

Schedule 13

Department of Health Care Policy and Financing

Funding Request for The FY 2020-21 Budget Cycle

Request Title

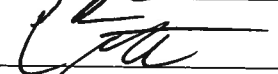
R-04 Medicare Modernization Act State Contribution

Dept. Approval By: _____



Supplemental FY 2019-20

OSPB Approval By: _____



Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$151,073,595	\$0	\$151,073,595	\$17,929,806	\$26,393,297
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$151,073,595	\$0	\$151,073,595	\$17,929,806	\$26,393,297
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$151,073,595	\$0	\$151,073,595	\$17,929,806	\$26,393,297
06. Other Medical Services, (A) Other Medical Services, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Other Medical Services - Medicare Modernization Act State Contribution Payment	GF	\$151,073,595	\$0	\$151,073,595	\$17,929,806	\$26,393,297
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Health Care Policy and Financing Prioritized Request

Interagency Approval or Related Schedule 13s:

No Other Agency Impact



Department Priority: R-4
Request Detail: Medicare Modernization Act

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$9,321,829	\$17,929,806	\$26,393,297
FTE	0.0	0.0	0.0
General Fund	\$9,321,829	\$17,929,806	\$26,393,297
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Department requests \$9,321,829 General Fund in FY 2019-20 and \$17,929,806 General Fund in FY 2020-21, and \$26,393,297 in FY 2021-22 to true up funding related to the State’s share of the costs of the Medicare Part D outpatient prescription drug benefit for dual-eligible clients. This request does not require any additional FTE and represents an increase of less than 0.5% from the Department’s FY 2019-20 Long Bill total funds appropriation.

Current Program:

On January 1, 2006, the federal Centers for Medicare and Medicaid Services (CMS) assumed responsibility for the Medicare Part D prescription-drug benefit that replaced the Medicaid prescription-drug coverage for dual-eligible clients, who are individuals eligible for both Medicare and Medicaid. States are required to make mandatory state payments to the federal government, known as the “clawback” payment, to help finance the Medicaid Part D benefit for the dual-eligible population for the states’ share of the costs of outpatient prescription drugs. The amount of each state’s clawback payment roughly reflects the expenditures of its own funds that the state would make if it continued to pay for outpatient prescription drugs through Medicaid on behalf of dual-eligible clients. These clawback payments, if left unpaid, are subject to automatic deduction – plus interest – from the federal funds the State receives for the Medicaid program.

Problem or Opportunity:

Current projections indicate that the Department’s appropriation for Medicare Modernization Act in FY 2019-20 and its base spending authority in FY 2020-21 are not sufficient to make payments for the required clawback payments in those years.

Proposed Solution:

The Department requests an increase of \$9,321,829 General Fund in FY 2019-20 and an increase of \$17,929,806 General Fund in FY 2020-21 for funding adjustment to the Medicare Modernization Act State Contribution Payment line item to cover the State’s share of the costs of the Medicare Part D outpatient prescription drug benefit for dual-eligible clients. The Medicare Modernization Act State Contribution Payment line item is entirely General Fund, as it is a reimbursement to the federal government and is not eligible to receive a federal match.

Anticipated Outcomes:

One of the Department’s top priorities in its Performance Plan is cost control within the Medicaid program. The approval of this request would be a direct implementation of this goal by allowing the Department to meet its obligation to the federal government, and ensuring that no amount of federal funds owed to the State for Medicaid would be subject to deduction plus interest.

Assumptions and Calculations:

Detailed calculations for the request are included in the attached appendix.

A summary of the funding request for the Medicare Modernization Act State Contribution Payment line item by fund type is provided for FY 2019-20, FY 2020-21, and FY 2021-22 in tables 1.1, 1.2, and 1.3, respectively.

The State’s clawback payment is calculated according to three factors:

1. The projected number of Medicare and Medicaid dual-eligible clients enrolled in a Part D plan;

2. A per member per month (PMPM) estimate of the amount the State otherwise would have spent on Medicaid prescription drugs for dual-eligible clients; and
3. A “phasedown” percentage of the State’s obligation for the PMPM rate was set forth by the MMA starting at 90% in 2006 and declined by 1.67% each year thereafter until 2015 when it reached 75%, where it will remain ongoing.

