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August 3, 2010

Ms. Michele Hudson
Bureau Chief
State of Florida Agency for Health Care Administration
Medicaid Program Analysis
2727 Mahan Drive – Mailstop 21
Tallahassee, FL 32308-5407

Re: Prepaid Mental Health Plan Capitation Rate Development – DRAFT

Dear Michele:

Thank you for the opportunity to assist the Agency for Health Care Administration (AHCA) with this important project. Our draft report summarizes the development of the September 1, 2010 – August 31, 2011 capitation rates for the Prepaid Mental Health Plan program. Please call me if you have questions. We look forward to discussing the report with you.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Meerschaert", with a long horizontal flourish extending to the right.

John D. Meerschaert
Principal and Consulting Actuary

JDM/vrr

Attachments



**State of Florida
Agency for Health Care Administration
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rate Development
DRAFT REPORT**

DRAFT

Prepared for:
State of Florida

Prepared by:
Milliman, Inc.

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D:	Statewide Age Factor Calculation
E:	Actuarial Certification of September 1, 2010 – August 31, 2011 Prepaid Mental Health Program Capitation Rates

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This report assumes that the reader is familiar with the State of Florida's Medicaid program, its benefits, and rate setting principles. The material was prepared solely to provide assistance to AHCA to set September 1, 2010 – August 31, 2011 capitation rates for this program. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety

State of Florida – Agency for Health Care Administration
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rate Development

August 3, 2010

I. EXECUTIVE SUMMARY

This draft report documents the development of September 1, 2010 – August 31, 2011 capitation rates for Florida's Medicaid Prepaid Mental Health Plan (PMHP) program.

The Florida Agency for Health Care Administration (AHCA) retained Milliman, Inc. (Milliman) to develop and certify its capitation rate development. Milliman's role is to calculate and certify actuarially sound September 1, 2010 – August 31, 2011 capitation rates to comply with CMS regulations and the CMS rate setting checklist.

This report documents the development of the September 1, 2010 – August 31, 2011 PMHP capitation rates. Appendix A shows a comparison of the September 1, 2010 – August 31, 2011 to the September 1, 2009 – August 31, 2010 PMHP capitation rates. The September 1, 2010 – August 31, 2011 PMHP capitation rate calculations are displayed in Appendices B through D. Appendix E contains our actuarial certification.

Section II of this report documents the PMHP capitation rate methodology. Section III discusses the encounter data processing and validation. Section IV discusses issues related to the CMS rate setting checklist.

PMHP BACKGROUND

PMHPs cover comprehensive mental health services for eligible Medipass enrollees and FFS recipients. The following eligibility categories are eligible to enroll in the PMHPs:

- > TANF / AFDC and General Assistance
- > OBRA Children
- > Foster Care
- > SSI No Medicare

Medipass enrollees and FFS recipients who have certain characteristics are not eligible to enroll in the PMHPs, such as:

- > Dual eligibles
- > HMO Ineligible, Medically Needy, Pregnant Women, Medikids, and Family Planning
- > HMO Enrollees
- > Individuals identified as receiving selected services (e.g., nursing home)
- > Individuals enrolled in certain Florida Medicaid programs (e.g., SIPP)

The PMHPs cover the following mental health services based on AHCA procedure and diagnosis information:

- > Hospital Inpatient
- > Hospital Outpatient
- > Physician

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- > Community Mental Health
- > Hospital Inpatient Over 45 Days
- > Case Management
- > TFC – Case Management
- > TFC – Community Mental Health

SEPTEMBER 1, 2010 – AUGUST 31, 2011 CAPITATION RATES

Appendix A provides a comparison of the September 1, 2010 – August 31, 2011 capitation rates by District to the September 1, 2009 – August 31, 2010 capitation rates. On a statewide basis, the capitation rates changes are:

- > 3.8% for the TANF population,
- > -10.1% for the SSI No Medicare population, and
- > -6.3% for the combined TANF and SSI No Medicare population

The capitation rate change by district varied by:

- > -14.1% to +22.9% for the TANF population,
- > -18.1% to +2.9% for the SSI No Medicare population, and
- > -13.6% to +2.2% for the combined TANF and SSI No Medicare population.

It is important to note that the September 2010 – August 2011 capitation rates are based on 100% encounter data in all districts. In prior years, the rates were calculated based on a blend of encounter data and FFS / Medipass data. In some districts (specifically, Districts 4 and 9 for TANF and Districts 2 and 4 for SSI), the FFS rates were significantly different than the encounter rates. In these districts, the capitation rate changes (increases for TANF and decreases for SSI) are also significant, reflecting the movement to capitation rates based on 100% encounter data.

FUTURE DIRECTION OF RATE SETTING METHODOLOGY

Now that PMHPs are operating in all districts, Medipass and FFS experience data has continued to age statewide. The September 1, 2010 – August 31, 2011 capitation rates are based on 100% encounter data submitted by the PMHPs.

AHCA will continue to collect and use encounter and cost data in the rate setting methodology for PMHP capitation rates in future years. AHCA is committed to working with the PMHPs, CWPMHPs, and HMOs to collect and use credible encounter and cost data in the rate setting process in future years.

DATA RELIANCE AND IMPORTANT CAVEATS

We used encounter cost and eligibility data for SFY 0809, inflation factors, IBNR factors, and administrative load factors to calculate the PMHP capitation rates shown in this report. We did not audit the encounter data provided by AHCA, but we did assess the data for reasonableness as documented in this report. If the data used is inaccurate or incomplete, the results will be likewise inaccurate or incomplete.

This report assumes that the reader is familiar with the State of Florida's Medicaid program, its benefits, and rate setting principles. The material was prepared solely to provide assistance to AHCA to set September 1, 2010 – August 31, 2011 capitation rates for this program. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety

Differences between the capitation rates and actual experience will depend on the extent to which future experience conforms to the assumptions made in the capitation rate calculations. It is certain that actual experience will not conform exactly to the assumptions used. Actual amounts will differ from projected amounts to the extent that actual experience is better or worse than expected.

Our report is intended for the internal use of AHCA to develop September 1, 2010 – August 31, 2011 PMHP capitation rates. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. It should only be reviewed in its entirety.

The results of this report are technical in nature and are dependent upon specific assumptions and methods. No party should rely on these results without a thorough understanding of those assumptions and methods. Such an understanding may require consultation with qualified professionals.

The terms of Milliman's contract with AHCA signed on February 5, 2008, and all subsequent amendments, apply to this report and its use.

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II. PMHP CAPITATION RATE METHODOLOGY

This section of our report describes the September 1, 2010 – August 31, 2011 PMHP capitation rate methodology. The capitation rates are based on SFY 0809 encounter data submitted by the PMHPs.

The methodology used to collect, process, and validate the encounter data submitted by the PMHPs is described in Section III of this report.

RESULTS

Table 1 summarizes September 1, 2010 – August 31, 2011 capitation rates compared to the September 1, 2009 – August 31, 2010 capitation rates.

Appendix A summarizes the capitation rate changes from September 1, 2009 – August 31, 2010 to September 1, 2010 – August 31, 2011 by age category.

Table 1 Summary of Results Prepaid Mental Health Capitation Rates			
Eligibility Category	September 2009 – August 2010 Rates *	September 2010 – August 2011 Rates *	Rate Change
District 1			
TANF	\$10.05	\$10.04	-0.1%
SSI	118.93	122.44	2.9%
District 2			
TANF	\$12.68	\$12.82	1.1%
SSI	80.31	65.74	-18.1%
District 3			
TANF	\$9.78	\$10.05	2.8%
SSI	78.80	78.37	-0.5%
District 4			
TANF	\$10.82	\$13.30	22.9%
SSI	92.24	82.47	-10.6%
District 5			
TANF	\$11.42	\$12.11	6.1%
SSI	105.14	96.30	-8.4%
District 6 without HomeSafeNet Kids			
TANF	\$7.33	\$7.41	1.0%
SSI	72.53	64.09	-11.6%
District 6 with HomeSafeNet Kids			
TANF	\$10.21	\$8.77	-14.1%
SSI	74.91	64.90	-13.4%

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**Table 1
Summary of Results
Prepaid Mental Health Capitation Rates**

Eligibility Category	September 2009 – August 2010 Rates *	September 2010 – August 2011 Rates *	Rate Change
District 7			
TANF	\$11.89	\$13.02	9.5%
SSI	90.09	75.69	-16.0%
District 8			
TANF	\$7.05	\$7.52	6.7%
SSI	63.56	56.24	-11.5%
District 9			
TANF	\$11.87	\$13.40	12.9%
SSI	90.46	74.14	-18.0%
District 11			
TANF	\$12.74	\$13.02	2.2%
SSI	140.78	126.84	-9.9%

** All rates are composited using the case months by age category to allow for consistent comparisons by eligibility category.*

OVERVIEW OF METHODOLOGY STEPS

The PMHP blended method consists of the following steps:

1. Identify age bands for each eligibility category
2. Calculate estimated September 2010 – August 2011 encounter data costs by eligibility category and district
3. Calculate statewide age factors by age band and eligibility category
4. Perform cost smoothing to address historical cost anomalies in the experience data
5. Apply statewide age factors

STEP 1: IDENTIFY AGE BANDS

The September 1, 2010 – August 31, 2011 capitation rates calculations are based on the same age bands used in prior years. Table 2 presents the age bands used for each eligibility category in the September 1, 2010 – August 31, 2011 capitation rate methodology.

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Table 2 PMHP Methodology Age Bands by Eligibility Category	
TANF / AFDC (Includes OBRA Children and Foster Care)	
Under 1	14 – 20
1 – 5	21 – 54
6 – 13	55 and Over
SSI – No Medicare	
Under 1	14 – 20
1 – 5	21 – 54
6 – 13	55 and Over

The TANF, OBRA Children, and Foster Care eligibility groups are combined into one “TANF” eligibility group.

STEP 2: CALCULATE ESTIMATED SEPTEMBER 1, 2010 – AUGUST 31, 2011 ENCOUNTER DATA COSTS BY DISTRICT

In Step 2, all age band costs are combined to develop the all ages district-wide estimated costs for the PMHP services by eligibility category.

The Step 2 procedure is summarized below:

1. Summarize the SFY 0809 encounter data costs per eligible per month (PEPM) for each district by eligibility category and service category for all PMHP covered service categories.
 - > HomeSafeNet Kids are covered under the PMHPs in Districts 1 and 6 with the exception of Hillsborough County. HomeSafeNet Kids are not covered by the PMHPs in Districts 2 – 5, 7 – 9, and 11.
2. Trend SFY 0809 encounter data costs PEPM to September 2010 – August 2011. The trend factors are established by the Florida Estimating Conference to reflect anticipated utilization and allowed charge trend and are used for budgeting as well as rate setting. Milliman reviewed the trend factors for reasonableness.
 - > We decreased the SFY 0809 to 1011 inflation factor for hospital inpatient and CSU from 1.0878 to 1.0750 for TANF and from 1.3009 to 1.1002 for SSI.
 - > We increased the SFY 0809 to 1011 inflation factor for physician services from 1.0000 to 1.0704 for TANF and decreased the inflation factor from 1.3417 to 1.1512 for SSI.
 - > We increased the Community Mental Health and Case Management inflation factors for children to equal those used for adults for SFY 0809 to September 2010 – August 2011.

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- > We believe that the adjusted inflation factors represent the expected change in per capita cost between SFY 0809 and September 2010 – August 2011.
3. Adjust the projected September 2010 – August 2011 costs for the following:
- > **PMHP Administrative Costs:** We added a 13% allowance (as a percentage of the capitation rate) for PMHP administrative services. The encounter data rate must include an allowance for administrative service because it is based on the actual utilization of services by PMHP enrollees. We selected a 13% administration load based on typical administrative costs of behavioral health organizations across the country, a 2% of revenue margin allowance, and our judgment.
 - > **Incurred But Not Reported (IBNR) Claims:** AHCA estimated an additional 2.17% of claims are paid after each year's data is summarized. AHCA summarizes each SFY of data six months after it ends. For example, SFY 0809 data includes claims paid through December 31, 2009. The IBNR adjustment reflects an estimate of the claims that will be paid after December 31, 2009 for SFY 0809 incurred claims. We assumed the PMHP encounter data would have a similar IBNR factor.
 - > **Data Underreporting Adjustment:** In prior years, we used a data underreporting adjustment of 1.05 for all districts to recognize that the PMHP encounter data may not have been 100% complete. In the current rates, we used a factor of 1.000 since we expect the encounter data to be complete.

Incorporating these three adjustments produces an overall capitation rate for each district and eligibility category in total. Appendices C1 and C2 present the detailed September 2010 – August 2011 encounter data cost estimates.

STEP 3: CALCULATE STATEWIDE AGE FACTORS

The September 1, 2010 – August 31, 2011 methodology sets the cost relativities among age bands using statewide encounter data. The district-wide rate by eligibility category is based on district-specific total costs, but the relationships between age bands are standardized to statewide relativities.

