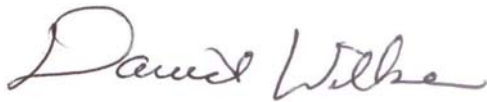


**STATE OF TEXAS
MEDICAID MANAGED CARE
STAR PROGRAM RATE SETTING
STATE FISCAL YEAR 2008**

Prepared for:
Texas Health and Human Services Commission

A handwritten signature in cursive script that reads "David Wilkes".

Prepared by:
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Rudd and Wisdom, Inc.

July 31, 2007

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I. Introduction

Rudd and Wisdom, Inc. has been retained by the Texas Health and Human Services Commission (HHSC) to develop the state fiscal year 2008 (FY2008, September 1, 2007 through August 31, 2008) premium rates for HMOs participating in the Texas Medicaid STAR program. This report presents the rating methodology and assumptions used in developing the premium rates.

Rudd and Wisdom has provided actuarial services to the Texas Medicaid program for over 20 years. We have participated in the state's managed care rating process since its inception in 1993. This year, as in previous years, we have worked closely with HHSC in developing the FY2008 HMO premium rates.

Rudd and Wisdom has relied on the following data sources as provided by HHSC, the participating HMOs and the agency's External Quality Review Organization (EQRO):

- Monthly enrollment by risk group for each health plan. This includes historical enrollment since September 2003 and a projection of future enrollment through August 2008. These projections were prepared by HHSC System Forecasting staff.
- Claim lag reports by risk group for each health plan for the period September 2003 through March 2007. These reports include monthly paid claims by month of service.
- Financial Statistical Reports (FSR) for each participating HMO for FY2005, FY2006 and the first six months of FY2007. The FSR contains detailed information regarding monthly enrollment, revenue, incurred claims and administrative expenses, as reported by the HMO.
- Reports from the EQRO summarizing their analysis of the HMO's encounter claims data.
- Reports from the health plans providing information on high volume claimants during the experience period.
- Current (FY2007) premium rates and Delivery Supplemental Payment rates by risk group for each HMO.
- The number of maternity deliveries by HMO and risk group for the period September 2004 through December 2006.
- Information regarding recent changes in covered services and provider reimbursement under the Medicaid plans.
- Information from the HMOs regarding current and projected payment rates for certain capitated services, such as mental health and vision.
- Information regarding FY2006 third party reimbursement from each of the HMOs.
- Information from each of the health plans regarding out-of-network claims experience and provider reimbursement.
- FY2006 acuity risk adjustment analysis provided by the EQRO for each participating health plan.
- Information from the HMOs regarding current and projected reinsurance premium rates.

- Historical enrollment and claims experience data for the Medicaid Fee-for-Service (FFS) plan and Primary Care Case Management (PCCM) plan.
- Information provided by HHSC regarding FY2006 health plan claims cost by type of service for certain services. This information was from the encounter database.
- Information provided by HHSC regarding proposed FY2008 Medicaid provider reimbursement rates.

Although the above data was reviewed for reasonableness, Rudd and Wisdom did not audit the data.

II. Overview of the Rate Setting Methodology

The actuarial model used to derive the FY2008 STAR HMO premium rates relies primarily on health plan financial experience. The historical claims experience for each HMO and PCCM (by area) was analyzed and estimates for the base period (FY2006) were developed. These estimates were then projected forward to FY2008 using assumed trend rates. Other plan expenditures such as capitated amounts, reinsurance costs and administrative expenses were added to the claims component in order to project the total FY2008 cost under the health plan. These projected total cost rates were determined separately for each risk group for each health plan. The results of this analysis were then combined for all HMOs and PCCM in a service area in order to develop a set of community rates for each service area.

The managed care service areas used in the analysis were as follows:

- Bexar County Service Area (San Antonio)
- Dallas County Service Area (Dallas)
- El Paso County Service Area (El Paso)
- Harris County Service Area (Houston)
- Lubbock County Service Area (Lubbock)
- Nueces County Service Area (Corpus Christi)
- Tarrant County Service Area (Fort Worth)
- Travis County Service Area (Austin)

The STAR program expanded into the nine-county Nueces service area effective September 1, 2006. Since this region was not a part of STAR during the base period, a different rating methodology was used to develop FY2008 rates. This rating methodology is described in Section V of this report.

The risk groups (or rating populations) used in the analysis are as follows:

- TANF Children Over Age One Year
- TANF Children Under Age One Year
- TANF Adults
- Pregnant Women
- Newborns
- Expansion Children Over Age One Year
- Expansion Children Under Age One Year
- Federal Mandate Children

The services used in the analysis include the following:

- Inpatient Hospital
- Outpatient Hospital
- Physician Services
- Other Professional Services
- Lab, X-ray and Radiology Services
- Medical Supplies
- Behavioral Health Services (except in the Dallas service area)
- EPSDT Medical Services

- Family Planning and Genetics Services
- Comprehensive Care Program Services
- Vision Services
- Hearing Services
- Home Health Services
- Emergency Room Services
- Ambulance Services

Services specifically excluded from the analysis include:

- Prescription Drugs
- Dental and Orthodontia Services

After accumulating all of the information to be used in the rate setting process, a comparison of the various sources of claims data was performed to check for consistency. We compared (i) the claim lag reports provided by the HMOs, (ii) the claim amounts included in the FSRs and (iii) the claim amounts in the encounter data files as provided by the EQRO. There was satisfactory consistency between the three claims data sources for each of the health plans.

We projected the FY2008 cost for each individual HMO by estimating their base period (FY2006) average claims cost and then applying trend and other adjustment factors. (These adjustment factors are described in Section III.) We added capitation expenses for services capitated by the HMO (such as vision and behavioral health), a net cost of reinsurance, a reasonable provision for administrative expenses and a risk margin. Attachment 2 presents a description and an example of the experience analysis for a sample HMO. This type of analysis was conducted on the experience of each health plan.

Beginning December 1, 2006, the PCCM plan was eliminated as an option in the managed care service areas and those clients enrolled in PCCM were moved to the HMOs. In order to recognize this change in the risk characteristics of the HMO populations, PCCM experience data was included in our rating analysis. Estimated FY2006 PCCM claims experience was projected to FY2008 using the same methodology and trends as those used to project HMO experience. A managed care efficiency factor was applied to adjust the PCCM claims to an assumed HMO level. More information about this managed care efficiency factor is presented in Section III. The resulting projected PCCM claims were used to develop the FY2008 incurred claims assumption for use in the community rates.

The analysis of base period claims experience for each health plan attempted to identify and adjust for any distortions in the data. Significant variations in experience, including the impact from unusually large individual claims, were investigated and adjustments were made if deemed appropriate.

HHSC utilizes a community rating methodology in setting the STAR base premium rates. The base rates vary by service area and risk group but are the same for each HMO in a service area. The community rates are developed by a weighted average of the projected FY2008 cost for each health plan in the service area. The weights used in this formula are the projected FY2008 number of clients enrolled in each health plan by risk group. Attachment 3 presents the summary community rating exhibit for each service area along

with a description of the analysis.

The projected FY2008 average total per-capita cost in a service area is called the unadjusted premium rate. This rate includes provision for all health care and administrative services to be provided by the HMO. This rate is then separated into two pieces – (i) non-maternity related expenses and (ii) maternity expenses. This adjustment is made on a cost neutral basis. The premium rate for non-maternity expenses is called the adjusted premium rate. These are the rates that are actually paid to the HMO. The amount paid for birthing expenses is called the Delivery Supplemental Payment. More information on this adjustment is provided in Section III below under Risk Adjustment and in Attachment 9.

The base community rate in each service area was adjusted to reflect the health status, or acuity, of the population enrolled in each health plan. The purpose of acuity risk adjustment is to recognize the anticipated cost differential between multiple health plans in a service area by analyzing the health status of their respective memberships. Additional information regarding risk adjustment is included in Section III below under Risk Adjustment and in Attachment 10. The final FY2008 premium rates were defined as the maximum of (a) community rates without acuity risk adjustment and (b) community rates with acuity risk adjustment.

A number of HMOs began participation in the STAR program effective September 1, 2006. As there is insufficient historical experience on these plan to use in developing acuity risk adjustment factors, these plans will receive the community rates for their service area in FY2008.

III. Adjustment Factors

This section contains a description of the adjustment factors used in the FY2008 STAR rate setting process.

Trend Factors

The rating methodology uses assumed trend factors to adjust the base period claims cost to the projection period. The cost trend factors used in this analysis are a combination of utilization and inflation components. The projected trend rate assumptions were developed by the actuary based on an analysis of recent experience under the various HMO plans. A single trend assumption applied to all service areas but varies by risk group and projection year (FY2007 and FY2008).

The trend analysis included a review of HMO and PCCM claims experience data through March 31, 2007. Based on this information, estimates of monthly incurred claims were made through January 2007. The claims cost and trend experience was reviewed separately by service area and risk group. The service area trends were then combined into a statewide average using a weighted average formula with estimated incurred claims as the weights.

The FY2007 trend assumptions by risk group were developed using the weighted average HMO and PCCM (combined) trend for the period September 1, 2006 through January 31, 2007 (the first five months of FY2007). The FY2008 trend assumptions were developed based on an average of the HMO and PCCM experience trends for the most recent three years (FY2005 through FY2007).

Attachment 4 is a summary of the cost trend analysis. The chart below presents the assumed annual trend rates for FY2007 and FY2008.

	<u>FY2007</u>	<u>FY2008</u>
TANF Children Over Age 1	1.4 %	3.9 %
TANF Children Under Age 1	1.4 %	3.9 %
TANF Adults	7.8 %	11.8 %
Pregnant Women	5.0 %	4.0 %
Newborns	6.9 %	7.1 %
Expansion Children Over Age 1	4.8 %	3.9 %
Expansion Children Under Age 1	4.8 %	3.9 %
Federal Mandate Children	9.6 %	7.0 %

Managed Care Efficiency Factor

A major change to STAR for FY2007 was the elimination of PCCM in the managed care service areas beginning December 1, 2006, and the movement of those clients to HMOs. We have considered this in our analysis by including the actual PCCM claims experience in our rating model. In each service area where PCCM previously served TANF-related clients, we used FY2006 PCCM claims experience in deriving the FY2008 community rates.

The basic premise regarding the future cost of current PCCM clients is that their FY2008 gross cost under the HMO model (including administrative expenses and risk margin) will be the same as the projected FY2008 gross cost under the PCCM model. Since administrative expenses and risk margin are significantly higher under the HMO model, in order for the gross cost to be the same as the PCCM it is necessary for the medical claims cost to be lower than that under the PCCM. We prepared an analysis which considered all of the cost factors (including PCCM case management fees and TMHP costs) and concluded that the managed care efficiency under the HMO model would need to be 10.2%, relative to the PCCM, in order for the gross cost of the two models to be equal. Therefore, we have applied a 10.2% managed care efficiency (or claims adjustment factor) to the FY2006 PCCM claims experience. Our analysis is presented in Attachment 11.

