



Nebraska Medicaid

Heritage Health Rate Development

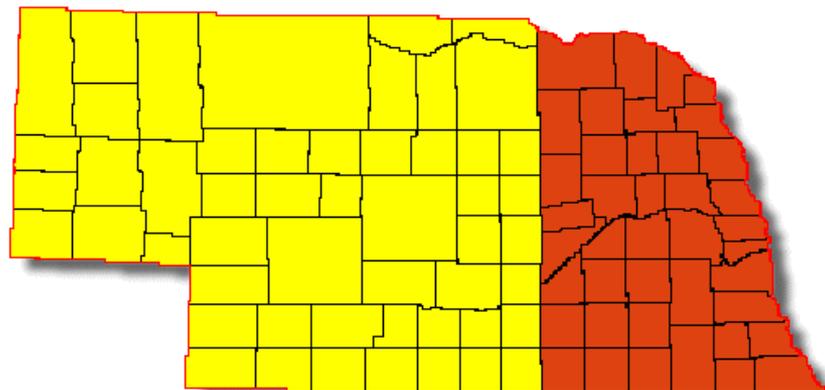
OCTOBER 26, 2015

Agenda

- Background
 - Current Programs
 - Rate Update in Spring
 - Rating Regions
 - Populations and Services
- Rate Development
 - Base Data
 - Policy Changes
 - Trend
 - Non-Medical Load
 - UNMC Supplemental Payment
 - Final Rates
- Future Considerations

Background

- Current Programs
 - Physical Health Managed Care
 - Behavioral Health Managed Care
- Rate Update
 - Rates will be updated in Spring 2016
- Rating Regions



- Rating Region 1
- Rating Region 2

Background

- Populations and Services

Populations	Physical Health Managed Care	Behavioral Health Managed Care	Heritage Health
AABD 00-20 M&F	X	X	X
AABD 21+ M&F	X	X	X
AABD 21+ M&F-WWC	X	X	X
CHIP M&F	X	X	X
Family Under 1 M&F	X	X	X
Family 01-05 M&F	X	X	X
Family 06-20 F	X	X	X
Family 06-20 M	X	X	X
Family 21+ M&F	X	X	X
Foster Care M&F	X	X	X
Katie Beckett 00-18 M&F	X	X	X
Maternity	X	X	X
LTSS (Institutional) - Dual		X	X
LTSS (Institutional) - Non-Dual		X	X
LTSS (Home and Community Based) - Dual		X	X
LTSS (Home and Community Based) - Non-Dual		X	X
Dual		X	X
PACE			
MSP, QMB, SLMB			
Emergency Medicaid Services Population			
Members with Spend-down who are not in a facility or in waiver program			

Background

- Populations and Services

Services	Physical Health Managed Care	Behavioral Health Managed Care	Heritage Health
DME/Supplies	X		X
Emergency Room	X		X
Emergency Transportation	X		X
EPSDT	X		X
Family Planning	X		X
FQHC/RHC	X		X
Home Health	X		X
Hospice	X		X
Inpatient Hospital	X		X
Lab and Radiology	X		X
Non-Emergency Transportation - Ambulance	X		X
Other Care	X		X
Other Professional	X		X
Outpatient Hospital	X		X
PCP	X		X
Specialist	X		X
Vision	X		X
Rx			X
Behavioral Health - IP		X	X
Behavioral Health - OP		X	X
Behavioral Health - Residential		X	X
Behavioral Health - Other		X	X
Transplant Costs (3 months pre/6 months post)			X
Dental			
Non-Emergency Transportation - Non-Ambulance			
LTSS Services			

Rate Development

- Base Data
 - Physical Health Encounter Data
 - SFY14 and SFY15 incurred dates
 - Paid through 9/30/2015
 - Behavioral Health Encounter Data
 - Foster Care: SFY15 incurred dates
 - All other populations: 9/1/2013 – 6/30/2015
 - Paid through 6/30/2015
 - FFS Populations/Services Data
 - SFY14 and SFY15 incurred dates
 - Paid through 9/30/2015

Rate Development

- Base Data
 - Base Data Adjustments
 - IBNR
- Policy Changes
 - ASD and DD Adjustment
 - Not data driven
 - Used same assumptions (prevalence, take up rates, annual costs, access to services, and pent-up demand) inherent in BH rate development

