	33.88	1.33	1.015	1.010	1.020	1.000	495.2	36.13	1.49
	Other Ancillary			24.8	1.54	0.00	1.015	1.010	1.020	1.000	26.0	1.65	0.00
	Home Help			326.6	332.46	9.05	1.015	1.010	1.020	1.000	342.3	354.56	10.11
Subtotal				3,234.2	\$ 72.01	\$ 19.41					3,389.6	\$ 76.80	\$ 21.69
Physician													
	Private Duty Nursing/Home Health			1.5	\$ 172.97	\$ 0.02	1.015	1.035	1.020	1.000	1.7	\$ 184.47	\$ 0.03
	Phys Visits Office/Consult			80.8	29.10	0.20	1.015	1.035	1.020	1.000	91.7	31.03	0.24
	Phys Visit Other			818.0	29.02	1.98	1.015	1.035	1.020	1.000	928.1	30.94	2.39
	Surgery/Anesthesia			3.6	31.01	0.01	1.015	1.035	1.020	1.000	4.1	33.07	0.01
	Lab/Pathology			215.4	8.77	0.16	1.015	1.035	1.020	1.000	244.5	9.35	0.19
	Surgery			144.7	30.79	0.37	1.015	1.035	1.020	1.000	164.2	32.84	0.45
	Vision/Hearing			166.7	30.33	0.42	1.015	1.035	1.020	1.000	189.2	32.35	0.51
	Therapeutic Inj.			94.1	28.18	0.22	1.015	1.035	1.020	1.000	106.7	30.05	0.27
	Other			236.9	13.42	0.26	1.015	1.035	1.020	1.000	268.8	14.31	0.32
Subtotal				1,761.7	\$ 24.79	\$ 3.64					1,999.0	\$ 26.44	\$ 4.40
Total Claims/Benefit Cost				319,108.4	\$ 181.10	\$ 4,816.00					324,948.7	\$ 186.89	\$ 5,060.71
Supplemental SNF Copayments						\$ 849.34	1.000	1.005	1.010	1.000			\$ 891.59
Total Adjusted Gross Cost						\$5,665.34							\$5,952.30

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier Private Facilities / HLTCU
Age Over 65

Months of Trend 28.5

Total Member Months 71,229

Type of Service	Fiscal Year 2013					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	12,164.6	25.4	309,479.2	\$ 187.07	\$ 4,824.44	1.019	1.005	1.010	0.999	318,782.9	\$ 191.54	\$ 5,088.31
Nursing Facility - Medicare	4.9	17.5	85.6	142.72	1.02	1.019	1.005	1.010	0.999	88.2	146.13	1.07
Subtotal	12,169.5	25.4	309,564.8	\$ 187.05	\$ 4,825.46					318,871.1	\$ 191.53	\$ 5,089.38
Inpatient Hospital												
General	44.0	9.8	432.6	\$ 282.95	\$ 10.20	1.231	0.980	1.020	1.027	521.5	\$ 296.58	\$ 12.89
Psychiatric	0.3	1.5	0.5	176.47	0.01	1.231	0.980	1.020	1.027	0.6	184.96	0.01
Subtotal	44.3	9.8	433.1	\$ 282.82	\$ 10.21					522.2	\$ 296.45	\$ 12.90
Outpatient Hospital												
General			2,059.0	\$ 13.52	\$ 2.32	1.076	1.015	0.980	1.011	2,319.5	\$ 12.89	\$ 2.49
Hospice			-	-	-	1.076	1.015	0.980	1.011	-	-	-
Subtotal			2,059.0	\$ 13.52	\$ 2.32					2,319.5	\$ 12.89	\$ 2.49
Prescription Drugs					\$ 2.33	1.008	0.975	1.015	0.991			\$ 2.27
Other Ancillaries												
Transportation			61.0	124.04	0.63	1.192	1.010	1.020	0.969	72.1	\$ 130.01	\$ 0.78
DME/Prosthetics/Orthotics			1,895.6	44.19	6.98	1.192	1.010	1.020	0.969	2,241.3	46.32	8.65
Medical Supplies			449.6	17.96	0.67	1.192	1.010	1.020	0.969	531.7	18.83	0.83
Waiver Services			441.6	36.16	1.33	1.192	1.010	1.020	0.969	522.1	37.90	1.65
Other Ancillary			21.6	5.49	0.01	1.192	1.010	1.020	0.969	25.5	5.76	0.01
Home Help			275.1	349.35	8.01	1.192	1.010	1.020	0.969	325.3	366.18	9.93
Subtotal			3,144.5	\$ 67.30	\$ 17.63					3,718.0	\$ 70.54	\$ 21.85
Physician												
Private Duty Nursing/Home Health			0.8	\$ 124.98	\$ 0.01	1.192	1.035	1.020	0.969	1.1	\$ 131.00	\$ 0.01
Phys Visits Office/Consult			193.1	27.85	0.45	1.192	1.035	1.020	0.969	241.9	29.20	0.59
Phys Visit Other			4,549.4	30.62	11.61	1.192	1.035	1.020	0.969	5,700.6	32.09	15.24
Surgery/Anesthesia			4.2	30.59	0.01	1.192	1.035	1.020	0.969	5.3	32.06	0.01
Lab/Pathology			447.3	7.62	0.28	1.192	1.035	1.020	0.969	560.5	7.99	0.37
Surgery			136.3	33.00	0.37	1.192	1.035	1.020	0.969	170.8	34.59	0.49
Vision/Hearing			325.8	32.07	0.87	1.192	1.035	1.020	0.969	408.3	33.61	1.14
Therapeutic Inj.			85.2	36.48	0.26	1.192	1.035	1.020	0.969	106.8	38.23	0.34
Other			1,080.6	7.10	0.64	1.192	1.035	1.020	0.969	1,354.0	7.44	0.84
Subtotal			6,822.7	\$ 25.51	\$ 14.50					8,549.3	\$ 26.74	\$ 19.05
Total Claims/Benefit Cost			322,024.2	\$ 181.57	\$ 4,872.46					333,980.0	\$ 184.97	\$ 5,147.94
Supplemental SNF Copayments					\$ 869.77	1.000	1.005	1.010	1.000			\$ 901.19
Total Adjusted Gross Cost					\$5,742.23							\$6,049.13

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier Private Facilities / HLTUCU
Age Under 65

Months of Trend 51

Total Member Months 11,753

Type of Service	Fiscal Year 2011					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	9,946.7	24.8	246,541.6	\$ 185.31	\$ 3,807.20	1.000	1.005	1.010	1.000	251,823.4	\$ 193.31	\$ 4,056.66
Nursing Facility - Medicare	92.9	17.6	1,638.7	116.59	15.92	1.000	1.005	1.010	1.000	1,673.8	121.62	16.96
Subtotal	10,039.6	24.7	248,180.4	\$ 184.86	\$ 3,823.12					253,497.2	\$ 192.84	\$ 4,073.63
Inpatient Hospital												
General	200.1	12.8	2,553.6	\$ 450.72	\$ 95.91	1.000	0.980	1.020	1.000	2,343.5	\$ 490.30	\$ 95.75
Psychiatric	1.0	2.0	2.0	345.60	0.06	1.000	0.980	1.020	1.000	1.9	375.95	0.06
Subtotal	201.1	12.7	2,555.6	\$ 450.64	\$ 95.97					2,345.3	\$ 490.21	\$ 95.81
Outpatient Hospital												
General			10,067.2	\$ 25.75	\$ 21.60	1.000	1.015	0.980	1.000	10,724.8	\$ 23.63	\$ 21.12
Hospice			-	-	-	1.000	1.015	0.980	1.000	-	-	-
Subtotal			10,067.2	\$ 25.75	\$ 21.60					10,724.8	\$ 23.63	\$ 21.12
Prescription Drugs					\$ 4.15	1.000	0.975	1.015	1.000			\$ 3.97
Other Ancillaries												
Transportation			481.9	56.44	2.27	1.000	1.010	1.020	1.000	502.7	\$ 61.39	\$ 2.57
DME/Prosthetics/Orthotics			4,304.6	25.64	9.20	1.000	1.010	1.020	1.000	4,490.5	27.89	10.44
Medical Supplies			1,680.6	15.33	2.15	1.000	1.010	1.020	1.000	1,753.2	16.67	2.44
Waiver Services			1,133.3	53.28	5.03	1.000	1.010	1.020	1.000	1,182.3	57.96	5.71
Other Ancillary			81.7	0.49	0.00	1.000	1.010	1.020	1.000	85.2	0.53	0.00
Home Help			1,077.2	304.36	27.32	1.000	1.010	1.020	1.000	1,123.7	331.09	31.00
Subtotal			8,759.3	\$ 62.97	\$ 45.97					9,137.7	\$ 68.50	\$ 52.16
Physician												
Private Duty Nursing/Home Health			20.4	\$ 160.86	\$ 0.27	1.000	1.035	1.020	1.000	23.6	\$ 174.98	\$ 0.34
Phys Visits Office/Consult			231.8	34.82	0.67	1.000	1.035	1.020	1.000	268.3	37.87	0.85
Phys Visit Other			1,176.2	31.75	3.11	1.000	1.035	1.020	1.000	1,361.4	34.54	3.92
Surgery/Anesthesia			10.2	18.92	0.02	1.000	1.035	1.020	1.000	11.8	20.58	0.02
Lab/Pathology			534.0	14.26	0.63	1.000	1.035	1.020	1.000	618.1	15.51	0.80
Surgery			423.7	38.55	1.36	1.000	1.035	1.020	1.000	490.4	41.93	1.71
Vision/Hearing			142.9	28.99	0.35	1.000	1.035	1.020	1.000	165.5	31.53	0.43
Therapeutic Inj.			166.4	30.02	0.42	1.000	1.035	1.020	1.000	192.6	32.65	0.52
Other			429.8	14.81	0.53	1.000	1.035	1.020	1.000	497.5	16.12	0.67
Subtotal			3,135.5	\$ 28.18	\$ 7.36					3,629.2	\$ 30.65	\$ 9.27
Total Claims/Benefit Cost			272,698.0	\$ 175.94	\$ 3,998.17					279,334.3	\$ 182.83	\$ 4,255.96
Supplemental SNF Copayments					\$ 526.60	1.000	1.005	1.010	1.000			\$ 561.12
Total Adjusted Gross Cost					\$4,524.77							\$4,817.08

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier Private Facilities / HLTCU
Age Under 65

Months of Trend 39

Total Member Months 12,504

Type of Service	Fiscal Year 2012					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	10,639.2	23.8	252,930.9	\$ 186.39	\$ 3,928.74	1.001	1.005	1.010	1.000	257,311.8	\$ 192.52	\$ 4,128.14
Nursing Facility - Medicare	25.9	16.0	413.6	117.43	4.05	1.001	1.005	1.010	1.000	420.8	121.29	4.25
Subtotal	10,665.1	23.8	253,344.5	\$ 186.28	\$ 3,932.78					257,732.6	\$ 192.40	\$ 4,132.39
Inpatient Hospital												
General	215.9	14.0	3,016.3	\$ 375.16	\$ 94.30	1.007	0.980	1.020	1.000	2,843.0	\$ 400.10	\$ 94.79
Psychiatric	1.9	3.5	6.7	164.43	0.09	1.007	0.980	1.020	1.000	6.3	175.36	0.09
Subtotal	217.9	13.9	3,023.0	\$ 374.69	\$ 94.39					2,849.3	\$ 399.60	\$ 94.88
Outpatient Hospital												
General			9,382.9	\$ 22.60	\$ 17.67	1.002	1.015	0.980	1.000	9,867.9	\$ 21.16	\$ 17.40
Hospice			-	-	-	1.002	1.015	0.980	1.000	-	-	-
Subtotal			9,382.9	\$ 22.60	\$ 17.67					9,867.9	\$ 21.16	\$ 17.40
Prescription Drugs					\$ 8.83	1.000	0.975	1.015	1.000			\$ 8.54
Other Ancillaries												
Transportation			175.8	218.27	3.20	1.015	1.010	1.020	1.000	184.3	\$ 232.77	\$ 3.57
DME/Prosthetics/Orthotics			4,424.2	41.77	15.40	1.015	1.010	1.020	1.000	4,636.7	44.54	17.21
Medical Supplies			1,359.9	15.47	1.75	1.015	1.010	1.020	1.000	1,425.2	16.50	1.96
Waiver Services			739.9	32.25	1.99	1.015	1.010	1.020	1.000	775.5	34.39	2.22
Other Ancillary			66.2	0.98	0.01	1.015	1.010	1.020	1.000	69.4	1.05	0.01
Home Help			899.2	365.49	27.39	1.015	1.010	1.020	1.000	942.4	389.79	30.61
Subtotal			7,665.3	\$ 77.86	\$ 49.73					8,033.4	\$ 83.03	\$ 55.58
Physician												
Private Duty Nursing/Home Health			10.6	\$ 202.36	\$ 0.18	1.015	1.035	1.020	1.000	12.0	\$ 215.81	\$ 0.22
Phys Visits Office/Consult			209.2	33.17	0.58	1.015	1.035	1.020	1.000	237.4	35.38	0.70
Phys Visit Other			1,076.8	28.54	2.56	1.015	1.035	1.020	1.000	1,221.8	30.44	3.10
Surgery/Anesthesia			6.7	30.56	0.02	1.015	1.035	1.020	1.000	7.6	32.59	0.02
Lab/Pathology			400.2	9.74	0.32	1.015	1.035	1.020	1.000	454.1	10.39	0.39
Surgery			317.7	35.41	0.94	1.015	1.035	1.020	1.000	360.5	37.76	1.13
Vision/Hearing			177.5	26.30	0.39	1.015	1.035	1.020	1.000	201.5	28.05	0.47
Therapeutic Inj.			203.5	45.90	0.78	1.015	1.035	1.020	1.000	230.9	48.95	0.94
Other			556.6	11.13	0.52	1.015	1.035	1.020	1.000	631.6	11.87	0.62
Subtotal			2,958.7	\$ 25.47	\$ 6.28					3,357.3	\$ 27.17	\$ 7.60
Total Claims/Benefit Cost			276,374.5	\$ 178.44	\$ 4,109.68					281,840.6	\$ 183.78	\$ 4,316.40
Supplemental SNF Copayments					\$ 545.95	1.000	1.005	1.010	1.000			\$ 573.11
Total Adjusted Gross Cost					\$4,655.63							\$4,889.51

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier Private Facilities / HLTCU
Age Under 65

Months of Trend 28.5

Total Member Months 9,749

Type of Service	Fiscal Year 2013					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	10,905.7	23.0	250,508.2	\$ 189.31	\$ 3,952.00	1.019	1.005	1.010	0.999	258,039.1	\$ 193.84	\$ 4,168.19
Nursing Facility - Medicare	8.6	23.1	199.4	120.26	2.00	1.019	1.005	1.010	0.999	205.4	123.14	2.11
Subtotal	10,914.4	23.0	250,707.6	\$ 189.26	\$ 3,954.00					258,244.5	\$ 193.78	\$ 4,170.30
Inpatient Hospital												
General	171.1	10.1	1,726.9	\$ 534.68	\$ 76.95	1.231	0.980	1.020	1.027	2,081.9	\$ 560.43	\$ 97.23
Psychiatric	1.2	1.0	1.2	5.20	0.00	1.231	0.980	1.020	1.027	1.5	5.45	0.00
Subtotal	172.3	10.0	1,728.2	\$ 534.31	\$ 76.95					2,083.3	\$ 560.04	\$ 97.23
Outpatient Hospital												
General			8,943.7	\$ 14.22	\$ 10.60	1.076	1.015	0.980	1.011	10,075.0	\$ 13.55	\$ 11.38
Hospice			-	-	-	1.076	1.015	0.980	1.011	-	-	-
Subtotal			8,943.7	\$ 14.22	\$ 10.60					10,075.0	\$ 13.55	\$ 11.38
Prescription Drugs					\$ 3.82	1.008	0.975	1.015	0.991			\$ 3.72
Other Ancillaries												
Transportation			184.3	145.92	2.24	1.192	1.010	1.020	0.969	217.9	\$ 152.94	\$ 2.78
DME/Prosthetics/Orthotics			5,011.0	30.36	12.68	1.192	1.010	1.020	0.969	5,924.8	31.82	15.71
Medical Supplies			1,325.7	17.41	1.92	1.192	1.010	1.020	0.969	1,567.4	18.25	2.38
Waiver Services			593.3	43.84	2.17	1.192	1.010	1.020	0.969	701.5	45.95	2.69
Other Ancillary			62.8	1.17	0.01	1.192	1.010	1.020	0.969	74.2	1.22	0.01
Home Help			771.8	388.15	24.96	1.192	1.010	1.020	0.969	912.5	406.84	30.94
Subtotal			7,948.8	\$ 66.39	\$ 43.98					9,398.3	\$ 69.59	\$ 54.50
Physician												
Private Duty Nursing/Home Health			14.8	\$ 59.69	\$ 0.07	1.192	1.035	1.020	0.969	18.5	\$ 62.56	\$ 0.10
Phys Visits Office/Consult			601.9	29.79	1.49	1.192	1.035	1.020	0.969	754.2	31.22	1.96
Phys Visit Other			7,826.0	33.67	21.96	1.192	1.035	1.020	0.969	9,806.5	35.29	28.84
Surgery/Anesthesia			8.6	24.16	0.02	1.192	1.035	1.020	0.969	10.8	25.32	0.02
Lab/Pathology			856.7	10.36	0.74	1.192	1.035	1.020	0.969	1,073.5	10.86	0.97
Surgery			268.3	43.87	0.98	1.192	1.035	1.020	0.969	336.2	45.98	1.29
Vision/Hearing			433.3	31.00	1.12	1.192	1.035	1.020	0.969	542.9	32.49	1.47
Therapeutic Inj.			235.1	65.90	1.29	1.192	1.035	1.020	0.969	294.6	69.08	1.70
Other			1,853.7	7.46	1.15	1.192	1.035	1.020	0.969	2,322.8	7.82	1.51
Subtotal			12,098.5	\$ 28.59	\$ 28.83					15,160.1	\$ 29.97	\$ 37.86
Total Claims/Benefit Cost			281,426.6	\$ 175.60	\$ 4,118.18					294,961.3	\$ 177.99	\$ 4,374.99
Supplemental SNF Copayments					\$ 557.51	1.000	1.005	1.010	1.000			\$ 577.65
Total Adjusted Gross Cost					\$4,675.69							\$4,952.64