Provider Reimbursement Adjustments

As a component of the Frew lawsuit settlement, the Texas Medicaid program will implement significant changes in provider reimbursement effective September 1, 2007. Professional provider reimbursement will increase an average of 25% for children (clients under age 21) and 10% for adults (clients over age 20). HHSC will require STAR health plans to pass on this level of reimbursement increases to their participating providers and, as a result, these reimbursement increases have been considered in the rating analysis.

In developing the Frew adjustment factors, we used health plan encounter data from FY2006. To this claims experience we applied the proposed FY2008 Medicaid provider reimbursement schedule. The additional cost due to the increased reimbursement rates was then divided by total FY2006 claims (from the encounter data) to yield the overall claims adjustment factor.

It is anticipated that provisions of the Frew settlement will result in increased utilization of certain services under STAR. We have assumed that there will be a 33% increase in the utilization of EPSDT services and a 5% increase in the utilization of medical (type of service 1) services for clients under age 21. The utilization adjustment factors were derived in a similar manner as that described above for the fee increase.

Certain health plan capitation rates (such as those for primary care physician, behavioral health and vision services) were also adjusted to reflect the provider reimbursement increases resulting from Frew.

Attachment 5 presents a summary of the derivation of the adjustment factors related to the Frew lawsuit settlement.

In addition to those resulting from the Frew settlement, there were several other significant revisions to the Medicaid fee schedule. Reimbursement increases were provided for the following services: ambulance services, State-owned teaching hospitals, physician administered drugs and therapy services (physical, occupational and speech) provided through home health agencies.

The rating adjustments for these provider reimbursement changes were calculated in a manner similar to those for the Frew settlement, described above. The reimbursement

change was applied to actual FY2006 health plan encounter data and the resulting impact determined. Attachment 5 presents a summary of the derivation of these adjustment factors.

The 2.5% reduction in reimbursement rates to professional, outpatient facility and certain other providers implemented in FY2004 was restored. Attachment 5 presents the estimated cost impact from this revision. The FY2006 FSRs provided by the health plans were used in this analysis.

Effective March 1, 2006, a Medicaid provider reimbursement increase was implemented for Nurse Practitioners, Clinical Nurse Specialists, Certified Nurse Midwives, and Certified Registered Nurse Anesthetists. The reimbursement factor for these providers was increased from .85 to .92. Attachment 5 presents the estimated cost impact from this revision. As the increase became effective mid-year during the base period, only one-half of the calculated adjustment factor was applied in the rating analysis.

Out-of-Network Adjustment

Effective September 1, 2006, the state implemented a change in the rules regarding STAR HMO reimbursement to out-of-network providers. Previously, HMOs were allowed to pay out-of-network providers a discounted Medicaid fee-for-service (FFS) rate using a discount of up to 12%. Beginning September 1, 2006, the maximum discount was reduced to 3%. Attachment 6 presents the estimated cost impact from this revision.

Third Party Recoveries

The rating methodology included a factor to recognize those health plans that do not satisfy a minimum level of recoveries for coordination of benefits. Any plan that did not recover at least 0.8% of claims had its projected claims cost reduced by 0.8% less their actual percentage of recoveries. For example, if a health plan has third party recoveries (TPR) of 0.6% of claims, then their projected claims cost would be reduced by 0.2%. Any plan that exceeded the minimum standard of 0.8% had no penalty applied. Additional information regarding TPR is included in Attachment 7.

Investment Income Adjustment

An investment income credit was included in the rating process to account for the income expected to be generated between the time the health plan receives the premium from HHSC and the time they pay claims. We have assumed that the value of this timing (or cash flow) difference is 0.28% of premium. Attachment 8 presents our analysis and estimate of the value of this revision.

Risk Adjustment

Several risk adjustment techniques are employed in the rate setting methodology. Premium rates are established separately by area of the state and risk group in order to recognize the inherent geographical and demographical variation in the cost of delivering care. In an attempt to treat the health plans more equitably regarding maternity expenses,

the methodology includes a separate rate for maternity services. In addition, the rating methodology includes a health status adjustment.

The rate setting methodology incorporates a risk adjustment technique that is designed to provide uniform treatment of the health plans for costs related to maternity services. Maternity cases occur in several risk groups – Pregnant Women, TANF Adults, TANF Children and Federal Mandate Children. As a result, it is possible for one health plan to enroll a higher percentage of TANF Adults, for example, who are pregnant and therefore generally more expensive. In order to recognize the potential inequity that may arise between health plans, HHSC developed this risk adjustment methodology. The goal is to reimburse the plans uniformly for maternity delivery costs.

The State pays a delivery supplemental payment (DSP) for each delivery in a managed care plan. The amount of the payment is a function of the average delivery cost in the service area. Attachment 9 contains additional information regarding the DSP payment amounts.

In order to achieve cost neutrality, the projected cost of maternity expenses is subtracted from the unadjusted premium rates. The resulting adjusted premium rates are the rates actually paid to the HMOs, in addition to any DSP amounts.

The base community rate in each service area was adjusted to reflect the health status, or acuity, of the population enrolled in each health plan. The purpose of acuity risk adjustment is to recognize the anticipated cost differential between multiple health plans in a service area by analyzing the health status of their respective memberships. The risk analysis was performed by the University of Florida's Institute for Child Health Policy (ICHP). The methodology used to incorporate the acuity risk adjustment is the Chronic Illness and Disability Payment System (CDPS). Additional information regarding acuity risk adjustment is included in Attachment 10.

Although the results of the risk adjustment analysis were reviewed for reasonableness, Rudd and Wisdom did not audit the risk adjustment data or the results of ICHP's analysis.

IV. Administrative Fees and Risk Margin

The rating methodology includes an explicit provision for administrative services. The amount allocated for administrative expenses is \$11.1025 pmpm plus 7.5% of gross premium. This amount is intended to provide for all administrative-related services performed by the HMO.

The administrative fee amounts were determined based on a review of (i) the administrative fee provision included in Medicaid HMO premium rates in other states, (ii) the reported administrative expenses of the STAR HMOs and (iii) the fees paid for similar services for other large Texas health plans.

The premium rates also include a risk margin equal to 2.0% of gross premium.

V. Nueces Service Area Rating

The STAR program expanded into the nine-county Nueces service area effective September 1, 2006. Since this region was not a STAR service area during the FY2006 base period used in our general rating analysis, HHSC used a different rating methodology to develop FY2008 rates.

Last year, in deriving the current FY2007 premium rates, we used a rating methodology based on historical Medicaid fee-for-service (FFS) experience in the Nueces area. As a result of the poor financial experience reported by the participating health plans during the first six months of FY2007, HHSC decided to abandon the FFS methodology in favor of an experience-based methodology for determining FY2008 premium rates. We estimated that during the first half of FY2007 the average claims cost in the Nueces service area was 20% higher than the average cost for all other service areas combined. Therefore, the FY2008 premium rates for the Nueces service area were set at 120% of the average premium rates for all other areas combined.

Attachment 12 provides additional information regarding the development of FY2008 Nueces area premium rates.

VI. Summary

The chart below presents the results of the FY2008 STAR rating analysis.

Health Plan	TANF Children (over age 1)	TANF Children (<1)	TANF Adults	Pregnant Women	Newborns
Monthly Adjusted Premium Rates					
Aetna – Bexar	102.97	225.72	345.82	463.85	705.42
CFHP – Bexar	104.34	220.26	358.73	459.70	706.47
Superior – Bexar	102.97	225.72	345.82	463.85	705.42
Amerigroup – Dallas	95.85	283.94	250.97	390.90	690.29
Parkland – Dallas	97.26	262.59	262.03	399.07	724.83
Unicare – Dallas	95.85	283.94	250.97	390.90	690.29
El Paso First – El Paso	89.03	362.20	271.62	446.68	579.00
Superior – El Paso	88.14	360.60	270.85	443.70	584.53
Amerigroup – Harris	90.45	230.49	327.46	421.53	713.39
CHC – Harris	96.15	249.09	350.22	432.47	711.85
Molina – Harris	90.45	230.49	327.46	421.53	713.39
TCHP - Harris	86.25	215.31	300.01	390.89	714.74
United – Harris	90.45	230.49	327.46	421.53	713.39
Firstcare – Lubbock	96.20	183.18	292.63	542.76	437.14
Superior – Lubbock	96.20	183.18	292.63	542.76	437.14
Amerigroup – Nueces	123.41	450.28	321.57	407.48	936.09
Driscoll – Nueces	123.41	450.28	321.57	407.48	936.09
Superior – Nueces	123.41	450.28	321.57	407.48	936.09
Aetna – Tarrant	96.76	248.32	316.09	462.98	600.57
Amerigroup – Tarrant	96.76	248.32	316.09	462.98	600.57
Cook – Tarrant	96.76	248.32	316.09	462.98	600.57
Amerigroup – Travis	81.21	231.57	224.65	457.65	776.58
Superior – Travis	81.64	229.19	230.91	464.58	760.37

Health Plan	Expansion Children (over age 1)	Expansion Children (<1)	Federal Mandate Children	Delivery Supplemental Payment
Monthly Adjusted Premium Rates				
Aetna – Bexar	108.32	236.12	83.88	3,266.59
CFHP – Bexar	107.70	227.27	85.59	3,266.59
Superior – Bexar	108.32	236.12	83.88	3,266.59
Amerigroup – Dallas	126.42	251.08	92.57	3,537.13
Parkland – Dallas	128.60	258.04	93.28	3,537.13
Unicare – Dallas	126.42	251.08	92.57	3,537.13
El Paso First – El Paso	104.12	223.81	82.36	3,443.04
Superior – El Paso	104.55	212.40	81.89	3,443.04
Amerigroup – Harris	105.72	228.43	89.34	3,519.20
CHC – Harris	106.92	237.46	93.72	3,519.20
Molina – Harris	105.72	228.43	89.34	3,519.20
TCHP - Harris	109.38	227.84	90.39	3,519.20
United – Harris	105.72	228.43	89.34	3,519.20
Firstcare – Lubbock	99.81	262.61	89.39	3,230.39
Superior – Lubbock	99.81	262.61	89.39	3,230.39
Amerigroup – Nueces	128.78	450.28	93.82	3,203.82
Driscoll – Nueces	128.78	450.28	93.82	3,203.82
Superior – Nueces	128.78	450.28	93.82	3,203.82
Aetna – Tarrant	112.21	204.84	95.32	3,635.64
Amerigroup – Tarrant	112.21	204.84	95.32	3,635.64
Cook – Tarrant	112.21	204.84	95.32	3,635.64
Amerigroup – Travis	97.66	281.87	76.76	3,247.49
Superior – Travis	98.68	290.55	77.94	3,247.49

The above premium rates include provision for 1915(b)(3) waiver services. The STAR HMOs cover annual adult well-checks and adult inpatient hospital days in excess of thirty. The chart below presents the amount included in the FY2008 STAR HMO premium rates for 1915(b)(3) waiver services.

Health Plan	TANF Adults	Pregnant Women
Monthly Premium Rate for 1915(b)(3) Services		
All Plans/All Areas	\$ 3.85	\$ 2.56

Attachment 1 presents additional information regarding the FY2008 rates including a comparison to current (FY2007) rates.

VII. Actuarial Certification of FY2008 STAR HMO Premium Rates

I, David G. Wilkes, am a principal with the firm of Rudd and Wisdom, Inc., Consulting Actuaries (Rudd and Wisdom). I am a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries. I meet the Academy's qualification standards for rendering this opinion.