In Step 2, all age band costs are combined to develop the all ages statewide estimated costs for the PMHP services. In Step 3, we calculate age factors for the age categories shown in Table 2 based on statewide data. In Step 4, the district specific total costs are allocated by age category based on the statewide relativities. The methodology used to calculate the statewide age factors is described below:

1. Summarize the SFY 0809 encounter data cost by eligibility, age, and service category for all PMHP covered service categories and trend to September 2010 – August 2011 using the trends described in Step 2 above.
2. Calculate the statewide age factors based on the ratio of the composite September 2010 - August 2011 PEPM cost in each age category relative to the total weighted average cost for all age categories combined.

The development of the statewide age factors is shown in Appendices D1 and D2.

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STEP 4: PERFORM COST SMOOTHING BY DISTRICT

The September 1, 2010 – August 31, 2011 methodology includes a cost smoothing component to address historical cost anomalies in the experience data. The cost smoothing procedure is summarized below:

1. Summarize the September 1, 2010 – August 31, 2011 costs PEPM from Step 2 above by District.
2. Calculate the average age factor for each District based on the statewide age factors from Step 3 above.
3. Calculate the average reimbursement factor for each District based on the SFY 0809 encounter data used to develop the rates. The average reimbursement factor reflects the observed differences in hospital inpatient and hospital outpatient reimbursement levels for the services provided in each District. We assumed other services are paid using the same statewide fee schedule.
4. Normalize the September 1, 2010 – August 31, 2011 blended cost by District for each District's average age factor and average reimbursement factor. This step puts each District's costs on the same basis so that a consistent comparison can be made.
5. We adjusted the normalized September 1, 2010 – August 31, 2011 blended costs of those Districts that were greater than 20% above or below the average in the following way:
 - > If a District has costs that are over 120% of the average, adjust that District's costs to be 50% closer to the 120% goal.
 - > If a District has costs that are less than 80% of the average, adjust that District's costs to be 50% closer to the 80% goal.

For the TANF rate, increases were made to Districts 1, 6 and 8 and decreases were made to Districts 9 and 11. For the SSI No Medicare rate, increases were made to Districts 2, 3, 4, 6, 8, and 9 and decreases were made to Districts 1 and 11.

6. The preliminary smoothed results are adjusted back to each District's age and reimbursement factor.
7. The final September 1, 2010 – August 31, 2011 PMPM is adjusted to be equal to the average September 1, 2010 – August 31, 2011 PMPM prior to the smoothing step so that the entire cost smoothing step is revenue neutral on a statewide basis (i.e., AHCA is expected to pay out the same amount in capitation payments on a statewide basis whether the smoothing step is done or not).

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The impact of this adjustment is shown as the Budget Neutrality Factor of 0.9892 for TANF and 1.0245 for SSI No Medicare in Appendix B2. Budget neutrality is demonstrated by comparing the trended September 1, 2010 – August 31, 2011 composite PMPM in Appendix B2 prior to and after the smoothing step.

The smoothing step is performed using District specific costs excluding HomeSafeNet Kids to ensure the comparison is done on a consistent basis. The resulting smoothing adjustments and Budget Neutrality factors for District 1 and 6 are then applied to the District 1 and 6 capitation rates including the HomeSafeNet Kids.

Appendix B2 presents the cost smoothing step.

STEP 5: APPLY STATEWIDE AGE FACTORS

The final capitation rates by district and age band are calculated using the following process:

1. Start with the district-specific September 2010 – August 2011 cost calculated in Step 4 for each district.
2. Develop the District's average age factor using the SFY 0809 enrollment and statewide age factors calculated in Step 3.
3. Normalize the age factors by dividing by the average age factor for each district.
4. Multiply the district-specific September 2010 – August 2011 estimated costs by the normalized age factors to calculate the age band rate for each district.

The Step 5 details are shown in Appendix B1.

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III. ENCOUNTER DATA PROCESSING AND VALIDITY TESTING

The September 2010 – August 2011 PMHP capitation rates are based on SFY 0809 encounter data submitted by the PMHPs. This section of the report describes the process of collecting and processing the encounter data used for the capitation rates. This is the same general methodology we used in prior years.

In early 2010, AHCA worked with the PMHPs to collect a standard set of SFY 0809 encounter data to be used in the rate setting methodology. The data was forwarded to Milliman to be considered for use in the September 2010 – August 2011 rate methodology. We worked with the plans to provide encounter data summaries and identify data reporting issues.

The first step was to process the encounter data to allow for validation comparisons by eligibility group and service category. We received eligibility information to group claims and case months by eligibility category, and age category.

AHCA provided several validation tests with the encounter data. We used the following validity tests to determine which claims to allow into the data used for rate-setting:

- > Claims must be for a recipient who is enrolled in a PMHP or an HMO.
- > Claims must have appropriate diagnosis coding indicating a mental health claim based on AHCA coding definitions. However, claims for covered services (i.e., obvious mental health procedure codes) without appropriate diagnosis coding were not removed.
- > Claims for non-hospital inpatient laboratory services were removed.
- > Duplicate claims were removed.

Most PMHPs and HMOs provided paid claims information in their encounter data submission. We used the paid amounts reported by the PMHPs and HMOs in their encounter data whenever possible. We assigned estimated paid amounts to encounters reported with \$0 payments using the following five fee schedules (in order of precedence):

1. We priced hospital stays with a \$0 reported paid amount using the HMO's or PMHP's average reported per diem by district.
2. The second fee schedule was AHCA's fiscal year specific FFS Medicaid fee schedule. We assigned Florida Medicaid fees to claims using a combination of the procedure code and the first and second modifier codes.
3. The third fee schedule was also based on AHCA's fiscal year specific Medicaid fee schedule, but the modifier-specific fees were averaged for each procedure code. We applied the second fee schedule to the \$0 encounter claims if we could not match both procedure code and modifier code(s).

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4. We developed the fourth fee schedule by procedure code based on the submitted PMHP and HMO encounter data that included fees.
5. The fifth fee schedule by revenue code is developed from the encounter data from the PMHPs and HMOs that included fees.

After we cycled through all five fee schedules, approximately 0.2% of PMHP and HMO encounter claims remained with a \$0 payment. We excluded these remaining encounter claims.

We also performed the following types of validity tests to determine the credibility of the submitted encounter data:

- > *Assessment of average reimbursement per unit of service.* We noticed the HMOs and PMHPs generally reimburse hospital inpatient services at a lower rate than the FFS Medicaid per diems. The HMO and PMHP hospital inpatient payment rates are more in line with typical Medicaid and commercial per diems for mental health services, while FFS Medicaid pays an all inclusive per diem rate per hospital. Other reimbursement rates also appeared to be reasonable. In cases where an HMO's unit reimbursement was an outlier from the other HMOs, we repriced that HMO's claims to a more appropriate unit reimbursement.
- > *Cost relationships by eligibility category and year.* We compared the PMPM encounter costs and determined that the relationships between categories appeared reasonable.
- > *Consistency of PMPM costs of PMHPs and HMOs.* Both the PMHPs and HMOs reported all mental health services provided to their covered populations. In general, PMHPs report higher costs than the HMOs report.

We did not audit the encounter data provided by AHCA, but we did assess the data for reasonableness as documented in this report. If the data used is inaccurate or incomplete, the results will be likewise inaccurate or incomplete.

This report assumes that the reader is familiar with the State of Florida's Medicaid program, its benefits, and rate setting principles. The material was prepared solely to provide assistance to AHCA to set September 1, 2010 – August 31, 2011 capitation rates for this program. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety

IV. CMS RATE SETTING CHECKLIST ISSUES

This section of the report lists each item in the CMS checklist and either discusses how AHCA addresses each issue or directs the reader to other parts of this report. CMS uses the rate setting checklist to review and approve a state's Medicaid capitation rates.

AA.1.0 – Overview of rate setting methodology

Please refer to Sections II and III of this report.

AA.1.1 – Actuarial certification

Please refer to Appendix E for our actuarial certification of the September 1, 2010 – August 31, 2011 capitation rates.

AA.1.2 – Projection of expenditures

AHCA will provide a projection of expenditures based on the capitation rates in this report and projected enrollment.

AA.1.3 – Procurement, prior approval, and rate setting

AHCA develops state set rates. Please refer to Sections II and III of this report for details.

Note – there is no item AA.1.4 in the checklist

AA.1.5 – Risk contracts

The PMHP meet the criteria of a risk contract.

AA.1.6 – Limit on payment to other providers

It is our understanding no payment is made to a provider other than the PMHP for services available under the contract.

AA.1.7 – Rate modifications

The September 1, 2010 – August 31, 2011 rates documented in this report are the initial capitation rates for the September 1, 2010 – August 31, 2011 PMHP contracts.

AA.2.0 – Base year utilization and cost data

The capitation rates are based on SFY 0809 encounter data submitted by the PMHPs.

The capitation rates are developed to reflect the cost of State Plan services that are covered under the PMHP contracts.

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AA.2.1 – Medicaid eligibles under the contract

Data for FFS populations not eligible to enroll in a PMHP has been excluded from the base data.

AA.2.2 – Dual eligibles

Dual eligibles are not able to enroll in a PMHP.

AA.2.3 – Spend down

It is our understanding spend down has been handled appropriately.

AA.2.4 – State Plan services only

The base utilization and cost data includes only State Plan services.

AA.2.5 – Services that may be covered by a capitated entity out of contract savings

Services that may be covered by a capitated entity out of contract savings are not included in the data used to develop the September 1, 2010 – August 31, 2011 capitation rates.

AA.3.0 – Adjustments to base year data

All adjustments to the base year data are discussed in Sections II and III and shown in Appendices B and C of this report. In addition, each item in the checklist is addressed in Items AA.3.1 – AA.3.14 below.

AA.3.1 – Benefit differences

It is our understanding the base data used to calculate the capitation rates only includes services covered under the managed care contracts.

AA.3.2 – Administrative cost allowance calculations

The capitation rates include an explicit 13% load for administration and margin.

AA.3.3 – Special population adjustments

The encounter base data used to calculate the capitation rates is assumed to be consistent with the managed care population. No special population adjustment was necessary.

AA.3.4 – Eligibility adjustments

We believe the base data eligibility is representative of managed care enrollment.

AA.3.5 – DSH payments

DSH payments are not included in the capitation rates.

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AA.3.6 – Third party liability (TPL)

The CWPMHP rates are based 100% on encounter data that is net of any TPL recoveries, therefore no adjustment was made.

AA.3.7 – Copayments, coinsurance, and deductibles in capitated rates

It is our understanding the base data does not include cost sharing that is not part of the managed care contract. No adjustment was necessary.

AA.3.8 – Graduate medical education (GME)

It is our understanding GME payments are excluded from the base data. No adjustment was necessary.

AA.3.9 – FQHC and RHC reimbursement

It is our understanding FQHC and RHC reimbursement has been handled appropriately. No adjustment was necessary.

AA.3.10 – Medical cost trend inflation

The trend factors are established by the Florida Estimating Conference to reflect anticipated utilization and allowed charge trend and are used for budgeting as well as rate setting. Milliman reviewed the trend factors for reasonableness.

- > We decreased the SFY 0809 to 1011 inflation factor for hospital inpatient and CSU from 1.0878 to 1.0750 for TANF and from 1.3009 to 1.1002 for SSI.
- > We increased the SFY 0809 to 1011 inflation factor for physician services from 1.0000 to 1.0704 for TANF and decreased the inflation factor from 1.3417 to 1.1512 for SSI.
- > We increased the Community Mental Health and Case Management inflation factors for children to equal those used for adults for SFY 0809 to September 2010 - August 2011.
- > We believe that the adjusted inflation factors represent the expected change in per capita cost between SFY 0809 and September 2010 – August 2011.

AA.3.11 – Utilization adjustments

Utilization trend is included in AA.3.10. No further adjustment was necessary.

AA.3.12 – Utilization and cost assumptions

We believe the base period data is representative of PMHP enrollment.

AA.3.13 – Post-eligibility treatment of income (PETI)

Not applicable.

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AA.3.14 – Incomplete data adjustment

The capitation rates include a 1.0217 adjustment to reflect IBNR claims.

AA.4.0 – Establish rate category groupings

Please refer to Section II of this report.

AA.4.1 – Age

Please refer to Section II of this report.

AA.4.2 – Gender

Please refer to Section II of this report.

AA.4.3 – Locality / Region

Please refer to Sections I and II of this report.

AA.4.4 – Eligibility Categories

Please refer to Sections I and II of this report.

AA.5.0 – Data Smoothing

The September 1, 2010 – August 31, 2011 methodology includes a cost smoothing component to address historical cost anomalies and random fluctuation in the experience data. We adjusted the normalized September 1, 2010 – August 31, 2011 costs of those Districts that were greater than 20% above or below the average in the following way:

- > If a District has costs that are over 120% of the average, adjust that District's costs to be 50% closer to the 120% goal.
- > If a District has costs that are less than 80% of the average, adjust that District's costs to be 50% closer to the 80% goal.