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier County Owned Facilities
Age Over 65

Months of Trend 51

Total Member Months 9,132

Type of Service	Fiscal Year 2011					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	12,003.9	28.5	341,860.7	\$ 245.29	\$ 6,988.05	1.000	1.005	1.010	1.000	349,184.5	\$ 255.89	\$ 7,446.07
Nursing Facility - Medicare	27.6	26.8	738.5	195.60	12.04	1.000	1.005	1.010	1.000	754.3	204.05	12.83
Subtotal	12,031.5	28.5	342,599.2	\$ 245.19	\$ 7,000.08					349,938.8	\$ 255.78	\$ 7,458.90
Inpatient Hospital												
General	35.5	2.7	97.2	\$ 327.37	\$ 2.65	1.000	0.980	1.020	1.000	89.2	\$ 356.11	\$ 2.65
Psychiatric	-	-	-	-	-	1.000	0.980	1.020	1.000	-	-	-
Subtotal	35.5	2.7	97.2	\$ 327.37	\$ 2.65					89.2	\$ 356.11	\$ 2.65
Outpatient Hospital												
General			304.9	\$ 21.70	\$ 0.55	1.000	1.015	0.980	1.000	324.8	\$ 19.91	\$ 0.54
Hospice			-	-	-	1.000	1.015	0.980	1.000	-	-	-
Subtotal			304.9	\$ 21.70	\$ 0.55					324.8	\$ 19.91	\$ 0.54
Prescription Drugs					\$ 2.65	1.000	0.975	1.015	1.000			\$ 2.54
Other Ancillaries												
Transportation			2.6	153.10	0.03	1.000	1.010	1.020	1.000	2.7	\$ 166.54	\$ 0.04
DME/Prosthetics/Orthotics			643.9	70.93	3.81	1.000	1.010	1.020	1.000	671.7	77.15	4.32
Medical Supplies			61.8	15.84	0.08	1.000	1.010	1.020	1.000	64.4	17.23	0.09
Waiver Services			172.1	71.94	1.03	1.000	1.010	1.020	1.000	179.6	78.26	1.17
Other Ancillary			9.2	1.03	0.00	1.000	1.010	1.020	1.000	9.6	1.12	0.00
Home Help			30.2	142.61	0.36	1.000	1.010	1.020	1.000	31.5	155.13	0.41
Subtotal			919.8	\$ 69.31	\$ 5.31					959.6	\$ 75.39	\$ 6.03
Physician												
Private Duty Nursing/Home Health			-	\$ 0.00	\$ 0.00	1.000	1.035	1.020	1.000	-	\$ 0.00	\$ 0.00
Phys Visits Office/Consult			52.6	28.51	0.12	1.000	1.035	1.020	1.000	60.8	31.01	0.16
Phys Visit Other			910.6	28.93	2.20	1.000	1.035	1.020	1.000	1,054.0	31.47	2.76
Surgery/Anesthesia			-	-	-	1.000	1.035	1.020	1.000	-	-	-
Lab/Pathology			195.8	7.38	0.12	1.000	1.035	1.020	1.000	226.6	8.03	0.15
Surgery			118.3	27.51	0.27	1.000	1.035	1.020	1.000	136.9	29.92	0.34
Vision/Hearing			60.4	36.33	0.18	1.000	1.035	1.020	1.000	70.0	39.53	0.23
Therapeutic Inj.			13.1	41.03	0.04	1.000	1.035	1.020	1.000	15.2	44.63	0.06
Other			98.6	44.10	0.36	1.000	1.035	1.020	1.000	114.1	47.97	0.46
Subtotal			1,449.4	\$ 27.34	\$ 3.30					1,677.6	\$ 29.74	\$ 4.16
Total Claims/Benefit Cost			345,370.6	\$ 243.72	\$ 7,014.55					352,990.0	\$ 254.11	\$ 7,474.81
Supplemental SNF Copayments					\$ 946.73	1.000	1.005	1.010	1.000			\$ 1,008.78
Total Adjusted Gross Cost					\$7,961.28							\$8,483.59

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier County Owned Facilities
Age Over 65

Months of Trend 39

Total Member Months 8,877

Type of Service	Fiscal Year 2012					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	12,071.6	28.6	344,877.3	\$ 246.24	\$ 7,076.75	1.001	1.005	1.010	1.000	350,850.8	\$ 254.33	\$ 7,435.99
Nursing Facility - Medicare	1.4	30.0	40.6	111.44	0.38	1.001	1.005	1.010	1.000	41.3	115.10	0.40
Subtotal	12,073.0	28.6	344,917.9	\$ 246.22	\$ 7,077.13					350,892.0	\$ 254.31	\$ 7,436.39
Inpatient Hospital												
General	39.2	7.1	279.8	\$ 278.96	\$ 6.50	1.007	0.980	1.020	1.000	263.8	\$ 297.50	\$ 6.54
Psychiatric	-	-	-	-	-	1.007	0.980	1.020	1.000	-	-	-
Subtotal	39.2	7.1	279.8	\$ 278.96	\$ 6.50					263.8	\$ 297.50	\$ 6.54
Outpatient Hospital												
General			753.0	\$ 14.06	\$ 0.88	1.002	1.015	0.980	1.000	791.9	\$ 13.17	\$ 0.87
Hospice			-	-	-	1.002	1.015	0.980	1.000	-	-	-
Subtotal			753.0	\$ 14.06	\$ 0.88					791.9	\$ 13.17	\$ 0.87
Prescription Drugs					\$ 3.48	1.000	0.975	1.015	1.000			\$ 3.36
Other Ancillaries												
Transportation			4.1	171.70	0.06	1.015	1.010	1.020	1.000	4.3	\$ 183.11	\$ 0.06
DME/Prosthetics/Orthotics			689.4	59.41	3.41	1.015	1.010	1.020	1.000	722.5	63.36	3.81
Medical Supplies			64.9	13.23	0.07	1.015	1.010	1.020	1.000	68.0	14.11	0.08
Waiver Services			100.0	58.56	0.49	1.015	1.010	1.020	1.000	104.8	62.46	0.55
Other Ancillary			-	-	-	1.015	1.010	1.020	1.000	-	-	-
Home Help			29.7	169.52	0.42	1.015	1.010	1.020	1.000	31.2	180.79	0.47
Subtotal			888.1	\$ 60.14	\$ 4.45					930.8	\$ 64.14	\$ 4.98
Physician												
Private Duty Nursing/Home Health			-	\$ 0.00	\$ 0.00	1.015	1.035	1.020	1.000	-	\$ 0.00	\$ 0.00
Phys Visits Office/Consult			52.7	26.86	0.12	1.015	1.035	1.020	1.000	59.8	28.65	0.14
Phys Visit Other			667.8	27.58	1.53	1.015	1.035	1.020	1.000	757.8	29.41	1.86
Surgery/Anesthesia			1.4	23.70	0.00	1.015	1.035	1.020	1.000	1.5	25.28	0.00
Lab/Pathology			116.3	6.51	0.06	1.015	1.035	1.020	1.000	131.9	6.94	0.08
Surgery			100.0	62.37	0.52	1.015	1.035	1.020	1.000	113.5	66.52	0.63
Vision/Hearing			233.9	38.53	0.75	1.015	1.035	1.020	1.000	265.4	41.09	0.91
Therapeutic Inj.			13.5	1.21	0.00	1.015	1.035	1.020	1.000	15.3	1.29	0.00
Other			87.9	30.48	0.22	1.015	1.035	1.020	1.000	99.7	32.51	0.27
Subtotal			1,273.4	\$ 30.29	\$ 3.21					1,444.9	\$ 32.30	\$ 3.89
Total Claims/Benefit Cost			348,112.2	\$ 244.62	\$ 7,095.66					354,323.4	\$ 252.52	\$ 7,456.02
Supplemental SNF Copayments					\$ 959.18	1.000	1.005	1.010	1.000			\$ 1,006.90
Total Adjusted Gross Cost					\$8,054.84							\$8,462.92

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier County Owned Facilities
Age Over 65

Months of Trend 28.5

Total Member Months 7,022 7,695.87

Type of Service	Fiscal Year 2013					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	12,068.4	28.4	342,406.7	\$ 260.83	\$ 7,442.63	1.019	1.005	1.010	0.999	352,700.3	\$ 267.07	\$ 7,849.64
Nursing Facility - Medicare	-	-	-	-	-	1.019	1.005	1.010	0.999	-	-	-
Subtotal	12,068.4	28.4	342,406.7	\$ 260.83	\$ 7,442.63					352,700.3	\$ 267.07	\$ 7,849.64
Inpatient Hospital												
General	37.6	4.0	150.4	\$ 289.38	\$ 3.63	1.231	0.980	1.020	1.027	181.3	\$ 303.32	\$ 4.58
Psychiatric	-	-	-	-	-	1.231	0.980	1.020	1.027	-	-	-
Subtotal	37.6	4.0	150.4	\$ 289.38	\$ 3.63					181.3	\$ 303.32	\$ 4.58
Outpatient Hospital												
General			1,324.4	\$ 15.26	\$ 1.68	1.076	1.015	0.980	1.011	1,491.9	\$ 14.55	\$ 1.81
Hospice			-	-	-	1.076	1.015	0.980	1.011	-	-	-
Subtotal			1,324.4	\$ 15.26	\$ 1.68					1,491.9	\$ 14.55	\$ 1.81
Prescription Drugs					\$ 2.62	1.008	0.975	1.015	0.991			\$ 2.55
Other Ancillaries												
Transportation			10.3	104.03	0.09	1.192	1.010	1.020	0.969	12.1	\$ 109.04	\$ 0.11
DME/Prosthetics/Orthotics			733.1	38.01	2.32	1.192	1.010	1.020	0.969	866.8	39.84	2.88
Medical Supplies			34.2	8.66	0.02	1.192	1.010	1.020	0.969	40.4	9.08	0.03
Waiver Services			100.8	35.30	0.30	1.192	1.010	1.020	0.969	119.2	37.00	0.37
Other Ancillary			3.4	4.05	0.00	1.192	1.010	1.020	0.969	4.0	4.25	0.00
Home Help			15.4	275.50	0.35	1.192	1.010	1.020	0.969	18.2	288.77	0.44
Subtotal			897.2	\$ 41.28	\$ 3.09					1,060.8	\$ 43.27	\$ 3.83
Physician												
Private Duty Nursing/Home Health			-	\$ 0.00	\$ 0.00	1.192	1.035	1.020	0.969	-	\$ 0.00	\$ 0.00
Phys Visits Office/Consult			104.2	24.82	0.22	1.192	1.035	1.020	0.969	130.6	26.02	0.28
Phys Visit Other			2,525.8	26.53	5.58	1.192	1.035	1.020	0.969	3,165.0	27.81	7.33
Surgery/Anesthesia			1.7	28.10	0.00	1.192	1.035	1.020	0.969	2.1	29.45	0.01
Lab/Pathology			258.0	7.70	0.17	1.192	1.035	1.020	0.969	323.4	8.07	0.22
Surgery			114.5	30.76	0.29	1.192	1.035	1.020	0.969	143.5	32.24	0.39
Vision/Hearing			211.9	39.34	0.69	1.192	1.035	1.020	0.969	265.5	41.23	0.91
Therapeutic Inj.			30.8	20.93	0.05	1.192	1.035	1.020	0.969	38.5	21.94	0.07
Other			546.9	13.95	0.64	1.192	1.035	1.020	0.969	685.2	14.62	0.83
Subtotal			3,793.8	\$ 24.19	\$ 7.65					4,753.8	\$ 25.35	\$ 10.04
Total Claims/Benefit Cost			348,572.5	\$ 256.87	\$ 7,461.29					360,188.2	\$ 262.28	\$ 7,872.45
Supplemental SNF Copayments					\$ 964.08	1.000	1.005	1.010	1.000			\$ 998.90
Total Adjusted Gross Cost					\$8,425.38							\$8,871.35

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier County Owned Facilities
Age Under 65

Months of Trend 51

Total Member Months 929

Type of Service	Fiscal Year 2011					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	12,116.3	28.4	343,556.5	\$ 253.24	\$ 7,250.17	1.000	1.005	1.010	1.000	350,916.6	\$ 264.18	\$ 7,725.43
Nursing Facility - Medicare	12.9	27.0	348.8	213.35	6.20	1.000	1.005	1.010	1.000	356.2	222.56	6.61
Subtotal	12,129.2	28.4	343,905.3	\$ 253.20	\$ 7,256.37					351,272.9	\$ 264.14	\$ 7,732.04
Inpatient Hospital												
General	51.7	8.5	439.2	\$ 173.04	\$ 6.33	1.000	0.980	1.020	1.000	403.1	\$ 188.23	\$ 6.32
Psychiatric	-	-	-	-	-	1.000	0.980	1.020	1.000	-	-	-
Subtotal	51.7	8.5	439.2	\$ 173.04	\$ 6.33					403.1	\$ 188.23	\$ 6.32
Outpatient Hospital												
General			1,072.1	\$ 46.34	\$ 4.14	1.000	1.015	0.980	1.000	1,142.2	\$ 42.53	\$ 4.05
Hospice			-	-	-	1.000	1.015	0.980	1.000	-	-	-
Subtotal			1,072.1	\$ 46.34	\$ 4.14					1,142.2	\$ 42.53	\$ 4.05
Prescription Drugs					\$ 3.47	1.000	0.975	1.015	1.000			\$ 3.32
Other Ancillaries												
Transportation			25.8	41.30	0.09	1.000	1.010	1.020	1.000	27.0	\$ 44.93	\$ 0.10
DME/Prosthetics/Orthotics			632.9	241.60	12.74	1.000	1.010	1.020	1.000	660.3	262.82	14.46
Medical Supplies			904.2	13.79	1.04	1.000	1.010	1.020	1.000	943.3	15.00	1.18
Waiver Services			1,149.6	34.89	3.34	1.000	1.010	1.020	1.000	1,199.3	37.95	3.79
Other Ancillary			-	-	-	1.000	1.010	1.020	1.000	-	-	-
Home Help			51.7	195.57	0.84	1.000	1.010	1.020	1.000	53.9	212.74	0.96
Subtotal			2,764.3	\$ 78.38	\$ 18.06					2,883.7	\$ 85.26	\$ 20.49
Physician												
Private Duty Nursing/Home Health			-	\$ 0.00	\$ 0.00	1.000	1.035	1.020	1.000	-	\$ 0.00	\$ 0.00
Phys Visits Office/Consult			64.6	24.12	0.13	1.000	1.035	1.020	1.000	74.8	26.24	0.16
Phys Visit Other			1,343.4	32.38	3.63	1.000	1.035	1.020	1.000	1,554.9	35.22	4.56
Surgery/Anesthesia			-	-	-	1.000	1.035	1.020	1.000	-	-	-
Lab/Pathology			206.7	14.18	0.24	1.000	1.035	1.020	1.000	239.2	15.43	0.31
Surgery			64.6	32.80	0.18	1.000	1.035	1.020	1.000	74.8	35.68	0.22
Vision/Hearing			90.4	28.21	0.21	1.000	1.035	1.020	1.000	104.7	30.69	0.27
Therapeutic Inj.			-	-	-	1.000	1.035	1.020	1.000	-	-	-
Other			25.8	147.00	0.32	1.000	1.035	1.020	1.000	29.9	159.91	0.40
Subtotal			1,795.5	\$ 31.44	\$ 4.70					2,078.1	\$ 34.20	\$ 5.92
Total Claims/Benefit Cost			349,976.3	\$ 250.07	\$ 7,293.07					357,779.9	\$ 260.68	\$ 7,772.14
Supplemental SNF Copayments					\$ 1,041.65	1.000	1.005	1.010	1.000			\$ 1,109.92
Total Adjusted Gross Cost					\$8,334.72							\$8,882.06