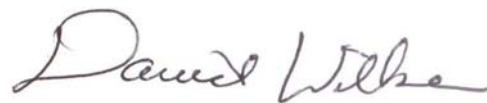
Rudd and Wisdom has been retained by the Texas Health and Human Services Commission (HHSC) to assist in the development of their state fiscal year 2008 (FY2008) managed care rate-setting methodology, assumptions and resulting premium rates and to provide the actuarial certification required under Centers for Medicare and Medicaid Services (CMS) requirements 42 CFR 438.6(c).

I certify that the FY2008 HMO premium rates developed by HHSC and Rudd and Wisdom satisfy the following:

- (a) The premium rates have been developed in accordance with generally accepted actuarial principals and practices;
- (b) The premium rates are appropriate for the populations and services covered under the managed care contract; and
- (c) The premium rates are actuarially sound as defined in the regulations.

We have relied on historical experience data and program information provided to us by HHSC. We have reviewed the data for reasonableness but have not audited the data.

Please note that actual health plan contractor experience will differ from these projections. Rudd and Wisdom has developed these rates on behalf of the State to demonstrate compliance with the CMS requirements under 42 CFR 438.6(c). Any health plan contracting with the State should analyze its own projected premium needs before deciding whether to contract with the State.



David G. Wilkes, F.S.A., M.A.A.A.

VIII. Attachments

Attachment 1

Summary of FY2008 STAR Rating Analysis

The attached exhibit presents summary information regarding the FY2008 rates. Included on the exhibit are current (FY2007) premium and delivery supplemental payment (DSP) rates, projected FY2008 enrollment, FY2008 premium and DSP rates and a comparison of FY2007 and FY2008 rates.

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
Projected FY2008 Member Months									
CFHP - Bexar	47,381	2,944	10,159	46,873	97,110	258,012	2,148	330,857	795,484
Superior - Bexar	48,240	3,024	11,308	45,504	83,835	227,295	3,264	287,950	710,420
Aetna - Bexar	13,044	774	5,314	38,869	13,556	50,459	3,485	99,035	224,535
Americaid - Dallas	63,741	2,544	11,795	30,361	64,486	393,467	15,451	436,392	1,018,238
Parkland - Dallas	71,302	5,852	14,682	93,381	151,212	453,643	14,774	411,010	1,215,857
Unicare - Dallas	13,513	923	4,930	30,086	18,460	54,994	6,837	84,876	214,619
El Paso First - El Paso	50,977	2,931	11,346	21,594	39,649	135,819	2,019	218,149	482,482
Superior - El Paso	66,082	4,020	11,017	36,524	50,781	164,802	3,901	258,785	595,911
Americaid - Harris	91,546	5,471	20,368	65,963	121,624	492,688	16,150	574,015	1,387,824
CHC - Harris	60,321	6,227	19,728	102,174	154,840	359,139	16,284	362,283	1,080,995
TCHP - Harris	71,097	3,836	7,168	30,887	88,844	554,086	26,125	577,640	1,359,683
United - Harris	14,161	789	3,925	13,090	13,991	37,477	24	70,186	153,644
Molina - Harris	13,588	436	1,949	10,621	10,306	49,653	24	64,338	150,916
Firstcare - Lubbock	18,114	1,284	4,652	26,883	41,186	80,949	715	107,007	280,790
Superior - Lubbock	5,029	340	1,416	5,177	7,551	18,443	299	24,722	62,976
Americaid - Tarrant	67,629	3,958	15,176	76,173	144,862	412,980	7,753	422,952	1,151,484
Aetna - Tarrant	5,764	413	2,936	18,013	11,490	23,479	2,676	36,297	101,067
Cook - Tarrant	10,716	778	1,705	11,975	18,175	75,226	5,568	79,847	203,989
Superior - Travis	174,464	15,634	52,770	37,247	66,317	189,215	5,898	197,445	738,991
Americaid - Travis	38,637	4,037	15,389	8,699	15,330	47,290	2,087	40,196	171,664
Total	945,346	66,213	227,732	750,095	1,213,606	4,079,114	135,482	4,683,980	12,101,569
Projected FY2008 Deliveries									
CFHP - Bexar	33	0	100	4,992	0	0	0	66	5,191
Superior - Bexar	48	0	120	4,641	0	0	0	86	4,896
Aetna - Bexar	10	0	54	4,058	0	0	0	30	4,152
Americaid - Dallas	45	0	67	3,063	0	0	0	131	3,306
Parkland - Dallas	93	0	175	10,365	0	0	0	247	10,879
Unicare - Dallas	14	0	45	3,231	0	0	0	34	3,324
El Paso First - El Paso	41	0	67	2,149	0	0	0	65	2,322
Superior - El Paso	46	0	76	3,806	0	0	0	78	4,006
Americaid - Harris	82	0	191	7,533	0	0	0	287	8,094
CHC - Harris	66	0	223	11,403	0	0	0	181	11,873
TCHP - Harris	28	0	39	3,073	0	0	0	173	3,314
United - Harris	11	0	37	1,450	0	0	0	28	1,527
Molina - Harris	11	0	18	1,177	0	0	0	26	1,232
Firstcare - Lubbock	18	0	37	2,809	0	0	0	43	2,907
Superior - Lubbock	5	0	11	541	0	0	0	10	567
Americaid - Tarrant	54	0	129	8,166	0	0	0	169	8,518
Aetna - Tarrant	5	0	25	1,931	0	0	0	15	1,975
Cook - Tarrant	9	0	14	1,284	0	0	0	32	1,339
Superior - Travis	209	0	681	4,187	0	0	0	79	5,156
Americaid - Travis	54	0	149	860	0	0	0	12	1,075
Total	883	0	2,259	80,719	0	0	0	1,791	85,652

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2007 Unadjusted Premium Rates pmpm									
CFHP - Bexar	94.27	289.18	293.15	731.29	657.32	87.63	189.42	69.74	191.70
Superior - Bexar	90.32	280.34	290.80	726.51	650.47	87.41	184.41	68.03	191.64
Aetna - Bexar	90.32	280.34	290.80	726.51	650.47	87.41	184.41	68.03	230.64
Americaid - Dallas	91.35	251.69	246.70	722.06	629.32	106.52	220.55	74.50	147.03
Parkland - Dallas	92.19	246.78	249.42	724.38	675.67	108.05	224.44	74.69	217.56
Unicare - Dallas	91.35	251.69	246.70	722.06	629.32	106.52	220.55	74.50	231.63
El Paso First - El Paso	80.95	240.24	239.70	741.19	573.28	93.34	187.04	68.82	154.11
Superior - El Paso	78.63	238.42	242.68	730.99	556.63	90.95	181.32	67.98	162.91
Americaid - Harris	83.66	302.01	278.16	733.43	683.08	89.97	207.27	70.76	169.13
CHC - Harris	88.77	291.83	290.51	757.68	647.09	92.54	210.09	71.48	234.10
TCHP - Harris	85.32	307.04	274.55	733.29	663.55	92.21	217.52	72.06	139.16
United - Harris	85.32	307.04	274.55	733.29	663.55	92.21	217.52	72.06	194.80
Molina - Harris	85.32	307.04	274.55	733.29	663.55	92.21	217.52	72.06	170.13
Firstcare - Lubbock	88.57	207.08	281.96	859.16	416.38	88.21	238.86	77.03	210.06
Superior - Lubbock	88.57	207.08	281.96	859.16	416.38	88.21	238.86	77.03	192.29
Americaid - Tarrant	89.44	179.21	313.59	770.46	559.23	98.68	187.79	76.44	196.06
Aetna - Tarrant	89.44	179.21	313.59	770.46	559.23	98.68	187.79	76.44	271.18
Cook - Tarrant	89.44	179.21	313.59	770.46	559.23	98.68	187.79	76.44	174.49
Superior - Travis	77.24	213.76	226.98	743.63	740.08	86.18	215.27	65.53	184.15
Americaid - Travis	76.57	208.56	219.00	710.17	737.13	86.04	216.23	65.52	185.26
Total	85.06	247.10	260.15	744.72	633.79	95.04	209.60	71.80	184.78

Projected FY2008 Premium Based on FY2007 Unadjusted Rates

CFHP - Bexar	4,466,642	851,202	2,978,016	34,277,902	63,832,447	22,609,599	406,882	23,073,933	152,496,623
Superior - Bexar	4,357,039	847,656	3,288,304	33,059,230	54,532,203	19,867,891	601,980	19,589,230	136,143,532
Aetna - Bexar	1,178,097	216,886	1,545,410	28,238,386	8,817,581	4,410,649	642,637	6,737,328	51,786,973
Americaid - Dallas	5,822,743	640,424	2,909,906	21,922,205	40,582,524	41,912,055	3,407,736	32,511,230	149,708,822
Parkland - Dallas	6,573,309	1,444,127	3,662,076	67,643,629	102,169,624	49,016,078	3,315,952	30,698,358	264,523,153
Unicare - Dallas	1,234,458	232,357	1,216,186	21,724,101	11,617,041	5,857,955	1,507,817	6,323,227	49,713,143
El Paso First - El Paso	4,126,561	704,027	2,719,685	16,004,988	22,729,859	12,677,336	377,541	15,013,000	74,352,997
Superior - El Paso	5,196,045	958,531	2,673,546	26,698,418	28,266,271	14,988,744	707,256	17,592,176	97,080,986
Americaid - Harris	7,658,725	1,652,319	5,665,450	48,379,598	83,078,664	44,327,119	3,347,376	40,617,302	234,726,554
CHC - Harris	5,354,688	1,817,116	5,731,057	77,415,059	100,195,386	33,234,699	3,421,102	25,896,015	253,065,123
TCHP - Harris	6,066,018	1,177,906	1,967,972	22,649,179	58,952,630	51,092,250	5,682,709	41,624,709	189,213,373
United - Harris	1,208,256	242,243	1,077,485	9,599,065	9,283,523	3,455,777	5,220	5,057,632	29,929,201
Molina - Harris	1,159,293	133,761	535,171	7,788,583	6,838,848	4,578,549	5,220	4,636,208	25,675,635
Firstcare - Lubbock	1,604,393	265,902	1,311,637	23,096,891	17,148,995	7,140,475	170,894	8,242,724	58,981,911
Superior - Lubbock	445,393	70,429	399,139	4,447,640	3,144,220	1,626,841	71,440	1,904,335	12,109,436
Americaid - Tarrant	6,048,780	709,326	4,759,057	58,688,620	81,011,456	40,752,842	1,455,945	32,330,441	225,756,467
Aetna - Tarrant	515,493	74,008	920,679	13,878,067	6,425,688	2,316,884	502,553	2,774,533	27,407,906
Cook - Tarrant	958,400	139,404	534,663	9,225,996	10,163,962	7,423,293	1,045,669	6,103,483	35,594,871
Superior - Travis	13,475,595	3,341,853	11,977,786	27,698,294	49,079,983	16,306,563	1,269,718	12,938,565	136,088,358
Americaid - Travis	2,958,467	841,865	3,370,201	6,178,092	11,300,149	4,068,800	451,218	2,633,611	31,802,403
Total	80,408,396	16,361,343	59,243,427	558,613,941	769,171,053	387,664,399	28,396,868	336,298,041	2,236,157,468