The Department’s current estimates of the clawback payment are \$160,395,424 for FY 2019-20; \$169,003,401 for FY 2020-21; and \$177,466,892 for FY 2021-22, based on the Department’s most recent caseload projections and actual and projected per member per month (PMPM) rates paid by the State as required by federal regulations.

The total caseload and expenditure estimates for FY 2019-20, FY 2020-21, and FY 2021-22 are calculated in tables 2.1a and 2.1b, 2.2a, and 2.3a, respectively. The Department assumes the dual-eligible caseload will follow a 1.72% annual growth trend, consistent with growth over three years from August 2016 through July 2019. This method estimates caseload by increasing the total caseload incurred each month by 0.13% to forecast the total caseload for the following month. Rows A through L on tables 2.1a, 2.2a and 2.3a of the appendix show the actual and projected caseload for a given month by the calendar year for which the caseload is attributed. Due to a two-month delay between when the Department receives an invoice from CMS and when the invoice is paid, the amount paid in the state fiscal year includes invoices received between May and April. Retroactivity is also considered in this forecast because clients are able to be retroactively enrolled and disenrolled for up to 36 months. Tables 2.1b provides calculations of caseload and expenditures for dual-eligible clients by the various PMPM rates for the calendar year resulting from changes in the Federal Medical Assistance Percentage (FMAP). The PMPM rates are also adjusted based on changes in the FMAP rate which occur on a federal fiscal year (October 1 through September 30 timespan) as follows:

- FFY 2016: 50.72%
- FFY 2017: 50.02%
- FFY 2018: 50.00%
- FFY 2019: 50.00%
- FFY 2020: 50.00% is estimated

The changes in the PMPM rate are based on a prescribed methodology established by CMS. Table 3.1 shows the actual CY 2019 PMPM for January through December 2019 at a 50.00% FMAP rate. The estimated PMPM rates for CY 2020, CY 2021, and CY 2022 are calculated by in tables 3.2, 3.3, and 3.4, respectively. The CY 2020 change in percentage of growth in table 3.2 row G is calculated by dividing the projected 2020 National Health Expenditure (NHE) percentage growth rate of per capita prescription drug expenditure between years 2003 and 2006 in row F by the 2018 NHE percentage of growth in row C, minus 1. For CY 2021 and CY 2022, the Department uses the median of the last seven years of the annual percentage increase (API) in average per capita Part D expenditures from CY 2012 to CY 2019 to project the percentage change

in the rate (found in row J of tables 3.2 and 3.3). The final percentage change in the PMPM rate is calculated in row K of tables 3.3 and 3.4.

Table 4.1 provides actual caseload history from FY 2006-07 through FY 2018-19 and caseload projections based on current trends for FY 2019-20 through FY 2021-22. Table 4.2 provides actual and projected aggregate monthly caseload history by number of member months and average monthly caseload. Table 4.3 shows the PMPM rate history from CY 2014 to CY 2019 and projected PMPM rates for CY 2020 to CY 2022. Table 4.4 shows the actual PMPM rate history by each quarter of the calendar year from CY 2006 to CY 2019 and projected PMPM rates for CY 2020 to CY 2022.

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

The supplemental request is necessary as a result of changes in dual-eligible caseload, which impacts the amount paid in the clawback payment.