Rate Development

- Policy Changes
 - ASD and DD Adjustment

COA	Rating Region 1		Rating Region 2	
	ASD Adjustment	DD Adjustment	ASD Adjustment	DD Adjustment
AABD 00-20 M&F	2.8%	2.8%	1.8%	1.9%
AABD 21+ M&F	0.0%	0.0%	0.0%	0.0%
AABD 21+ M&F-WWC	0.0%	0.0%	0.0%	0.0%
CHIP M&F	1.1%	0.9%	0.8%	0.8%
Family Under 1 M&F	0.0%	0.0%	0.0%	0.0%
Family 01-05 M&F	2.9%	0.6%	2.2%	0.5%
Family 06-20 F	0.7%	1.1%	0.5%	0.9%
Family 06-20 M	0.7%	1.1%	0.5%	0.9%
Family 21+ M&F	0.0%	0.0%	0.0%	0.0%
Foster Care M&F	3.0%	2.1%	2.4%	1.7%
Katie Beckett 00-18 M&F	0.4%	0.2%	0.4%	0.2%
Maternity	0.0%	0.0%	0.0%	0.0%
LTSS (Institutional) - Dual	0.0%	0.0%	0.0%	0.0%
LTSS (Institutional) - Non-Dual	0.0%	0.3%	0.0%	0.8%
LTSS (Home and Community Based) - Dual	0.0%	0.1%	0.0%	0.0%
LTSS (Home and Community Based) - Non-Dual	0.1%	3.1%	0.0%	2.5%
Dual	0.0%	0.0%	0.0%	0.0%

Rate Development

- Policy Changes
 - Service Delivery Adjustments

COA	Service Delivery Adjustment	
	Rating Region 1	Rating Region 2
AABD 00-20 M&F	-0.2%	-0.2%
AABD 21+ M&F	-0.4%	-0.3%
AABD 21+ M&F-WWC	-0.2%	-0.2%
CHIP M&F	-0.4%	-0.3%
Family Under 1 M&F	-0.2%	-0.1%
Family 01-05 M&F	-0.4%	-0.3%
Family 06-20 F	-0.5%	-0.3%
Family 06-20 M	-0.4%	-0.3%
Family 21+ M&F	-0.6%	-0.4%
Foster Care M&F	-0.4%	-0.3%
Katie Beckett 00-18 M&F	0.0%	0.0%
Maternity	0.0%	0.1%
LTSS (Institutional) - Dual	0.0%	0.0%
LTSS (Institutional) - Non-Dual	1.1%	-0.1%
LTSS (Home and Community Based) - Dual	0.0%	0.0%
LTSS (Home and Community Based) - Non-Dual	-0.3%	-0.2%
Dual	-4.9%	-6.9%

Rate Development

- Policy Changes
 - Immediate Enrollment

COA	Immediate Enrollment	
	Rating Region 1	Rating Region 2
AABD 00-20 M&F	0.2%	0.2%
AABD 21+ M&F	0.2%	0.2%
AABD 21+ M&F-WWC	0.0%	0.0%
CHIP M&F	0.3%	0.4%
Family Under 1 M&F	2.7%	2.7%
Family 01-05 M&F	0.5%	0.5%
Family 06-20 F	0.3%	0.4%
Family 06-20 M	0.2%	0.3%
Family 21+ M&F	0.1%	0.1%
Foster Care M&F	0.1%	0.1%
Katie Beckett 00-18 M&F	0.2%	0.2%
Maternity	1.8%	1.8%
LTSS (Institutional) - Dual	0.3%	0.3%
LTSS (Institutional) - Non-Dual	0.2%	0.2%
LTSS (Home and Community Based) - Dual	0.3%	0.3%
LTSS (Home and Community Based) - Non-Dual	0.2%	0.2%
Dual	0.2%	0.2%

Rate Development

- Policy Changes
 - APR-DRG, FQHC APM, BH Provider Increase, etc.

COA	Other Policy Changes	
	Rating Region 1	Rating Region 2
AABD 00-20 M&F	1.3%	0.6%
AABD 21+ M&F	0.5%	0.4%
AABD 21+ M&F-WWC	0.1%	0.0%
CHIP M&F	1.7%	0.9%
Family Under 1 M&F	0.7%	0.1%
Family 01-05 M&F	1.4%	0.5%
Family 06-20 F	2.1%	1.8%
Family 06-20 M	2.2%	2.5%
Family 21+ M&F	0.8%	0.6%
Foster Care M&F	2.7%	2.3%
Katie Beckett 00-18 M&F	-0.1%	-0.1%
Maternity	0.3%	0.3%
LTSS (Institutional) - Dual	0.9%	0.6%
LTSS (Institutional) - Non-Dual	-0.6%	0.0%
LTSS (Home and Community Based) - Dual	0.9%	0.7%
LTSS (Home and Community Based) - Non-Dual	0.1%	0.3%
Dual	2.4%	1.8%