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2007 Adjusted Premium Rates pmpm									
CFHP - Bexar	90.91	289.18	263.79	402.62	657.32	87.63	189.42	69.09	171.49
Superior - Bexar	87.11	280.34	261.68	399.99	650.47	87.41	184.41	67.40	169.79
Aetna - Bexar	87.11	280.34	261.68	399.99	650.47	87.41	184.41	67.40	172.96
Americaid - Dallas	88.10	251.69	215.51	346.16	629.32	106.52	220.55	72.79	134.52
Parkland - Dallas	88.90	246.78	217.89	347.27	675.67	108.05	224.44	72.97	187.44
Unicare - Dallas	88.10	251.69	215.51	346.16	629.32	106.52	220.55	72.79	177.34
El Paso First - El Paso	78.14	240.24	216.63	386.23	573.28	93.34	187.04	67.77	136.90
Superior - El Paso	75.90	238.42	219.32	380.91	556.63	90.95	181.32	66.95	140.27
Americaid - Harris	81.07	302.01	248.26	375.46	683.09	89.97	207.27	69.51	150.99
CHC - Harris	82.68	307.04	245.04	375.39	663.55	92.21	217.52	70.79	199.02
TCHP - Harris	82.96	340.57	205.90	345.74	646.43	94.75	231.79	72.77	130.46
United - Harris	82.68	307.04	245.04	375.39	663.55	92.21	217.52	70.79	162.73
Molina - Harris	82.68	307.04	245.04	375.39	663.55	92.21	217.52	70.79	143.78
Firstcare - Lubbock	86.38	207.08	253.16	510.74	416.38	88.21	238.86	76.09	175.72
Superior - Lubbock	86.38	207.08	253.16	510.74	416.38	88.21	238.86	76.09	162.45
Americaid - Tarrant	86.26	179.21	278.94	380.48	559.23	98.68	187.79	74.67	168.97
Aetna - Tarrant	86.26	179.21	278.94	380.48	559.23	98.68	187.79	74.67	199.86
Cook - Tarrant	86.26	179.21	278.94	380.48	559.23	98.68	187.79	74.67	150.45
Superior - Travis	73.05	213.76	195.85	417.81	740.08	86.18	215.26	64.06	164.13
Americaid - Travis	72.42	208.56	188.96	399.01	737.13	86.04	216.23	64.05	165.52
Total	81.65	250.47	227.55	382.25	634.64	95.35	213.24	70.79	161.30
Projected FY2008 Premium Based on FY2007 Adjusted Rates									
CFHP - Bexar	4,307,441	851,202	2,679,758	18,872,087	63,832,447	22,609,599	406,882	22,858,876	136,418,292
Superior - Bexar	4,202,188	847,656	2,959,021	18,201,210	54,532,203	19,867,891	601,980	19,407,821	120,619,971
Aetna - Bexar	1,136,227	216,886	1,390,657	15,547,029	8,817,581	4,410,649	642,637	6,674,936	38,836,600
Americaid - Dallas	5,615,585	640,424	2,542,010	10,509,640	40,582,524	41,912,055	3,407,736	31,764,999	136,974,971
Parkland - Dallas	6,338,726	1,444,127	3,199,141	32,428,564	102,169,624	49,016,078	3,315,952	29,991,420	227,903,632
Unicare - Dallas	1,190,539	232,357	1,062,425	10,414,668	11,617,041	5,857,955	1,507,817	6,178,090	38,060,893
El Paso First - El Paso	3,983,317	704,027	2,457,928	8,340,110	22,729,859	12,677,336	377,541	14,783,944	66,054,062
Superior - El Paso	5,015,640	958,531	2,416,194	13,912,221	28,266,271	14,988,744	707,256	17,325,628	83,590,485
Americaid - Harris	7,421,622	1,652,319	5,056,459	24,766,650	83,079,880	44,327,119	3,347,376	39,899,783	209,551,208
CHC - Harris	4,987,334	1,911,823	4,834,045	38,355,030	102,744,052	33,116,183	3,542,092	25,646,039	215,136,598
TCHP - Harris	5,898,228	1,306,538	1,475,890	10,678,895	57,431,616	52,499,628	6,055,513	42,034,833	177,381,141
United - Harris	1,170,870	242,243	961,671	4,914,008	9,283,523	3,455,777	5,220	4,968,496	25,001,808
Molina - Harris	1,123,422	133,761	477,648	3,987,176	6,838,848	4,578,549	5,220	4,554,499	21,699,124
Firstcare - Lubbock	1,564,723	265,902	1,177,664	13,730,279	17,148,995	7,140,475	170,894	8,142,138	49,341,069
Superior - Lubbock	434,380	70,429	358,370	2,643,963	3,144,220	1,626,841	71,440	1,881,096	10,230,740
Americaid - Tarrant	5,833,719	709,326	4,233,207	28,982,486	81,011,456	40,752,842	1,455,945	31,581,816	194,560,796
Aetna - Tarrant	497,165	74,008	818,949	6,853,473	6,425,688	2,316,884	502,553	2,710,288	20,199,008
Cook - Tarrant	924,325	139,404	475,585	4,556,118	10,163,962	7,423,293	1,045,669	5,962,155	30,690,512
Superior - Travis	12,744,591	3,341,853	10,335,049	15,562,342	49,079,983	16,306,563	1,269,659	12,648,321	121,288,362
Americaid - Travis	2,798,122	841,865	2,907,914	3,471,170	11,300,149	4,068,800	451,218	2,574,524	28,413,761
Total	77,188,162	16,584,682	51,819,584	286,727,118	770,199,921	388,953,262	28,890,602	331,589,702	1,951,953,033

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2007 DSP Payment Rates per Delivery									
CFHP - Bexar	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59
Superior - Bexar	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59
Aetna - Bexar	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59	3,166.59
Americaid - Dallas	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13
Parkland - Dallas	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13
Unicare - Dallas	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13	3,437.13
El Paso First - El Paso	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04
Superior - El Paso	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04	3,343.04
Americaid - Harris	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20
CHC - Harris	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20
TCHP - Harris	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20
United - Harris	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20
Molina - Harris	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20	3,419.20
Firstcare - Lubbock	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39
Superior - Lubbock	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39	3,130.39
Americaid - Tarrant	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64
Aetna - Tarrant	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64
Cook - Tarrant	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64	3,535.64
Superior - Travis	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49
Americaid - Travis	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49	3,147.49
Total	3,308.71		3,288.77	3,361.88				3,383.25	3,359.85

Projected FY2008 DSP Payments Based on FY2007 DSP Rates

CFHP - Bexar	105,026	0	315,250	15,807,604	0	0	0	209,537	16,437,417
Superior - Bexar	152,756	0	379,555	14,697,489	0	0	0	273,546	15,503,347
Aetna - Bexar	33,043	0	171,649	12,849,629	0	0	0	94,081	13,148,402
Americaid - Dallas	153,360	0	231,090	10,529,265	0	0	0	449,981	11,363,696
Parkland - Dallas	318,595	0	600,536	35,627,011	0	0	0	847,617	37,393,760
Unicare - Dallas	46,448	0	154,194	11,106,284	0	0	0	116,691	11,423,617
El Paso First - El Paso	136,334	0	223,792	7,182,745	0	0	0	218,784	7,761,655
Superior - El Paso	154,641	0	254,123	12,722,820	0	0	0	259,538	13,391,122
Americaid - Harris	281,712	0	654,624	25,756,936	0	0	0	981,336	27,674,608
CHC - Harris	226,874	0	762,213	38,987,764	0	0	0	619,360	40,596,211
TCHP - Harris	97,238	0	134,798	10,508,102	0	0	0	592,520	11,332,658
United - Harris	38,737	0	126,137	4,959,266	0	0	0	95,993	5,220,132
Molina - Harris	37,167	0	62,650	4,023,898	0	0	0	87,994	4,211,709
Firstcare - Lubbock	56,705	0	115,041	8,794,157	0	0	0	133,989	9,099,892
Superior - Lubbock	15,742	0	35,008	1,693,442	0	0	0	30,956	1,775,147
Americaid - Tarrant	191,291	0	456,085	28,871,319	0	0	0	598,162	30,116,857
Aetna - Tarrant	16,302	0	88,233	6,827,185	0	0	0	51,333	6,983,054
Cook - Tarrant	30,309	0	51,239	4,538,643	0	0	0	112,924	4,733,115
Superior - Travis	658,948	0	2,142,610	13,177,311	0	0	0	248,582	16,227,451
Americaid - Travis	170,255	0	469,838	2,705,287	0	0	0	37,955	3,383,334
Total	2,921,484	0	7,428,666	271,366,156	0	0	0	6,060,878	287,777,185

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
Projected FY2008 Premium Based on FY2007 Adjusted Rates including DSP									
CFHP - Bexar	4,412,467	851,202	2,995,008	34,679,691	63,832,447	22,609,599	406,882	23,068,413	152,855,709
Superior - Bexar	4,354,945	847,656	3,338,576	32,898,700	54,532,203	19,867,891	601,980	19,681,367	136,123,318
Aetna - Bexar	1,169,270	216,886	1,562,306	28,396,658	8,817,581	4,410,649	642,637	6,769,017	51,985,003
Americaid - Dallas	5,768,945	640,424	2,773,100	21,038,905	40,582,524	41,912,055	3,407,736	32,214,980	148,338,668
Parkland - Dallas	6,657,321	1,444,127	3,799,677	68,055,575	102,169,624	49,016,078	3,315,952	30,839,038	265,297,392
Unicare - Dallas	1,236,987	232,357	1,216,619	21,520,951	11,617,041	5,857,955	1,507,817	6,294,782	49,484,510
El Paso First - El Paso	4,119,650	704,027	2,681,720	15,522,855	22,729,859	12,677,336	377,541	15,002,728	73,815,717
Superior - El Paso	5,170,281	958,531	2,670,317	26,635,041	28,266,271	14,988,744	707,256	17,585,166	96,981,607
Americaid - Harris	7,703,334	1,652,319	5,711,084	50,523,585	83,079,880	44,327,119	3,347,376	40,881,119	237,225,816
CHC - Harris	5,214,208	1,911,823	5,596,258	77,342,793	102,744,052	33,116,183	3,542,092	26,265,399	255,732,809
TCHP - Harris	5,995,467	1,306,538	1,610,688	21,186,997	57,431,616	52,499,628	6,055,513	42,627,352	188,713,799
United - Harris	1,209,606	242,243	1,087,808	9,873,274	9,283,523	3,455,777	5,220	5,064,488	30,221,940
Molina - Harris	1,160,589	133,761	540,299	8,011,074	6,838,848	4,578,549	5,220	4,642,493	25,910,833
Firstcare - Lubbock	1,621,428	265,902	1,292,704	22,524,436	17,148,995	7,140,475	170,894	8,276,127	58,440,961
Superior - Lubbock	450,122	70,429	393,377	4,337,405	3,144,220	1,626,841	71,440	1,912,052	12,005,887
Americaid - Tarrant	6,025,009	709,326	4,689,291	57,853,805	81,011,456	40,752,842	1,455,945	32,179,978	224,677,653
Aetna - Tarrant	513,468	74,008	907,182	13,680,658	6,425,688	2,316,884	502,553	2,761,621	27,182,062
Cook - Tarrant	954,634	139,404	526,825	9,094,761	10,163,962	7,423,293	1,045,669	6,075,078	35,423,627
Superior - Travis	13,403,539	3,341,853	12,477,659	28,739,653	49,079,983	16,306,563	1,269,659	12,896,903	137,515,813
Americaid - Travis	2,968,377	841,865	3,377,752	6,176,457	11,300,149	4,068,800	451,218	2,612,479	31,797,096
Total	80,109,647	16,584,682	59,248,250	558,093,275	770,199,921	388,953,262	28,890,602	337,650,580	2,239,730,219