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier County Owned Facilities
Age Under 65

Months of Trend 39

Total Member Months 853

Type of Service	Fiscal Year 2012					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	12,253.2	27.9	341,725.7	\$ 255.68	\$ 7,281.08	1.001	1.005	1.010	1.000	347,644.5	\$ 264.09	\$ 7,650.79
Nursing Facility - Medicare	-	-	-	-	-	1.001	1.005	1.010	1.000	-	-	-
Subtotal	12,253.2	27.9	341,725.7	\$ 255.68	\$ 7,281.08					347,644.5	\$ 264.09	\$ 7,650.79
Inpatient Hospital												
General	28.1	4.0	112.5	\$ 289.00	\$ 2.71	1.007	0.980	1.020	1.000	106.1	\$ 308.21	\$ 2.72
Psychiatric	-	-	-	-	-	1.007	0.980	1.020	1.000	-	-	-
Subtotal	28.1	4.0	112.5	\$ 289.00	\$ 2.71					106.1	\$ 308.21	\$ 2.72
Outpatient Hospital												
General			1,097.3	\$ 23.74	\$ 2.17	1.002	1.015	0.980	1.000	1,154.0	\$ 22.23	\$ 2.14
Hospice			-	-	-	1.002	1.015	0.980	1.000	-	-	-
Subtotal			1,097.3	\$ 23.74	\$ 2.17					1,154.0	\$ 22.23	\$ 2.14
Prescription Drugs					\$ 2.58	1.000	0.975	1.015	1.000			\$ 2.49
Other Ancillaries												
Transportation			70.3	164.38	0.96	1.015	1.010	1.020	1.000	73.7	\$ 175.31	\$ 1.08
DME/Prosthetics/Orthotics			5,219.2	75.21	32.71	1.015	1.010	1.020	1.000	5,469.9	80.21	36.56
Medical Supplies			295.4	11.82	0.29	1.015	1.010	1.020	1.000	309.6	12.60	0.33
Waiver Services			-	-	-	1.015	1.010	1.020	1.000	-	-	-
Other Ancillary			14.1	-	-	1.015	1.010	1.020	1.000	14.7	-	-
Home Help			84.4	237.39	1.67	1.015	1.010	1.020	1.000	88.5	253.17	1.87
Subtotal			5,683.5	\$ 75.24	\$ 35.64					5,956.4	\$ 80.24	\$ 39.83
Physician												
Private Duty Nursing/Home Health			-	\$ 0.00	\$ 0.00	1.015	1.035	1.020	1.000	-	\$ 0.00	\$ 0.00
Phys Visits Office/Consult			140.7	34.63	0.41	1.015	1.035	1.020	1.000	159.6	36.93	0.49
Phys Visit Other			942.6	28.31	2.22	1.015	1.035	1.020	1.000	1,069.5	30.19	2.69
Surgery/Anesthesia			-	-	-	1.015	1.035	1.020	1.000	-	-	-
Lab/Pathology			182.9	10.72	0.16	1.015	1.035	1.020	1.000	207.5	11.43	0.20
Surgery			182.9	28.30	0.43	1.015	1.035	1.020	1.000	207.5	30.18	0.52
Vision/Hearing			239.2	34.57	0.69	1.015	1.035	1.020	1.000	271.4	36.87	0.83
Therapeutic Inj.			-	-	-	1.015	1.035	1.020	1.000	-	-	-
Other			84.4	21.22	0.15	1.015	1.035	1.020	1.000	95.8	22.63	0.18
Subtotal			1,772.6	\$ 27.50	\$ 4.06					2,011.4	\$ 29.33	\$ 4.92
Total Claims/Benefit Cost			350,391.6	\$ 251.03	\$ 7,328.24					356,872.4	\$ 259.01	\$ 7,702.89
Supplemental SNF Copayments					\$ 958.14	1.000	1.005	1.010	1.000			\$ 1,005.80
Total Adjusted Gross Cost					\$8,286.38							\$8,708.69

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Nursing Facility - Tier 1
Subtier County Owned Facilities
Age Under 65

Months of Trend 28.5

Total Member Months 682

Type of Service	Fiscal Year 2013					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	12,316.7	27.8	341,964.8	\$ 262.09	\$ 7,468.74	1.019	1.005	1.010	0.999	352,245.2	\$ 268.36	\$ 7,877.38
Nursing Facility - Medicare	-	-	-	-	-	1.019	1.005	1.010	0.999	-	-	-
Subtotal	12,316.7	27.8	341,964.8	\$ 262.09	\$ 7,468.74					352,245.2	\$ 268.36	\$ 7,877.38
Inpatient Hospital												
General	35.2	16.0	563.0	\$ 245.39	\$ 11.51	1.231	0.980	1.020	1.027	678.8	\$ 257.21	\$ 14.55
Psychiatric	-	-	-	-	-	1.231	0.980	1.020	1.027	-	-	-
Subtotal	35.2	16.0	563.0	\$ 245.39	\$ 11.51					678.8	\$ 257.21	\$ 14.55
Outpatient Hospital												
General			774.2	\$ 11.04	\$ 0.71	1.076	1.015	0.980	1.011	872.1	\$ 10.52	\$ 0.76
Hospice			-	-	-	1.076	1.015	0.980	1.011	-	-	-
Subtotal			774.2	\$ 11.04	\$ 0.71					872.1	\$ 10.52	\$ 0.76
Prescription Drugs					\$ 1.76	1.008	0.975	1.015	0.991			\$ 1.71
Other Ancillaries												
Transportation			105.6	179.73	1.58	1.192	1.010	1.020	0.969	124.8	\$ 188.39	\$ 1.96
DME/Prosthetics/Orthotics			4,909.1	42.12	17.23	1.192	1.010	1.020	0.969	5,804.3	44.14	21.35
Medical Supplies			140.8	6.29	0.07	1.192	1.010	1.020	0.969	166.4	6.59	0.09
Waiver Services			-	-	-	1.192	1.010	1.020	0.969	-	-	-
Other Ancillary			-	-	-	1.192	1.010	1.020	0.969	-	-	-
Home Help			17.6	31.03	0.05	1.192	1.010	1.020	0.969	20.8	32.52	0.06
Subtotal			5,173.0	\$ 43.91	\$ 18.93					6,116.4	\$ 46.02	\$ 23.46
Physician												
Private Duty Nursing/Home Health			-	\$ 0.00	\$ 0.00	1.192	1.035	1.020	0.969	-	\$ 0.00	\$ 0.00
Phys Visits Office/Consult			211.1	38.10	0.67	1.192	1.035	1.020	0.969	264.6	39.93	0.88
Phys Visit Other			8,340.2	26.05	18.11	1.192	1.035	1.020	0.969	10,450.7	27.31	23.78
Surgery/Anesthesia			-	-	-	1.192	1.035	1.020	0.969	-	-	-
Lab/Pathology			334.3	22.54	0.63	1.192	1.035	1.020	0.969	418.9	23.62	0.82
Surgery			123.2	24.67	0.25	1.192	1.035	1.020	0.969	154.3	25.86	0.33
Vision/Hearing			439.9	31.22	1.14	1.192	1.035	1.020	0.969	551.2	32.73	1.50
Therapeutic Inj.			-	-	-	1.192	1.035	1.020	0.969	-	-	-
Other			1,319.6	11.23	1.23	1.192	1.035	1.020	0.969	1,653.6	11.77	1.62
Subtotal			10,768.3	\$ 24.56	\$ 22.04					13,493.4	\$ 25.74	\$ 28.95
Total Claims/Benefit Cost			359,243.4	\$ 251.33	\$ 7,523.70					373,405.8	\$ 255.38	\$ 7,946.80
Supplemental SNF Copayments					\$ 913.52	1.000	1.005	1.010	1.000			\$ 946.51
Total Adjusted Gross Cost					\$8,437.22							\$8,893.31

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Waiver - Tier 2
Subtier All
Age Over 65

Months of Trend 51

Total Member Months 21,547

Type of Service	Fiscal Year 2011					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	90.8	13.7	1,248.1	\$ 137.31	\$ 14.28	1.000	0.995	1.005	1.000	1,221.8	\$ 140.25	\$ 14.28
Nursing Facility - Medicare	1.7	7.3	12.3	67.77	0.07	1.000	0.995	1.005	1.000	12.0	69.22	0.07
Subtotal	92.4	13.6	1,260.3	\$ 136.64	\$ 14.35					1,233.8	\$ 139.56	\$ 14.35
Inpatient Hospital												
General	67.9	4.1	276.2	\$ 189.77	\$ 4.37	1.000	1.005	1.005	1.000	282.2	\$ 193.84	\$ 4.56
Psychiatric	-	-	-	-	-	1.000	1.005	1.005	1.000	-	-	-
Subtotal	67.9	4.1	276.2	\$ 189.77	\$ 4.37					282.2	\$ 193.84	\$ 4.56
Outpatient Hospital												
General			2,097.9	\$ 21.17	\$ 3.70	1.000	1.020	0.975	1.000	2,282.1	\$ 19.01	\$ 3.62
Hospice			-	-	-	1.000	1.020	0.975	1.000	-	-	-
Subtotal			2,097.9	\$ 21.17	\$ 3.70					2,282.1	\$ 19.01	\$ 3.62
Prescription Drugs					\$ 4.27	1.000	0.990	1.030	1.000			\$ 4.64
Other Ancillaries												
Transportation			39.0	95.08	0.31	1.000	1.005	1.025	1.000	39.8	\$ 105.60	\$ 0.35
DME/Prosthetics/Orthotics			16,036.0	4.98	6.65	1.000	1.005	1.025	1.000	16,380.2	5.53	7.55
Medical Supplies			19,664.4	24.48	40.11	1.000	1.005	1.025	1.000	20,086.4	27.18	45.50
Waiver Services			-	-	-	1.000	1.005	1.025	1.000	-	-	-
Other Ancillary			225.6	2.33	0.04	1.000	1.005	1.025	1.000	230.4	2.59	0.05
Home Help			236.7	350.68	6.92	1.000	1.005	1.025	1.000	241.8	389.48	7.85
Subtotal			36,201.6	\$ 17.91	\$ 54.03					36,978.5	\$ 19.89	\$ 61.29
Physician												
Private Duty Nursing/Home Health			27.8	\$ 196.98	\$ 0.46	1.000	1.010	1.020	1.000	29.1	\$ 214.28	\$ 0.52
Phys Visits Office/Consult			602.0	35.50	1.78	1.000	1.010	1.020	1.000	628.1	38.62	2.02
Phys Visit Other			101.4	36.37	0.31	1.000	1.010	1.020	1.000	105.7	39.56	0.35
Surgery/Anesthesia			3.3	23.18	0.01	1.000	1.010	1.020	1.000	3.5	25.22	0.01
Lab/Pathology			280.1	16.01	0.37	1.000	1.010	1.020	1.000	292.2	17.41	0.42
Surgery			178.8	26.23	0.39	1.000	1.010	1.020	1.000	186.5	28.54	0.44
Vision/Hearing			98.6	34.16	0.28	1.000	1.010	1.020	1.000	102.8	37.16	0.32
Therapeutic Inj.			379.8	25.77	0.82	1.000	1.010	1.020	1.000	396.2	28.03	0.93
Other			780.8	13.11	0.85	1.000	1.010	1.020	1.000	814.6	14.26	0.97
Subtotal			2,452.7	\$ 25.76	\$ 5.27					2,558.7	\$ 28.02	\$ 5.98
Total Claims/Benefit Cost			42,288.8	\$ 24.40	\$ 85.98					43,335.3	\$ 26.15	\$ 94.43
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$85.98							\$94.43

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Waiver - Tier 2
Subtier All
Age Over 65

Months of Trend 39

Total Member Months 20,249

Type of Service	Fiscal Year 2012					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	93.6	13.7	1,284.2	\$ 133.29	\$ 14.26	1.000	0.995	1.005	1.000	1,263.5	\$ 135.47	\$ 14.26
Nursing Facility - Medicare	-	-	-	-	-	1.000	0.995	1.005	1.000	-	-	-
Subtotal	93.6	13.7	1,284.2	\$ 133.29	\$ 14.26					1,263.5	\$ 135.47	\$ 14.26
Inpatient Hospital												
General	39.7	4.5	180.2	\$ 306.33	\$ 4.60	1.000	1.005	1.005	1.000	183.1	\$ 311.34	\$ 4.75
Psychiatric	0.6	3.0	1.8	11.73	0.00	1.000	1.005	1.005	1.000	1.8	11.93	0.00
Subtotal	40.3	4.5	181.9	\$ 303.45	\$ 4.60					184.9	\$ 308.41	\$ 4.75
Outpatient Hospital												
General			1,753.0	\$ 17.66	\$ 2.58	1.000	1.020	0.975	1.000	1,870.1	\$ 16.27	\$ 2.54
Hospice			-	-	-	1.000	1.020	0.975	1.000	-	-	-
Subtotal			1,753.0	\$ 17.66	\$ 2.58					1,870.1	\$ 16.27	\$ 2.54
Prescription Drugs					\$ 7.39	1.000	0.990	1.030	1.000			\$ 7.87
Other Ancillaries												
Transportation			33.8	145.40	0.41	1.003	1.005	1.025	1.000	34.5	\$ 157.55	\$ 0.45
DME/Prosthetics/Orthotics			15,754.3	5.30	6.95	1.003	1.005	1.025	1.000	16,067.5	5.74	7.69
Medical Supplies			19,675.6	26.00	42.63	1.003	1.005	1.025	1.000	20,066.9	28.17	47.11
Waiver Services			-	-	-	1.003	1.005	1.025	1.000	-	-	-
Other Ancillary			323.6	3.85	0.10	1.003	1.005	1.025	1.000	330.0	4.17	0.11
Home Help			133.9	304.74	3.40	1.003	1.005	1.025	1.000	136.6	330.20	3.76
Subtotal			35,921.2	\$ 17.87	\$ 53.50					36,635.4	\$ 19.36	\$ 59.12
Physician												
Private Duty Nursing/Home Health			40.3	\$ 162.53	\$ 0.55	1.003	1.010	1.020	1.000	41.8	\$ 173.33	\$ 0.60
Phys Visits Office/Consult			489.5	32.31	1.32	1.003	1.010	1.020	1.000	507.4	34.46	1.46
Phys Visit Other			125.6	30.83	0.32	1.003	1.010	1.020	1.000	130.2	32.88	0.36
Surgery/Anesthesia			5.3	45.00	0.02	1.003	1.010	1.020	1.000	5.5	47.99	0.02
Lab/Pathology			212.8	18.10	0.32	1.003	1.010	1.020	1.000	220.5	19.30	0.35
Surgery			186.1	36.97	0.57	1.003	1.010	1.020	1.000	192.9	39.42	0.63
Vision/Hearing			106.7	33.29	0.30	1.003	1.010	1.020	1.000	110.6	35.50	0.33
Therapeutic Inj.			497.8	31.02	1.29	1.003	1.010	1.020	1.000	516.0	33.09	1.42
Other			1,009.8	12.44	1.05	1.003	1.010	1.020	1.000	1,046.7	13.27	1.16
Subtotal			2,673.9	\$ 25.72	\$ 5.73					2,771.4	\$ 27.43	\$ 6.33
Total Claims/Benefit Cost			41,814.2	\$ 25.27	\$ 88.06					42,725.3	\$ 26.65	\$ 94.87
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$88.06							\$94.87

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Waiver - Tier 2
Subtier All
Age Over 65