Cost smoothing is done on a revenue neutral basis (i.e., AHCA is expected to pay out the same amount in capitation payments on a statewide basis whether the smoothing step is done or not). See Section II – Step 4 of the report for more details.

AA.5.1 – Special populations and assessment of the data for distortions

We did not identify any material distortions caused by special populations.

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AA.5.2 – Cost-neutral data smoothing adjustment

The September 1, 2010 – August 31, 2011 methodology includes a cost smoothing component to address historical cost anomalies and random cost fluctuation in the experience data. We adjusted the normalized September 1, 2010 – August 31, 2011 costs of those Districts that were greater than 20% above or below the average in the following way:

- > If a District has costs that are over 120% of the average, adjust that District's costs to be 50% closer to the 120% goal. This is consistent with the smoothing step in prior years.
- > If a District has costs that are less than 80% of the average, adjust that District's costs to be 50% closer to the 80% goal.

Cost smoothing is done on a revenue neutral basis (i.e., AHCA is expected to pay out the same amount in capitation payments on a statewide basis whether the smoothing step is done or not). See Section II – Step 4 of the report for more details.

AA.5.3 – Risk adjustment

AHCA did not use a health status or diagnosis based risk adjustment technique. The only risk adjustment technique used was age.

AA.6.0 – Stop loss, reinsurance, or risk sharing arrangements

None

AA.6.1 – Commercial reinsurance

AHCA does not require entities to purchase commercial reinsurance.

AA.6.2 – Simple stop loss program

None

AA.6.3 – Risk corridor program

None

AA.7.0 – Incentive arrangements

None

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APPENDIX A

**Comparison of September 1, 2010 – August 31, 2011 to
September 1, 2009 – August 31, 2010
Prepaid Mental Health Plan Capitation Rates**

DRAFT

This report assumes that the reader is familiar with the State of Florida's Medicaid program, its benefits, and rate setting principles. The material was prepared solely to provide assistance to AHCA to set September 1, 2010 – August 31, 2011 capitation rates for this program. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety

State of Florida – Agency for Health Care Administration
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rate Development

August 3, 2010

Appendix A
Florida Agency for Health Care Administration
Capitation Rate Comparison
September 1, 2009 - August 31, 2010 and September 1, 2010 - August 31, 2011

Eligibility Category: TANF

District: 1

Includes Home SafeNet Kids

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	15,087	0.04	0.05	6.2%
1 - 5	94,106	2.67	2.79	4.5%
6 - 13	92,793	17.73	16.49	-7.0%
14 - 20	41,295	16.35	16.08	-1.7%
21 - 54	29,426	5.83	9.56	64.1%
55 +	389	5.11	9.29	81.7%
Composite	273,096	10.05	10.04	-0.1%

Eligibility Category: TANF

District: 2

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	23,517	0.03	0.06	69.4%
1 - 5	125,465	2.81	3.56	26.7%
6 - 13	126,212	22.27	21.08	-5.3%
14 - 20	58,466	21.47	20.55	-4.3%
21 - 54	52,298	9.09	12.22	34.3%
55 +	404	7.99	11.87	48.6%
Composite	386,362	12.68	12.82	1.1%

Eligibility Category: TANF

District: 3

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	46,542	0.03	0.05	71.7%
1 - 5	233,340	2.15	2.76	28.5%
6 - 13	242,660	17.01	16.32	-4.1%
14 - 20	122,483	16.40	15.91	-3.0%
21 - 54	115,491	6.95	9.46	36.2%
55 +	1,655	6.10	9.19	50.6%
Composite	762,171	9.78	10.05	2.8%

Eligibility Category: SSI - No Medicare

District: 1

Includes Home SafeNet Kids

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	277	0.14	0.03	-77.6%
1 - 5	4,891	16.81	16.14	-4.0%
6 - 13	12,297	106.62	81.38	-23.7%
14 - 20	10,356	96.95	83.20	-14.2%
21 - 54	32,553	168.83	178.83	5.9%
55 +	13,377	65.63	94.73	44.3%
Composite	73,751	118.93	122.44	2.9%

Eligibility Category: SSI - No Medicare

District: 2

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	501	0.10	0.02	-82.8%
1 - 5	6,607	10.99	8.95	-18.6%
6 - 13	18,197	69.23	45.16	-34.8%
14 - 20	15,531	64.24	46.17	-28.1%
21 - 54	40,009	120.18	99.23	-17.4%
55 +	19,227	46.71	52.57	12.5%
Composite	100,072	80.31	65.74	-18.1%

Eligibility Category: SSI - No Medicare

District: 3

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	707	0.10	0.02	-79.2%
1 - 5	11,044	10.58	10.39	-1.8%
6 - 13	31,187	66.64	52.39	-21.4%
14 - 20	30,200	61.83	53.56	-13.4%
21 - 54	83,774	115.67	115.12	-0.5%
55 +	41,026	44.96	60.99	35.6%
Composite	197,938	78.80	78.37	-0.5%

Appendix A
Florida Agency for Health Care Administration
Capitation Rate Comparison
September 1, 2009 - August 31, 2010 and September 1, 2010 - August 31, 2011

Eligibility Category: TANF
 District: 4

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	15,624	0.03	0.06	106.9%
1 - 5	75,054	2.37	3.66	54.8%
6 - 13	78,988	18.75	21.68	15.6%
14 - 20	37,128	18.08	21.13	16.9%
21 - 54	28,714	7.66	12.57	64.1%
55 +	343	6.73	12.21	81.5%
Composite	235,851	10.82	13.30	22.9%

Eligibility Category: TANF
 District: 5

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	13,416	0.03	0.05	79.6%
1 - 5	67,779	2.40	3.23	34.4%
6 - 13	78,254	19.05	19.12	0.4%
14 - 20	36,956	18.37	18.64	1.5%
21 - 54	24,148	7.78	11.08	42.4%
55 +	444	6.84	10.77	57.5%
Composite	220,997	11.42	12.11	6.1%

Eligibility Category: TANF
 District: 6
 Excludes Home SafeNet Kids

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	32,167	0.02	0.03	69.9%
1 - 5	176,611	1.62	2.06	27.1%
6 - 13	173,132	12.86	12.21	-5.0%
14 - 20	82,087	12.40	11.90	-4.0%
21 - 54	60,800	5.25	7.08	34.8%
55 +	919	4.61	6.88	49.0%
Composite	525,716	7.33	7.41	1.0%

Eligibility Category: SSI - No Medicare
 District: 4

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	253	0.12	0.02	-81.1%
1 - 5	3,328	12.63	11.28	-10.7%
6 - 13	10,773	79.55	56.88	-28.5%
14 - 20	10,015	73.82	58.16	-21.2%
21 - 54	22,405	138.09	125.00	-9.5%
55 +	10,836	53.68	66.22	23.4%
Composite	57,610	92.24	82.47	-10.6%

Eligibility Category: SSI - No Medicare
 District: 5

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	451	0.13	0.03	-80.8%
1 - 5	6,349	14.69	13.35	-9.2%
6 - 13	15,213	92.53	67.31	-27.3%
14 - 20	13,377	85.86	68.82	-19.9%
21 - 54	32,801	160.61	147.91	-7.9%
55 +	17,527	62.43	78.36	25.5%
Composite	85,718	105.14	96.30	-8.4%

Eligibility Category: SSI - No Medicare
 District: 6
 Excludes Home SafeNet Kids

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	1,082	0.10	0.02	-81.3%
1 - 5	15,069	10.65	9.40	-11.7%
6 - 13	33,822	67.05	47.42	-29.3%
14 - 20	27,835	62.22	48.48	-22.1%
21 - 54	54,555	116.39	104.20	-10.5%
55 +	33,361	45.24	55.20	22.0%
Composite	165,724	72.53	64.09	-11.6%

Appendix A
Florida Agency for Health Care Administration
Capitation Rate Comparison
September 1, 2009 - August 31, 2010 and September 1, 2010 - August 31, 2011

Eligibility Category: TANF

District: 6

Includes Home SafeNet Kids

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	32,822	0.04	0.04	-8.9%
1 - 5	182,183	2.73	2.44	-10.4%
6 - 13	176,984	18.13	14.46	-20.2%
14 - 20	85,795	16.72	14.10	-15.7%
21 - 54	60,817	5.96	8.38	40.8%
55 +	919	5.23	8.14	55.8%
Composite	539,520	10.21	8.77	-14.1%

Eligibility Category: TANF

District: 7

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	20,787	0.03	0.06	85.9%
1 - 5	93,847	2.50	3.47	39.1%
6 - 13	109,737	19.79	20.57	3.9%
14 - 20	52,850	19.08	20.05	5.1%
21 - 54	30,644	8.08	11.92	47.5%
55 +	456	7.10	11.58	63.1%
Composite	308,321	11.89	13.02	9.5%

Eligibility Category: TANF

District: 8

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	43,295	0.02	0.04	79.5%
1 - 5	161,936	1.67	2.25	34.3%
6 - 13	142,947	13.27	13.31	0.3%
14 - 20	62,617	12.79	12.98	1.4%
21 - 54	44,096	5.42	7.72	42.4%
55 +	812	4.76	7.50	57.4%
Composite	455,703	7.05	7.52	6.7%

Eligibility Category: SSI - No Medicare

District: 6

Includes Home SafeNet Kids

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	1,105	0.10	0.02	-80.8%
1 - 5	15,637	11.66	9.58	-17.9%
6 - 13	34,710	73.98	48.30	-34.7%
14 - 20	28,815	67.26	49.38	-26.6%
21 - 54	54,580	117.14	106.13	-9.4%
55 +	33,361	45.54	56.22	23.5%
Composite	168,208	74.91	64.90	-13.4%

Eligibility Category: SSI - No Medicare

District: 7

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	814	0.12	0.02	-82.0%
1 - 5	11,990	13.06	11.11	-14.9%
6 - 13	32,797	82.24	56.04	-31.9%
14 - 20	28,620	76.31	57.30	-24.9%
21 - 54	47,808	142.75	123.15	-13.7%
55 +	25,109	55.49	65.24	17.6%
Composite	147,138	90.09	75.69	-16.0%

Eligibility Category: SSI - No Medicare

District: 8

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	648	0.09	0.02	-81.6%
1 - 5	7,269	9.43	8.19	-13.2%
6 - 13	14,807	59.39	41.31	-30.4%
14 - 20	11,820	55.11	42.23	-23.4%
21 - 54	27,192	103.08	90.77	-11.9%
55 +	20,376	40.07	48.09	20.0%
Composite	82,112	63.56	56.24	-11.5%

Appendix A
Florida Agency for Health Care Administration
Capitation Rate Comparison
September 1, 2009 - August 31, 2010 and September 1, 2010 - August 31, 2011

Eligibility Category: TANF
 District: 9

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	49,655	0.03	0.06	90.4%
1 - 5	223,431	2.76	3.93	42.4%
6 - 13	198,911	21.85	23.25	6.4%
14 - 20	88,114	21.07	22.66	7.6%
21 - 54	56,993	8.92	13.47	51.0%
55 +	1,028	7.84	13.09	67.0%
Composite	618,132	11.87	13.40	12.9%

Eligibility Category: TANF
 District: 11

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	73,178	0.04	0.06	71.1%
1 - 5	327,519	2.92	3.74	28.0%
6 - 13	296,382	23.18	22.16	-4.4%
14 - 20	151,954	22.34	21.60	-3.3%
21 - 54	117,945	9.46	12.84	35.7%
55 +	5,113	8.31	12.48	50.1%
Composite	972,091	12.74	13.02	2.2%

Eligibility Category: SSI - No Medicare
 District: 9

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	550	0.12	0.02	-82.8%
1 - 5	8,892	12.87	10.45	-18.8%
6 - 13	23,331	81.03	52.72	-34.9%
14 - 20	20,705	75.19	53.90	-28.3%
21 - 54	44,960	140.66	115.85	-17.6%
55 +	27,422	54.68	61.37	12.2%
Composite	125,860	90.46	74.14	-18.0%

Eligibility Category: SSI - No Medicare
 District: 11

Age Range	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
Under 1	1,624	0.19	0.03	-82.2%
1 - 5	18,254	20.73	17.46	-15.8%
6 - 13	42,864	130.54	88.04	-32.6%
14 - 20	38,430	121.13	90.01	-25.7%
21 - 54	134,033	226.59	193.45	-14.6%
55 +	149,668	88.08	102.48	16.4%
Composite	384,873	140.78	126.84	-9.9%

Appendix A
Florida Agency for Health Care Administration
Capitation Rate Comparison
September 1, 2009 - August 31, 2010 and September 1, 2010 - August 31, 2011