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Unadjusted Premium Rates pmpm (Community Rates)									
CFHP - Bexar	105.65	225.72	379.15	804.81	705.42	108.32	236.12	84.75	216.53
Superior - Bexar	105.65	225.72	379.15	804.81	705.42	108.32	236.12	84.75	219.06
Aetna - Bexar	105.65	225.72	379.15	804.81	705.42	108.32	236.12	84.75	263.18
Americaid - Dallas	99.41	283.94	283.12	770.84	690.29	126.42	251.08	94.13	169.92
Parkland - Dallas	99.41	283.94	283.12	770.84	690.29	126.42	251.08	94.13	237.71
Unicare - Dallas	99.41	283.94	283.12	770.84	690.29	126.42	251.08	94.13	259.04
El Paso First - El Paso	91.54	362.20	293.46	797.08	579.00	104.12	223.81	83.40	169.98
Superior - El Paso	91.54	362.20	293.46	797.08	579.00	104.12	223.81	83.40	182.69
Americaid - Harris	93.27	230.49	360.47	811.36	713.39	105.72	228.43	90.83	191.19
CHC - Harris	93.27	230.49	360.47	811.36	713.39	105.72	228.43	90.83	260.99
TCHP - Harris	93.27	230.49	360.47	811.36	713.39	105.72	228.43	90.83	158.53
United - Harris	93.27	230.49	360.47	811.36	713.39	105.72	228.43	90.83	220.39
Molina - Harris	93.27	230.49	360.47	811.36	713.39	105.72	228.43	90.83	193.08
Firstcare - Lubbock	99.43	183.18	318.15	880.33	437.14	99.81	262.61	90.68	224.93
Superior - Lubbock	99.43	183.18	318.15	880.33	437.14	99.81	262.61	90.68	206.93
Americaid - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	220.41
Aetna - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	303.28
Cook - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	197.50
Superior - Travis	85.22	231.57	264.19	814.31	776.58	97.66	281.87	78.00	202.71
Americaid - Travis	85.22	231.57	264.19	814.31	776.58	97.66	281.87	78.00	207.52
Total	94.35	251.90	314.30	809.78	674.57	110.72	235.55	89.82	207.23
FY2008 Unadjusted Premium Rate Change Relative to FY2006 (Community Rates)									
CFHP - Bexar	12.1 %	-21.9 %	29.3 %	10.1 %	7.3 %	23.6 %	24.7 %	21.5 %	12.9 %
Superior - Bexar	17.0 %	-19.5 %	30.4 %	10.8 %	8.4 %	23.9 %	28.0 %	24.6 %	14.3 %
Aetna - Bexar	17.0 %	-19.5 %	30.4 %	10.8 %	8.4 %	23.9 %	28.0 %	24.6 %	14.1 %
Americaid - Dallas	8.8 %	12.8 %	14.8 %	6.8 %	9.7 %	18.7 %	13.8 %	26.3 %	15.6 %
Parkland - Dallas	7.8 %	15.1 %	13.5 %	6.4 %	2.2 %	17.0 %	11.9 %	26.0 %	9.3 %
Unicare - Dallas	8.8 %	12.8 %	14.8 %	6.8 %	9.7 %	18.7 %	13.8 %	26.3 %	11.8 %
El Paso First - El Paso	13.1 %	50.8 %	22.4 %	7.5 %	1.0 %	11.5 %	19.7 %	21.2 %	10.3 %
Superior - El Paso	16.4 %	51.9 %	20.9 %	9.0 %	4.0 %	14.5 %	23.4 %	22.7 %	12.1 %
Americaid - Harris	11.5 %	-23.7 %	29.6 %	10.6 %	4.4 %	17.5 %	10.2 %	28.4 %	13.0 %
CHC - Harris	5.1 %	-21.0 %	24.1 %	7.1 %	10.2 %	14.2 %	8.7 %	27.1 %	11.5 %
TCHP - Harris	9.3 %	-24.9 %	31.3 %	10.6 %	7.5 %	14.6 %	5.0 %	26.0 %	13.9 %
United - Harris	9.3 %	-24.9 %	31.3 %	10.6 %	7.5 %	14.6 %	5.0 %	26.0 %	13.1 %
Molina - Harris	9.3 %	-24.9 %	31.3 %	10.6 %	7.5 %	14.6 %	5.0 %	26.0 %	13.5 %
Firstcare - Lubbock	12.3 %	-11.5 %	12.8 %	2.5 %	5.0 %	13.1 %	9.9 %	17.7 %	7.1 %
Superior - Lubbock	12.3 %	-11.5 %	12.8 %	2.5 %	5.0 %	13.1 %	9.9 %	17.7 %	7.6 %
Americaid - Tarrant	11.4 %	38.6 %	10.7 %	10.7 %	7.4 %	13.7 %	9.1 %	26.6 %	12.4 %
Aetna - Tarrant	11.4 %	38.6 %	10.7 %	10.7 %	7.4 %	13.7 %	9.1 %	26.6 %	11.8 %
Cook - Tarrant	11.4 %	38.6 %	10.7 %	10.7 %	7.4 %	13.7 %	9.1 %	26.6 %	13.2 %
Superior - Travis	10.3 %	8.3 %	16.4 %	9.5 %	4.9 %	13.3 %	30.9 %	19.0 %	10.1 %
Americaid - Travis	11.3 %	11.0 %	20.6 %	14.7 %	5.4 %	13.5 %	30.4 %	19.0 %	12.0 %
Total	10.9 %	1.9 %	20.8 %	8.7 %	6.4 %	16.5 %	12.4 %	25.1 %	12.1 %

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Unadjusted Premium (Community Rates)									
CFHP - Bexar	5,005,975	664,418	3,851,650	37,723,828	68,503,614	27,947,862	507,200	28,039,842	172,244,389
Superior - Bexar	5,096,694	682,514	4,287,332	36,622,020	59,139,087	24,620,631	770,787	24,403,537	155,622,601
Aetna - Bexar	1,378,092	174,632	2,014,926	31,281,634	9,562,490	5,465,752	822,845	8,393,113	59,093,483
Americaid - Dallas	6,336,735	722,495	3,339,524	23,403,270	44,514,506	49,743,574	3,879,499	41,076,909	173,016,512
Parkland - Dallas	7,088,374	1,661,608	4,156,912	71,982,357	104,380,940	57,351,262	3,709,580	38,687,736	289,018,768
Unicare - Dallas	1,343,427	262,134	1,395,744	23,191,783	12,742,599	6,952,550	1,716,558	7,989,197	55,593,992
El Paso First - El Paso	4,666,352	1,061,421	3,329,698	17,211,836	22,956,848	14,140,927	451,764	18,192,533	82,011,377
Superior - El Paso	6,049,098	1,456,153	3,233,016	29,112,232	29,402,496	17,158,535	872,996	21,581,357	108,865,884
Americaid - Harris	8,538,344	1,261,037	7,341,809	53,519,971	86,764,762	52,085,251	3,689,163	52,135,001	265,335,337
CHC - Harris	5,626,042	1,435,186	7,111,104	82,899,500	110,460,875	37,966,908	3,719,807	32,904,442	282,123,863
TCHP - Harris	6,631,134	884,242	2,583,812	25,060,456	63,380,400	58,576,036	5,967,825	52,464,204	215,548,110
United - Harris	1,320,818	181,849	1,414,663	10,621,001	9,980,783	3,961,966	5,482	6,374,691	33,861,252
Molina - Harris	1,267,294	100,413	702,643	8,617,772	7,352,495	5,249,196	5,482	5,843,524	29,138,820
Firstcare - Lubbock	1,801,187	235,213	1,479,986	23,666,080	18,004,066	8,079,134	187,884	9,703,511	63,157,060
Superior - Lubbock	500,024	62,300	450,368	4,557,245	3,300,995	1,840,699	78,543	2,241,824	13,031,999
Americaid - Tarrant	6,740,697	982,856	5,266,029	64,954,534	86,999,467	46,340,449	1,588,138	40,929,679	253,801,849
Aetna - Tarrant	574,460	102,548	1,018,757	15,359,764	6,900,647	2,634,551	548,182	3,512,503	30,651,411
Cook - Tarrant	1,068,031	193,161	591,619	10,211,013	10,915,238	8,441,099	1,140,611	7,726,886	40,287,657
Superior - Travis	14,867,969	3,620,289	13,941,460	30,330,767	51,500,803	18,479,086	1,662,526	15,400,520	149,803,420
Americaid - Travis	3,292,714	934,747	4,065,659	7,084,013	11,904,971	4,618,388	588,187	3,135,215	35,623,893
Total	89,193,462	16,679,213	71,576,709	607,411,075	818,668,082	451,653,855	31,913,059	420,736,221	2,507,831,677