R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 1.1				
FY 2019-20 Summary of Incremental Funding Request				
LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item				
Row	Item	Total Funds	General Fund	Source
A	FY 2019-20 Spending Authority	\$151,073,595	\$151,073,595	Long Bill Appropriation (SB 19-207)
B	Projected FY 2019-20 Expenditures	\$160,395,424	\$160,395,424	Table 2.1a Row O
C	FY 2019-20 Estimated Change from Appropriation	\$9,321,829	\$9,321,829	Row B - Row A

Table 1.2				
FY 2020-21 Summary of Incremental Funding Request				
LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item				
Row	Item	Total Funds	General Fund	Source
A	FY 2020-21 Spending Authority	\$151,073,595	\$151,073,595	Long Bill Appropriation (SB 19-207)
B	Projected FY 2020-21 Expenditures	\$169,003,401	\$169,003,401	Table 2.2a Row O
C	FY 2020-21 Estimated Change from Appropriation	\$17,929,806	\$17,929,806	Row B - Row A

Table 1.3				
FY 2021-22 Summary of Incremental Funding Request				
LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item				
Row	Item	Total Funds	General Fund	Source
A	FY 2021-22 Spending Authority	\$151,073,595	\$151,073,595	Long Bill Appropriation (SB 19-207)
B	Projected FY 2021-22 Expenditures	\$177,466,892	\$177,466,892	Table 2.3a Row O
C	FY 2021-22 Estimated Change from Appropriation	\$26,393,297	\$26,393,297	Row B - Row A

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Table 2.1a FY 2019-20 Projected Caseload and Expenditures						
Row	Month	CY 2017	CY 2018	CY 2019	CY 2020	FY 2019-20 TOTAL
A	May 2019	109	961	76,537	0	77,607
B	June 2019	393	3,879	83,857	0	88,129
C	July 2019	60	523	78,624	0	79,207
D	August 2019	32	360	78,851	0	79,243
E	September 2019	24	298	79,016	0	79,338
F	October 2019	16	248	79,179	0	79,443
G	November 2019	8	208	79,335	0	79,551
H	December 2019	0	175	79,471	0	79,646
I	January 2020	0	146	4,220	75,388	79,754
J	February 2020	0	122	2,449	77,282	79,853
K	March 2020	0	99	1,567	78,288	79,954
L	April 2020	0	84	1,014	78,961	80,059
M	CY Client Total	642	7,103	644,120	309,919	961,784
N	CY PMPM Rate ⁽¹⁾	Varies ⁽²⁾	\$160.92	\$164.04	\$172.59	
O	Expenditures ⁽³⁾	\$102,044	\$1,143,015	\$105,661,445	\$53,488,920	\$160,395,424

(1) PMPM Rates in Row N are shown in table 2.1b
(2) Rate changes occurred for calendar year 2017 due to FMAP changes shown in Table 4.3
(3) Expenditures are calculated by multiplying client total by the respective PMPM rates

Table 2.1b Caseload Breakdown for FY 2019-20 with CY 2017 Rates					
Row	Rate Period	Caseload Forecast	Rates	Total	Source
D	Jan - Sept 2017	260	\$158.91	\$41,317	Caseload Forecast * Actual Rate
E	Oct - Dec 2017	382	\$158.97	\$60,727	Caseload Forecast * Actual Rate
F	CY 2017 Total	642		\$102,044	Row D + Row E

Table 2.2a FY 2020-21 Projected Caseload and Expenditures						
Row	Month	CY 2018	CY 2019	CY 2020	CY 2021	FY 2020-21 TOTAL
A	May 2020	68	709	79,381	0	80,158
B	June 2020	56	562	79,645	0	80,263
C	July 2020	43	450	79,868	0	80,361
D	August 2020	32	370	80,064	0	80,466
E	September 2020	24	308	80,237	0	80,569
F	October 2020	17	254	80,400	0	80,671
G	November 2020	8	210	80,549	0	80,767
H	December 2020	0	184	80,693	0	80,877
I	January 2021	0	151	4,286	76,540	80,977
J	February 2021	0	123	2,492	78,463	81,078
K	March 2021	0	103	1,594	79,487	81,184
L	April 2021	0	85	1,030	80,167	81,282
M	CY Client Total	248	3,509	650,239	314,657	968,653
N	CY PMPM Rate	\$160.92	\$164.04	\$172.59	\$178.49	
O	Expenditures	\$39,908	\$575,616	\$112,224,749	\$56,163,128	\$169,003,401