Eligibility Category: TANF

District: Statewide

District	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
1	273,096	10.05	10.04	-0.1%
2	386,362	12.68	12.82	1.1%
3	762,171	9.78	10.05	2.8%
4	235,851	10.82	13.30	22.9%
5	220,997	11.42	12.11	6.1%
6	539,520	10.21	8.77	-14.1%
7	308,321	11.89	13.02	9.5%
8	455,703	7.05	7.52	6.7%
9	618,132	11.87	13.40	12.9%
11	972,091	12.74	13.02	2.2%
Composite	4,772,244	10.96	11.38	3.8%

Eligibility Category: SSI - No Medicare

District: Statewide

District	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
1	73,751	118.93	122.44	2.9%
2	100,072	80.31	65.74	-18.1%
3	197,938	78.80	78.37	-0.5%
4	57,610	92.24	82.47	-10.6%
5	85,718	105.14	96.30	-8.4%
6	168,208	74.91	64.90	-13.4%
7	147,138	90.09	75.69	-16.0%
8	82,112	63.56	56.24	-11.5%
9	125,860	90.46	74.14	-18.0%
11	384,873	140.78	126.84	-9.9%
Composite	1,423,280	100.74	90.60	-10.1%

Eligibility Category: Combined TANF and SSI No Medicare

District: Statewide

District	Case Months	September 1, 2009 - August 31, 2010 Capitation Rate	September 1, 2010 - August 31, 2011 Capitation Rate	% Change
1	346,847	33.20	33.94	2.2%
2	486,434	26.59	23.71	-10.8%
3	960,109	24.01	24.14	0.6%
4	293,461	26.81	26.88	0.3%
5	306,715	37.61	35.64	-5.2%
6	707,728	25.59	22.11	-13.6%
7	455,459	37.15	33.27	-10.5%
8	537,815	15.68	14.96	-4.6%
9	743,992	25.17	23.67	-5.9%
11	1,356,964	49.06	45.31	-7.6%
Composite	6,195,524	31.58	29.58	-6.3%

APPENDIX B

**September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rates
Age and Smoothing Adjustments**

This report assumes that the reader is familiar with the State of Florida's Medicaid program, its benefits, and rate setting principles. The material was prepared solely to provide assistance to AHCA to set September 1, 2010 – August 31, 2011 capitation rates for this program. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety

State of Florida – Agency for Health Care Administration
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rate Development

August 3, 2010

Appendix B1
 Florida Agency for Health Care Administration
 September 2010 - August 2011 PMHP Capitation Rate Development
 Final September 2010 - August 2011 Capitation Rates

Eligibility Category: TANF
 District: 1
 Includes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	10.04	0.0046	15,087	0.9853	0.0046	0.05
1 - 5	10.04	0.2817	94,106	0.9853	0.2775	2.79
6 - 13	10.04	1.6671	92,793	0.9853	1.6426	16.49
14 - 20	10.04	1.6250	41,295	0.9853	1.6011	16.08
21 - 54	10.04	0.9663	29,426	0.9853	0.9520	9.56
55 +	10.04	0.9387	389	0.9853	0.9249	9.29
Composite	10.04		273,096	0.9853	1.0000	10.04

Eligibility Category: TANF
 District: 2
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	12.82	0.0046	23,517	0.9862	0.0046	0.06
1 - 5	12.82	0.2817	125,465	0.9862	0.2778	3.56
6 - 13	12.82	1.6671	126,212	0.9862	1.6441	21.08
14 - 20	12.82	1.6250	58,466	0.9862	1.6026	20.55
21 - 54	12.82	0.9663	52,298	0.9862	0.9529	12.22
55 +	12.82	0.9387	404	0.9862	0.9257	11.87
Composite	12.82		386,362	0.9862	1.0000	12.82

Eligibility Category: TANF
 District: 3
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	10.05	0.0046	46,542	0.9738	0.0045	0.05
1 - 5	10.05	0.2817	233,340	0.9738	0.2743	2.76
6 - 13	10.05	1.6671	242,660	0.9738	1.6235	16.32
14 - 20	10.05	1.6250	122,483	0.9738	1.5825	15.91
21 - 54	10.05	0.9663	115,491	0.9738	0.9410	9.46
55 +	10.05	0.9387	1,655	0.9738	0.9141	9.19
Composite	10.05		762,171	0.9738	1.0000	10.05

Eligibility Category: TANF
 District: 4
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	13.30	0.0046	15,624	0.9774	0.0045	0.06
1 - 5	13.30	0.2817	75,054	0.9774	0.2753	3.66
6 - 13	13.30	1.6671	78,988	0.9774	1.6295	21.68
14 - 20	13.30	1.6250	37,128	0.9774	1.5884	21.13
21 - 54	13.30	0.9663	28,714	0.9774	0.9445	12.57
55 +	13.30	0.9387	343	0.9774	0.9175	12.21
Composite	13.30		235,851	0.9774	1.0000	13.30

Appendix B1
 Florida Agency for Health Care Administration
 September 2010 - August 2011 PMHP Capitation Rate Development
 Final September 2010 - August 2011 Capitation Rates

Eligibility Category: TANF
 District: 5
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	12.11	0.0046	13,416	0.9468	0.0044	0.05
1 - 5	12.11	0.2817	67,779	0.9468	0.2667	3.23
6 - 13	12.11	1.6671	78,254	0.9468	1.5784	19.12
14 - 20	12.11	1.6250	36,956	0.9468	1.5386	18.64
21 - 54	12.11	0.9663	24,148	0.9468	0.9149	11.08
55 +	12.11	0.9387	444	0.9468	0.8888	10.77
Composite	12.11		220,997	0.9468	1.0000	12.11

Eligibility Category: TANF
 District: 6
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	7.41	0.0046	32,167	0.9891	0.0046	0.03
1 - 5	7.41	0.2817	176,611	0.9891	0.2786	2.06
6 - 13	7.41	1.6671	173,132	0.9891	1.6489	12.21
14 - 20	7.41	1.6250	82,087	0.9891	1.6073	11.90
21 - 54	7.41	0.9663	60,800	0.9891	0.9557	7.08
55 +	7.41	0.9387	919	0.9891	0.9284	6.88
Composite	7.41		525,716	0.9891	1.0000	7.41

Eligibility Category: TANF
 District: 6
 Includes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	8.77	0.0046	32,822	0.9889	0.0046	0.04
1 - 5	8.77	0.2817	182,183	0.9889	0.2785	2.44
6 - 13	8.77	1.6671	176,984	0.9889	1.6486	14.46
14 - 20	8.77	1.6250	85,795	0.9889	1.6070	14.10
21 - 54	8.77	0.9663	60,817	0.9889	0.9556	8.38
55 +	8.77	0.9387	919	0.9889	0.9283	8.14
Composite	8.77		539,520	0.9889	1.0000	8.77

Eligibility Category: TANF
 District: 7
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	13.02	0.0046	20,787	0.9475	0.0044	0.06
1 - 5	13.02	0.2817	93,847	0.9475	0.2669	3.47
6 - 13	13.02	1.6671	109,737	0.9475	1.5796	20.57
14 - 20	13.02	1.6250	52,850	0.9475	1.5398	20.05
21 - 54	13.02	0.9663	30,644	0.9475	0.9156	11.92
55 +	13.02	0.9387	456	0.9475	0.8895	11.58
Composite	13.02		308,321	0.9475	1.0000	13.02

Appendix B1
 Florida Agency for Health Care Administration
 September 2010 - August 2011 PMHP Capitation Rate Development
 Final September 2010 - August 2011 Capitation Rates

Eligibility Category: TANF
 District: 8
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	7.52	0.0046	43,295	1.0616	0.0049	0.04
1 - 5	7.52	0.2817	161,936	1.0616	0.2990	2.25
6 - 13	7.52	1.6671	142,947	1.0616	1.7699	13.31
14 - 20	7.52	1.6250	62,617	1.0616	1.7252	12.98
21 - 54	7.52	0.9663	44,096	1.0616	1.0258	7.72
55 +	7.52	0.9387	812	1.0616	0.9966	7.50
Composite	7.52		455,703	1.0616	1.0000	7.52

Eligibility Category: TANF
 District: 9
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	13.40	0.0046	49,655	1.0406	0.0048	0.06
1 - 5	13.40	0.2817	223,431	1.0406	0.2931	3.93
6 - 13	13.40	1.6671	198,911	1.0406	1.7349	23.25
14 - 20	13.40	1.6250	88,114	1.0406	1.6911	22.66
21 - 54	13.40	0.9663	56,993	1.0406	1.0055	13.47
55 +	13.40	0.9387	1,028	1.0406	0.9769	13.09
Composite	13.40		618,132	1.0406	1.0000	13.40

Eligibility Category: TANF
 District: 11
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	13.02	0.0046	73,178	1.0207	0.0047	0.06
1 - 5	13.02	0.2817	327,519	1.0207	0.2875	3.74
6 - 13	13.02	1.6671	296,382	1.0207	1.7016	22.16
14 - 20	13.02	1.6250	151,954	1.0207	1.6586	21.60
21 - 54	13.02	0.9663	117,945	1.0207	0.9863	12.84
55 +	13.02	0.9387	5,113	1.0207	0.9581	12.48
Composite	13.02		972,091	1.0207	1.0000	13.02

Appendix B1
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
Final September 2010 - August 2011 Capitation Rates

Eligibility Category: SSI - No Medicare
 District: 1
 Includes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	122.44	0.0003	277	0.9534	0.0003	0.03
1 - 5	122.44	0.1382	4,891	0.9534	0.1318	16.14
6 - 13	122.44	0.6972	12,297	0.9534	0.6647	81.38
14 - 20	122.44	0.7127	10,356	0.9534	0.6795	83.20
21 - 54	122.44	1.5319	32,553	0.9534	1.4605	178.83
55 +	122.44	0.8116	13,377	0.9534	0.7737	94.73
Composite	122.44		73,751	0.9534	1.0000	122.44

Eligibility Category: SSI - No Medicare
 District: 2
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	65.74	0.0003	501	0.9853	0.0003	0.02
1 - 5	65.74	0.1382	6,607	0.9853	0.1362	8.95
6 - 13	65.74	0.6972	18,197	0.9853	0.6869	45.16
14 - 20	65.74	0.7127	15,531	0.9853	0.7023	46.17
21 - 54	65.74	1.5319	40,009	0.9853	1.5094	99.23
55 +	65.74	0.8116	19,227	0.9853	0.7996	52.57
Composite	65.74		100,072	0.9853	1.0000	65.74

Eligibility Category: SSI - No Medicare
 District: 3
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	78.37	0.0003	707	0.9589	0.0003	0.02
1 - 5	78.37	0.1382	11,044	0.9589	0.1325	10.39
6 - 13	78.37	0.6972	31,187	0.9589	0.6685	52.39
14 - 20	78.37	0.7127	30,200	0.9589	0.6834	53.56
21 - 54	78.37	1.5319	83,774	0.9589	1.4689	115.12
55 +	78.37	0.8116	41,026	0.9589	0.7782	60.99
Composite	78.37		197,938	0.9589	1.0000	78.37

Eligibility Category: SSI - No Medicare
 District: 4
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	82.47	0.0003	253	0.9894	0.0003	0.02
1 - 5	82.47	0.1382	3,328	0.9894	0.1368	11.28
6 - 13	82.47	0.6972	10,773	0.9894	0.6898	56.88
14 - 20	82.47	0.7127	10,015	0.9894	0.7052	58.16
21 - 54	82.47	1.5319	22,405	0.9894	1.5157	125.00
55 +	82.47	0.8116	10,836	0.9894	0.8030	66.22
Composite	82.47		57,610	0.9894	1.0000	82.47

Appendix B1
 Florida Agency for Health Care Administration
 September 2010 - August 2011 PMHP Capitation Rate Development
 Final September 2010 - August 2011 Capitation Rates

Eligibility Category: SSI - No Medicare
 District: 5
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	96.30	0.0003	451	1.0027	0.0003	0.03
1 - 5	96.30	0.1382	6,349	1.0027	0.1386	13.35
6 - 13	96.30	0.6972	15,213	1.0027	0.6990	67.31
14 - 20	96.30	0.7127	13,377	1.0027	0.7146	68.82
21 - 54	96.30	1.5319	32,801	1.0027	1.5360	147.91
55 +	96.30	0.8116	17,527	1.0027	0.8137	78.36
Composite	96.30		85,718	1.0027	1.0000	96.30

Eligibility Category: SSI - No Medicare
 District: 6
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	64.09	0.0003	1,082	1.0613	0.0003	0.02
1 - 5	64.09	0.1382	15,069	1.0613	0.1467	9.40
6 - 13	64.09	0.6972	33,822	1.0613	0.7399	47.42
14 - 20	64.09	0.7127	27,835	1.0613	0.7564	48.48
21 - 54	64.09	1.5319	54,555	1.0613	1.6258	104.20
55 +	64.09	0.8116	33,361	1.0613	0.8613	55.20
Composite	64.09		165,724	1.0613	1.0000	64.09