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Adjusted Premium Rates pmpm (Community Rates)									
CFHP - Bexar	102.97	225.72	345.82	463.85	705.42	108.32	236.12	83.88	195.49
Superior - Bexar	102.97	225.72	345.82	463.85	705.42	108.32	236.12	83.88	196.15
Aetna - Bexar	102.97	225.72	345.82	463.85	705.42	108.32	236.12	83.88	202.83
Americaid - Dallas	95.85	283.94	250.97	390.90	690.29	126.42	251.08	92.57	157.33
Parkland - Dallas	95.85	283.94	250.97	390.90	690.29	126.42	251.08	92.57	207.40
Unicare - Dallas	95.85	283.94	250.97	390.90	690.29	126.42	251.08	92.57	204.20
El Paso First - El Paso	89.03	362.20	271.62	446.68	579.00	104.12	223.81	82.36	153.05
Superior - El Paso	89.03	362.20	271.62	446.68	579.00	104.12	223.81	82.36	160.08
Americaid - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	171.38
CHC - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	222.88
TCHP - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	148.72
United - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	185.40
Molina - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	164.33
Firstcare - Lubbock	96.20	183.18	292.63	542.76	437.14	99.81	262.61	89.39	191.48
Superior - Lubbock	96.20	183.18	292.63	542.76	437.14	99.81	262.61	89.39	177.85
Americaid - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	193.52
Aetna - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	232.23
Cook - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	173.64
Superior - Travis	81.21	231.57	224.65	457.65	776.58	97.66	281.87	76.76	180.63
Americaid - Travis	81.21	231.57	224.65	457.65	776.58	97.66	281.87	76.76	184.71
Total	91.18	251.90	280.90	437.86	674.57	110.72	235.55	88.49	182.79
FY2008 Adjusted Premium Rate Change Relative to FY2007 (Community Rates)									
CFHP - Bexar	13.3 %	-21.9 %	31.1 %	15.2 %	7.3 %	23.6 %	24.7 %	21.4 %	14.0 %
Superior - Bexar	18.2 %	-19.5 %	32.2 %	16.0 %	8.4 %	23.9 %	28.0 %	24.4 %	15.5 %
Aetna - Bexar	18.2 %	-19.5 %	32.2 %	16.0 %	8.4 %	23.9 %	28.0 %	24.4 %	17.3 %
Americaid - Dallas	8.8 %	12.8 %	16.5 %	12.9 %	9.7 %	18.7 %	13.8 %	27.2 %	17.0 %
Parkland - Dallas	7.8 %	15.1 %	15.2 %	12.6 %	2.2 %	17.0 %	11.9 %	26.9 %	10.6 %
Unicare - Dallas	8.8 %	12.8 %	16.5 %	12.9 %	9.7 %	18.7 %	13.8 %	27.2 %	15.1 %
El Paso First - El Paso	13.9 %	50.8 %	25.4 %	15.7 %	1.0 %	11.5 %	19.7 %	21.5 %	11.8 %
Superior - El Paso	17.3 %	51.9 %	23.8 %	17.3 %	4.0 %	14.5 %	23.4 %	23.0 %	14.1 %
Americaid - Harris	11.6 %	-23.7 %	31.9 %	12.3 %	4.4 %	17.5 %	10.2 %	28.5 %	13.5 %
CHC - Harris	9.4 %	-24.9 %	33.6 %	12.3 %	7.5 %	14.6 %	5.0 %	26.2 %	12.0 %
TCHP - Harris	9.0 %	-32.3 %	59.0 %	21.9 %	10.4 %	11.6 %	-1.4 %	22.8 %	14.0 %
United - Harris	9.4 %	-24.9 %	33.6 %	12.3 %	7.5 %	14.6 %	5.0 %	26.2 %	13.9 %
Molina - Harris	9.4 %	-24.9 %	33.6 %	12.3 %	7.5 %	14.6 %	5.0 %	26.2 %	14.3 %
Firstcare - Lubbock	11.4 %	-11.5 %	15.6 %	6.3 %	5.0 %	13.1 %	9.9 %	17.5 %	9.0 %
Superior - Lubbock	11.4 %	-11.5 %	15.6 %	6.3 %	5.0 %	13.1 %	9.9 %	17.5 %	9.5 %
Americaid - Tarrant	12.2 %	38.6 %	13.3 %	21.7 %	7.4 %	13.7 %	9.1 %	27.7 %	14.5 %
Aetna - Tarrant	12.2 %	38.6 %	13.3 %	21.7 %	7.4 %	13.7 %	9.1 %	27.7 %	16.2 %
Cook - Tarrant	12.2 %	38.6 %	13.3 %	21.7 %	7.4 %	13.7 %	9.1 %	27.7 %	15.4 %
Superior - Travis	11.2 %	8.3 %	14.7 %	9.5 %	4.9 %	13.3 %	30.9 %	19.8 %	10.1 %
Americaid - Travis	12.1 %	11.0 %	18.9 %	14.7 %	5.4 %	13.5 %	30.4 %	19.8 %	11.6 %
Total	11.7 %	0.6 %	23.4 %	14.5 %	6.3 %	16.1 %	10.5 %	25.0 %	13.3 %

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Adjusted Premium (Community Rates)									
CFHP - Bexar	4,878,909	664,418	3,513,087	21,741,905	68,503,614	27,947,862	507,200	27,751,518	155,508,514
Superior - Bexar	4,967,325	682,514	3,910,473	21,106,885	59,139,087	24,620,631	770,787	24,152,603	139,350,304
Aetna - Bexar	1,343,112	174,632	1,837,812	18,028,985	9,562,490	5,465,752	822,845	8,306,810	45,542,437
Americaid - Dallas	6,109,564	722,495	2,960,216	11,867,929	44,514,506	49,743,574	3,879,499	40,398,369	160,196,152
Parkland - Dallas	6,834,258	1,661,608	3,684,763	36,502,655	104,380,940	57,351,262	3,709,580	38,048,662	252,173,728
Unicare - Dallas	1,295,266	262,134	1,237,213	11,760,683	12,742,599	6,952,550	1,716,558	7,857,226	43,824,228
El Paso First - El Paso	4,538,246	1,061,421	3,081,902	9,645,426	22,956,848	14,140,927	451,764	17,967,204	73,843,737
Superior - El Paso	5,883,032	1,456,153	2,992,415	16,314,347	29,402,496	17,158,535	872,996	21,314,055	95,394,030
Americaid - Harris	8,280,457	1,261,037	6,669,556	27,805,311	86,764,762	52,085,251	3,689,163	51,284,553	237,840,091
CHC - Harris	5,456,117	1,435,186	6,459,976	43,068,902	110,460,875	37,966,908	3,719,807	32,367,691	240,935,461
TCHP - Harris	6,430,852	884,242	2,347,225	13,019,697	63,380,400	58,576,036	5,967,825	51,608,387	202,214,664
United - Harris	1,280,925	181,849	1,285,129	5,517,945	9,980,783	3,961,966	5,482	6,270,704	28,484,783
Molina - Harris	1,229,018	100,413	638,305	4,477,204	7,352,495	5,249,196	5,482	5,748,202	24,800,316
Firstcare - Lubbock	1,742,671	235,213	1,361,270	14,590,994	18,004,066	8,079,134	187,884	9,565,241	53,766,473
Superior - Lubbock	483,780	62,300	414,242	2,809,707	3,300,995	1,840,699	78,543	2,209,879	11,200,145
Americaid - Tarrant	6,543,996	982,856	4,797,044	35,266,636	86,999,467	46,340,449	1,588,138	40,314,599	222,833,185
Aetna - Tarrant	557,697	102,548	928,028	8,339,483	6,900,647	2,634,551	548,182	3,459,718	23,470,853
Cook - Tarrant	1,036,865	193,161	538,930	5,544,002	10,915,238	8,441,099	1,140,611	7,610,768	35,420,674
Superior - Travis	14,167,540	3,620,289	11,854,592	17,046,268	51,500,803	18,479,086	1,662,526	15,154,886	133,485,988
Americaid - Travis	3,137,595	934,747	3,457,079	3,981,303	11,904,971	4,618,388	588,187	3,085,209	31,707,478
Total	86,197,224	16,679,213	63,969,259	328,436,266	818,668,082	451,653,855	31,913,059	414,476,283	2,211,993,241

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 DSP Payment Rates per Delivery									
CFHP - Bexar	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59
Superior - Bexar	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59
Aetna - Bexar	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59	3,266.59
Americaid - Dallas	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13
Parkland - Dallas	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13
Unicare - Dallas	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13	3,537.13
El Paso First - El Paso	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04
Superior - El Paso	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04	3,443.04
Americaid - Harris	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20
CHC - Harris	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20
TCHP - Harris	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20
United - Harris	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20
Molina - Harris	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20	3,519.20
Firstcare - Lubbock	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39
Superior - Lubbock	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39	3,230.39
Americaid - Tarrant	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64
Aetna - Tarrant	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64
Cook - Tarrant	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64	3,635.64
Superior - Travis	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49
Americaid - Travis	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49	3,247.49
Total	3,408.71		3,388.77	3,461.88				3,483.25	3,459.85
Projected FY2008 DSP Payments									
CFHP - Bexar	108,343	0	325,205	16,306,803	0	0	0	216,155	16,956,506
Superior - Bexar	157,580	0	391,542	15,161,632	0	0	0	282,184	15,992,938
Aetna - Bexar	34,086	0	177,070	13,255,417	0	0	0	97,052	13,563,625
Americaid - Dallas	157,822	0	237,813	10,835,604	0	0	0	463,073	11,694,312
Parkland - Dallas	327,865	0	618,008	36,663,545	0	0	0	872,278	38,481,695
Unicare - Dallas	47,799	0	158,680	11,429,411	0	0	0	120,086	11,755,976
El Paso First - El Paso	140,412	0	230,486	7,397,602	0	0	0	225,329	7,993,828
Superior - El Paso	159,267	0	261,725	13,103,396	0	0	0	267,302	13,791,689
Americaid - Harris	289,951	0	673,770	26,510,239	0	0	0	1,010,037	28,483,997
CHC - Harris	233,510	0	784,506	40,128,023	0	0	0	637,474	41,783,512
TCHP - Harris	100,082	0	138,741	10,815,428	0	0	0	609,849	11,664,100
United - Harris	39,870	0	129,826	5,104,308	0	0	0	98,800	5,372,803
Molina - Harris	38,254	0	64,483	4,141,583	0	0	0	90,568	4,334,888
Firstcare - Lubbock	58,517	0	118,716	9,075,085	0	0	0	138,269	9,390,587
Superior - Lubbock	16,245	0	36,126	1,747,539	0	0	0	31,945	1,831,854
Americaid - Tarrant	196,701	0	468,984	29,687,899	0	0	0	615,080	30,968,664
Aetna - Tarrant	16,763	0	90,729	7,020,282	0	0	0	52,785	7,180,559
Cook - Tarrant	31,166	0	52,689	4,667,011	0	0	0	116,118	4,866,984
Superior - Travis	679,884	0	2,210,683	13,595,972	0	0	0	256,480	16,743,019
Americaid - Travis	175,664	0	484,765	2,791,238	0	0	0	39,160	3,490,828
Total	3,009,781	0	7,654,546	279,438,016	0	0	0	6,240,022	296,342,365