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Table 2.3a						
FY 2021-22 Projected Caseload and Expenditures						
Row	Month	CY 2019	CY 2020	CY 2021	CY 2022	FY 2021-22 TOTAL
A	May 2021	69	725	80,594	0	81,388
B	June 2021	58	571	80,863	0	81,492
C	July 2021	43	461	81,089	0	81,593
D	August 2021	35	375	81,285	0	81,695
E	September 2021	24	313	81,462	0	81,799
F	October 2021	18	260	81,630	0	81,908
G	November 2021	8	214	81,784	0	82,006
H	December 2021	0	186	81,924	0	82,110
I	January 2022	0	151	4,353	77,710	82,214
J	February 2022	0	128	2,531	79,662	82,321
K	March 2022	0	105	1,617	80,700	82,422
L	April 2022	0	85	1,046	81,392	82,523
M	CY Client Total	255	3,574	660,178	319,464	983,471
N	CY PMPM Rate ⁽¹⁾	\$164.04	\$172.59	\$178.49	\$184.60	
O	Expenditures ⁽³⁾	\$41,830	\$616,837	\$117,835,171	\$58,973,054	\$177,466,892

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Appendix A: Calculations and Assumptions

Table 3.1 CY 2019 PMPM Rate Calculation			
Row	Item		Source
A	CY 2019 PMPM Rate (January through December 2019 with 50.00% FMAP)	\$164.04	Centers for Medicare and Medicaid Services (CMS) ⁽¹⁾
B	FFY 19 FMAP State Share Percentage	50.00%	FFY 19 FMAP is 50.00%
C	FFY 20 FMAP State Share Percentage	50.00%	The projected FFY 20 FMAP is 50%
D	CY 2019 PMPM Rate (October through December 2019 with 50.00% FMAP)	\$164.04	Row A / Row B * Row C

(1) Centers for Medicare and Medicaid Services (CMS) State Medicaid Director Letter Calendar Year (CY) 2019 Jan - Sep Phased-down State Contribution Final Per-Capita Rates , Issued October 16, 2018

Table 3.2 Estimated CY 2020 PMPM Rate Calculation			
Row	Item		Source
2018 NHE Estimates			
A	Estimated 2003 Per Capita Rx Drug Expenditures	\$609	Department estimate
B	Estimated 2006 Per Capita Rx Drug Expenditures	\$752	Department estimate
C	Percentage Growth	23.48%	(Row B ÷ Row A) - 1
Projected 2019 NHE Estimates			
D	Estimated 2003 Per Capita Rx Drug Expenditures	\$609	Department estimate
E	Estimated 2006 Per Capita Rx Drug Expenditures	\$752	Department estimate
F	Percentage Growth	23.48%	(Row E ÷ Row D) - 1
G	Change in Percentage Growth	0.00%	(1 + Row F) ÷ (1 + Row C) - 1
Projected Figures from Announcements of CY 2012 through CY 2019 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies			
H	Projected Annual percentage trend for July 2019	5.25%	Median Change from CY 2012 to CY 2019
I	Projected Prior Year Revisions of the Annual percentage trend	-0.04%	Average Change from CY 2012 to CY 2019
J	Projected Annual Percentage Increase in Average Per Capita Aggregate Part D Expenditures for 2019	5.21%	(1 + Row H) × (1 + Row I) - 1
K	FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2019	5.21%	Row G + Row H
L	CY 2019 PMPM Rate Prior to FMAP and Phasedown	\$437.45	Table 3.2 Row M
M	Projected CY 2020 PMPM Rate Prior to FMAP and Phasedown	\$460.24	Row L × (1 + Row K)
N	Projected FFY 20 FMAP State Share	50.00%	Estimated FFY 19 FMAP is 50%
O	Projected CY 2020 PMPM Rate Prior to Phasedown	\$230.12	Row M × Row N
P	Ongoing Phasedown Percentage Rate	75.00%	Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5]
Q	Estimated CY 2020 PMPM Rate (January through December 2020 with 50.00% FMAP)	\$172.59	Row O × Row P

Source: Centers for Medicare and Medicaid Services (CMS), 2011 thru 2015 NHE estimates; and Announcements of CY 2012 through CY 2019 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies, Attachment V, Table V-3.