Eligibility Category: SSI - No Medicare
 District: 6
 Includes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	64.90	0.0003	1,105	1.0674	0.0003	0.02
1 - 5	64.90	0.1382	15,637	1.0674	0.1475	9.58
6 - 13	64.90	0.6972	34,710	1.0674	0.7442	48.30
14 - 20	64.90	0.7127	28,815	1.0674	0.7608	49.38
21 - 54	64.90	1.5319	54,580	1.0674	1.6352	106.13
55 +	64.90	0.8116	33,361	1.0674	0.8663	56.22
Composite	64.90		168,208	1.0674	1.0000	64.90

Eligibility Category: SSI - No Medicare
 District: 7
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	75.69	0.0003	814	1.0621	0.0003	0.02
1 - 5	75.69	0.1382	11,990	1.0621	0.1468	11.11
6 - 13	75.69	0.6972	32,797	1.0621	0.7405	56.04
14 - 20	75.69	0.7127	28,620	1.0621	0.7570	57.30
21 - 54	75.69	1.5319	47,808	1.0621	1.6270	123.15
55 +	75.69	0.8116	25,109	1.0621	0.8619	65.24
Composite	75.69		147,138	1.0621	1.0000	75.69

Appendix B1
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
Final September 2010 - August 2011 Capitation Rates

Eligibility Category: SSI - No Medicare
 District: 8
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	56.24	0.0003	648	1.0535	0.0003	0.02
1 - 5	56.24	0.1382	7,269	1.0535	0.1456	8.19
6 - 13	56.24	0.6972	14,807	1.0535	0.7344	41.31
14 - 20	56.24	0.7127	11,820	1.0535	0.7508	42.23
21 - 54	56.24	1.5319	27,192	1.0535	1.6138	90.77
55 +	56.24	0.8116	20,376	1.0535	0.8549	48.09
Composite	56.24		82,112	1.0535	1.0000	56.24

Eligibility Category: SSI - No Medicare
 District: 9
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	74.14	0.0003	550	1.0201	0.0003	0.02
1 - 5	74.14	0.1382	8,892	1.0201	0.1410	10.45
6 - 13	74.14	0.6972	23,331	1.0201	0.7112	52.72
14 - 20	74.14	0.7127	20,705	1.0201	0.7271	53.90
21 - 54	74.14	1.5319	44,960	1.0201	1.5627	115.85
55 +	74.14	0.8116	27,422	1.0201	0.8279	61.37
Composite	74.14		125,860	1.0201	1.0000	74.14

Eligibility Category: SSI - No Medicare
 District: 11
 Excludes Home SafeNet Kids

Age Range	Adjusted All Ages Sept 2010 - Aug 2011 Capitation Rate	Statewide Age Factor	Case Months	Adjustment To Statewide Age Factor	Normalized Statewide Age Factor	Capitation Rate
Under 1	126.84	0.0003	1,624	0.9956	0.0003	0.03
1 - 5	126.84	0.1382	18,254	0.9956	0.1376	17.46
6 - 13	126.84	0.6972	42,864	0.9956	0.6941	88.04
14 - 20	126.84	0.7127	38,430	0.9956	0.7096	90.01
21 - 54	126.84	1.5319	134,033	0.9956	1.5251	193.45
55 +	126.84	0.8116	149,668	0.9956	0.8079	102.48
Composite	126.84		384,873	0.9956	1.0000	126.84

Appendix B2
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
Smoothing of Capitation Rates

Eligibility Category: TANF
 Age Band: All
 Excluding Home Safe Net Kids

District	Sept 2010 - Aug 2011 Trended PMPM	Average Age Factor	Average Reimbursement Factor	Sept 2010 - Aug 2011 PMPM Normalized for Age and Reimbursement Factors	Smoothing Adjustment	Smoothed Normalized PMPM	Smoothed PMPM Adjusted for Age and Reimbursement Factors	Budget Neutrality Factor (Based on Implementation Schedule)	Final Sept 2010 - Aug 2011 PMPM
1	7.24	1.0180	0.9760	7.29	1.1080	8.08	8.02	0.9892	7.94
2	12.96	1.0140	0.9989	12.80	1.0000	12.80	12.96	0.9892	12.82
3	10.16	1.0269	1.0091	9.81	1.0000	9.81	10.16	0.9892	10.05
4	13.45	1.0231	1.1606	11.33	1.0000	11.33	13.45	0.9892	13.30
5	12.25	1.0562	0.9898	11.71	1.0000	11.71	12.25	0.9892	12.11
6	6.01	1.0111	1.0002	5.94	1.2460	7.40	7.49	0.9892	7.41
7	13.16	1.0554	0.9963	12.52	1.0000	12.52	13.16	0.9892	13.02
8	6.65	0.9419	1.0250	6.89	1.1437	7.88	7.60	0.9892	7.52
9	14.33	0.9610	0.9991	14.92	0.9455	14.11	13.55	0.9892	13.40
11	13.54	0.9797	0.9823	14.06	0.9727	13.68	13.17	0.9892	13.02
Composite	11.12			11.08		11.20	11.24		11.12

Eligibility Category: TANF
 Age Band: All
 Including Home Safe Net Kids

District	Sept 2010 - Aug 2011 Trended PMPM	Average Age Factor	Average Reimbursement Factor	Sept 2010 - Aug 2011 PMPM Normalized for Age and Reimbursement Factors	Smoothing Adjustment	Smoothed Normalized PMPM	Smoothed PMPM Adjusted for Age and Reimbursement Factors	Budget Neutrality Factor (Based on Implementation Schedule)	Final Sept 2010 - Aug 2011 PMPM
1	9.16	1.0149	0.9760	9.25	1.1080	10.25	10.15	0.9892	10.04
6	7.12	1.0112	1.0002	7.04	1.2460	8.77	8.87	0.9892	8.77
Composite	7.80			7.78		9.27	9.30		9.20

Eligibility Category: SSI - No Medicare
 Age Band: All
 Excluding Home Safe Net Kids

District	Sept 2010 - Aug 2011 Trended PMPM	Average Age Factor	Average Reimbursement Factor	Sept 2010 - Aug 2011 PMPM Normalized for Age and Reimbursement Factors	Smoothing Adjustment	Smoothed Normalized PMPM	Smoothed PMPM Adjusted for Age and Reimbursement Factors	Budget Neutrality Factor (Based on Implementation Schedule)	Final Sept 2010 - Aug 2011 PMPM
1	121.73	1.0577	1.0066	114.33	0.9721	111.14	118.33	1.0245	121.23
2	51.69	1.0149	1.0494	48.53	1.2414	60.25	64.17	1.0245	65.74
3	75.40	1.0429	1.0339	69.93	1.0146	70.95	76.50	1.0245	78.37
4	64.16	1.0107	1.3312	47.69	1.2545	59.83	80.49	1.0245	82.47
5	93.99	0.9974	1.0426	90.39	1.0000	90.39	93.99	1.0245	96.30
6	55.86	0.9422	1.0215	58.03	1.1200	65.00	62.56	1.0245	64.09
7	73.88	0.9415	1.0565	74.26	1.0000	74.26	73.88	1.0245	75.69
8	41.27	0.9493	1.0032	43.34	1.3302	57.65	54.90	1.0245	56.24
9	71.11	0.9803	1.0435	69.51	1.0177	70.74	72.36	1.0245	74.14
11	143.61	1.0045	0.9593	149.04	0.8621	128.50	123.81	1.0245	126.84
Composite	90.46			89.96		87.43	88.30		90.46

Eligibility Category: SSI - No Medicare
 Age Band: All
 Including Home Safe Net Kids

District	Sept 2010 - Aug 2011 Trended PMPM	Average Age Factor	Average Reimbursement Factor	Sept 2010 - Aug 2011 PMPM Normalized for Age and Reimbursement Factors	Smoothing Adjustment	Smoothed Normalized PMPM	Smoothed PMPM Adjusted for Age and Reimbursement Factors	Budget Neutrality Factor (Based on Implementation Schedule)	Final Sept 2010 - Aug 2011 PMPM
1	122.94	1.0489	1.0066	116.44	0.9721	113.19	119.51	1.0245	122.44
6	56.56	0.9368	1.0215	59.11	1.1200	66.20	63.35	1.0245	64.90
Composite	76.80			78.38		81.99	82.22		82.44

APPENDIX C

**September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rates
District Specific Rates**

This report assumes that the reader is familiar with the State of Florida's Medicaid program, its benefits, and rate setting principles. The material was prepared solely to provide assistance to AHCA to set September 1, 2010 – August 31, 2011 capitation rates for this program. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety

State of Florida – Agency for Health Care Administration
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rate Development

August 3, 2010

Appendix C1
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
Preliminary September 2010 - August 2011 Capitation Rates

Eligibility Category: TANF
 Data Source: Encounter Records
 Excludes Home SafeNet Kids

District	Sept 2010 - Aug 2011 Trended PMPM	IBNR Adjustment	Admin Load	Under Reporting Adjustment	Aggregate Capitation Rate
1	6.17	1.0217	1.1494	1.0000	7.24
2	11.04	1.0217	1.1494	1.0000	12.96
3	8.65	1.0217	1.1494	1.0000	10.16
4	11.45	1.0217	1.1494	1.0000	13.45
5	10.43	1.0217	1.1494	1.0000	12.25
6	5.12	1.0217	1.1494	1.0000	6.01
7	11.21	1.0217	1.1494	1.0000	13.16
8	5.66	1.0217	1.1494	1.0000	6.65
9	12.20	1.0217	1.1494	1.0000	14.33
11	11.53	1.0217	1.1494	1.0000	13.54
Composite	9.47				11.12

Eligibility Category: TANF
 Data Source: Encounter Records
 Includes Home SafeNet Kids

District	Sept 2010 - Aug 2011 Trended PMPM	IBNR Adjustment	Admin Load	Under Reporting Adjustment	Aggregate Capitation Rate
1	7.80	1.0217	1.1494	1.0000	9.16
6	6.06	1.0217	1.1494	1.0000	7.12
Composite	6.65				7.80

Eligibility Category: SSI - No Medicare
 Data Source: Encounter Records
 Excludes Home SafeNet Kids

District	Sept 2010 - Aug 2011 Trended PMPM	IBNR Adjustment	Admin Load	Under Reporting Adjustment	Aggregate Capitation Rate
1	103.66	1.0217	1.1494	1.0000	121.73
2	44.02	1.0217	1.1494	1.0000	51.69
3	64.20	1.0217	1.1494	1.0000	75.40
4	54.64	1.0217	1.1494	1.0000	64.16
5	80.04	1.0217	1.1494	1.0000	93.99
6	47.56	1.0217	1.1494	1.0000	55.86
7	62.91	1.0217	1.1494	1.0000	73.88
8	35.14	1.0217	1.1494	1.0000	41.27
9	60.55	1.0217	1.1494	1.0000	71.11
11	122.29	1.0217	1.1494	1.0000	143.61
Composite	75.60				88.78

Eligibility Category: SSI - No Medicare
 Data Source: Encounter Records
 Includes Home SafeNet Kids

District	Sept 2010 - Aug 2011 Trended PMPM	IBNR Adjustment	Admin Load	Under Reporting Adjustment	Aggregate Capitation Rate
1	104.69	1.0217	1.1494	1.0000	122.94
6	48.16	1.0217	1.1494	1.0000	56.56
Composite	67.16				78.87

Appendix C2
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
District Encounter Experience Detail - SFY 08/09

Eligibility Category: TANF
 District: 1
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	263,136	124	64,589	5.7	520.88	0.25	1.0750	0.26
Hospital Inpatient	263,136	343	225,399	15.6	657.14	0.86	1.0750	0.92
Hospital Outpatient	263,136	22	2,104	1.0	95.66	0.01	1.1339	0.01
Physician (MD or DO)	263,136	341	24,868	15.6	72.93	0.09	1.0704	0.10
ARNP	263,136	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	263,136	22,580	1,045,199	1,029.7	46.29	3.97	1.0361	4.12
Targeted Case Management	263,136	4,050	70,139	184.7	17.32	0.27	1.0397	0.28
Locally Defined Service	263,136	6,903	121,632	314.8	17.62	0.46	1.0379	0.48
Total	263,136	34,363	1,553,929	1,567.1	45.22	5.91	1.0443	6.17

Eligibility Category: TANF
 District: 1
 Age Band: ALL
 Includes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	273,097	124	64,589	5.4	520.88	0.24	1.0750	0.25
Hospital Inpatient	273,097	387	254,391	17.0	657.34	0.93	1.0750	1.00
Hospital Outpatient	273,097	30	2,904	1.3	96.81	0.01	1.1339	0.01
Physician (MD or DO)	273,097	357	26,118	15.7	73.16	0.10	1.0704	0.10
ARNP	273,097	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	273,097	32,798	1,346,940	1,441.2	41.07	4.93	1.0361	5.11
Targeted Case Management	273,097	6,104	105,776	268.2	17.33	0.39	1.0397	0.40
Locally Defined Service	273,097	14,070	241,601	618.2	17.17	0.88	1.0379	0.92
Total	273,097	53,870	2,042,318	2,367.1	37.91	7.48	1.0431	7.80