Rate Development

- Trend
 - PH data trended 36 months
 - BH non-Foster Care trended 35 months
 - BH Foster Care trended 30 months

Rate Development

- Trend – COA

COA	PMPM Trend	
	Rating Region 1	Rating Region 2
AABD 00-20 M&F	1.0%	2.3%
AABD 21+ M&F	3.6%	4.1%
AABD 21+ M&F-WWC	2.0%	2.5%
CHIP M&F	3.2%	3.3%
Family Under 1 M&F	3.3%	3.4%
Family 01-05 M&F	2.3%	2.8%
Family 06-20 F	3.3%	3.3%
Family 06-20 M	3.7%	3.4%
Family 21+ M&F	3.9%	4.3%
Foster Care M&F	2.0%	2.7%
Katie Beckett 00-18 M&F	2.2%	2.2%
Maternity	3.2%	3.2%
LTSS (Institutional) - Dual	3.0%	3.3%
LTSS (Institutional) - Non-Dual	3.0%	3.9%
LTSS (Home and Community Based) - Dual	2.4%	2.8%
LTSS (Home and Community Based) - Non-Dual	3.5%	3.6%
Dual	2.2%	2.6%

Rate Development

- Trend – COS

COS	PMPM Trend	
	Rating Region 1	Rating Region 2
DME/Supplies	1.3%	1.4%
Emergency Room	3.0%	3.6%
Emergency Transportation	1.5%	1.5%
EPSDT	1.7%	1.4%
Family Planning	2.0%	2.1%
FQHC/RHC	1.1%	1.4%
Home Health	2.0%	2.1%
Hospice	1.3%	1.3%
Inpatient Hospital	2.5%	3.0%
Lab and Radiology	1.8%	2.8%
Non-Emergency Transportation - Ambulance	1.3%	1.4%
Other Care	1.6%	1.6%
Other Professional	3.1%	2.5%
Outpatient Hospital	3.1%	3.5%
PCP	1.8%	2.0%
Specialist	2.2%	2.3%
Vision	1.8%	1.7%
Rx	6.5%	6.8%
Behavioral Health - IP	0.7%	0.7%
Behavioral Health - OP	1.1%	1.1%
Behavioral Health - Residential	0.8%	0.6%
Behavioral Health - Other	0.3%	0.3%

Rate Development

- Non-Medical Load
 - Varies by rating cohort

COA	Rating Region 1	Rating Region 2
Admin	7.00%	7.00%
Quality Improvement	2.85%	2.72%
Performance Guarantee	0.25%	0.25%
Profit/Risk/Contingency	2.00%	2.00%
Total	12.10%	11.97%

Rate Development

- UNMC
 - Developed using MCO and FFS data
 - Add-on to final developed rate

COA	UNMC PMPM	
	Rating Region 1	Rating Region 2
AABD 00-20 M&F	\$16.28	\$10.21
AABD 21+ M&F	\$25.27	\$8.23
AABD 21+ M&F-WWC	\$108.11	\$21.60
CHIP M&F	\$4.64	\$1.30
Family Under 1 M&F	\$16.49	\$3.97
Family 01-05 M&F	\$5.44	\$1.41
Family 06-20 F	\$4.00	\$1.18
Family 06-20 M	\$3.52	\$1.11
Family 21+ M&F	\$10.89	\$3.74
Foster Care M&F	\$6.34	\$3.24
Katie Beckett 00-18 M&F	\$37.83	\$37.83
Maternity	\$332.23	\$58.40
LTSS (Institutional) - Dual	\$0.00	\$0.00
LTSS (Institutional) - Non-Dual	\$0.00	\$0.00
LTSS (Home and Community Based) - Dual	\$7.85	\$1.69
LTSS (Home and Community Based) - Non-Dual	\$15.60	\$10.05
Dual	\$7.08	\$0.84