Months of Trend 28.5

Total Member Months 15,874

Type of Service	Fiscal Year 2013					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	96.0	13.1	1,259.4	\$ 136.56	\$ 14.33	1.033	0.995	1.005	1.031	1,325.3	\$ 138.19	\$ 15.26
Nursing Facility - Medicare	0.8	15.0	11.3	148.00	0.14	1.033	0.995	1.005	1.031	11.9	149.76	0.15
Subtotal	96.8	13.1	1,270.8	\$ 136.66	\$ 14.47					1,337.2	\$ 138.29	\$ 15.41
Inpatient Hospital												
General	46.9	4.0	187.5	\$ 346.30	\$ 5.41	1.063	1.005	1.005	0.980	197.6	\$ 350.43	\$ 5.77
Psychiatric	-	-	-	-	-	1.063	1.005	1.005	0.980	-	-	-
Subtotal	46.9	4.0	187.5	\$ 346.30	\$ 5.41					197.6	\$ 350.43	\$ 5.77
Outpatient Hospital												
General			1,977.6	\$ 13.86	\$ 2.28	1.108	1.020	0.975	0.989	2,272.7	\$ 13.05	\$ 2.47
Hospice			-	-	-	1.108	1.020	0.975	0.989	-	-	-
Subtotal			1,977.6	\$ 13.86	\$ 2.28					2,272.7	\$ 13.05	\$ 2.47
Prescription Drugs					\$ 5.88	1.012	0.990	1.030	0.978			\$ 6.09
Other Ancillaries												
Transportation			43.8	118.23	0.43	1.053	1.005	1.025	0.989	46.2	\$ 125.37	\$ 0.48
DME/Prosthetics/Orthotics			9,695.1	8.17	6.60	1.053	1.005	1.025	0.989	10,214.1	8.67	7.38
Medical Supplies			19,604.1	26.29	42.95	1.053	1.005	1.025	0.989	20,653.5	27.88	47.98
Waiver Services			-	-	-	1.053	1.005	1.025	0.989	-	-	-
Other Ancillary			310.7	3.40	0.09	1.053	1.005	1.025	0.989	327.3	3.60	0.10
Home Help			147.4	339.49	4.17	1.053	1.005	1.025	0.989	155.3	359.99	4.66
Subtotal			29,801.2	\$ 21.84	\$ 54.24					31,396.4	\$ 23.16	\$ 60.60
Physician												
Private Duty Nursing/Home Health			34.8	\$ 161.51	\$ 0.47	1.053	1.010	1.020	0.989	37.1	\$ 169.29	\$ 0.52
Phys Visits Office/Consult			1,479.4	31.48	3.88	1.053	1.010	1.020	0.989	1,577.1	32.99	4.34
Phys Visit Other			948.0	40.45	3.20	1.053	1.010	1.020	0.989	1,010.6	42.40	3.57
Surgery/Anesthesia			1.5	4.05	0.00	1.053	1.010	1.020	0.989	1.6	4.25	0.00
Lab/Pathology			541.3	11.55	0.52	1.053	1.010	1.020	0.989	577.0	12.11	0.58
Surgery			164.8	38.32	0.53	1.053	1.010	1.020	0.989	175.7	40.17	0.59
Vision/Hearing			193.5	35.07	0.57	1.053	1.010	1.020	0.989	206.3	36.76	0.63
Therapeutic Inj.			516.3	17.55	0.76	1.053	1.010	1.020	0.989	550.4	18.40	0.84
Other			1,661.6	8.92	1.23	1.053	1.010	1.020	0.989	1,771.3	9.35	1.38
Subtotal			5,541.1	\$ 24.14	\$ 11.15					5,907.0	\$ 25.30	\$ 12.46
Total Claims/Benefit Cost			38,778.1	\$ 28.92	\$ 93.44					41,110.9	\$ 30.01	\$ 102.80
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$93.44							\$102.80

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Waiver - Tier 2
Subtier All
Age Under 65

Months of Trend 51

Total Member Months 8,982

Type of Service	Fiscal Year 2011					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	102.9	13.8	1,421.5	\$ 132.89	\$ 15.74	1.000	0.995	1.005	1.000	1,391.6	\$ 135.74	\$ 15.74
Nursing Facility - Medicare	1.3	2.0	2.7	141.50	0.03	1.000	0.995	1.005	1.000	2.6	144.53	0.03
Subtotal	104.2	13.7	1,424.2	\$ 132.90	\$ 15.77					1,394.2	\$ 135.76	\$ 15.77
Inpatient Hospital												
General	88.2	5.4	479.6	\$ 337.24	\$ 13.48	1.000	1.005	1.005	1.000	489.9	\$ 344.46	\$ 14.06
Psychiatric	1.3	2.0	2.7	566.00	0.13	1.000	1.005	1.005	1.000	2.7	578.13	0.13
Subtotal	89.5	5.4	482.3	\$ 338.50	\$ 13.61					492.6	\$ 345.75	\$ 14.19
Outpatient Hospital												
General			5,703.4	\$ 20.16	\$ 9.58	1.000	1.020	0.975	1.000	6,204.2	\$ 18.10	\$ 9.36
Hospice			-	-	-	1.000	1.020	0.975	1.000	-	-	-
Subtotal			5,703.4	\$ 20.16	\$ 9.58					6,204.2	\$ 18.10	\$ 9.36
Prescription Drugs					\$ 5.19	1.000	0.990	1.030	1.000			\$ 5.64
Other Ancillaries												
Transportation			203.1	79.00	1.34	1.000	1.005	1.025	1.000	207.4	\$ 87.74	\$ 1.52
DME/Prosthetics/Orthotics			21,738.1	7.21	13.07	1.000	1.005	1.025	1.000	22,204.7	8.01	14.82
Medical Supplies			20,261.9	21.87	36.93	1.000	1.005	1.025	1.000	20,696.7	24.29	41.89
Waiver Services			-	-	-	1.000	1.005	1.025	1.000	-	-	-
Other Ancillary			324.6	2.22	0.06	1.000	1.005	1.025	1.000	331.6	2.46	0.07
Home Help			239.1	433.85	8.65	1.000	1.005	1.025	1.000	244.3	481.86	9.81
Subtotal			42,766.9	\$ 16.85	\$ 60.04					43,684.7	\$ 18.71	\$ 68.11
Physician												
Private Duty Nursing/Home Health			130.9	\$ 140.44	\$ 1.53	1.000	1.010	1.020	1.000	136.6	\$ 152.77	\$ 1.74
Phys Visits Office/Consult			697.4	39.41	2.29	1.000	1.010	1.020	1.000	727.6	42.87	2.60
Phys Visit Other			153.6	36.32	0.46	1.000	1.010	1.020	1.000	160.3	39.50	0.53
Surgery/Anesthesia			5.3	6.55	0.00	1.000	1.010	1.020	1.000	5.6	7.13	0.00
Lab/Pathology			319.3	20.64	0.55	1.000	1.010	1.020	1.000	333.1	22.46	0.62
Surgery			280.6	26.75	0.63	1.000	1.010	1.020	1.000	292.7	29.10	0.71
Vision/Hearing			77.5	32.98	0.21	1.000	1.010	1.020	1.000	80.8	35.88	0.24
Therapeutic Inj.			701.4	66.14	3.87	1.000	1.010	1.020	1.000	731.7	71.95	4.39
Other			1,126.3	11.56	1.09	1.000	1.010	1.020	1.000	1,175.0	12.58	1.23
Subtotal			3,492.3	\$ 36.53	\$ 10.63					3,643.3	\$ 39.73	\$ 12.06
Total Claims/Benefit Cost			53,869.1	\$ 25.58	\$ 114.81					55,419.0	\$ 27.10	\$ 125.14
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$114.81							\$125.14

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Waiver - Tier 2
Subtier All
Age Under 65

Months of Trend 39

Total Member Months 8,459

Type of Service	Fiscal Year 2012					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	90.8	13.0	1,177.4	\$ 129.48	\$ 12.70	1.000	0.995	1.005	1.000	1,158.4	\$ 131.60	\$ 12.70
Nursing Facility - Medicare	-	-	-	-	-	1.000	0.995	1.005	1.000	-	-	-
Subtotal	90.8	13.0	1,177.4	\$ 129.48	\$ 12.70					1,158.4	\$ 131.60	\$ 12.70
Inpatient Hospital												
General	80.9	4.6	375.9	\$ 488.95	\$ 15.32	1.000	1.005	1.005	1.000	382.1	\$ 496.94	\$ 15.82
Psychiatric	2.8	2.0	5.7	308.30	0.15	1.000	1.005	1.005	1.000	5.8	313.34	0.15
Subtotal	83.7	4.6	381.6	\$ 486.27	\$ 15.46					387.8	\$ 494.21	\$ 15.97
Outpatient Hospital												
General			5,487.2	\$ 17.53	\$ 8.02	1.000	1.020	0.975	1.000	5,853.9	\$ 16.15	\$ 7.88
Hospice			-	-	-	1.000	1.020	0.975	1.000	-	-	-
Subtotal			5,487.2	\$ 17.53	\$ 8.02					5,853.9	\$ 16.15	\$ 7.88
Prescription Drugs					\$ 8.61	1.000	0.990	1.030	1.000			\$ 9.17
Other Ancillaries												
Transportation			235.5	75.32	1.48	1.003	1.005	1.025	1.000	240.2	\$ 81.61	\$ 1.63
DME/Prosthetics/Orthotics			22,443.8	8.06	15.07	1.003	1.005	1.025	1.000	22,890.0	8.73	16.65
Medical Supplies			20,269.1	23.26	39.28	1.003	1.005	1.025	1.000	20,672.1	25.20	43.41
Waiver Services			-	-	-	1.003	1.005	1.025	1.000	-	-	-
Other Ancillary			490.8	1.93	0.08	1.003	1.005	1.025	1.000	500.6	2.09	0.09
Home Help			185.8	549.10	8.50	1.003	1.005	1.025	1.000	189.5	594.98	9.40
Subtotal			43,625.0	\$ 17.72	\$ 64.41					44,492.4	\$ 19.20	\$ 71.18
Physician												
Private Duty Nursing/Home Health			286.6	\$ 119.84	\$ 2.86	1.003	1.010	1.020	1.000	297.0	\$ 127.81	\$ 3.16
Phys Visits Office/Consult			939.1	24.43	1.91	1.003	1.010	1.020	1.000	973.4	26.06	2.11
Phys Visit Other			195.8	34.82	0.57	1.003	1.010	1.020	1.000	202.9	37.13	0.63
Surgery/Anesthesia			7.1	27.36	0.02	1.003	1.010	1.020	1.000	7.4	29.18	0.02
Lab/Pathology			256.8	19.90	0.43	1.003	1.010	1.020	1.000	266.1	21.23	0.47
Surgery			432.7	24.37	0.88	1.003	1.010	1.020	1.000	448.5	25.99	0.97
Vision/Hearing			86.5	32.48	0.23	1.003	1.010	1.020	1.000	89.7	34.63	0.26
Therapeutic Inj.			740.5	56.25	3.47	1.003	1.010	1.020	1.000	767.5	59.99	3.84
Other			1,805.9	10.29	1.55	1.003	1.010	1.020	1.000	1,871.7	10.98	1.71
Subtotal			4,750.9	\$ 30.10	\$ 11.92					4,924.2	\$ 32.10	\$ 13.17
Total Claims/Benefit Cost			55,422.2	\$ 26.23	\$ 121.12					56,816.7	\$ 27.47	\$ 130.08
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$121.12							\$130.08

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Waiver - Tier 2
Subtier All
Age Under 65

Months of Trend 28.5

Total Member Months 6,396

Type of Service	Fiscal Year 2013					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	69.4	13.2	915.6	\$ 125.25	\$ 9.56	1.033	0.995	1.005	1.031	963.5	\$ 126.74	\$ 10.18
Nursing Facility - Medicare	-	-	-	-	-	1.033	0.995	1.005	1.031	-	-	-
Subtotal	69.4	13.2	915.6	\$ 125.25	\$ 9.56					963.5	\$ 126.74	\$ 10.18
Inpatient Hospital												
General	86.3	5.5	472.8	\$ 436.83	\$ 17.21	1.063	1.005	1.005	0.980	498.3	\$ 442.04	\$ 18.36
Psychiatric	-	-	-	-	-	1.063	1.005	1.005	0.980	-	-	-
Subtotal	86.3	5.5	472.8	\$ 436.83	\$ 17.21					498.3	\$ 442.04	\$ 18.36
Outpatient Hospital												
General			4,232.6	\$ 15.50	\$ 5.47	1.108	1.020	0.975	0.989	4,864.3	\$ 14.60	\$ 5.92
Hospice			-	-	-	1.108	1.020	0.975	0.989	-	-	-
Subtotal			4,232.6	\$ 15.50	\$ 5.47					4,864.3	\$ 14.60	\$ 5.92
Prescription Drugs					\$ 9.76	1.012	0.990	1.030	0.978			\$ 10.11
Other Ancillaries												
Transportation			60.0	115.20	0.58	1.053	1.005	1.025	0.989	63.3	\$ 122.16	\$ 0.64
DME/Prosthetics/Orthotics			12,743.0	11.45	12.16	1.053	1.005	1.025	0.989	13,425.1	12.14	13.58
Medical Supplies			20,394.0	24.02	40.82	1.053	1.005	1.025	0.989	21,485.7	25.47	45.60
Waiver Services			-	-	-	1.053	1.005	1.025	0.989	-	-	-
Other Ancillary			450.3	3.22	0.12	1.053	1.005	1.025	0.989	474.4	3.41	0.13
Home Help			208.3	538.43	9.34	1.053	1.005	1.025	0.989	219.4	570.95	10.44
Subtotal			33,855.5	\$ 22.34	\$ 63.02					35,667.8	\$ 23.69	\$ 70.40
Physician												
Private Duty Nursing/Home Health			127.6	\$ 122.41	\$ 1.30	1.053	1.010	1.020	0.989	136.0	\$ 128.30	\$ 1.45
Phys Visits Office/Consult			1,853.7	32.28	4.99	1.053	1.010	1.020	0.989	1,976.0	33.83	5.57
Phys Visit Other			1,412.8	35.73	4.21	1.053	1.010	1.020	0.989	1,506.0	37.45	4.70
Surgery/Anesthesia			3.8	9.20	0.00	1.053	1.010	1.020	0.989	4.0	9.64	0.00
Lab/Pathology			606.0	13.14	0.66	1.053	1.010	1.020	0.989	646.0	13.77	0.74
Surgery			230.8	45.28	0.87	1.053	1.010	1.020	0.989	246.0	47.46	0.97
Vision/Hearing			195.1	28.75	0.47	1.053	1.010	1.020	0.989	208.0	30.14	0.52
Therapeutic Inj.			677.3	54.67	3.09	1.053	1.010	1.020	0.989	722.0	57.31	3.45
Other			2,305.8	8.40	1.61	1.053	1.010	1.020	0.989	2,458.0	8.81	1.80
Subtotal			7,412.8	\$ 27.84	\$ 17.20					7,902.1	\$ 29.18	\$ 19.22
Total Claims/Benefit Cost			46,889.3	\$ 31.28	\$ 122.21					49,896.0	\$ 32.27	\$ 134.18
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$122.21							\$134.18

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Community Well - Tier 3
Subtier All
Age Over 65

Months of Trend 51

Total Member Months 384,259

Type of Service	Fiscal Year 2011					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	160.3	26.3	4,224.7	\$ 152.08	\$ 53.54	1.000	0.975	1.010	1.000	3,793.7	\$ 158.65	\$ 50.16
Nursing Facility - Medicare	0.2	16.7	3.7	141.76	0.04	1.000	0.975	1.010	1.000	3.3	147.88	0.04
Subtotal	160.5	26.3	4,228.3	\$ 152.07	\$ 53.58					3,797.0	\$ 158.64	\$ 50.20
Inpatient Hospital												
General	45.1	6.6	297.9	\$ 395.00	\$ 9.81	1.000	1.015	1.005	1.000	317.4	\$ 403.46	\$ 10.67
Psychiatric	0.1	4.0	0.2	331.19	0.01	1.000	1.015	1.005	1.000	0.3	338.28	0.01
Subtotal	45.2	6.6	298.1	\$ 394.95	\$ 9.81					317.6	\$ 403.40	\$ 10.68
Outpatient Hospital												
General			1,663.7	\$ 24.13	\$ 3.34	1.000	1.020	1.005	1.000	1,809.9	\$ 24.65	\$ 3.72
Hospice			-	-	-	1.000	1.020	1.005	1.000	-	-	-
Subtotal			1,663.7	\$ 24.13	\$ 3.34					1,809.9	\$ 24.65	\$ 3.72
Prescription Drugs					\$ 2.99	1.000	1.005	1.030	1.000			\$ 3.46
Other Ancillaries												
Transportation			22.1	71.77	0.13	1.000	1.015	1.025	1.000	23.5	\$ 79.71	\$ 0.16
DME/Prosthetics/Orthotics			3,645.4	7.17	2.18	1.000	1.015	1.025	1.000	3,884.0	7.97	2.58
Medical Supplies			3,707.1	19.10	5.90	1.000	1.015	1.025	1.000	3,949.7	21.21	6.98
Waiver Services			301.6	18.34	0.46	1.000	1.015	1.025	1.000	321.3	20.37	0.55
Other Ancillary			172.7	2.84	0.04	1.000	1.015	1.025	1.000	184.0	3.15	0.05
Home Help			3,751.1	307.00	95.97	1.000	1.015	1.025	1.000	3,996.6	340.97	113.56
Subtotal			11,600.1	\$ 108.29	\$ 104.68					12,359.1	\$ 120.27	\$ 123.87
Physician												
Private Duty Nursing/Home Health			12.1	\$ 169.62	\$ 0.17	1.000	1.025	1.025	1.000	13.5	\$ 188.39	\$ 0.21
Phys Visits Office/Consult			826.2	31.54	2.17	1.000	1.025	1.025	1.000	917.7	35.03	2.68
Phys Visit Other			119.4	43.36	0.43	1.000	1.025	1.025	1.000	132.6	48.16	0.53
Surgery/Anesthesia			7.2	19.98	0.01	1.000	1.025	1.025	1.000	8.0	22.19	0.01
Lab/Pathology			265.6	21.84	0.48	1.000	1.025	1.025	1.000	295.0	24.26	0.60
Surgery			207.0	28.36	0.49	1.000	1.025	1.025	1.000	229.9	31.49	0.60
Vision/Hearing			127.0	38.29	0.41	1.000	1.025	1.025	1.000	141.1	42.52	0.50
Therapeutic Inj.			586.2	34.57	1.69	1.000	1.025	1.025	1.000	651.1	38.40	2.08
Other			953.8	15.44	1.23	1.000	1.025	1.025	1.000	1,059.4	17.15	1.51
Subtotal			3,104.4	\$ 27.37	\$ 7.08					3,448.3	\$ 30.40	\$ 8.73
Total Claims/Benefit Cost			20,894.6	\$ 104.23	\$ 181.49					21,731.8	\$ 110.80	\$ 200.66
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$181.49							\$200.66