Eligibility Category: TANF
 District: 2
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	386,362	43	18,100	1.3	420.93	0.05	1.0750	0.05
Hospital Inpatient	386,362	568	440,326	17.6	775.22	1.14	1.0750	1.23
Hospital Outpatient	386,362	6	600	0.2	100.00	0.00	1.1339	0.00
Physician (MD or DO)	386,362	6,471	358,809	201.0	55.45	0.93	1.0704	0.99
ARNP	386,362	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	386,362	134,964	2,664,569	4,191.8	19.74	6.90	1.0361	7.15
Targeted Case Management	386,362	37,565	467,646	1,166.7	12.45	1.21	1.0397	1.26
Locally Defined Service	386,362	478	50,233	14.8	105.09	0.13	1.0379	0.13
Risk Share	386,362	-	83,605	-	-	0.22	1.0441	0.23
Total	386,362	180,095	4,083,888	5,593.6	22.68	10.57	1.0441	11.04

Eligibility Category: TANF
 District: 3
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	762,173	1,239	927,075	19.5	748.24	1.22	1.0750	1.31
Hospital Inpatient	762,173	242	235,016	3.8	971.14	0.31	1.0750	0.33
Hospital Outpatient	762,173	56	5,120	0.9	91.43	0.01	1.1339	0.01
Physician (MD or DO)	762,173	11,203	764,430	176.4	68.23	1.00	1.0704	1.07
ARNP	762,173	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	762,173	111,822	3,414,738	1,760.6	30.54	4.48	1.0361	4.64
Targeted Case Management	762,173	45,179	947,697	711.3	20.98	1.24	1.0397	1.29
Locally Defined Service	762,173	-	-	-	-	-	1.0379	-
Total	762,173	169,741	6,294,075	2,672.5	37.08	8.26	1.0481	8.65

Appendix C2
 Florida Agency for Health Care Administration
 September 2010 - August 2011 PMHP Capitation Rate Development
 District Encounter Experience Detail - SFY 08/09

Eligibility Category: TANF
 District: 4
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	235,851	91	50,543	4.6	555.42	0.21	1.0750	0.23
Hospital Inpatient	235,851	494	633,261	25.1	1,281.91	2.69	1.0750	2.89
Hospital Outpatient	235,851	-	-	-	-	-	1.1339	-
Physician (MD or DO)	235,851	635	40,006	32.3	63.00	0.17	1.0704	0.18
ARNP	235,851	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	235,851	52,893	1,348,281	2,691.2	25.49	5.72	1.0361	5.92
Targeted Case Management	235,851	34,071	408,889	1,733.5	12.00	1.73	1.0397	1.80
Locally Defined Service	235,851	499	53,015	25.4	106.24	0.22	1.0379	0.23
Risk Share	235,851	-	44,146	-	-	0.19	1.0477	0.20
Total	235,851	88,683	2,578,141	4,512.2	29.07	10.93	1.0477	11.45

Eligibility Category: TANF
 District: 5
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	220,997	395	237,150	21.4	600.38	1.07	1.0750	1.15
Hospital Inpatient	220,997	237	161,445	12.9	681.20	0.73	1.0750	0.79
Hospital Outpatient	220,997	288	27,673	15.6	96.09	0.13	1.1339	0.14
Physician (MD or DO)	220,997	3,833	309,634	208.1	80.78	1.40	1.0704	1.50
ARNP	220,997	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	220,997	40,636	1,340,072	2,206.5	32.98	6.06	1.0361	6.28
Targeted Case Management	220,997	6,008	120,160	326.2	20.00	0.54	1.0397	0.57
Locally Defined Service	220,997	-	-	-	-	-	1.0379	-
Total	220,997	51,397	2,196,134	2,790.8	42.73	9.94	1.0494	10.43

Eligibility Category: TANF
 District: 6
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	525,722	631	383,600	14.4	607.92	0.73	1.0750	0.78
Hospital Inpatient	525,722	157	123,581	3.6	787.14	0.24	1.0750	0.25
Hospital Outpatient	525,722	82	7,988	1.9	97.41	0.02	1.1339	0.02
Physician (MD or DO)	525,722	4,750	328,895	108.4	69.24	0.63	1.0704	0.67
ARNP	525,722	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	525,722	42,166	1,488,575	962.5	35.30	2.83	1.0361	2.93
Targeted Case Management	525,722	11,582	231,699	264.4	20.01	0.44	1.0397	0.46
Locally Defined Service	525,722	-	-	-	-	-	1.0379	-
Total	525,722	59,368	2,564,338	1,355.1	43.19	4.88	1.0488	5.12

Eligibility Category: TANF
 District: 6
 Age Band: ALL
 Includes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	539,526	735	447,950	16.3	609.46	0.83	1.0750	0.89
Hospital Inpatient	539,526	165	130,781	3.7	792.61	0.24	1.0750	0.26
Hospital Outpatient	539,526	82	7,988	1.8	97.41	0.01	1.1339	0.02
Physician (MD or DO)	539,526	5,235	360,375	116.4	68.84	0.67	1.0704	0.71
ARNP	539,526	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	539,526	54,815	1,859,861	1,219.2	33.93	3.45	1.0361	3.57
Targeted Case Management	539,526	15,756	313,868	350.4	19.92	0.58	1.0397	0.60
Locally Defined Service	539,526	-	-	-	-	-	1.0379	-
Total	539,526	76,788	3,120,823	1,707.9	40.64	5.78	1.0479	6.06

Appendix C2
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
District Encounter Experience Detail - SFY 08/09

Eligibility Category: TANF
 District: 7
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	308,321	268	160,600	10.4	599.25	0.52	1.0750	0.56
Hospital Inpatient	308,321	435	327,986	16.9	753.99	1.06	1.0750	1.14
Hospital Outpatient	308,321	111	11,061	4.3	99.65	0.04	1.1339	0.04
Physician (MD or DO)	308,321	8,493	492,928	330.6	58.04	1.60	1.0704	1.71
ARNP	308,321	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	308,321	73,387	2,161,885	2,856.3	29.46	7.01	1.0361	7.26
Targeted Case Management	308,321	7,263	144,658	282.7	19.92	0.47	1.0397	0.49
Locally Defined Service	308,321	-	-	-	-	-	1.0379	-
Total	308,321	89,957	3,299,118	3,501.2	36.67	10.70	1.0475	11.21

Eligibility Category: TANF
 District: 8
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	455,712	631	378,550	16.6	599.92	0.83	1.0750	0.89
Hospital Inpatient	455,712	81	101,000	2.1	1,246.92	0.22	1.0750	0.24
Hospital Outpatient	455,712	43	4,330	1.1	100.70	0.01	1.1339	0.01
Physician (MD or DO)	455,712	6,381	334,592	168.0	52.44	0.73	1.0704	0.79
ARNP	455,712	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	455,712	44,431	1,441,484	1,170.0	32.44	3.16	1.0361	3.28
Targeted Case Management	455,712	10,957	199,759	288.5	18.23	0.44	1.0397	0.46
Locally Defined Service	455,712	-	-	-	-	-	1.0379	-
Total	455,712	62,524	2,459,715	1,646.4	39.34	5.40	1.0488	5.66

Eligibility Category: TANF
 District: 9
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	618,137	123	69,907	2.4	568.35	0.11	1.0750	0.12
Hospital Inpatient	618,137	858	665,027	16.7	775.09	1.08	1.0750	1.16
Hospital Outpatient	618,137	7	770	0.1	110.00	0.00	1.1339	0.00
Physician (MD or DO)	618,137	3,747	222,082	72.7	59.27	0.36	1.0704	0.38
ARNP	618,137	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	618,137	262,410	4,720,072	5,094.2	17.99	7.64	1.0361	7.91
Targeted Case Management	618,137	121,588	1,483,657	2,360.4	12.20	2.40	1.0397	2.50
Locally Defined Service	618,137	806	76,316	15.6	94.69	0.12	1.0379	0.13
Total	618,137	389,539	7,237,830	7,562.2	18.58	11.71	1.0419	12.20

Eligibility Category: TANF
 District: 11
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	972,093	237	70,650	2.9	298.10	0.07	1.0750	0.08
Hospital Inpatient	972,093	1,390	849,005	17.2	610.79	0.87	1.0750	0.94
Hospital Outpatient	972,093	20	3,096	0.2	154.81	0.00	1.1339	0.00
Physician (MD or DO)	972,093	6,961	453,666	85.9	65.17	0.47	1.0704	0.50
ARNP	972,093	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	972,093	355,955	7,678,297	4,394.1	21.57	7.90	1.0361	8.18
Targeted Case Management	972,093	118,483	1,419,711	1,462.6	11.98	1.46	1.0397	1.52
Locally Defined Service	972,093	1,852	132,960	22.9	71.79	0.14	1.0379	0.14
Risk Share	972,093	-	150,383	-	-	0.15	1.0415	0.16
Total	972,093	484,898	10,757,769	5,985.8	22.19	11.07	1.0415	11.53

Appendix C2
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
District Encounter Experience Detail - SFY 08/09

Eligibility Category: SSI - No Medicare
 District: 1
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	72,482	1,577	825,322	261.1	523.35	11.39	1.1002	12.53
Hospital Inpatient	72,482	926	618,865	153.3	668.32	8.54	1.1002	9.39
Hospital Outpatient	72,482	53	5,268	8.8	99.39	0.07	1.1283	0.08
Physician (MD or DO)	72,482	332	18,821	55.0	56.69	0.26	1.1512	0.30
ARNP	72,482	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	72,482	138,738	3,672,909	22,969.2	26.47	50.67	1.0320	52.29
Targeted Case Management	72,482	19,305	334,942	3,196.1	17.35	4.62	1.0592	4.89
Locally Defined Service	72,482	20,741	1,675,271	3,433.8	80.77	23.11	1.0456	24.17
Total	72,482	181,672	7,151,397	30,077.3	39.36	98.66	1.0506	103.66

Eligibility Category: SSI - No Medicare
 District: 1
 Age Band: ALL
 Includes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	73,751	1,583	827,943	257.6	523.02	11.23	1.1002	12.35
Hospital Inpatient	73,751	963	643,011	156.7	667.72	8.72	1.1002	9.59
Hospital Outpatient	73,751	54	5,368	8.8	99.40	0.07	1.1283	0.08
Physician (MD or DO)	73,751	336	19,127	54.7	56.92	0.26	1.1512	0.30
ARNP	73,751	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	73,751	140,689	3,755,646	22,891.5	26.69	50.92	1.0320	52.55
Targeted Case Management	73,751	20,387	353,714	3,317.2	17.35	4.80	1.0592	5.08
Locally Defined Service	73,751	24,761	1,744,538	4,028.9	70.46	23.65	1.0456	24.73
Total	73,751	188,773	7,349,348	30,715.2	38.93	99.65	1.0506	104.69

Eligibility Category: SSI - No Medicare
 District: 2
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	100,072	270	110,450	32.4	409.07	1.10	1.1002	1.21
Hospital Inpatient	100,072	1,867	1,335,231	223.9	715.17	13.34	1.1002	14.68
Hospital Outpatient	100,072	-	-	-	-	-	1.1283	-
Physician (MD or DO)	100,072	2,742	157,216	328.8	57.34	1.57	1.1512	1.81
ARNP	100,072	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	100,072	104,025	1,808,150	12,474.0	17.38	18.07	1.0320	18.65
Targeted Case Management	100,072	43,263	526,158	5,187.8	12.16	5.26	1.0592	5.57
Locally Defined Service	100,072	1,265	115,878	151.7	91.60	1.16	1.0456	1.21
Risk Share	100,072	-	83,376	-	-	0.83	1.0649	0.89
Total	100,072	153,432	4,136,458	18,398.6	26.96	41.33	1.0649	44.02

Eligibility Category: SSI No Medicare
 District: 3
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
CSU	197,938	3,136	2,347,060	190.1	748.42	11.86	1.1002	13.05
Hospital Inpatient	197,938	1,487	1,222,240	90.1	821.95	6.17	1.1002	6.79
Hospital Outpatient	197,938	334	32,933	20.2	98.60	0.17	1.1283	0.19
Physician (MD or DO)	197,938	16,096	1,094,083	975.8	67.97	5.53	1.1512	6.36
ARNP	197,938	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	197,938	240,913	5,277,945	14,605.4	21.91	26.66	1.0320	27.52
Targeted Case Management	197,938	91,647	1,923,950	5,556.1	20.99	9.72	1.0592	10.30
Locally Defined Service	197,938	-	-	-	-	-	1.0456	-
Total	197,938	353,613	11,898,210	21,437.8	33.65	60.11	1.0681	64.20