Table 3.3 Estimated CY 2021 PMPM Rate Calculation			
Row	Item		Source
Projected 2019 NHE Estimates			
A	Estimated 2003 Per Capita Rx Drug Expenditures	\$609	Department estimate
B	Estimated 2006 Per Capita Rx Drug Expenditures	\$752	Department estimate
C	Percentage Growth	23.48%	(Row B ÷ Row A) - 1
Projected 2020 NHE Estimates			
D	Estimated 2003 Per Capita Rx Drug Expenditures	\$609	Department estimate
E	Estimated 2006 Per Capita Rx Drug Expenditures	\$752	Department estimate
F	Percentage Growth	23.48%	(Row E ÷ Row D) - 1
G	Change in Percentage Growth	0.00%	(1 + Row F) ÷ (1 + Row C) - 1
Projected Figures from Announcements of CY 2012 through CY 2019 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies			
H	Projected Annual percentage trend for July 2019	3.89%	Median Change from CY 2012 to CY 2019
I	Projected Prior Year Revisions of the Annual percentage trend	-0.45%	Average Change from CY 2012 to CY 2019
J	Projected Annual Percentage Increase in Average Per Capita Aggregate Part D Expenditures for 2018	3.42%	(1 + Row H) × (1 + Row I) - 1
K	FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2019	3.42%	Row G + Row H
L	CY 2020 PMPM Rate Prior to FMAP and Phasedown	\$460.24	Table 3.2 Row M
M	Projected CY 2021 PMPM Rate Prior to FMAP and Phasedown	\$475.98	Row L × (1 + Row K)
N	Projected FFY 21 FMAP State Share	50.00%	Estimated FFY 19 FMAP is 50%
O	Projected CY 2021 PMPM Rate Prior to Phasedown	\$237.99	Row M × Row N
P	Ongoing Phasedown Percentage Rate	75.00%	Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5]
Q	Estimated CY 2021 PMPM Rate (January through December 2021 with 50.00% FMAP)	\$178.49	Row O × Row P

Source: Centers for Medicare and Medicaid Services (CMS), 2011 thru 2015 NHE estimates; and Announcements of CY 2012 through CY 2019 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies, Attachment V, Table V-3.

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Appendix A: Calculations and Assumptions

Table 3.4 Estimated CY 2022 PMPM Rate Calculation			
Row	Item		Source
Projected 2019 NHE Estimates			
A	Estimated 2003 Per Capita Rx Drug Expenditures	\$609	Department estimate
B	Estimated 2006 Per Capita Rx Drug Expenditures	\$752	Department estimate
C	Percentage Growth	23.48%	(Row B ÷ Row A) - 1
Projected 2020 NHE Estimates			
D	Estimated 2003 Per Capita Rx Drug Expenditures	\$609	Department estimate
E	Estimated 2006 Per Capita Rx Drug Expenditures	\$752	Department estimate
F	Percentage Growth	23.48%	(Row E ÷ Row D) - 1
G	Change in Percentage Growth	0.00%	(1 + Row F) ÷ (1 + Row C) - 1
Projected Figures from Announcements of CY 2012 through CY 2019 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies			
H	Projected Annual percentage trend for July 2019	3.89%	Median Change from CY 2012 to CY 2019
I	Projected Prior Year Revisions of the Annual percentage trend	-0.45%	Average Change from CY 2012 to CY 2019
J	Projected Annual Percentage Increase in Average Per Capita Aggregate Part D Expenditures for 2018	3.42%	(1 + Row H) × (1 + Row I) - 1
K	FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2019	3.42%	Row G + Row H
L	CY 2021 PMPM Rate Prior to FMAP and Phasedown	\$475.98	Table 3.2 Row M
M	Projected CY 2022 PMPM Rate Prior to FMAP and Phasedown	\$492.26	Row L × (1 + Row K)
N	Projected FFY 22 FMAP State Share	50.00%	Estimated FFY 19 FMAP is 50%
O	Projected CY 2022 PMPM Rate Prior to Phasedown	\$246.13	Row M × Row N
P	Ongoing Phasedown Percentage Rate	75.00%	Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5]
Q	Estimated CY 2022 PMPM Rate (January through December 2022 with 50.00% FMAP)	\$184.60	Row O × Row P