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Community Well - Tier 3
Subtier All
Age Over 65

Months of Trend 39

Total Member Months 364,619

Type of Service	Fiscal Year 2012					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	146.8	25.7	3,778.2	\$ 153.01	\$ 48.17	1.000	0.975	1.010	1.000	3,479.8	\$ 158.04	\$ 45.83
Nursing Facility - Medicare	0.0	13.0	0.4	55.58	0.00	1.000	0.975	1.010	1.000	0.4	57.40	0.00
Subtotal	146.9	25.7	3,778.6	\$ 153.00	\$ 48.18					3,480.2	\$ 158.03	\$ 45.83
Inpatient Hospital												
General	35.1	6.9	240.6	\$ 329.56	\$ 6.61	1.009	1.015	1.005	1.000	254.8	\$ 334.95	\$ 7.11
Psychiatric	0.0	1.0	0.0	305.20	0.00	1.009	1.015	1.005	1.000	0.0	310.19	0.00
Subtotal	35.1	6.9	240.7	\$ 329.55	\$ 6.61					254.8	\$ 334.95	\$ 7.11
Outpatient Hospital												
General			1,294.3	\$ 20.36	\$ 2.20	1.010	1.020	1.005	1.000	1,394.3	\$ 20.69	\$ 2.40
Hospice			-	-	-	1.010	1.020	1.005	1.000	-	-	-
Subtotal			1,294.3	\$ 20.36	\$ 2.20					1,394.3	\$ 20.69	\$ 2.40
Prescription Drugs					\$ 6.04	1.000	1.005	1.030	1.000			\$ 6.76
Other Ancillaries												
Transportation			11.7	107.36	0.10	1.005	1.015	1.025	1.000	12.4	\$ 116.33	\$ 0.12
DME/Prosthetics/Orthotics			3,627.2	7.86	2.38	1.005	1.015	1.025	1.000	3,827.2	8.52	2.72
Medical Supplies			3,409.8	21.67	6.16	1.005	1.015	1.025	1.000	3,597.9	23.48	7.04
Waiver Services			289.3	17.39	0.42	1.005	1.015	1.025	1.000	305.3	18.85	0.48
Other Ancillary			225.6	2.86	0.05	1.005	1.015	1.025	1.000	238.0	3.10	0.06
Home Help			3,717.0	331.79	102.77	1.005	1.015	1.025	1.000	3,921.9	359.52	117.50
Subtotal			11,280.6	\$ 119.02	\$ 111.88					11,902.6	\$ 128.97	\$ 127.92
Physician												
Private Duty Nursing/Home Health			14.5	\$ 147.00	\$ 0.18	1.005	1.025	1.025	1.000	15.8	\$ 159.28	\$ 0.21
Phys Visits Office/Consult			820.2	29.39	2.01	1.005	1.025	1.025	1.000	893.4	31.85	2.37
Phys Visit Other			131.8	37.47	0.41	1.005	1.025	1.025	1.000	143.6	40.61	0.49
Surgery/Anesthesia			5.6	26.40	0.01	1.005	1.025	1.025	1.000	6.1	28.61	0.01
Lab/Pathology			259.0	20.46	0.44	1.005	1.025	1.025	1.000	282.1	22.17	0.52
Surgery			202.0	32.50	0.55	1.005	1.025	1.025	1.000	220.0	35.21	0.65
Vision/Hearing			121.9	35.38	0.36	1.005	1.025	1.025	1.000	132.8	38.34	0.42
Therapeutic Inj.			691.2	34.21	1.97	1.005	1.025	1.025	1.000	752.9	37.07	2.33
Other			1,188.4	11.97	1.19	1.005	1.025	1.025	1.000	1,294.5	12.97	1.40
Subtotal			3,434.4	\$ 24.86	\$ 7.11					3,741.1	\$ 26.93	\$ 8.40
Total Claims/Benefit Cost			20,028.7	\$ 109.06	\$ 182.02					20,773.1	\$ 114.62	\$ 198.42
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$182.02							\$198.42

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Community Well - Tier 3
Subtier All
Age Over 65

Months of Trend 28.5

Total Member Months 256,751

Type of Service	Fiscal Year 2013					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	74.3	24.3	1,808.0	\$ 157.24	\$ 23.69	1.044	0.975	1.010	1.001	1,780.0	\$ 161.00	\$ 23.88
Nursing Facility - Medicare	0.0	6.0	0.3	148.00	0.00	1.044	0.975	1.010	1.001	0.3	151.54	0.00
Subtotal	74.3	24.3	1,808.3	\$ 157.23	\$ 23.69					1,780.3	\$ 161.00	\$ 23.89
Inpatient Hospital												
General	33.7	8.4	283.8	\$ 362.29	\$ 8.57	1.366	1.015	1.005	0.981	394.1	\$ 366.61	\$ 12.04
Psychiatric	0.1	1.0	0.1	1,184.00	0.01	1.366	1.015	1.005	0.981	0.1	1,198.11	0.01
Subtotal	33.7	8.4	283.9	\$ 362.56	\$ 8.58					394.2	\$ 366.88	\$ 12.05
Outpatient Hospital												
General			1,404.3	\$ 16.19	\$ 1.89	1.115	1.020	1.005	0.975	1,600.2	\$ 16.38	\$ 2.18
Hospice			-	-	-	1.115	1.020	1.005	0.975	-	-	-
Subtotal			1,404.3	\$ 16.19	\$ 1.89					1,600.2	\$ 16.38	\$ 2.18
Prescription Drugs					\$ 6.65	1.006	1.005	1.030	0.941			\$ 6.84
Other Ancillaries												
Transportation			12.5	101.28	0.11	1.061	1.015	1.025	0.965	13.3	\$ 107.40	\$ 0.12
DME/Prosthetics/Orthotics			3,256.9	7.66	2.08	1.061	1.015	1.025	0.965	3,456.9	8.12	2.34
Medical Supplies			3,616.9	21.56	6.50	1.061	1.015	1.025	0.965	3,838.9	22.86	7.31
Waiver Services			300.9	16.30	0.41	1.061	1.015	1.025	0.965	319.4	17.29	0.46
Other Ancillary			264.1	3.83	0.08	1.061	1.015	1.025	0.965	280.3	4.06	0.09
Home Help			3,933.5	347.91	114.04	1.061	1.015	1.025	0.965	4,174.9	368.92	128.35
Subtotal			11,384.8	\$ 129.87	\$ 123.22					12,083.7	\$ 137.72	\$ 138.68
Physician												
Private Duty Nursing/Home Health			9.1	\$ 152.30	\$ 0.12	1.061	1.025	1.025	0.965	9.9	\$ 161.50	\$ 0.13
Phys Visits Office/Consult			1,927.8	30.49	4.90	1.061	1.025	1.025	0.965	2,094.3	32.33	5.64
Phys Visit Other			821.7	41.97	2.87	1.061	1.025	1.025	0.965	892.7	44.50	3.31
Surgery/Anesthesia			7.0	26.17	0.02	1.061	1.025	1.025	0.965	7.6	27.75	0.02
Lab/Pathology			449.6	18.82	0.71	1.061	1.025	1.025	0.965	488.5	19.96	0.81
Surgery			194.5	35.63	0.58	1.061	1.025	1.025	0.965	211.3	37.78	0.67
Vision/Hearing			290.9	37.59	0.91	1.061	1.025	1.025	0.965	316.1	39.86	1.05
Therapeutic Inj.			823.2	25.36	1.74	1.061	1.025	1.025	0.965	894.4	26.89	2.00
Other			2,487.8	9.28	1.92	1.061	1.025	1.025	0.965	2,702.7	9.84	2.22
Subtotal			7,011.6	\$ 23.55	\$ 13.76					7,617.4	\$ 24.97	\$ 15.85
Total Claims/Benefit Cost			21,893.0	\$ 97.45	\$ 177.80					23,475.7	\$ 101.97	\$ 199.49
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$177.80							\$199.49

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Community Well - Tier 3
Subtier All
Age Under 65

Months of Trend 51

Total Member Months 560,342

Type of Service	Fiscal Year 2011					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	16.7	26.3	440.2	\$ 150.82	\$ 5.53	1.000	0.975	1.010	1.000	395.3	\$ 157.33	\$ 5.18
Nursing Facility - Medicare	0.2	15.1	2.9	96.52	0.02	1.000	0.975	1.010	1.000	2.6	100.69	0.02
Subtotal	16.9	26.2	443.1	\$ 150.46	\$ 5.56					397.9	\$ 156.96	\$ 5.20
Inpatient Hospital												
General	34.7	7.2	248.2	\$ 330.12	\$ 6.83	1.000	1.015	1.005	1.000	264.5	\$ 337.19	\$ 7.43
Psychiatric	0.7	3.3	2.2	242.69	0.04	1.000	1.015	1.005	1.000	2.3	247.89	0.05
Subtotal	35.3	7.1	250.4	\$ 329.36	\$ 6.87					266.8	\$ 336.42	\$ 7.48
Outpatient Hospital												
General			2,626.1	\$ 23.33	\$ 5.11	1.000	1.020	1.005	1.000	2,856.9	\$ 23.83	\$ 5.67
Hospice			-	-	-	1.000	1.020	1.005	1.000	-	-	-
Subtotal			2,626.1	\$ 23.33	\$ 5.11					2,856.9	\$ 23.83	\$ 5.67
Prescription Drugs					\$ 5.50	1.000	1.005	1.030	1.000			\$ 6.37
Other Ancillaries												
Transportation			18.6	81.09	0.13	1.000	1.015	1.025	1.000	19.8	\$ 90.07	\$ 0.15
DME/Prosthetics/Orthotics			3,517.4	5.93	1.74	1.000	1.015	1.025	1.000	3,747.6	6.58	2.05
Medical Supplies			2,766.4	17.24	3.97	1.000	1.015	1.025	1.000	2,947.4	19.15	4.70
Waiver Services			276.0	20.29	0.47	1.000	1.015	1.025	1.000	294.1	22.53	0.55
Other Ancillary			191.3	2.03	0.03	1.000	1.015	1.025	1.000	203.9	2.26	0.04
Home Help			2,865.4	324.11	77.39	1.000	1.015	1.025	1.000	3,052.9	359.97	91.58
Subtotal			9,635.1	\$ 104.28	\$ 83.73					10,265.5	\$ 115.82	\$ 99.08
Physician												
Private Duty Nursing/Home Health			22.7	\$ 165.51	\$ 0.31	1.000	1.025	1.025	1.000	25.2	\$ 183.82	\$ 0.39
Phys Visits Office/Consult			2,959.2	8.37	2.06	1.000	1.025	1.025	1.000	3,287.0	9.30	2.55
Phys Visit Other			237.1	46.40	0.92	1.000	1.025	1.025	1.000	263.3	51.53	1.13
Surgery/Anesthesia			6.8	16.52	0.01	1.000	1.025	1.025	1.000	7.5	18.35	0.01
Lab/Pathology			283.0	22.24	0.52	1.000	1.025	1.025	1.000	314.4	24.70	0.65
Surgery			210.4	31.32	0.55	1.000	1.025	1.025	1.000	233.7	34.79	0.68
Vision/Hearing			63.8	37.11	0.20	1.000	1.025	1.025	1.000	70.9	41.21	0.24
Therapeutic Inj.			584.3	33.54	1.63	1.000	1.025	1.025	1.000	649.1	37.25	2.01
Other			898.4	10.74	0.80	1.000	1.025	1.025	1.000	997.9	11.93	0.99
Subtotal			5,265.7	\$ 15.98	\$ 7.01					5,849.0	\$ 17.75	\$ 8.65
Total Claims/Benefit Cost			18,220.5	\$ 74.93	\$ 113.78					19,636.0	\$ 80.94	\$ 132.45
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$113.78							\$132.45

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Community Well - Tier 3
Subtier All
Age Under 65

Months of Trend 39

Total Member Months 528,993

Type of Service	Fiscal Year 2012					Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Trended/Adjusted to CY 2015		
	Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM					Annual Utilization Per 1,000	Cost Per Service	PMPM
Nursing Facility												
Nursing Facility	16.3	24.0	391.2	\$ 152.07	\$ 4.96	1.000	0.975	1.010	1.000	360.3	\$ 157.07	\$ 4.72
Nursing Facility - Medicare	-	-	-	-	-	1.000	0.975	1.010	1.000	-	-	-
Subtotal	16.3	24.0	391.2	\$ 152.07	\$ 4.96					360.3	\$ 157.07	\$ 4.72
Inpatient Hospital												
General	31.8	6.4	204.7	\$ 510.73	\$ 8.71	1.009	1.015	1.005	1.000	216.7	\$ 519.08	\$ 9.37
Psychiatric	0.6	3.0	1.9	254.25	0.04	1.009	1.015	1.005	1.000	2.0	258.40	0.04
Subtotal	32.5	6.4	206.6	\$ 508.36	\$ 8.75					218.7	\$ 516.67	\$ 9.42
Outpatient Hospital												
General			1,939.8	\$ 21.57	\$ 3.49	1.010	1.020	1.005	1.000	2,089.7	\$ 21.92	\$ 3.82
Hospice			-	-	-	1.010	1.020	1.005	1.000	-	-	-
Subtotal			1,939.8	\$ 21.57	\$ 3.49					2,089.7	\$ 21.92	\$ 3.82
Prescription Drugs					\$ 10.29	1.000	1.005	1.030	1.000			\$ 11.51
Other Ancillaries												
Transportation			16.9	94.13	0.13	1.005	1.015	1.025	1.000	17.8	\$ 102.00	\$ 0.15
DME/Prosthetics/Orthotics			3,294.6	7.32	2.01	1.005	1.015	1.025	1.000	3,476.2	7.93	2.30
Medical Supplies			2,596.6	19.31	4.18	1.005	1.015	1.025	1.000	2,739.8	20.93	4.78
Waiver Services			284.8	23.43	0.56	1.005	1.015	1.025	1.000	300.5	25.39	0.64
Other Ancillary			246.4	2.71	0.06	1.005	1.015	1.025	1.000	260.0	2.94	0.06
Home Help			2,890.0	352.10	84.80	1.005	1.015	1.025	1.000	3,049.3	381.52	96.95
Subtotal			9,329.2	\$ 117.99	\$ 91.73					9,843.6	\$ 127.85	\$ 104.87
Physician												
Private Duty Nursing/Home Health			26.2	\$ 177.16	\$ 0.39	1.005	1.025	1.025	1.000	28.6	\$ 191.96	\$ 0.46
Phys Visits Office/Consult			838.3	27.51	1.92	1.005	1.025	1.025	1.000	913.1	29.81	2.27
Phys Visit Other			247.7	43.11	0.89	1.005	1.025	1.025	1.000	269.8	46.71	1.05
Surgery/Anesthesia			7.4	20.19	0.01	1.005	1.025	1.025	1.000	8.1	21.87	0.01
Lab/Pathology			263.8	19.91	0.44	1.005	1.025	1.025	1.000	287.3	21.57	0.52
Surgery			213.6	31.28	0.56	1.005	1.025	1.025	1.000	232.7	33.90	0.66
Vision/Hearing			68.3	34.57	0.20	1.005	1.025	1.025	1.000	74.4	37.46	0.23
Therapeutic Inj.			698.9	31.26	1.82	1.005	1.025	1.025	1.000	761.4	33.87	2.15
Other			1,023.6	8.84	0.75	1.005	1.025	1.025	1.000	1,115.0	9.58	0.89
Subtotal			3,387.8	\$ 24.72	\$ 6.98					3,690.3	\$ 26.78	\$ 8.24
Total Claims/Benefit Cost			15,254.6	\$ 99.27	\$ 126.19					16,202.7	\$ 105.59	\$ 142.57
Supplemental SNF Copayments					\$ 0.00							\$ 0.00
Total Adjusted Gross Cost					\$126.19							\$142.57

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Community Well - Tier 3
Subtier All
Age Under 65