Appendix C2
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
District Encounter Experience Detail - SFY 08/09

Eligibility Category: SSI - No Medicare
District: 4
Age Band: ALL
Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to	Trended FY10/11 PMPM
							Sept 2010 - Aug 2011	
CSU	57,610	142	80,215	29.6	564.89	1.39	1.1002	1.53
Hospital Inpatient	57,610	879	1,044,299	183.1	1,188.05	18.13	1.1002	19.94
Hospital Outpatient	57,610	-	-	-	-	-	1.1283	-
Physician (MD or DO)	57,610	592	36,741	123.3	62.06	0.64	1.1512	0.73
ARNP	57,610	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	57,610	60,488	1,062,169	12,599.5	17.56	18.44	1.0320	19.03
Targeted Case Management	57,610	50,160	601,657	10,448.2	11.99	10.44	1.0592	11.06
Locally Defined Service	57,610	768	78,600	160.0	102.34	1.36	1.0456	1.43
Risk Share	57,610	-	49,237	-	-	0.85	1.0659	0.91
Total	57,610	113,029	2,952,919	23,543.6	26.13	51.26	1.0659	54.64

Eligibility Category: SSI - No Medicare
District: 5
Age Band: ALL
Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to	Trended FY10/11 PMPM
							Sept 2010 - Aug 2011	
CSU	85,718	1,940	1,163,250	271.6	599.61	13.57	1.1002	14.93
Hospital Inpatient	85,718	1,875	1,394,893	262.5	743.94	16.27	1.1002	17.90
Hospital Outpatient	85,718	1,573	145,832	220.2	92.71	1.70	1.1283	1.92
Physician (MD or DO)	85,718	7,697	603,691	1,077.5	78.43	7.04	1.1512	8.11
ARNP	85,718	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	85,718	110,096	2,489,685	15,412.8	22.61	29.05	1.0320	29.97
Targeted Case Management	85,718	29,210	582,869	4,089.2	19.95	6.80	1.0592	7.20
Locally Defined Service	85,718	-	-	-	-	-	1.0456	-
Total	85,718	152,391	6,380,219	21,333.8	41.87	74.43	1.0753	80.04

Eligibility Category: SSI - No Medicare
District: 6
Age Band: ALL
Excludes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to	Trended FY10/11 PMPM
							Sept 2010 - Aug 2011	
CSU	165,724	3,383	2,032,300	245.0	600.74	12.26	1.1002	13.49
Hospital Inpatient	165,724	907	696,561	65.7	767.98	4.20	1.1002	4.62
Hospital Outpatient	165,724	691	56,733	50.0	82.10	0.34	1.1283	0.39
Physician (MD or DO)	165,724	10,789	787,622	781.2	73.00	4.75	1.1512	5.47
ARNP	165,724	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	165,724	136,645	3,307,186	9,894.4	24.20	19.96	1.0320	20.59
Targeted Case Management	165,724	23,423	468,523	1,696.0	20.00	2.83	1.0592	2.99
Locally Defined Service	165,724	-	-	-	-	-	1.0456	-
Total	165,724	175,838	7,348,924	12,732.4	41.79	44.34	1.0726	47.56

Eligibility Category: SSI - No Medicare
District: 6
Age Band: ALL
Includes Home SafeNet Kids

Service Category	Member Months	Units	Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to	Trended FY10/11 PMPM
							Sept 2010 - Aug 2011	
CSU	168,208	3,479	2,090,800	248.2	600.98	12.43	1.1002	13.67
Hospital Inpatient	168,208	919	705,136	65.6	767.29	4.19	1.1002	4.61
Hospital Outpatient	168,208	694	56,963	49.5	82.08	0.34	1.1283	0.38
Physician (MD or DO)	168,208	10,962	800,013	782.0	72.98	4.76	1.1512	5.48
ARNP	168,208	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	168,208	140,010	3,407,022	9,988.3	24.33	20.25	1.0320	20.90
Targeted Case Management	168,208	24,773	495,077	1,767.3	19.98	2.94	1.0592	3.12
Locally Defined Service	168,208	-	-	-	-	-	1.0456	-
Total	168,208	180,837	7,555,010	12,901.0	41.78	44.91	1.0724	48.16

Appendix C2
Florida Agency for Health Care Administration
September 2010 - August 2011 PMHP Capitation Rate Development
District Encounter Experience Detail - SFY 08/09

Eligibility Category: SSI - No Medicare
 District: 7
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member		Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
	Months	Units						
CSU	147,138	881	528,400	71.9	599.77	3.59	1.1002	3.95
Hospital Inpatient	147,138	2,900	2,193,597	236.5	756.41	14.91	1.1002	16.40
Hospital Outpatient	147,138	797	81,643	65.0	102.44	0.55	1.1283	0.63
Physician (MD or DO)	147,138	14,813	848,996	1,208.1	57.31	5.77	1.1512	6.64
ARNP	147,138	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	147,138	193,697	4,068,063	15,797.2	21.00	27.65	1.0320	28.53
Targeted Case Management	147,138	46,923	938,279	3,826.9	20.00	6.38	1.0592	6.75
Locally Defined Service	147,138	-	-	-	-	-	1.0456	-
Total	147,138	260,011	8,658,978	21,205.5	33.30	58.85	1.0690	62.91

Eligibility Category: SSI - No Medicare
 District: 8
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member		Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
	Months	Units						
CSU	82,112	1,586	948,550	231.8	598.08	11.55	1.1002	12.71
Hospital Inpatient	82,112	181	121,455	26.5	671.02	1.48	1.1002	1.63
Hospital Outpatient	82,112	117	10,028	17.1	85.71	0.12	1.1283	0.14
Physician (MD or DO)	82,112	6,848	398,462	1,000.8	58.19	4.85	1.1512	5.59
ARNP	82,112	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	82,112	26,393	832,021	3,857.1	31.52	10.13	1.0320	10.46
Targeted Case Management	82,112	18,148	358,564	2,652.2	19.76	4.37	1.0592	4.63
Locally Defined Service	82,112	-	-	-	-	-	1.0456	-
Total	82,112	53,273	2,669,080	7,785.4	50.10	32.51	1.0811	35.14

Eligibility Category: SSI - No Medicare
 District: 9
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member		Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
	Months	Units						
CSU	125,860	967	514,764	92.2	532.33	4.09	1.1002	4.50
Hospital Inpatient	125,860	2,052	1,529,957	195.6	745.59	12.16	1.1002	13.37
Hospital Outpatient	125,860	-	-	-	-	-	1.1283	-
Physician (MD or DO)	125,860	3,138	199,084	299.2	63.44	1.58	1.1512	1.82
ARNP	125,860	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	125,860	187,810	3,230,977	17,906.6	17.20	25.67	1.0320	26.49
Targeted Case Management	125,860	120,972	1,535,437	11,534.0	12.69	12.20	1.0592	12.92
Locally Defined Service	125,860	1,780	173,358	169.7	97.39	1.38	1.0456	1.44
Total	125,860	316,719	7,183,577	30,197.3	22.68	57.08	1.0608	60.55

Eligibility Category: SSI - No Medicare
 District: 11
 Age Band: ALL
 Excludes Home SafeNet Kids

Service Category	Member		Paid Amount	Utilization Rate	Unit Cost	FY08/09 PMPM	Inflation Factor to Sept 2010 - Aug 2011	Trended FY10/11 PMPM
	Months	Units						
CSU	384,873	1,618	508,375	50.4	314.20	1.32	1.1002	1.45
Hospital Inpatient	384,873	26,973	14,787,214	841.0	548.22	38.42	1.1002	42.27
Hospital Outpatient	384,873	61	16,220	1.9	265.90	0.04	1.1283	0.05
Physician (MD or DO)	384,873	40,567	2,519,375	1,264.8	62.10	6.55	1.1512	7.54
ARNP	384,873	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	384,873	1,485,250	20,191,359	46,308.8	13.59	52.46	1.0320	54.14
Targeted Case Management	384,873	375,969	4,510,190	11,722.4	12.00	11.72	1.0592	12.41
Locally Defined Service	384,873	10,998	930,075	342.9	84.57	2.42	1.0456	2.53
Risk Share	384,873	-	686,053	-	-	1.78	1.0660	1.90
Total	384,873	1,941,436	44,148,861	60,532.3	22.74	114.71	1.0660	122.29

APPENDIX D

**September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rates
Statewide Age Factors**

This report assumes that the reader is familiar with the State of Florida's Medicaid program, its benefits, and rate setting principles. The material was prepared solely to provide assistance to AHCA to set September 1, 2010 – August 31, 2011 capitation rates for this program. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety

State of Florida – Agency for Health Care Administration
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rate Development

August 3, 2010

Appendix D1
Florida Agency for Health Care Administration
September 2010 - August 2011 HMO Mental Health Add-on Capitation Rate Development
Statewide Age Factor Calculation (Including HomeSafeNet Kids)

Eligibility Category: TANF

District: Statewide

Age Range	FY 08/09 Case Months	FY 08/09 PMPM Trended to FY 10/11	Age Factor
Under 1	335,196	0.05	0.0046
1 - 5	1,590,206	2.74	0.2817
6 - 13	1,547,961	16.20	1.6671
14 - 20	740,562	15.79	1.6250
21 - 54	560,694	9.39	0.9663
55 +	11,563	9.12	0.9387
Composite	4,786,182	9.72	1.0000

Eligibility Category: SSI - No Medicare

District: Statewide

Age Range	FY 08/09 Case Months	FY 08/09 PMPM Trended to FY 10/11	Age Factor
Under 1	6,966	-	0.0003
1 - 5	94,719	11.87	0.1382
6 - 13	237,112	55.24	0.6972
14 - 20	208,535	54.54	0.7127
21 - 54	520,182	115.28	1.5319
55 +	357,929	66.33	0.8116
Composite	1,425,443	76.68	1.0000

Appendix D2
Florida Agency for Health Care Administration
September 2010 - August 2011 HMO Mental Health Add-on Capitation Rate Development
Statewide Encounter Data for Age Factor Development - FY 08/09

Eligibility Category: TANF
District: Statewide
Age Band: Under 1

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09 PMPM	Inflation Factor to FY 10/11	PMPM Trended to FY 10/11
CSU	335,196	-	-	-	-	-	1.0750	-
Hospital Inpatient	335,196	-	-	-	-	-	1.0750	-
Hospital Outpatient	335,196	-	-	-	-	-	1.1339	-
Physician (MD or DO)	335,196	25	1,635	0.89	65.39	0.00	1.0704	0.01
ARNP	335,196	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	335,196	455	10,163	16.29	22.34	0.03	1.0361	0.03
Targeted Case Management	335,196	135	2,700	4.83	20.00	0.01	1.0397	0.01
Locally Defined Service	335,196	-	-	-	-	-	1.0379	-
Total All Services	335,196	615	14,498	22.02	23.57	0.04	1.0406	0.05

Eligibility Category: TANF
District: Statewide
Age Band: 1 - 5

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09 PMPM	Inflation Factor to FY 10/11	PMPM Trended to FY 10/11
CSU	1,590,206	24	16,350	0.18	681.25	0.01	1.0750	0.01
Hospital Inpatient	1,590,206	50	38,153	0.38	763.07	0.02	1.0750	0.03
Hospital Outpatient	1,590,206	3	585	0.02	195.00	0.00	1.1339	0.00
Physician (MD or DO)	1,590,206	4,288	251,033	32.36	58.54	0.16	1.0704	0.17
ARNP	1,590,206	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	1,590,206	140,129	3,274,430	1,057.44	23.37	2.06	1.0361	2.13
Targeted Case Management	1,590,206	41,080	557,470	310.00	13.57	0.35	1.0397	0.36
Locally Defined Service	1,590,206	2,396	50,095	18.08	20.91	0.03	1.0379	0.03
Total All Services	1,590,206	187,970	4,188,117	1,418.46	22.28	2.63	1.0392	2.74

Eligibility Category: TANF
District: Statewide
Age Band: 6 - 13

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09 PMPM	Inflation Factor to FY 10/11	PMPM Trended to FY 10/11
CSU	1,547,961	1,108	688,850	8.59	621.71	0.45	1.0750	0.48
Hospital Inpatient	1,547,961	1,312	1,130,554	10.17	861.70	0.73	1.0750	0.79
Hospital Outpatient	1,547,961	222	22,092	1.72	99.51	0.01	1.1339	0.02
Physician (MD or DO)	1,547,961	28,162	1,760,779	218.32	62.52	1.14	1.0704	1.22
ARNP	1,547,961	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	1,547,961	731,279	16,856,256	5,668.97	23.05	10.89	1.0361	11.28
Targeted Case Management	1,547,961	246,044	3,362,912	1,907.37	13.67	2.17	1.0397	2.26
Locally Defined Service	1,547,961	9,059	240,552	70.23	26.55	0.16	1.0379	0.16
Total All Services	1,547,961	1,017,186	24,061,996	7,885.36	23.66	15.54	1.0422	16.20