Rate Development

- Final Rates – Rating Region 1

COA	Rating Region 1					
	FY15 MMs	Medical PMPM	NML	Developed Rate	UNMC PMPM	Total Rate
AABD 00-20 M&F	35,303	\$976.29	11.7%	\$1,106.12	\$16.28	\$1,122.40
AABD 21+ M&F	106,576	\$1,406.62	11.8%	\$1,595.12	\$25.27	\$1,620.39
AABD 21+ M&F-WWC	1,109	\$2,201.95	11.7%	\$2,492.50	\$108.11	\$2,600.61
CHIP M&F	317,346	\$155.04	14.5%	\$181.32	\$4.64	\$185.96
Family Under 1 M&F	106,184	\$460.76	10.7%	\$516.26	\$16.49	\$532.75
Family 01-05 M&F	332,138	\$129.13	14.4%	\$150.77	\$5.44	\$156.22
Family 06-20 F	284,805	\$149.92	14.6%	\$175.51	\$4.00	\$179.51
Family 06-20 M	272,407	\$161.93	14.6%	\$189.60	\$3.52	\$193.13
Family 21+ M&F	224,680	\$377.16	14.4%	\$440.77	\$10.89	\$451.66
Foster Care M&F	82,203	\$452.29	11.3%	\$509.67	\$6.34	\$516.01
Katie Beckett 00-18 M&F	412	\$12,654.24	2.9%	\$13,031.59	\$37.83	\$13,069.41
Maternity	6,649	\$7,687.83	2.9%	\$7,917.08	\$332.23	\$8,249.31
LTSS (Institutional) - Dual	59,908	\$230.31	11.8%	\$261.00	\$0.00	\$261.00
LTSS (Institutional) - Non-Dual	5,638	\$2,876.09	11.7%	\$3,256.61	\$0.00	\$3,256.61
LTSS (Home and Community Based) - Dual	49,366	\$271.09	11.8%	\$307.35	\$7.85	\$315.20
LTSS (Home and Community Based) - Non-Dual	28,342	\$1,465.82	11.8%	\$1,661.18	\$15.60	\$1,676.77
Dual	193,309	\$282.66	12.2%	\$321.88	\$7.08	\$328.96
Total (FY15 Mix)	2,099,726	\$348.84	12.1%	\$396.86	\$8.53	\$405.39

Rate Development

- Final Rates – Rating Region 2

COA	Rating Region 2					
	FY15 MMs	Medical PMPM	NML	Developed Rate	UNMC PMPM	Total Rate
AABD 00-20 M&F	9,807	\$1,123.17	11.7%	\$1,272.16	\$10.21	\$1,282.37
AABD 21+ M&F	27,407	\$1,571.78	11.8%	\$1,781.30	\$8.23	\$1,789.53
AABD 21+ M&F-WWC	451	\$2,532.75	11.6%	\$2,866.19	\$21.60	\$2,887.79
CHIP M&F	107,941	\$153.32	14.5%	\$179.26	\$1.30	\$180.56
Family Under 1 M&F	32,855	\$413.76	10.7%	\$463.59	\$3.97	\$467.56
Family 01-05 M&F	94,254	\$137.24	14.3%	\$160.21	\$1.41	\$161.62
Family 06-20 F	82,972	\$158.84	14.6%	\$185.90	\$1.18	\$187.07
Family 06-20 M	79,831	\$164.67	14.6%	\$192.82	\$1.11	\$193.93
Family 21+ M&F	63,516	\$461.18	14.4%	\$538.94	\$3.74	\$542.68
Foster Care M&F	22,223	\$415.70	11.1%	\$467.82	\$3.24	\$471.06
Katie Beckett 00-18 M&F	412	\$12,654.24	2.9%	\$13,031.59	\$37.83	\$13,069.41
Maternity	2,211	\$7,504.02	2.9%	\$7,727.79	\$58.40	\$7,786.19
LTSS (Institutional) - Dual	23,676	\$195.31	11.7%	\$221.28	\$0.00	\$221.28
LTSS (Institutional) - Non-Dual	1,916	\$1,974.47	11.7%	\$2,235.72	\$0.00	\$2,235.72
LTSS (Home and Community Based) - Dual	22,675	\$247.43	11.8%	\$280.44	\$1.69	\$282.14
LTSS (Home and Community Based) - Non-Dual	6,774	\$1,340.45	11.7%	\$1,518.85	\$10.05	\$1,528.90
Dual	65,329	\$239.11	12.1%	\$271.97	\$0.84	\$272.81
Total (FY15 Mix)	642,039	\$348.41	12.0%	\$395.79	\$2.40	\$398.19

Future Considerations

- Health Insurer Fee
 - Not currently included in rates
- Retro Enrollment
 - Adjustment needed for coverage period prior to eligibility determination date
- Update Rates in Spring
 - Incorporate new data
 - Review assumptions (trend, new services, etc.)
 - Revisit public policy changes

Questions