Months of Trend 28.5

Total Member Months 367,007

		Fiscal Year 2013				Trended/Adjusted to CY 2015							
		Annual Admits Per 1,000	Average Length of Stay	Annual Utilization Per 1,000	Cost Per Service	PMPM	Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Annual Utilization Per 1,000	Cost Per Service	PMPM
Type of Service													
Nursing Facility													
	Nursing Facility	10.1	21.8	220.6	\$ 154.36	\$ 2.84	1.044	0.975	1.010	1.001	217.2	\$ 158.05	\$ 2.86
	Nursing Facility - Medicare	0.0	17.0	0.6	148.00	0.01	1.044	0.975	1.010	1.001	0.6	151.54	0.01
Subtotal		10.1	21.8	221.1	\$ 154.35	\$ 2.84					217.7	\$ 158.03	\$ 2.87
Inpatient Hospital													
	General	25.6	7.3	187.9	\$ 339.89	\$ 5.32	1.366	1.015	1.005	0.981	261.0	\$ 343.94	\$ 7.48
	Psychiatric	0.4	3.7	1.3	141.54	0.02	1.366	1.015	1.005	0.981	1.9	143.23	0.02
Subtotal		26.0	7.3	189.3	\$ 338.49	\$ 5.34					262.8	\$ 342.52	\$ 7.50
Outpatient Hospital													
	General			1,958.6	\$ 18.63	\$ 3.04	1.115	1.020	1.005	0.975	2,231.7	\$ 18.85	\$ 3.51
	Hospice			-	-	-	1.115	1.020	1.005	0.975	-	-	-
Subtotal				1,958.6	\$ 18.63	\$ 3.04					2,231.7	\$ 18.85	\$ 3.51
Prescription Drugs					\$ 10.47		1.006	1.005	1.030	0.941			\$ 10.76
Other Ancillaries													
	Transportation			14.2	105.73	0.13	1.061	1.015	1.025	0.965	15.1	\$ 112.12	\$ 0.14
	DME/Prosthetics/Orthotics			2,826.5	7.55	1.78	1.061	1.015	1.025	0.965	3,000.0	8.00	2.00
	Medical Supplies			2,775.8	19.52	4.51	1.061	1.015	1.025	0.965	2,946.2	20.70	5.08
	Waiver Services			304.5	21.93	0.56	1.061	1.015	1.025	0.965	323.2	23.25	0.63
	Other Ancillary			287.3	8.00	0.19	1.061	1.015	1.025	0.965	304.9	8.48	0.22
	Home Help			3,131.3	371.87	97.04	1.061	1.015	1.025	0.965	3,323.5	394.33	109.21
Subtotal				9,339.6	\$ 133.88	\$ 104.20					9,912.9	\$ 141.97	\$ 117.28
Physician													
	Private Duty Nursing/Home Health			22.1	\$ 179.55	\$ 0.33	1.061	1.025	1.025	0.965	24.1	\$ 190.39	\$ 0.38
	Phys Visits Office/Consult			1,870.6	29.55	4.61	1.061	1.025	1.025	0.965	2,032.2	31.34	5.31
	Phys Visit Other			760.1	40.73	2.58	1.061	1.025	1.025	0.965	825.8	43.19	2.97
	Surgery/Anesthesia			6.5	29.34	0.02	1.061	1.025	1.025	0.965	7.0	31.11	0.02
	Lab/Pathology			420.5	19.66	0.69	1.061	1.025	1.025	0.965	456.9	20.85	0.79
	Surgery			208.3	33.40	0.58	1.061	1.025	1.025	0.965	226.3	35.41	0.67
	Vision/Hearing			233.6	34.23	0.67	1.061	1.025	1.025	0.965	253.7	36.29	0.77
	Therapeutic Inj.			862.5	27.95	2.01	1.061	1.025	1.025	0.965	937.0	29.64	2.31
	Other			2,357.3	8.05	1.58	1.061	1.025	1.025	0.965	2,560.9	8.53	1.82
Subtotal				6,741.5	\$ 23.24	\$ 13.06					7,323.9	\$ 24.65	\$ 15.04
Total Claims/Benefit Cost				18,450.1	\$ 90.38	\$ 138.95					19,949.1	\$ 94.41	\$ 156.96
Supplemental SNF Copayments					\$ 0.00								\$ 0.00
Total Adjusted Gross Cost					\$138.95								\$156.96

State of Michigan
Department of Community Health
MI Health Link
Paid through October 2013

Region All
Population Community Well - Tier 3 (HMO Enrollee FFS Experience)
Subtier All

Over 65 Rate Cell

Total Member Months 37,720										
Fiscal Year 2012				Trended/Adjusted to CY 2015						
	Annual Utilization Per 1,000	Cost Per Service	PMPM	Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Annual Utilization Per 1,000	Cost Per Service	PMPM
Home Help	2,739.4	\$ 321.43	\$ 73.38	1.005	1.015	1.025	1.000	2,890.5	\$ 348.29	\$ 83.89
Other Services	20.7	800.62	1.38	1.000	0.990	1.020	1.000	20.0	853.84	1.42
Total Benefit Cost	2,760.1	\$ 325.02	\$ 74.76					2,910.5	\$ 351.77	\$ 85.32
Total Member Months 52,670										
Fiscal Year 2013				Trended/Adjusted to CY 2015						
	Annual Utilization Per 1,000	Cost Per Service	PMPM	Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Annual Utilization Per 1,000	Cost Per Service	PMPM
Home Help	2,736.3	\$ 335.72	\$ 76.55	1.061	1.015	1.025	0.965	2,904.3	\$ 356.00	\$ 86.16
Other Services	57.2	249.02	1.19	1.025	0.990	1.020	0.971	55.6	261.01	1.21
Total Benefit Cost	2,793.5	\$ 333.95	\$ 77.74					2,959.9	\$ 354.22	\$ 87.37

Under 65 Rate Cell

Total Member Months 66,992										
Fiscal Year 2012				Trended/Adjusted to CY 2015						
	Annual Utilization Per 1,000	Cost Per Service	PMPM	Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Annual Utilization Per 1,000	Cost Per Service	PMPM
Home Help	2,005.9	\$ 313.55	\$ 52.41	1.005	1.015	1.025	1.000	2,116.5	\$ 339.76	\$ 59.92
Other Services	84.7	773.73	5.46	1.000	1.005	1.030	1.000	86.1	851.75	6.11
Total Benefit Cost	2,090.6	\$ 332.20	\$ 57.88					2,202.6	\$ 359.78	\$ 66.04
Total Member Months 96,806										
Fiscal Year 2013				Trended/Adjusted to CY 2015						
	Annual Utilization Per 1,000	Cost Per Service	PMPM	Completion Adjustment	Trend Factor Util	Trend Factor Cost	Seasonality Adjustment	Annual Utilization Per 1,000	Cost Per Service	PMPM
Home Help	1,989.7	\$ 332.98	\$ 55.21	1.061	1.015	1.025	0.965	2,111.8	\$ 353.09	\$ 62.14
Other Services	80.1	294.07	1.96	1.006	1.005	1.030	0.941	76.7	315.46	2.02
Total Benefit Cost	2,069.7	\$ 331.48	\$ 57.17					2,188.6	\$ 351.77	\$ 64.16

APPENDIX E

State of Michigan
Department of Community Health
6-Month Rolling Average Normalized Util/1000s by Category of Service and Population
Region: All Demonstration Regions; Population: Nursing (Tier 1)

Incurred Month	Member Months	Nursing						
		Inpatient	Facility	Outpatient	Pharmacy	Ancillary	Physician	All Claims
6/1/2013	10,117	61.04	25,895.57	234.64	298.69	1,795.38	1,680.98	29,966.30
5/1/2013	10,119	61.04	25,995.74	194.18	340.96	1,734.52	1,517.71	29,844.16
4/1/2013	10,115	54.15	25,755.42	170.14	382.77	1,659.73	1,415.76	29,437.97
3/1/2013	9,649	53.45	25,828.20	174.54	429.25	1,543.98	1,256.44	29,285.86
2/1/2013	9,727	55.56	25,652.28	175.61	471.75	1,481.66	1,113.48	28,950.33
1/1/2013	9,782	55.55	26,108.08	182.00	523.08	1,410.69	947.84	29,227.23
12/1/2012	9,709	61.16	26,144.28	179.76	568.64	1,354.34	630.46	28,938.64
11/1/2012	9,681	61.77	25,980.51	174.51	574.70	1,351.57	617.11	28,760.18
10/1/2012	9,783	70.45	26,055.22	175.32	582.94	1,370.26	551.24	28,805.43
9/1/2012	9,440	77.26	25,846.94	166.75	582.16	1,406.35	556.49	28,635.95
8/1/2012	9,564	88.55	25,888.73	169.42	586.05	1,430.80	593.91	28,757.46
7/1/2012	9,481	92.02	25,522.52	168.19	577.84	1,447.79	625.23	28,433.59
6/1/2012	9,542	94.04	25,427.80	166.12	574.12	1,498.34	811.93	28,572.35
5/1/2012	9,376	96.73	25,491.04	163.34	566.52	1,537.76	850.03	28,705.43
4/1/2012	9,352	97.04	25,312.34	156.13	554.99	1,597.29	836.66	28,554.45
3/1/2012	9,236	111.66	25,432.79	157.36	545.12	1,636.23	806.00	28,689.17
2/1/2012	9,289	107.17	25,321.70	152.05	535.25	1,623.79	799.48	28,539.43
1/1/2012	9,295	105.05	25,608.54	150.81	534.23	1,667.33	760.03	28,825.98
12/1/2011	9,334	104.34	25,594.22	148.49	524.46	1,674.75	587.60	28,633.85
11/1/2011	9,467	105.70	25,453.63	153.98	519.68	1,672.55	594.72	28,500.26
10/1/2011	9,318	105.61	25,579.35	176.27	516.97	1,649.51	625.26	28,652.96
9/1/2011	9,324	88.09	25,400.80	214.79	517.92	1,613.17	629.50	28,464.26
8/1/2011	9,317	88.26	25,469.61	247.31	517.57	1,654.44	630.14	28,607.33
7/1/2011	9,359	88.32	25,041.39	242.21	508.38	1,600.09	628.33	28,108.72
6/1/2011	9,421	85.73	25,057.08	250.30	510.77	1,611.23	767.68	28,282.79
5/1/2011	9,381	85.30	25,209.53	257.35	514.92	1,658.19	733.15	28,458.45
4/1/2011	9,436	83.42	25,052.51	243.47	517.14	1,730.25	678.79	28,305.60
3/1/2011	9,560	83.65	25,216.00	204.51	518.01	1,797.29	666.39	28,485.85
2/1/2011	9,517	82.64	25,136.44	164.73	516.10	1,799.18	648.20	28,347.29
1/1/2011	9,635	82.48	25,565.37	166.46	521.82	1,846.84	636.83	28,819.79
12/1/2010	9,930	79.92	25,561.02	153.89	520.11	1,794.67	460.66	28,570.28
11/1/2010	10,118	78.14	25,491.05	145.64	517.11	1,772.86	461.26	28,466.06
10/1/2010	10,202	77.34	25,648.40	138.29	515.60	1,690.38	491.03	28,561.05
12 month regression		(39.9%)	0.4%	23.5%	(51.6%)	29.6%	285.5%	5.2%
24 month regression		(30.8%)	1.5%	(0.7%)	(14.2%)	(3.6%)	46.8%	2.1%
30 month regression		(18.5%)	1.4%	(6.0%)	(8.2%)	(6.3%)	28.7%	1.6%
Trend to Use		(2.0%)	0.5%	1.5%	(2.5%)	1.0%	3.5%	
SFY11 Util/1000	112,209	99.31	25,427.67	177.39	534.66	1,618.53	713.30	28,570.86
SFY12 Util/1000	117,167	65.82	25,890.41	180.69	491.24	1,501.61	966.65	29,096.43
SFY13 Util/1000	88,682	59.35	25,934.55	184.73	462.08	1,525.14	1,087.02	29,252.87

State of Michigan
Department of Community Health
6-Month Rolling Average Normalized Util/1000s by Category of Service and Population
Region: All Demonstration Regions; Population: NF Level of Care (Tier 2)

Incurred Month	Member Months	Inpatient	Nursing Facility	Outpatient	Pharmacy	Ancillary	Physician	All Claims
6/1/2013	2,265	17.88	114.95	226.27	616.34	63,331.82	42,774.41	107,081.67
5/1/2013	2,585	18.51	110.25	240.10	632.34	62,879.55	42,172.80	106,053.54
4/1/2013	2,550	21.13	101.75	244.16	651.73	62,557.80	41,583.92	105,160.48
3/1/2013	2,490	28.75	93.12	235.88	676.47	62,805.09	41,010.40	104,849.71
2/1/2013	2,495	25.31	110.93	234.00	681.90	62,959.33	40,346.70	104,358.16
1/1/2013	2,517	31.57	110.90	229.38	715.22	63,506.92	40,951.96	105,545.95
12/1/2012	2,441	30.49	103.54	193.12	728.55	63,859.93	40,649.21	105,564.84
11/1/2012	2,453	27.84	111.30	175.56	735.92	64,755.82	40,598.32	106,404.76
10/1/2012	2,474	26.69	112.40	173.84	747.42	65,200.87	40,728.48	106,989.70
9/1/2012	2,344	20.72	118.30	171.35	742.41	64,356.44	40,701.76	106,110.96
8/1/2012	2,404	20.00	108.47	174.95	758.79	63,979.93	41,118.45	106,160.59
7/1/2012	2,402	16.03	102.99	176.17	750.36	63,116.89	40,694.82	104,857.25
6/1/2012	2,412	17.00	103.70	180.92	754.06	62,472.92	40,864.41	104,393.02
5/1/2012	2,395	20.07	100.14	197.66	739.55	61,281.93	41,204.83	103,544.17
4/1/2012	2,355	21.07	93.85	194.06	720.27	59,974.11	41,289.72	102,293.09
3/1/2012	2,346	19.33	91.09	202.46	706.28	59,209.08	41,527.04	101,755.29
2/1/2012	2,378	23.23	94.07	200.24	685.93	58,064.91	41,796.23	100,864.61
1/1/2012	2,399	24.53	109.20	202.87	675.48	57,699.56	42,377.76	101,089.41
12/1/2011	2,397	22.05	110.07	191.58	648.83	56,736.37	42,561.51	100,270.40
11/1/2011	2,460	21.56	106.30	193.58	642.54	55,627.30	42,629.25	99,220.52
10/1/2011	2,416	22.44	108.94	201.58	634.85	54,771.77	42,543.36	98,282.96
9/1/2011	2,447	24.87	115.20	193.89	625.10	53,832.13	42,332.61	97,123.80
8/1/2011	2,457	25.48	105.59	201.29	622.83	53,212.25	42,526.74	96,694.19
7/1/2011	2,469	26.06	92.48	226.74	598.70	52,728.18	41,717.97	95,390.12
6/1/2011	2,487	28.80	91.47	242.02	590.25	52,811.51	41,416.19	95,180.25
5/1/2011	2,490	32.09	96.59	230.24	581.58	53,569.67	42,025.39	96,535.56
4/1/2011	2,538	31.56	106.97	250.76	570.04	54,155.82	42,589.41	97,704.56
3/1/2011	2,534	31.23	103.25	250.68	563.12	54,971.96	43,085.21	99,005.44
2/1/2011	2,529	30.10	108.04	239.27	548.85	55,451.24	43,335.15	99,712.65
1/1/2011	2,555	26.18	117.22	203.48	548.47	55,963.10	44,207.76	101,066.22
12/1/2010	2,625	29.21	115.64	176.91	544.40	56,497.52	44,746.52	102,110.20
11/1/2010	2,674	26.52	119.03	179.15	538.31	56,355.34	44,428.77	101,647.12
10/1/2010	2,724	26.42	116.25	144.56	536.48	56,339.44	44,292.86	101,456.01
12 month regression		3.2%	(2.4%)	56.3%	(20.5%)	(2.5%)	4.1%	(0.0%)
24 month regression		(0.6%)	2.9%	6.5%	3.8%	10.7%	(1.5%)	5.5%
30 month regression		(10.2%)	1.6%	(2.6%)	9.8%	9.4%	(2.0%)	4.5%
Trend to Use		0.5%	(0.5%)	2.0%	(1.0%)	0.5%	1.0%	
SFY11 Util/1000	28,931	22.33	102.61	198.95	670.65	57,098.70	41,952.11	100,045.35
SFY12 Util/1000	29,420	23.80	108.15	206.72	702.85	63,600.57	41,107.21	105,749.31
SFY13 Util/1000	22,270	25.38	107.61	217.17	687.53	63,532.23	41,193.15	105,763.06

State of Michigan
Department of Community Health
6-Month Rolling Average Normalized Util/1000s by Category of Service and Population
Region: All Demonstration Regions; Population: Community Well (Tier 3)