Source: Centers for Medicare and Medicaid Services (CMS), 2011 thru 2015 NHE estimates; and Announcements of CY 2012 through CY 2019 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies, Attachment V, Table V-3.

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Appendix A: Calculations and Assumptions

Table 4.1		
Invoice Caseload History		
Item	Total Member Months Caseload	Average Monthly Caseload
FY 2006-07	611,212	50,934
FY 2007-08	642,840	53,570
% Change from FY 2006-07	5.17%	5.18%
FY 2008-09	651,968	54,331
% Change from FY 2007-08	1.42%	1.42%
FY 2009-10	664,292	55,358
% Change from FY 2008-09	1.89%	1.89%
FY 2010-11	697,817	58,151
% Change from FY 2009-10	5.05%	5.05%
FY 2011-12	725,075	60,423
% Change from FY 2010-11	3.91%	3.91%
FY 2012-13	750,509	62,542
% Change from FY 2011-12	3.51%	3.51%
FY 2013-14	812,812	67,734
% Change from FY 2012-13	8.30%	8.30%
FY 2014-15	865,253	72,104
% Change from FY 2013-14	6.45%	6.45%
FY 2015-16	877,707	73,142
% Change from FY 2014-15	1.44%	1.44%
FY 2016-17	882,749	73,562
% Change from FY 2015-16	0.57%	0.57%
FY 2017-18	897,632	74,803
% Change from FY 2016-17	1.69%	1.69%
FY 2018-19	919,107	76,592
% Change from FY 2017-18	2.39%	1.69%
FY 2019-20 Projection	962,349	80,196
% Change from FY 2018-19 Projection	4.70%	2.39%
FY 2020-21 Projection	968,653	80,721
% Change from FY 2019-20 Projection	0.66%	0.65%
FY 2021-22 Projection	983,471	81,956
% Change from FY 2020-21 Projection	1.53%	1.53%

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Appendix A: Calculations and Assumptions

Table 4.2		
Aggregate Monthly Caseload History		
Item	Total Member Months Caseload	Average Monthly Caseload
FY 2006-07	618,862	51,572
FY 2007-08	630,715	52,560
% Change from FY 2006-07	1.92%	1.92%
FY 2008-09	649,533	54,128
% Change from FY 2007-08	2.98%	2.98%
FY 2009-10	665,732	55,478
% Change from FY 2008-09	2.49%	2.49%
FY 2010-11	693,267	57,772
% Change from FY 2009-10	4.14%	4.13%
FY 2011-12	728,875	60,740
% Change from FY 2010-11	5.14%	5.14%
FY 2012-13	757,424	63,119
% Change from FY 2011-12	3.92%	3.92%
FY 2013-14	803,259	66,938
% Change from FY 2012-13	6.05%	6.05%
FY 2014-15	860,591	71,716
% Change from FY 2013-14	7.14%	7.14%
FY 2015-16	864,799	72,067
% Change from FY 2014-15	0.49%	0.49%
FY 2016-17	890,432	74,203
% Change from FY 2015-16	2.96%	2.96%
FY 2017-18	914,779	76,232
% Change from FY 2016-17	2.73%	2.73%
FY 2018-19	927,279	77,273
% Change from FY 2017-18	1.37%	1.37%
FY 2019-20 Projection	952,873	79,406
% Change from FY 2018-19 Projection	2.76%	2.76%
FY 2020-21 Projection	968,880	80,740
% Change from FY 2019-20 Projection	1.68%	1.68%
FY 2021-22 Projection	983,686	81,974
% Change from FY 2020-21 Projection	1.53%	1.53%