Appendix D2
 Florida Agency for Health Care Administration
 September 2010 - August 2011 HMO Mental Health Add-on Capitation Rate Development
 Statewide Encounter Data for Age Factor Development - FY 08/09

Eligibility Category: TANF
 District: Statewide
 Age Band: 14 - 20

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09	Inflation	PMPM
						PMPM	Factor to FY 10/11	Trended to FY 10/11
CSU	740,562	1,904	1,190,109	30.85	625.06	1.61	1.0750	1.73
Hospital Inpatient	740,562	2,275	1,875,188	36.86	824.26	2.53	1.0750	2.72
Hospital Outpatient	740,562	229	22,415	3.71	97.88	0.03	1.1339	0.03
Physician (MD or DO)	740,562	11,949	751,077	193.62	62.86	1.01	1.0704	1.09
ARNP	740,562	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	740,562	228,204	5,678,478	3,697.80	24.88	7.67	1.0361	7.94
Targeted Case Management	740,562	98,824	1,432,128	1,601.34	14.49	1.93	1.0397	2.01
Locally Defined Service	740,562	4,838	189,862	78.39	39.24	0.26	1.0379	0.27
Total All Services	740,562	348,223	11,139,256	5,642.57	31.99	15.04	1.0498	15.79

Eligibility Category: TANF
 District: Statewide
 Age Band: 21 - 54

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09	Inflation	PMPM
						PMPM	Factor to FY 10/11	Trended to FY 10/11
CSU	560,694	934	583,155	19.99	624.36	1.04	1.0750	1.12
Hospital Inpatient	560,694	1,263	829,148	27.03	656.49	1.48	1.0750	1.59
Hospital Outpatient	560,694	208	20,333	4.45	97.75	0.04	1.1339	0.04
Physician (MD or DO)	560,694	9,394	618,192	201.05	65.81	1.10	1.0704	1.18
ARNP	560,694	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	560,694	80,496	2,530,811	1,722.78	31.44	4.51	1.0361	4.68
Targeted Case Management	560,694	23,209	340,971	496.72	14.69	0.61	1.0397	0.63
Locally Defined Service	560,694	1,496	81,869	32.02	54.73	0.15	1.0379	0.15
Total All Services	560,694	117,000	5,004,479	2,504.04	42.77	8.93	1.0520	9.39

Eligibility Category: TANF
 District: Statewide
 Age Band: 55 +

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09	Inflation	PMPM
						PMPM	Factor to FY 10/11	Trended to FY 10/11
CSU	11,563	2	1,100	2.08	550.00	0.10	1.0750	0.10
Hospital Inpatient	11,563	55	15,112	57.08	274.76	1.31	1.0750	1.40
Hospital Outpatient	11,563	-	-	-	-	-	1.1339	-
Physician (MD or DO)	11,563	216	16,192	224.16	74.96	1.40	1.0704	1.50
ARNP	11,563	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	11,563	2,858	53,049	2,966.01	18.56	4.59	1.0361	4.75
Targeted Case Management	11,563	1,068	14,587	1,108.36	13.66	1.26	1.0397	1.31
Locally Defined Service	11,563	2	563	2.08	281.30	0.05	1.0379	0.05
Total All Services	11,563	4,201	100,603	4,359.77	23.95	8.70	1.0484	9.12

Appendix D2
 Florida Agency for Health Care Administration
 September 2010 - August 2011 HMO Mental Health Add-on Capitation Rate Development
 Statewide Encounter Data for Age Factor Development - FY 08/09

Eligibility Category: SSI - No Medicare
 District: Statewide
 Age Band: Under 1

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09 PMPM	Inflation Factor to FY 10/11	PMPM Trended to FY 10/11
CSU	6,966	-	-	-	-	-	1.1002	-
Hospital Inpatient	6,966	-	-	-	-	-	1.1002	-
Hospital Outpatient	6,966	-	-	-	-	-	1.1283	-
Physician (MD or DO)	6,966	-	-	-	-	-	1.1512	-
ARNP	6,966	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	6,966	-	-	-	-	-	1.0320	-
Targeted Case Management	6,966	-	-	-	-	-	1.0592	-
Locally Defined Service	6,966	-	-	-	-	-	1.0456	-
Total All Services	6,966	-	-	-	-	-	1.0000	-

Eligibility Category: SSI - No Medicare
 District: Statewide
 Age Band: 1 - 5

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09 PMPM	Inflation Factor to FY 10/11	PMPM Trended to FY 10/11
CSU	94,719	8	5,250	1.01	656.25	0.06	1.1002	0.06
Hospital Inpatient	94,719	56	70,666	7.09	1,261.90	0.75	1.1002	0.82
Hospital Outpatient	94,719	4	525	0.51	131.25	0.01	1.1283	0.01
Physician (MD or DO)	94,719	1,067	66,748	135.18	62.56	0.70	1.1512	0.81
ARNP	94,719	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	94,719	28,718	716,453	3,638.30	24.95	7.56	1.0320	7.81
Targeted Case Management	94,719	14,213	197,271	1,800.65	13.88	2.08	1.0592	2.21
Locally Defined Service	94,719	604	14,573	76.52	24.13	0.15	1.0456	0.16
Total All Services	94,719	44,670	1,071,486	5,659.27	23.99	11.31	1.0495	11.87

Eligibility Category: SSI - No Medicare
 District: Statewide
 Age Band: 6 - 13

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09 PMPM	Inflation Factor to FY 10/11	PMPM Trended to FY 10/11
CSU	237,112	1,225	734,399	62.00	599.51	3.10	1.1002	3.41
Hospital Inpatient	237,112	1,221	1,037,904	61.79	850.04	4.38	1.1002	4.82
Hospital Outpatient	237,112	139	13,620	7.03	97.99	0.06	1.1283	0.06
Physician (MD or DO)	237,112	15,757	1,015,356	797.45	64.44	4.28	1.1512	4.93
ARNP	237,112	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	237,112	304,476	7,292,432	15,409.22	23.95	30.76	1.0320	31.74
Targeted Case Management	237,112	149,269	2,152,213	7,554.35	14.42	9.08	1.0592	9.61
Locally Defined Service	237,112	5,709	150,644	288.93	26.39	0.64	1.0456	0.66
Total All Services	237,112	477,796	12,396,567	24,180.78	25.95	52.28	1.0565	55.24

Appendix D2
Florida Agency for Health Care Administration
September 2010 - August 2011 HMO Mental Health Add-on Capitation Rate Development
Statewide Encounter Data for Age Factor Development - FY 08/09

Eligibility Category: SSI - No Medicare
District: Statewide
Age Band: 14 - 20

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09	Inflation	PMPM
						PMPM	Factor to FY 10/11	Trended to FY 10/11
CSU	208,535	2,216	1,345,907	127.52	607.36	6.45	1.1002	7.10
Hospital Inpatient	208,535	2,727	2,029,714	156.92	744.30	9.73	1.1002	10.71
Hospital Outpatient	208,535	417	48,920	24.00	117.32	0.23	1.1283	0.26
Physician (MD or DO)	208,535	11,996	788,365	690.30	65.72	3.78	1.1512	4.35
ARNP	208,535	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	208,535	206,872	4,920,744	11,904.30	23.79	23.60	1.0320	24.35
Targeted Case Management	208,535	89,823	1,328,873	5,168.80	14.79	6.37	1.0592	6.75
Locally Defined Service	208,535	5,382	201,230	309.70	37.39	0.96	1.0456	1.01
Total All Services	208,535	319,433	10,663,755	18,381.55	33.38	51.14	1.0665	54.54

Eligibility Category: SSI - No Medicare
District: Statewide
Age Band: 21 - 54

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09	Inflation	PMPM
						PMPM	Factor to FY 10/11	Trended to FY 10/11
CSU	520,182	10,036	5,852,590	231.52	583.16	11.25	1.1002	12.38
Hospital Inpatient	520,182	25,538	16,576,572	589.13	649.09	31.87	1.1002	35.06
Hospital Outpatient	520,182	2,329	214,505	53.73	92.10	0.41	1.1283	0.47
Physician (MD or DO)	520,182	50,222	3,222,683	1,158.56	64.17	6.20	1.1512	7.13
ARNP	520,182	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	520,182	1,434,679	22,527,849	33,096.39	15.70	43.31	1.0320	44.69
Targeted Case Management	520,182	376,800	5,538,870	8,692.34	14.70	10.65	1.0592	11.28
Locally Defined Service	520,182	22,581	2,128,402	520.92	94.26	4.09	1.0456	4.28
Total All Services	520,182	1,922,185	56,061,470	44,342.60	29.17	107.77	1.0697	115.28

Eligibility Category: SSI - No Medicare
District: Statewide
Age Band: 55 +

Service Category	Case Months	Units	Amount Paid	Utilization Rate	Unit Cost	FY 08/09	Inflation	PMPM
						PMPM	Factor to FY 10/11	Trended to FY 10/11
CSU	357,929	2,222	1,245,512	74.50	560.54	3.48	1.1002	3.83
Hospital Inpatient	357,929	10,643	5,336,630	356.82	501.42	14.91	1.1002	16.40
Hospital Outpatient	357,929	742	71,562	24.88	96.44	0.20	1.1283	0.23
Physician (MD or DO)	357,929	25,029	1,600,537	839.13	63.95	4.47	1.1512	5.15
ARNP	357,929	-	-	-	-	-	1.1756	-
Community Mental Health or Mental Health Practitioner	357,929	721,007	10,819,926	24,172.63	15.01	30.23	1.0320	31.20
Targeted Case Management	357,929	196,083	2,676,682	6,573.92	13.65	7.48	1.0592	7.92
Locally Defined Service	357,929	5,336	551,288	178.90	103.31	1.54	1.0456	1.61
Total All Services	357,929	961,062	22,302,137	32,220.76	23.21	62.31	1.0646	66.33

APPENDIX E

**Actuarial Certification of
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan
Program Capitation Rates**

This report assumes that the reader is familiar with the State of Florida's Medicaid program, its benefits, and rate setting principles. The material was prepared solely to provide assistance to AHCA to set September 1, 2010 – August 31, 2011 capitation rates for this program. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety

State of Florida – Agency for Health Care Administration
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rate Development

August 3, 2010



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August 3, 2010

**Florida Agency for Health Care Administration
Capitated Contracts Actuarial Certification
September 1, 2010 – August 31, 2011
Prepaid Mental Health Plan Capitation Rates**

I, John D. Meerschaert, am associated with the firm of Milliman, Inc. and am a member of the American Academy of Actuaries and meet its Qualification Standards for Statements of Actuarial Opinion. I have been retained by the Florida Agency for Health Care Administration (AHCA) to perform an actuarial certification of the Prepaid Mental Health Plan (PMHP) capitation rates for September 1, 2010 – August 31, 2011 for filing with the Centers for Medicare and Medicaid Services (CMS). I reviewed the capitation rates developed by AHCA and am familiar with the Code of Federal Regulations, 42 CFR 438.6(c) and the CMS "Appendix A, PAHP, PIHP and MCO Contracts Financial Review Documentation for At-risk Capitated Contracts Ratesetting."

I examined the actuarial assumptions and actuarial methods used to set the capitation rates for September 1, 2010 – August 31, 2011.

To the best of my information, knowledge, and belief, for the period from September 1, 2010 – August 31, 2011, the capitation rates offered by AHCA are in compliance with 42 CFR 438.6(c). The attached actuarial report describes the capitation rate setting methodology.

In my opinion, the capitation rates are actuarially sound, have been developed in accordance with generally accepted actuarial principles and practices, and are appropriate for the populations to be covered and the services to be furnished under the contract.

In making my opinion, I relied upon the accuracy of the underlying records and data summaries prepared by AHCA. A copy of the reliance letter received from AHCA is attached and constitutes part of this opinion. I did not audit the data and calculations, but did review them for reasonableness and consistency and did not find material defects. In other respects, my examination included such review of the underlying assumptions and methods used and such tests of the calculations as I considered necessary.

The capitation rates developed may not be appropriate for any specific health plan. Any health plan will need to review the rates in relation to the benefits provided. The health plan should compare the rates with its own experience, expenses, capital and surplus, and profit requirements prior to agreeing to contract with AHCA. The health plan may require rates above, equal to, or below the actuarially sound capitation rates.

Actuarial methods, considerations, and analyses used in forming my opinion conform to the appropriate Standards of Practice as promulgated from time-to-time by the Actuarial Standards Board, whose standards form the basis of this Statement of Opinion.

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 Opinion assumes the reader is familiar with the Florida Medicaid program, Medicaid eligibility rules, and actuarial rating techniques. The Opinion is intended for the State of Florida and Centers for Medicare and Medicaid Services 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 rate projections of the type in this Opinion, so as to properly interpret the projection results.

DRAFT

John D. Meerschaert
Member, American Academy of Actuaries

August 3, 2010

DRAFT