Incurred Month	Member Months	Inpatient	Nursing Facility	Outpatient	Pharmacy	Ancillary	Physician	All Claims
6/1/2013	68,814	28.59	64.50	153.29	599.98	8,354.02	4,329.28	13,529.67
5/1/2013	69,117	28.25	69.04	139.16	616.15	8,176.05	4,437.81	13,466.47
4/1/2013	69,245	26.55	74.70	124.93	626.16	8,027.78	4,506.46	13,386.58
3/1/2013	68,716	25.16	84.75	126.29	641.49	7,995.78	4,545.89	13,419.35
2/1/2013	69,051	23.52	95.10	119.53	645.30	7,903.41	4,289.08	13,075.94
1/1/2013	69,251	23.63	108.38	120.22	674.05	7,932.71	4,165.93	13,024.92
12/1/2012	69,627	20.87	118.86	110.75	687.84	7,905.92	4,105.93	12,950.17
11/1/2012	69,677	20.16	128.30	108.02	699.43	7,919.21	4,013.66	12,888.78
10/1/2012	70,260	20.00	136.89	105.32	714.96	7,894.90	3,832.73	12,704.81
9/1/2012	70,295	19.83	142.04	99.30	718.56	7,739.31	3,681.14	12,400.18
8/1/2012	70,855	19.81	148.37	99.67	737.36	7,680.93	3,702.77	12,388.91
7/1/2012	71,269	18.19	149.15	98.80	733.05	7,525.27	3,760.34	12,284.78
6/1/2012	71,496	18.68	152.28	103.41	736.81	7,375.58	3,592.88	11,979.64
5/1/2012	72,569	18.32	154.21	107.86	718.94	7,251.79	3,579.20	11,830.31
4/1/2012	73,160	18.31	152.79	110.25	693.84	7,152.48	3,795.72	11,923.39
3/1/2012	73,784	17.37	153.30	111.16	674.16	7,048.22	3,805.07	11,809.28
2/1/2012	75,382	16.80	151.62	110.75	650.62	6,977.05	3,819.04	11,725.88
1/1/2012	76,013	17.74	154.45	109.16	634.27	6,960.62	3,744.27	11,620.52
12/1/2011	76,090	17.03	155.35	116.14	605.19	6,882.15	3,764.66	11,540.52
11/1/2011	81,312	17.69	157.25	121.12	603.40	6,808.61	3,748.16	11,456.23
10/1/2011	81,387	18.42	162.52	125.05	601.79	6,748.49	3,438.58	11,094.85
9/1/2011	81,153	19.85	164.48	129.79	598.31	6,735.86	3,374.44	11,022.72
8/1/2011	80,773	21.83	166.73	137.32	601.43	6,691.71	3,382.06	11,001.07
7/1/2011	80,499	22.04	165.08	142.68	588.40	6,657.46	3,359.54	10,935.19
6/1/2011	80,104	24.12	165.13	146.28	588.87	6,739.22	3,326.69	10,990.30
5/1/2011	78,776	24.85	165.96	153.09	586.15	6,919.76	3,214.22	11,064.03
4/1/2011	78,931	24.89	164.85	166.92	582.56	7,031.34	3,120.30	11,090.86
3/1/2011	78,424	25.23	166.05	177.49	579.69	7,160.88	2,949.77	11,059.11
2/1/2011	77,393	24.54	165.98	174.94	570.92	7,282.30	2,796.47	11,015.15
1/1/2011	77,542	25.16	168.74	177.74	573.96	7,420.12	2,673.75	11,039.48
12/1/2010	77,348	23.60	169.68	167.84	570.55	7,509.57	2,518.79	10,960.03
11/1/2010	77,094	23.45	169.11	165.53	565.85	7,471.31	2,422.39	10,817.63
10/1/2010	76,564	23.50	170.71	154.48	563.76	7,515.07	2,454.78	10,882.29
12 month regression		65.1%	(63.5%)	56.9%	(20.9%)	8.9%	26.8%	11.9%
24 month regression		20.5%	(35.5%)	0.2%	4.0%	13.1%	14.9%	12.5%
30 month regression		2.2%	(27.6%)	(12.7%)	7.0%	8.2%	18.6%	10.3%
Trend to Use		1.5%	(2.5%)	2.0%	0.5%	1.5%	2.5%	
SFY11 Util/1000	923,618	18.71	157.72	119.21	640.10	6,930.93	3,612.00	11,478.67
SFY12 Util/1000	836,177	22.85	110.31	116.95	674.99	7,919.28	4,111.19	12,955.57
SFY13 Util/1000	623,758	24.07	97.97	122.98	656.36	8,011.65	4,246.13	13,159.17

State of Michigan
Department of Community Health
6-Month Rolling Average Normalized CPSs by Category of Service and Population
Region: All Demonstration Regions; Population: Nursing (Tier 1)

Incurred Month	Member Months	Nursing Inpatient	Nursing Facility	Outpatient	Pharmacy	Ancillary	Physician	All Claims
6/1/2013	10,117	\$522.24	\$157.77	\$17.04	\$7.66	\$17.35	\$22.52	\$135.60
5/1/2013	10,119	485.27	157.75	19.09	7.34	16.37	20.03	136.88
4/1/2013	10,115	455.63	156.87	21.18	7.19	15.90	17.72	137.29
3/1/2013	9,649	446.96	156.39	21.53	6.83	16.23	15.61	138.49
2/1/2013	9,727	513.35	154.80	21.10	6.66	16.00	13.10	138.28
1/1/2013	9,782	483.40	153.92	21.38	6.41	16.31	10.78	138.75
12/1/2012	9,709	467.24	152.63	23.40	6.19	16.03	7.43	139.28
11/1/2012	9,681	458.15	151.19	26.35	6.51	16.05	6.72	138.20
10/1/2012	9,783	439.92	150.19	27.76	6.60	15.71	6.51	137.67
9/1/2012	9,440	423.94	148.94	30.18	6.90	15.16	6.14	136.37
8/1/2012	9,564	303.33	148.95	31.99	7.12	14.74	5.85	135.99
7/1/2012	9,481	281.46	148.55	33.98	7.15	14.55	6.12	135.32
6/1/2012	9,542	280.43	148.44	34.91	7.24	14.39	7.68	134.28
5/1/2012	9,376	296.69	148.52	36.04	6.72	13.76	7.27	134.15
4/1/2012	9,352	300.05	148.31	38.82	6.45	13.37	7.33	133.78
3/1/2012	9,236	294.30	148.42	39.33	6.00	12.84	7.60	133.98
2/1/2012	9,289	321.49	147.67	43.65	5.48	12.65	7.42	133.47
1/1/2012	9,295	335.58	147.36	47.10	4.98	12.01	7.26	133.34
12/1/2011	9,334	343.09	146.87	50.25	4.37	11.89	5.85	133.62
11/1/2011	9,467	329.17	146.13	51.88	4.32	11.94	6.02	132.87
10/1/2011	9,318	333.76	145.71	47.60	4.31	11.91	6.36	132.44
9/1/2011	9,324	350.16	145.02	43.89	4.30	12.18	6.56	131.70
8/1/2011	9,317	330.00	145.18	36.70	4.29	12.14	7.17	131.48
7/1/2011	9,359	334.88	144.77	33.41	4.35	12.36	8.34	131.26
6/1/2011	9,421	342.27	144.74	28.29	4.44	12.42	10.67	130.62
5/1/2011	9,381	341.71	144.85	22.74	4.54	12.03	10.78	130.66
4/1/2011	9,436	378.13	144.70	22.87	4.64	11.58	11.06	130.48
3/1/2011	9,560	374.66	144.73	24.76	4.76	10.96	11.03	130.48
2/1/2011	9,517	385.78	144.08	27.33	4.87	10.82	10.42	130.12
1/1/2011	9,635	386.26	143.96	26.62	5.07	10.44	9.20	129.99
12/1/2010	9,930	415.32	143.44	27.59	5.12	10.57	7.34	130.48
11/1/2010	10,118	437.69	143.07	28.69	5.16	10.72	7.56	130.31
10/1/2010	10,202	407.97	142.72	29.80	5.20	11.17	7.23	130.26
12 month regression		65.4%	8.0%	(50.5%)	7.0%	15.3%	426.3%	0.7%
24 month regression		30.4%	4.6%	(39.9%)	35.7%	23.5%	63.9%	2.8%
30 month regression		14.8%	3.8%	(16.1%)	27.4%	21.6%	18.8%	2.9%
Trend to Use		2.0%	1.0%	(2.0%)	1.5%	2.0%	2.0%	
SFY11 CPS	112,209	\$312.04	\$143.68	\$30.05	\$4.58	\$11.94	\$8.88	\$130.13
SFY12 CPS	117,167	\$459.72	\$145.77	\$35.20	\$6.73	\$13.63	\$5.58	\$131.97
SFY13 CPS	88,682	\$409.00	\$152.88	\$20.08	\$6.59	\$13.68	\$13.14	\$137.80

State of Michigan
Department of Community Health
6-Month Rolling Average Normalized CPSs by Category of Service and Population
Region: All Demonstration Regions; Population: NF Level of Care (Tier 2)

Incurred Month	Member Months	Nursing Inpatient	Nursing Facility	Outpatient	Pharmacy	Ancillary	Physician	All Claims
6/1/2013	2,265	\$310.46	\$139.45	\$19.30	\$12.66	\$1.23	\$28.33	\$14.15
5/1/2013	2,585	387.12	135.44	19.16	11.88	1.20	28.03	12.86
4/1/2013	2,550	376.60	132.98	16.76	10.87	1.19	27.90	12.47
3/1/2013	2,490	416.54	134.14	17.53	10.80	1.17	27.89	12.20
2/1/2013	2,495	453.85	131.33	18.49	10.39	1.16	27.84	11.98
1/1/2013	2,517	440.00	133.23	18.70	9.55	1.13	27.78	11.93
12/1/2012	2,441	457.98	133.66	19.09	9.37	1.07	27.74	11.77
11/1/2012	2,453	548.73	136.40	20.49	9.98	1.05	27.72	11.68
10/1/2012	2,474	565.86	136.12	21.10	10.06	1.04	27.78	11.66
9/1/2012	2,344	518.06	132.73	21.91	10.67	1.04	27.63	11.65
8/1/2012	2,404	528.49	132.89	22.75	10.78	1.05	27.55	11.71
7/1/2012	2,402	522.74	134.66	23.75	11.89	1.07	27.48	11.69
6/1/2012	2,412	517.19	133.00	25.31	12.26	1.13	27.52	11.83
5/1/2012	2,395	332.20	134.00	24.11	11.72	1.16	27.62	12.04
4/1/2012	2,355	362.95	132.25	24.76	11.66	1.18	27.52	12.16
3/1/2012	2,346	400.33	133.33	23.80	10.45	1.20	27.56	12.29
2/1/2012	2,378	386.63	137.83	23.48	10.32	1.20	27.31	12.37
1/1/2012	2,399	391.64	135.83	23.54	8.74	1.20	27.29	12.49
12/1/2011	2,397	435.48	138.04	24.51	7.61	1.17	26.98	12.46
11/1/2011	2,460	465.93	140.69	25.80	7.60	1.19	26.67	12.48
10/1/2011	2,416	404.50	143.21	26.78	7.31	1.19	26.69	12.57
9/1/2011	2,447	374.73	140.95	27.59	7.84	1.21	26.47	12.57
8/1/2011	2,457	317.09	137.35	27.37	7.81	1.22	26.29	12.56
7/1/2011	2,469	309.05	137.55	25.79	7.68	1.23	26.08	12.40
6/1/2011	2,487	254.13	131.34	25.23	7.20	1.28	26.17	12.41
5/1/2011	2,490	206.11	129.31	23.95	6.84	1.27	25.72	12.17
4/1/2011	2,538	181.95	127.69	21.71	7.51	1.25	25.16	11.93
3/1/2011	2,534	183.10	130.34	22.55	7.46	1.23	24.77	11.73
2/1/2011	2,529	206.25	130.62	22.69	7.82	1.22	24.31	11.52
1/1/2011	2,555	197.81	130.88	23.65	7.99	1.20	24.13	11.49
12/1/2010	2,625	186.62	134.70	24.67	8.69	1.13	23.77	11.33
11/1/2010	2,674	199.63	134.68	25.37	9.27	1.12	23.85	11.35
10/1/2010	2,724	209.00	136.50	27.04	8.98	1.12	23.91	11.35
12 month regression		(41.8%)	1.6%	(25.3%)	9.6%	21.7%	2.5%	16.9%
24 month regression		8.2%	(2.0%)	(20.7%)	23.4%	(3.3%)	3.4%	(0.1%)
30 month regression		37.9%	0.6%	(12.5%)	23.6%	(4.4%)	5.5%	1.3%
Trend to Use		0.5%	0.5%	(2.5%)	3.0%	2.5%	2.0%	
SFY11 CPS	28,931	\$274.93	\$139.39	\$25.51	\$6.75	\$1.15	\$25.65	\$11.72
SFY12 CPS	29,420	\$337.11	\$130.83	\$22.12	\$10.28	\$1.08	\$27.74	\$11.75
SFY13 CPS	22,270	\$408.59	\$132.54	\$16.64	\$10.45	\$1.18	\$28.88	\$12.29

State of Michigan
Department of Community Health
6-Month Rolling Average Normalized CPSs by Category of Service and Population
Region: All Demonstration Regions; Population: Community Well (Tier 3)

Incurred Month	Member Months	Inpatient	Nursing Facility	Outpatient	Pharmacy	Ancillary	Physician	All Claims
6/1/2013	68,814	\$521.29	\$171.01	\$23.63	\$18.52	\$15.92	\$4.59	\$12.62
5/1/2013	69,117	518.71	161.98	24.81	16.77	15.59	4.15	12.20
4/1/2013	69,245	467.13	157.77	25.52	14.97	15.25	3.74	11.89
3/1/2013	68,716	438.31	157.32	24.48	13.09	14.79	3.36	11.57
2/1/2013	69,051	446.15	156.99	24.77	11.25	14.56	3.00	11.60
1/1/2013	69,251	438.04	156.92	23.75	10.03	14.23	2.57	11.52
12/1/2012	69,627	425.64	156.52	22.62	8.70	13.95	1.52	11.39
11/1/2012	69,677	413.57	155.44	23.91	9.64	13.72	1.53	11.67
10/1/2012	70,260	419.41	154.14	25.36	10.68	13.53	1.58	11.90
9/1/2012	70,295	442.25	153.26	26.97	12.00	13.58	1.59	12.23
8/1/2012	70,855	448.69	152.23	28.32	13.33	13.49	1.73	12.36
7/1/2012	71,269	452.34	150.94	29.68	14.39	13.55	1.88	12.41
6/1/2012	71,496	445.38	150.39	31.35	15.43	13.80	2.78	13.08
5/1/2012	72,569	431.31	151.07	30.45	14.52	13.84	2.76	13.06
4/1/2012	73,160	430.42	151.83	30.08	13.50	13.75	2.65	12.71
3/1/2012	73,784	420.36	152.61	30.39	12.17	13.72	2.59	12.55
2/1/2012	75,382	398.62	153.07	30.35	10.79	13.64	2.45	12.31
1/1/2012	76,013	403.68	153.81	30.98	9.04	13.51	2.31	12.24
12/1/2011	76,090	395.45	153.95	29.35	7.19	13.34	1.47	11.73
11/1/2011	81,312	385.45	153.12	29.92	7.19	13.34	1.54	11.79
10/1/2011	81,387	420.30	152.60	30.81	7.30	13.47	1.71	12.39
9/1/2011	81,153	392.64	151.93	31.45	7.33	13.51	1.80	12.53
8/1/2011	80,773	396.94	151.83	32.11	7.34	13.61	1.96	12.76
7/1/2011	80,499	362.41	151.47	32.25	7.47	13.71	2.13	12.84
6/1/2011	80,104	350.11	151.59	33.70	7.61	13.76	3.05	13.26
5/1/2011	78,776	354.77	151.46	32.54	7.63	13.47	3.00	13.20
4/1/2011	78,931	315.13	151.50	30.19	7.75	13.24	2.93	13.03
3/1/2011	78,424	326.04	151.77	27.78	7.92	12.99	2.92	13.08
2/1/2011	77,393	320.03	151.48	26.99	8.03	12.75	2.78	12.99
1/1/2011	77,542	338.03	151.52	25.73	8.13	12.47	2.63	12.97
12/1/2010	77,348	350.81	150.78	25.05	8.04	12.12	1.77	12.59
11/1/2010	77,094	352.60	150.81	25.26	8.13	12.16	1.84	12.73
10/1/2010	76,564	357.20	150.25	26.43	8.04	12.10	1.85	12.68
12 month regression		16.9%	10.0%	(15.8%)	40.0%	20.9%	251.4%	(1.2%)
24 month regression		12.6%	3.4%	(16.1%)	43.7%	6.7%	36.3%	(3.1%)
30 month regression		17.1%	2.5%	(9.9%)	36.4%	6.1%	6.9%	(4.1%)
Trend to Use		0.5%	1.0%	0.5%	3.0%	2.5%	2.5%	
SFY11 CPS	923,618	\$443.53	\$160.12	\$37.51	\$7.05	\$13.26	\$2.01	\$12.34
SFY12 CPS	836,177	\$336.66	\$211.31	\$27.54	\$11.64	\$12.24	\$1.84	\$11.31
SFY13 CPS	623,758	\$373.56	\$156.07	\$21.38	\$12.37	\$13.63	\$2.67	\$11.82

APPENDIX F

Michigan Department of Community Health
Dual Cost Model Summary
Completion Factor Summary - Population : Nursing (Tier 1)
Paid through 10-2013