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Appendix A: Calculations and Assumptions

Table 4.3				
Summary of PMPM Rates by Calendar Year (CY) with FMAP Adjustments				
Row	Year	Rate	FMAP	Source
CY 2014				
A	Jan-Sept 2014	\$125.50	50.00%	Actual CMS
B	Oct-Dec 2014	\$122.97	51.01%	Actual CMS
CY 2015				
C	Jan-Sept 2015	\$124.68	51.01%	Actual CMS
D	Oct-Dec 2015	\$125.42	50.72%	Actual CMS
CY 2016				
E	Jan-Sept 2016	\$139.98	50.72%	Actual CMS
F	Oct-Dec 2016	\$141.97	50.02%	Actual CMS
CY 2017				
G	Jan-Sept 2017	\$158.91	50.02%	Actual CMS
H	Oct-Dec 2017	\$158.97	50.00%	Actual CMS
CY 2018				
I	Jan-Dec 2018	\$160.92	50.00%	Actual CMS
J	Oct-Dec 2018	\$160.92	50.00%	Actual CMS
CY 2019				
K	Jan-Dec 2019	\$164.04	50.00%	Actual CMS
CY 2020				
L	Estimated Jan-Dec 2020	\$172.59	50.00%	Table 3.2 Row Q
CY 2021				
M	Estimated Jan-Dec 2021	\$178.49	50.00%	Table 3.3 Row Q
CY 2022				
N	Estimated Jan-Dec 2022	\$184.60	50.00%	Table 3.4 Row Q

R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

Table 4.4					
Quarterly PMPM Rate History					
Item	Q1	Q2	Q3	Q4	Average PMPM Rate
CY 2006	\$114.71	\$114.71	\$114.71	\$114.71	\$114.71
CY 2007	\$120.30	\$120.30	\$120.30	\$120.30	\$120.30
% Change from CY 2006					4.87%
CY 2008	\$120.03	\$120.03	\$120.03	\$98.95	\$114.76
% Change from CY 2007					-4.61%
CY 2009	\$106.03	\$98.81	\$98.81	\$98.81	\$100.62
% Change from CY 2008					-12.33%
CY 2010	\$101.49	\$101.49	\$101.49	\$101.49	\$101.49
% Change from CY 2009					0.87%
CY 2011	\$107.07	\$111.97	\$129.84	\$129.84	\$119.68
% Change from CY 2010					17.92%
CY 2012	\$132.41	\$132.41	\$132.41	\$132.41	\$132.41
% Change from CY 2011					10.64%
CY 2013	\$133.62	\$133.62	\$133.62	\$133.62	\$133.62
% Change from CY 2012					0.91%
CY 2014	\$125.50	\$125.50	\$125.50	\$122.97	\$124.87
% Change from CY 2013					-6.55%
CY 2015	\$124.68	\$124.68	\$124.68	\$125.42	\$124.87
% Change from CY 2014					0.00%
CY 2016	\$139.98	\$139.98	\$139.98	\$141.97	\$140.48
% Change from CY 2015					12.50%
CY 2017	\$158.91	\$158.91	\$158.91	\$158.97	\$158.93
% Change from CY 2016					13.13%
CY 2018	\$160.92	\$160.92	\$160.92	\$160.92	\$160.92
% Change from CY 2017					1.26%
CY 2019	\$164.04	\$164.04	\$164.04	\$164.04	\$164.04
% Change from CY 2018					1.94%
CY 2020 Projection	\$172.59	\$172.59	\$172.59	\$172.59	\$172.59
% Change from CY 2019					5.21%
CY 2021 Projection	\$178.49	\$178.49	\$178.49	\$178.49	\$178.49
% change from CY 2020					3.42%
CY 2022 Projection	\$184.60	\$184.60	\$184.60	\$184.60	\$184.60
% change from CY 2021					3.42%