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Total Premium Rate Based on FY2008 Adjusted Community Rates plus DSP									
CFHP - Bexar	105.26	225.72	377.83	811.74	705.42	108.32	236.12	84.53	216.81
Superior - Bexar	106.24	225.72	380.45	797.04	705.42	108.32	236.12	84.86	218.66
Aetna - Bexar	105.58	225.72	379.14	804.88	705.42	108.32	236.12	84.86	263.24
Americaid - Dallas	98.33	283.94	271.13	747.79	690.29	126.42	251.08	93.63	168.81
Parkland - Dallas	100.45	283.94	293.06	783.52	690.29	126.42	251.08	94.70	239.05
Unicare - Dallas	99.39	283.94	283.15	770.79	690.29	126.42	251.08	93.99	258.97
El Paso First - El Paso	91.78	362.20	291.94	789.26	579.00	104.12	223.81	83.40	169.62
Superior - El Paso	91.44	362.20	295.38	805.44	579.00	104.12	223.81	83.40	183.22
Americaid - Harris	93.62	230.49	360.54	823.42	713.39	105.72	228.43	91.10	191.90
CHC - Harris	94.32	230.49	367.23	814.27	713.39	105.72	228.43	91.10	261.54
TCHP - Harris	91.86	230.49	346.81	771.69	713.39	105.72	228.43	90.40	157.30
United - Harris	93.27	230.49	360.54	811.45	713.39	105.72	228.43	90.75	220.36
Molina - Harris	93.27	230.49	360.54	811.45	713.39	105.72	228.43	90.75	193.06
Firstcare - Lubbock	99.43	183.18	318.15	880.33	437.14	99.81	262.61	90.68	224.93
Superior - Lubbock	99.43	183.18	318.15	880.33	437.14	99.81	262.61	90.68	206.93
Americaid - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	220.41
Aetna - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	303.28
Cook - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	197.50
Superior - Travis	85.10	231.57	266.54	822.67	776.58	97.66	281.87	78.05	203.29
Americaid - Travis	85.75	231.57	256.15	778.50	776.58	97.66	281.87	77.73	205.04
Total	94.36	251.90	314.51	810.40	674.57	110.72	235.55	89.82	207.27
Projected FY2008 Premium Based on FY2008 Adjusted Community Rates plus DSP									
CFHP - Bexar	4,987,252	664,418	3,838,293	38,048,709	68,503,614	27,947,862	507,200	27,967,672	172,465,020
Superior - Bexar	5,124,905	682,514	4,302,015	36,268,517	59,139,087	24,620,631	770,787	24,434,787	155,343,242
Aetna - Bexar	1,377,198	174,632	2,014,882	31,284,402	9,562,490	5,465,752	822,845	8,403,861	59,106,062
Americaid - Dallas	6,267,386	722,495	3,198,029	22,703,533	44,514,506	49,743,574	3,879,499	40,861,442	171,890,464
Parkland - Dallas	7,162,123	1,661,608	4,302,771	73,166,200	104,380,940	57,351,262	3,709,580	38,920,940	290,655,424
Unicare - Dallas	1,343,065	262,134	1,395,893	23,190,093	12,742,599	6,952,550	1,716,558	7,977,312	55,580,204
El Paso First - El Paso	4,678,658	1,061,421	3,312,388	17,043,028	22,956,848	14,140,927	451,764	18,192,533	81,837,565
Superior - El Paso	6,042,299	1,456,153	3,254,140	29,417,744	29,402,496	17,158,535	872,996	21,581,357	109,185,720
Americaid - Harris	8,570,409	1,261,037	7,343,326	54,315,550	86,764,762	52,085,251	3,689,163	52,294,590	266,324,088
CHC - Harris	5,689,626	1,435,186	7,244,481	83,196,925	110,460,875	37,966,908	3,719,807	33,005,165	282,718,974
TCHP - Harris	6,530,934	884,242	2,485,966	23,835,125	63,380,400	58,576,036	5,967,825	52,218,235	213,878,764
United - Harris	1,320,795	181,849	1,414,955	10,622,252	9,980,783	3,961,966	5,482	6,369,504	33,857,586
Molina - Harris	1,267,272	100,413	702,788	8,618,787	7,352,495	5,249,196	5,482	5,838,770	29,135,204
Firstcare - Lubbock	1,801,187	235,213	1,479,986	23,666,080	18,004,066	8,079,134	187,884	9,703,511	63,157,060
Superior - Lubbock	500,024	62,300	450,368	4,557,245	3,300,995	1,840,699	78,543	2,241,824	13,031,999
Americaid - Tarrant	6,740,697	982,856	5,266,029	64,954,534	86,999,467	46,340,449	1,588,138	40,929,679	253,801,849
Aetna - Tarrant	574,460	102,548	1,018,757	15,359,764	6,900,647	2,634,551	548,182	3,512,503	30,651,411
Cook - Tarrant	1,068,031	193,161	591,619	10,211,013	10,915,238	8,441,099	1,140,611	7,726,886	40,287,657
Superior - Travis	14,847,424	3,620,289	14,065,275	30,642,239	51,500,803	18,479,086	1,662,526	15,411,366	150,229,008
Americaid - Travis	3,313,259	934,747	3,941,844	6,772,541	11,904,971	4,618,388	588,187	3,124,369	35,198,305
Total	89,207,005	16,679,213	71,623,804	607,874,282	818,668,082	451,653,855	31,913,059	420,716,305	2,508,335,606

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Unadjusted Premium Rates pmpm (Community Rates with Risk Adjustment)									
CFHP - Bexar	107.06	220.26	393.30	797.62	706.47	107.70	227.27	86.48	216.97
Superior - Bexar	104.27	231.04	366.44	812.21	704.21	109.03	241.95	82.76	218.56
Aetna - Bexar	105.65	225.72	379.15	804.81	705.42	108.32	236.12	84.75	263.18
Americaid - Dallas	97.77	333.06	267.59	721.27	609.31	123.91	244.43	93.45	161.79
Parkland - Dallas	100.88	262.59	295.60	786.96	724.83	128.60	258.04	94.84	244.51
Unicare - Dallas	99.41	283.94	283.12	770.84	690.29	126.42	251.08	94.13	259.04
El Paso First - El Paso	92.71	364.38	294.27	806.06	571.93	103.59	245.86	83.96	170.15
Superior - El Paso	90.63	360.60	292.63	791.77	584.53	104.55	212.40	82.92	182.55
Americaid - Harris	92.76	219.98	346.84	806.34	714.35	100.72	220.29	86.95	187.29
CHC - Harris	99.15	249.09	385.51	832.42	711.85	106.92	237.46	95.27	265.68
TCHP - Harris	88.94	215.31	330.25	752.38	714.74	109.38	227.84	91.89	158.78
United - Harris	93.27	230.49	360.47	811.36	713.39	105.72	228.43	90.83	220.39
Molina - Harris	93.27	230.49	360.47	811.36	713.39	105.72	228.43	90.83	193.08
Firstcare - Lubbock	99.43	183.18	318.15	880.33	437.14	99.81	262.61	90.68	224.93
Superior - Lubbock	99.43	183.18	318.15	880.33	437.14	99.81	262.61	90.68	206.93
Americaid - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	220.41
Aetna - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	303.28
Cook - Tarrant	99.67	248.32	347.00	852.72	600.57	112.21	204.84	96.77	197.50
Superior - Travis	85.67	229.19	271.56	826.63	760.37	98.68	290.55	79.20	203.11
Americaid - Travis	83.17	240.78	238.92	761.52	846.71	93.61	257.33	72.09	205.80
Total	94.35	251.90	314.30	809.78	674.57	110.72	235.55	89.82	207.23
FY2008 Adjusted Premium Rate Change Relative to FY2007 (Community Rates with Risk Adjustment)									
CFHP - Bexar	13.6%	-23.8%	34.2%	9.1%	7.5%	22.9%	20.0%	24.0%	13.2%
Superior - Bexar	15.4%	-17.6%	26.0%	11.8%	8.3%	24.7%	31.2%	21.7%	14.0%
Aetna - Bexar	17.0%	-19.5%	30.4%	10.8%	8.4%	23.9%	28.0%	24.6%	14.1%
Americaid - Dallas	7.0%	32.3%	8.5%	-0.1%	-3.2%	16.3%	10.8%	25.4%	10.0%
Parkland - Dallas	9.4%	6.4%	18.5%	8.6%	7.3%	19.0%	15.0%	27.0%	12.4%
Unicare - Dallas	8.8%	12.8%	14.8%	6.8%	9.7%	18.7%	13.8%	26.3%	11.8%
El Paso First - El Paso	14.5%	51.7%	22.8%	8.8%	-0.2%	11.0%	31.4%	22.0%	10.4%
Superior - El Paso	15.3%	51.2%	20.6%	8.3%	5.0%	15.0%	17.1%	22.0%	12.1%
Americaid - Harris	10.9%	-27.2%	24.7%	9.9%	4.6%	11.9%	6.3%	22.9%	10.7%
CHC - Harris	11.7%	-14.6%	32.7%	9.9%	10.0%	15.5%	13.0%	33.3%	13.5%
TCHP - Harris	4.2%	-29.9%	20.3%	2.6%	7.7%	18.6%	4.7%	27.5%	14.1%
United - Harris	9.3%	-24.9%	31.3%	10.6%	7.5%	14.6%	5.0%	26.0%	13.1%
Molina - Harris	9.3%	-24.9%	31.3%	10.6%	7.5%	14.6%	5.0%	26.0%	13.5%
Firstcare - Lubbock	12.3%	-11.5%	12.8%	2.5%	5.0%	13.1%	9.9%	17.7%	7.1%
Superior - Lubbock	12.3%	-11.5%	12.8%	2.5%	5.0%	13.1%	9.9%	17.7%	7.6%
Americaid - Tarrant	11.4%	38.6%	10.7%	10.7%	7.4%	13.7%	9.1%	26.6%	12.4%
Aetna - Tarrant	11.4%	38.6%	10.7%	10.7%	7.4%	13.7%	9.1%	26.6%	11.8%
Cook - Tarrant	11.4%	38.6%	10.7%	10.7%	7.4%	13.7%	9.1%	26.6%	13.2%
Superior - Travis	10.9%	7.2%	19.6%	11.2%	2.7%	14.5%	35.0%	20.9%	10.3%
Americaid - Travis	8.6%	15.4%	9.1%	7.2%	14.9%	8.8%	19.0%	10.0%	11.1%
Total	10.9%	1.9%	20.8%	8.7%	6.4%	16.5%	12.4%	25.1%	12.1%

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Adjusted Premium (Community Rates with Risk Adjustment)									
CFHP - Bexar	5,072,586	648,338	3,995,373	37,386,853	68,605,453	27,787,092	488,184	28,612,440	172,596,318
Superior - Bexar	5,030,083	698,594	4,143,609	36,958,994	59,037,248	24,781,402	789,803	23,830,939	155,270,672
Aetna - Bexar	1,378,092	174,632	2,014,926	31,281,634	9,562,490	5,465,752	822,845	8,393,113	59,093,483
Americaid - Dallas	6,232,158	847,462	3,156,299	21,898,167	39,292,456	48,754,437	3,776,719	40,782,660	164,740,357
Parkland - Dallas	7,192,951	1,536,641	4,340,137	73,487,460	109,602,990	58,340,398	3,812,361	38,981,985	297,294,923
Unicare - Dallas	1,343,427	262,134	1,395,744	23,191,783	12,742,599	6,952,550	1,716,558	7,989,197	55,593,992
El Paso First - El Paso	4,726,298	1,067,820	3,338,885	17,405,770	22,676,178	14,069,134	496,260	18,315,146	82,095,490
Superior - El Paso	5,989,153	1,449,754	3,223,829	28,918,299	29,683,167	17,230,328	828,500	21,458,743	108,781,772
Americaid - Harris	8,491,559	1,203,505	7,064,226	53,189,249	86,881,826	49,621,257	3,557,639	49,911,867	259,921,128
CHC - Harris	5,980,743	1,550,975	7,605,273	85,051,751	110,223,556	38,400,175	3,866,739	34,515,308	287,194,518
TCHP - Harris	6,323,218	825,985	2,367,225	23,238,926	63,500,655	60,606,763	5,952,418	53,076,472	215,891,663
United - Harris	1,320,818	181,849	1,414,663	10,621,001	9,980,783	3,961,966	5,482	6,374,691	33,861,252
Molina - Harris	1,267,294	100,413	702,643	8,617,772	7,352,495	5,249,196	5,482	5,843,524	29,138,820
Firstcare - Lubbock	1,801,187	235,213	1,479,986	23,666,080	18,004,066	8,079,134	187,884	9,703,511	63,157,060
Superior - Lubbock	500,024	62,300	450,368	4,557,245	3,300,995	1,840,699	78,543	2,241,824	13,031,999
Americaid - Tarrant	6,740,697	982,856	5,266,029	64,954,534	86,999,467	46,340,449	1,588,138	40,929,679	253,801,849
Aetna - Tarrant	574,460	102,548	1,018,757	15,359,764	6,900,647	2,634,551	548,182	3,512,503	30,651,411
Cook - Tarrant	1,068,031	193,161	591,619	10,211,013	10,915,238	8,441,099	1,140,611	7,726,886	40,287,657
Superior - Travis	14,947,166	3,583,106	14,330,318	30,789,985	50,425,763	18,670,842	1,713,733	15,637,949	150,098,861
Americaid - Travis	3,213,517	971,929	3,676,801	6,624,795	12,980,011	4,426,632	536,980	2,897,786	35,328,452
Total	89,193,462	16,679,213	71,576,709	607,411,075	818,668,082	451,653,855	31,913,059	420,736,221	2,507,831,677