Incurred Month	Paid Lag	Completion Factors				Rx
		NF	IP	OP	PROF	
6/1/2013	0	0.9741	0.5579	0.7920	0.6626	0.9345
5/1/2013	1	0.9620	0.6429	0.8840	0.7390	0.9970
4/1/2013	2	0.9691	0.6305	0.8916	0.7638	0.9978
3/1/2013	3	0.9768	0.7650	0.9242	0.7905	0.9982
2/1/2013	4	0.9823	0.8690	0.9430	0.8270	0.9989
1/1/2013	5	0.9865	0.9140	0.9638	0.8418	0.9994
12/1/2012	6	0.9901	0.9257	0.9711	0.8667	0.9997
11/1/2012	7	0.9938	0.9408	0.9825	0.8933	0.9999
10/1/2012	8	0.9959	0.9703	0.9943	0.9224	1.0000
9/1/2012	9	0.9972	0.9801	0.9953	0.9477	1.0000
8/1/2012	10	0.9977	0.9893	0.9953	0.9687	1.0000
7/1/2012	11	0.9981	0.9917	0.9953	0.9763	1.0000
6/1/2012	12	0.9985	0.9917	0.9953	0.9816	1.0000
5/1/2012	13	0.9989	0.9917	0.9953	0.9857	1.0000
4/1/2012	14	0.9992	0.9928	0.9969	0.9880	1.0000
3/1/2012	15	0.9995	0.9934	0.9993	0.9891	1.0000
2/1/2012	16	0.9997	0.9968	1.0000	0.9910	1.0000
1/1/2012	17	0.9999	0.9971	1.0000	0.9935	1.0000
12/1/2011	18	1.0000	1.0000	1.0000	0.9962	1.0000
11/1/2011	19	1.0000	1.0000	1.0000	0.9978	1.0000
10/1/2011	20	1.0000	1.0000	1.0000	0.9994	1.0000
9/1/2011	21	1.0000	1.0000	1.0000	1.0000	1.0000
8/1/2011	22	1.0000	1.0000	1.0000	1.0000	1.0000
7/1/2011	23	1.0000	1.0000	1.0000	1.0000	1.0000
6/1/2011	24	1.0000	1.0000	1.0000	1.0000	1.0000
5/1/2011	25	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2011	26	1.0000	1.0000	1.0000	1.0000	1.0000
3/1/2011	27	1.0000	1.0000	1.0000	1.0000	1.0000
2/1/2011	28	1.0000	1.0000	1.0000	1.0000	1.0000
1/1/2011	29	1.0000	1.0000	1.0000	1.0000	1.0000
12/1/2010	30	1.0000	1.0000	1.0000	1.0000	1.0000
11/1/2010	31	1.0000	1.0000	1.0000	1.0000	1.0000
10/1/2010	32	1.0000	1.0000	1.0000	1.0000	1.0000

Fiscal Year	Annual Completion Factors				
	NF	IP	OP	PROF	Rx
SFY13	0.9809	0.8123	0.9294	0.8391	0.9925
SFY12	0.9990	0.9935	0.9980	0.9855	1.0000
SFY11	1.0000	1.0000	1.0000	1.0000	1.0000

Michigan Department of Community Health
Dual Cost Model Summary
Completion Factor Summary - Population : NF Level of Care (Tier 2)
Paid through 10-2013

Incurred Month	Paid Lag	Completion Factors				Rx
		NF	IP	OP	PROF	
6/1/2013	0	0.8682	0.8550	0.8442	0.9021	0.9517
5/1/2013	1	0.9485	0.8544	0.8297	0.9104	0.9853
4/1/2013	2	0.9665	0.8938	0.8576	0.9247	0.9873
3/1/2013	3	0.9819	0.9366	0.8532	0.9413	0.9894
2/1/2013	4	0.9841	0.9366	0.8929	0.9593	0.9895
1/1/2013	5	0.9948	0.9603	0.9350	0.9699	0.9948
12/1/2012	6	0.9967	1.0000	0.9554	0.9762	0.9972
11/1/2012	7	0.9998	1.0000	0.9857	0.9821	0.9972
10/1/2012	8	1.0000	1.0000	0.9917	0.9897	1.0000
9/1/2012	9	1.0000	1.0000	0.9995	0.9926	1.0000
8/1/2012	10	1.0000	1.0000	0.9995	0.9949	1.0000
7/1/2012	11	1.0000	1.0000	0.9995	0.9954	1.0000
6/1/2012	12	1.0000	1.0000	0.9994	0.9960	1.0000
5/1/2012	13	1.0000	1.0000	0.9995	0.9962	1.0000
4/1/2012	14	1.0000	1.0000	0.9994	0.9964	1.0000
3/1/2012	15	1.0000	1.0000	0.9995	0.9970	1.0000
2/1/2012	16	1.0000	1.0000	0.9995	0.9973	1.0000
1/1/2012	17	1.0000	1.0000	1.0000	0.9974	1.0000
12/1/2011	18	1.0000	1.0000	1.0000	0.9976	1.0000
11/1/2011	19	1.0000	1.0000	1.0000	0.9982	1.0000
10/1/2011	20	1.0000	1.0000	1.0000	0.9987	1.0000
9/1/2011	21	1.0000	1.0000	1.0000	0.9995	1.0000
8/1/2011	22	1.0000	1.0000	1.0000	1.0000	1.0000
7/1/2011	23	1.0000	1.0000	1.0000	1.0000	1.0000
6/1/2011	24	1.0000	1.0000	1.0000	1.0000	1.0000
5/1/2011	25	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2011	26	1.0000	1.0000	1.0000	1.0000	1.0000
3/1/2011	27	1.0000	1.0000	1.0000	1.0000	1.0000
2/1/2011	28	1.0000	1.0000	1.0000	1.0000	1.0000
1/1/2011	29	1.0000	1.0000	1.0000	1.0000	1.0000
12/1/2010	30	1.0000	1.0000	1.0000	1.0000	1.0000
11/1/2010	31	1.0000	1.0000	1.0000	1.0000	1.0000
10/1/2010	32	1.0000	1.0000	1.0000	1.0000	1.0000

Fiscal Year	Annual Completion Factors				
	NF	IP	OP	PROF	Rx
SFY13	0.9682	0.9412	0.9021	0.9497	0.9881
SFY12	1.0000	1.0000	0.9997	0.9965	1.0000
SFY11	1.0000	1.0000	1.0000	1.0000	1.0000

**Michigan Department of Community Health
Dual Cost Model Summary
Community Well (Tier 3)
Paid through 10-2013**

Incurred Month	Paid Lag	Completion Factors				Rx
		NF	IP	OP	PROF	
6/1/2013	0	0.7277	0.6090	0.8396	0.8800	0.9758
5/1/2013	1	0.8531	0.5787	0.8336	0.8900	0.9917
4/1/2013	2	0.9874	0.5906	0.8676	0.9114	0.9931
3/1/2013	3	0.9915	0.7000	0.8697	0.9388	0.9964
2/1/2013	4	0.9950	0.7376	0.8914	0.9588	0.9977
1/1/2013	5	0.9965	0.7801	0.9183	0.9654	0.9978
12/1/2012	6	0.9972	0.8156	0.9380	0.9734	0.9985
11/1/2012	7	0.9989	0.8786	0.9582	0.9794	0.9987
10/1/2012	8	0.9993	0.9435	0.9680	0.9846	0.9993
9/1/2012	9	0.9998	0.9531	0.9733	0.9875	0.9996
8/1/2012	10	0.9999	0.9687	0.9821	0.9907	0.9996
7/1/2012	11	0.9999	0.9969	0.9857	0.9921	1.0000
6/1/2012	12	1.0000	0.9971	0.9878	0.9930	1.0000
5/1/2012	13	1.0000	0.9978	0.9891	0.9935	1.0000
4/1/2012	14	1.0000	0.9978	0.9902	0.9944	1.0000
3/1/2012	15	1.0000	0.9978	0.9916	0.9951	1.0000
2/1/2012	16	1.0000	0.9978	0.9925	0.9958	1.0000
1/1/2012	17	1.0000	0.9988	0.9928	0.9966	1.0000
12/1/2011	18	1.0000	0.9988	0.9933	0.9972	1.0000
11/1/2011	19	1.0000	0.9988	0.9941	0.9979	1.0000
10/1/2011	20	1.0000	0.9988	0.9953	0.9987	1.0000
9/1/2011	21	1.0000	1.0000	0.9981	0.9991	1.0000
8/1/2011	22	1.0000	1.0000	1.0000	0.9995	1.0000
7/1/2011	23	1.0000	1.0000	1.0000	1.0000	1.0000
6/1/2011	24	1.0000	1.0000	1.0000	1.0000	1.0000
5/1/2011	25	1.0000	1.0000	1.0000	1.0000	1.0000
4/1/2011	26	1.0000	1.0000	1.0000	1.0000	1.0000
3/1/2011	27	1.0000	1.0000	1.0000	1.0000	1.0000
2/1/2011	28	1.0000	1.0000	1.0000	1.0000	1.0000
1/1/2011	29	1.0000	1.0000	1.0000	1.0000	1.0000
12/1/2010	30	1.0000	1.0000	1.0000	1.0000	1.0000
11/1/2010	31	1.0000	1.0000	1.0000	1.0000	1.0000
10/1/2010	32	1.0000	1.0000	1.0000	1.0000	1.0000

Fiscal Year	Annual Completion Factors				
	NF	IP	OP	PROF	Rx
SFY13	0.9575	0.7321	0.8965	0.9421	0.9938
SFY12	1.0000	0.9914	0.9900	0.9947	0.9999
SFY11	1.0000	1.0000	0.9999	0.9999	1.0000

APPENDIX G

**Michigan Department of Community Health
Dual Eligible Integration Analysis
Seasonality Adjustment**

	Nursing (Tier 1)					NF Level of Care (Tier 2)					Community Well (Tier 3)				
	NF	IP	OP	Phys	Rx	NF	IP	OP	Phys	Rx	NF	IP	OP	Phys	Rx
December	1.037	1.229	0.901	0.647	0.823	0.824	0.805	0.902	0.875	0.733	1.020	0.9377	0.9271	0.6033	0.5766
November	1.021	0.789	0.923	0.712	0.852	0.944	1.442	0.939	0.898	0.764	0.935	0.9938	0.9270	0.6754	0.5991
October	1.022	1.244	1.049	0.776	0.796	1.072	0.499	0.854	0.920	0.667	0.947	1.0744	0.9263	0.7476	0.6181
September	1.005	1.410	1.042	0.840	0.928	1.224	0.968	0.934	0.943	0.786	0.988	1.0073	0.8948	0.8197	0.6177
August	0.968	0.766	0.942	0.904	0.964	1.133	0.930	0.948	0.966	0.860	0.979	0.9271	0.8922	0.8918	0.8615
July	1.014	1.064	1.110	0.968	1.022	0.915	0.921	1.019	0.989	1.148	1.043	0.8936	0.9782	0.9639	0.9578
June	0.977	0.788	1.069	1.032	1.015	1.086	1.047	1.089	1.011	0.931	1.001	0.9117	0.9761	1.0361	1.0344
May	0.998	0.994	0.973	1.096	1.001	0.945	1.317	1.016	1.034	0.961	1.009	1.1024	0.9771	1.1082	1.0662
April	0.988	0.844	1.008	1.160	0.989	1.101	1.422	0.971	1.057	1.041	1.003	1.0888	0.9716	1.1803	1.1054
March	0.987	1.142	1.007	1.224	1.137	1.111	0.837	1.003	1.080	1.095	1.028	1.2038	1.0348	1.2524	1.2876
February	0.971	0.725	0.945	1.288	1.149	0.786	0.992	1.081	1.102	1.500	0.987	0.6975	1.0943	1.3246	1.5556
January	1.012	1.004	1.030	1.353	1.323	0.860	0.821	1.244	1.125	1.516	1.060	1.1619	1.4006	1.3967	1.7200
SFY 2013 Adj	0.999	1.027	1.011	0.969	0.991	1.031	0.980	0.989	0.989	0.978	1.001	0.981	0.975	0.965	0.941

APPENDIX H

**Michigan Department of Community Health
CPD Summary - By Fiscal Year
Selection Factor Development**

Demonstration Region(s) : All

Covered Population(s) : Community Well (Tier 3)

Group(s) : All

Age Group : Under 65

Fiscal Year 2012											
Annual Cost Range	Unique Members	% Members	Member Months	% MMs	Avg Exposure	Total Cost	Avg PMPM	Projected Participation	Enrolled Members	Member Months	Avg PMPM
\$ 0 - \$ 0	9,976	18.0%	61,688	11.8%	6.2	-	\$ 0	60.0%	5,986	37,013	\$ 0
\$ 1 - \$ 100	17,938	32.3%	166,947	32.0%	9.3	880,635	5	60.0%	10,763	100,168	5
\$ 101 - \$ 500	12,448	22.4%	134,971	25.9%	10.8	2,565,958	19	60.0%	7,469	80,983	19
\$ 501 - \$ 1,000	2,267	4.1%	22,173	4.3%	9.8	1,643,112	74	60.0%	1,360	13,304	74
\$ 1,001 - \$ 2,500	4,117	7.4%	40,636	7.8%	9.9	7,198,198	177	60.0%	2,470	24,382	177
\$ 2,501 - \$ 5,000	5,174	9.3%	54,635	10.5%	10.6	18,996,090	348	45.0%	2,328	24,586	348
\$ 5,001 - \$ 7,500	2,242	4.0%	24,955	4.8%	11.1	13,361,728	535	40.0%	897	9,982	535
\$ 7,501 - \$ 10,000	662	1.2%	7,552	1.4%	11.4	5,661,010	750	40.0%	265	3,021	750
\$ 10,001 - \$ 25,000	609	1.1%	6,930	1.3%	11.4	8,222,296	1,186	40.0%	244	2,772	1,186
\$ 25,001 - \$ 50,000	58	0.1%	556	0.1%	9.6	1,993,891	3,586	45.0%	26	250	3,586
\$ 50,001 - \$ 100,000	32	0.1%	316	0.1%	9.9	2,127,378	6,732	50.0%	16	158	6,732
\$ 100,001 - \$ 150,000	7	0.0%	79	0.0%	11.3	849,547	10,754	60.0%	4	47	10,754
\$ 150,001 - \$ 200,000	1	0.0%	12	0.0%	12.0	159,227	13,269	60.0%	1	7	13,269
\$ 200,001 - \$ 249,999	1	0.0%	12	0.0%	12.0	220,264	18,355	60.0%	1	7	18,355
\$ 250,000 - and higher	-	0.0%	-	0.0%	-	-	-	60.0%	-	-	-
	55,532		521,462		9.4	\$ 63,879,335	\$ 123	57.3%	31,830	296,680	\$ 99 81.19%

Age Group : 65+

Fiscal Year 2012											
Annual Cost Range	Unique Members	% Members	Member Months	% MMs	Avg Exposure	Total Cost	Avg PMPM	Projected Participation	Enrolled Members	Member Months	Avg PMPM
\$ 0 - \$ 0	7,285	19.1%	47,790	13.2%	6.6	-	\$ 0	60.0%	4,371	28,674	\$ 0
\$ 1 - \$ 100	11,387	29.8%	111,480	30.8%	9.8	578,883	5	60.0%	6,832	66,888	5
\$ 101 - \$ 500	6,891	18.0%	74,386	20.5%	10.8	1,444,972	19	60.0%	4,135	44,632	19
\$ 501 - \$ 1,000	1,485	3.9%	13,714	3.8%	9.2	1,068,797	78	60.0%	891	8,228	78
\$ 1,001 - \$ 2,500	2,960	7.8%	28,352	7.8%	9.6	5,230,828	184	60.0%	1,776	17,011	184
\$ 2,501 - \$ 5,000	4,885	12.8%	50,981	14.1%	10.4	18,084,895	355	45.0%	2,198	22,941	355
\$ 5,001 - \$ 7,500	2,155	5.6%	23,774	6.6%	11.0	12,778,810	538	40.0%	862	9,510	538
\$ 7,501 - \$ 10,000	516	1.4%	5,677	1.6%	11.0	4,392,546	774	40.0%	206	2,271	774
\$ 10,001 - \$ 25,000	412	1.1%	4,074	1.1%	9.9	5,832,577	1,432	40.0%	165	1,630	1,432
\$ 25,001 - \$ 50,000	128	0.3%	1,167	0.3%	9.1	4,565,484	3,912	45.0%	58	525	3,912
\$ 50,001 - \$ 100,000	68	0.2%	792	0.2%	11.6	4,266,985	5,388	50.0%	34	396	5,388
\$ 100,001 - \$ 150,000	3	0.0%	36	0.0%	12.0	364,914	10,137	60.0%	2	22	10,137
\$ 150,001 - \$ 200,000	3	0.0%	33	0.0%	11.0	521,858	15,814	60.0%	2	20	15,814
\$ 200,001 - \$ 249,999	-	0.0%	-	0.0%	-	-	-	60.0%	-	-	-
\$ 250,000 - and higher	-	0.0%	-	0.0%	-	-	-	60.0%	-	-	-
	38,178		362,256		9.5	\$ 59,131,548	\$ 163	56.4%	21,532	202,748	\$ 133 81.77%