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Adjusted Premium Rates pmpm (Community Rates with Risk Adjustment)									
CFHP - Bexar	104.34	220.26	358.73	459.70	706.47	107.70	227.27	85.59	196.09
Superior - Bexar	101.63	231.04	334.23	468.11	704.21	109.03	241.95	81.91	195.48
Aetna - Bexar	102.97	225.72	345.82	463.85	705.42	108.32	236.12	83.88	202.83
Americaid - Dallas	94.27	333.06	237.20	365.76	609.31	123.91	244.43	91.91	149.96
Parkland - Dallas	97.26	262.59	262.03	399.07	724.83	128.60	258.04	93.28	213.58
Unicare - Dallas	95.85	283.94	250.97	390.90	690.29	126.42	251.08	92.57	204.20
El Paso First - El Paso	90.17	364.38	272.37	451.71	571.93	103.59	245.86	82.92	153.04
Superior - El Paso	88.14	360.60	270.85	443.70	584.53	104.55	212.40	81.89	160.09
Americaid - Harris	89.96	219.98	315.08	418.92	714.35	100.72	220.29	85.53	167.63
CHC - Harris	96.15	249.09	350.22	432.47	711.85	106.92	237.46	93.72	226.54
TCHP - Harris	86.25	215.31	300.01	390.89	714.74	109.38	227.84	90.39	149.63
United - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	185.40
Molina - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	164.33
Firstcare - Lubbock	96.20	183.18	292.63	542.76	437.14	99.81	262.61	89.39	191.48
Superior - Lubbock	96.20	183.18	292.63	542.76	437.14	99.81	262.61	89.39	177.85
Americaid - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	193.52
Aetna - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	232.23
Cook - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	173.64
Superior - Travis	81.64	229.19	230.91	464.58	760.37	98.68	290.55	77.94	180.67
Americaid - Travis	79.25	240.78	203.16	427.98	846.71	93.61	257.33	70.94	184.54
Total	91.18	251.90	280.90	437.86	674.57	110.72	235.55	88.49	182.79
FY2008 Adjusted Premium Rate Change Relative to FY2007 (Community Rates with Risk Adjustment)									
CFHP - Bexar	14.8%	-23.8%	36.0%	14.2%	7.5%	22.9%	20.0%	23.9%	14.3%
Superior - Bexar	16.7%	-17.6%	27.7%	17.0%	8.3%	24.7%	31.2%	21.5%	15.1%
Aetna - Bexar	18.2%	-19.5%	32.2%	16.0%	8.4%	23.9%	28.0%	24.4%	17.3%
Americaid - Dallas	7.0%	32.3%	10.1%	5.7%	-3.2%	16.3%	10.8%	26.3%	11.5%
Parkland - Dallas	9.4%	6.4%	20.3%	14.9%	7.3%	19.0%	15.0%	27.8%	13.9%
Unicare - Dallas	8.8%	12.8%	16.5%	12.9%	9.7%	18.7%	13.8%	27.2%	15.1%
El Paso First - El Paso	15.4%	51.7%	25.7%	17.0%	-0.2%	11.0%	31.4%	22.4%	11.8%
Superior - El Paso	16.1%	51.2%	23.5%	16.5%	5.0%	15.0%	17.1%	22.3%	14.1%
Americaid - Harris	11.0%	-27.2%	26.9%	11.6%	4.6%	11.9%	6.3%	23.1%	11.0%
CHC - Harris	16.3%	-18.9%	42.9%	15.2%	7.3%	16.0%	9.2%	32.4%	13.8%
TCHP - Harris	4.0%	-36.8%	45.7%	13.1%	10.6%	15.4%	-1.7%	24.2%	14.7%
United - Harris	9.4%	-24.9%	33.6%	12.3%	7.5%	14.6%	5.0%	26.2%	13.9%
Molina - Harris	9.4%	-24.9%	33.6%	12.3%	7.5%	14.6%	5.0%	26.2%	14.3%
Firstcare - Lubbock	11.4%	-11.5%	15.6%	6.3%	5.0%	13.1%	9.9%	17.5%	9.0%
Superior - Lubbock	11.4%	-11.5%	15.6%	6.3%	5.0%	13.1%	9.9%	17.5%	9.5%
Americaid - Tarrant	12.2%	38.6%	13.3%	21.7%	7.4%	13.7%	9.1%	27.7%	14.5%
Aetna - Tarrant	12.2%	38.6%	13.3%	21.7%	7.4%	13.7%	9.1%	27.7%	16.2%
Cook - Tarrant	12.2%	38.6%	13.3%	21.7%	7.4%	13.7%	9.1%	27.7%	15.4%
Superior - Travis	11.8%	7.2%	17.9%	11.2%	2.7%	14.5%	35.0%	21.7%	10.1%
Americaid - Travis	9.4%	15.4%	7.5%	7.3%	14.9%	8.8%	19.0%	10.8%	11.5%
Total	11.7%	0.6%	23.4%	14.5%	6.3%	16.1%	10.5%	25.0%	13.3%

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Adjusted Premium (Community Rates with Risk Adjustment)									
CFHP - Bexar	4,943,829	648,338	3,644,177	21,547,692	68,605,453	27,787,092	488,184	28,318,228	155,982,992
Superior - Bexar	4,902,405	698,594	3,779,383	21,301,098	59,037,248	24,781,402	789,803	23,585,893	138,875,827
Aetna - Bexar	1,343,112	174,632	1,837,812	18,028,985	9,562,490	5,465,752	822,845	8,306,810	45,542,437
Americaid - Dallas	6,008,737	847,462	2,797,801	11,104,683	39,292,456	48,754,437	3,776,719	40,108,981	152,691,275
Parkland - Dallas	6,935,086	1,536,641	3,847,177	37,265,902	109,602,990	58,340,398	3,812,361	38,338,051	259,678,605
Unicare - Dallas	1,295,266	262,134	1,237,213	11,760,683	12,742,599	6,952,550	1,716,558	7,857,226	43,824,228
El Paso First - El Paso	4,596,546	1,067,820	3,090,405	9,754,105	22,676,178	14,069,134	496,260	18,088,299	73,838,747
Superior - El Paso	5,824,732	1,449,754	2,983,912	16,205,668	29,683,167	17,230,328	828,500	21,192,960	95,399,020
Americaid - Harris	8,235,086	1,203,505	6,417,390	27,633,491	86,881,826	49,621,257	3,557,639	49,097,684	232,647,878
CHC - Harris	5,800,104	1,550,975	6,908,897	44,187,064	110,223,556	38,400,175	3,866,739	33,952,280	244,889,789
TCHP - Harris	6,132,236	825,985	2,150,470	12,073,354	63,500,655	60,606,763	5,952,418	52,210,667	203,452,549
United - Harris	1,280,925	181,849	1,285,129	5,517,945	9,980,783	3,961,966	5,482	6,270,704	28,484,783
Molina - Harris	1,229,018	100,413	638,305	4,477,204	7,352,495	5,249,196	5,482	5,748,202	24,800,316
Firstcare - Lubbock	1,742,671	235,213	1,361,270	14,590,994	18,004,066	8,079,134	187,884	9,565,241	53,766,473
Superior - Lubbock	483,780	62,300	414,242	2,809,707	3,300,995	1,840,699	78,543	2,209,879	11,200,145
Americaid - Tarrant	6,543,996	982,856	4,797,044	35,266,636	86,999,467	46,340,449	1,588,138	40,314,599	222,833,185
Aetna - Tarrant	557,697	102,548	928,028	8,339,483	6,900,647	2,634,551	548,182	3,459,718	23,470,853
Cook - Tarrant	1,036,865	193,161	538,930	5,544,002	10,915,238	8,441,099	1,140,611	7,610,768	35,420,674
Superior - Travis	14,243,006	3,583,106	12,185,242	17,304,353	50,425,763	18,670,842	1,713,733	15,388,528	133,514,573
Americaid - Travis	3,062,129	971,929	3,126,429	3,723,217	12,980,011	4,426,632	536,980	2,851,567	31,678,893
Total	86,197,224	16,679,213	63,969,259	328,436,266	818,668,082	451,653,855	31,913,059	414,476,283	2,211,993,241

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
Maximum of Adjusted Community Rate w/o Risk Adjustment and Adjusted Community Rate with Risk Adjustment									
CFHP - Bexar	104.34	220.26	358.73	459.70	706.47	107.70	227.27	85.59	196.09
Superior - Bexar	102.97	225.72	345.82	463.85	705.42	108.32	236.12	83.88	196.15
Aetna - Bexar	102.97	225.72	345.82	463.85	705.42	108.32	236.12	83.88	202.83
Americaid - Dallas	95.85	283.94	250.97	390.90	690.29	126.42	251.08	92.57	157.33
Parkland - Dallas	97.26	262.59	262.03	399.07	724.83	128.60	258.04	93.28	213.58
Unicare - Dallas	95.85	283.94	250.97	390.90	690.29	126.42	251.08	92.57	204.20
El Paso First - El Paso	89.03	362.20	271.62	446.68	579.00	104.12	223.81	82.36	153.05
Superior - El Paso	88.14	360.60	270.85	443.70	584.53	104.55	212.40	81.89	160.09
Americaid - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	171.38
CHC - Harris	96.15	249.09	350.22	432.47	711.85	106.92	237.46	93.72	226.54
TCHP - Harris	86.25	215.31	300.01	390.89	714.74	109.38	227.84	90.39	149.63
United - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	185.40
Molina - Harris	90.45	230.49	327.46	421.53	713.39	105.72	228.43	89.34	164.33
Firstcare - Lubbock	96.20	183.18	292.63	542.76	437.14	99.81	262.61	89.39	191.48
Superior - Lubbock	96.20	183.18	292.63	542.76	437.14	99.81	262.61	89.39	177.85
Americaid - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	193.52
Aetna - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	232.23
Cook - Tarrant	96.76	248.32	316.09	462.98	600.57	112.21	204.84	95.32	173.64
Superior - Travis	81.64	229.19	230.91	464.58	760.37	98.68	290.55	77.94	180.67
Americaid - Travis	81.21	231.57	224.65	457.65	776.58	97.66	281.87	76.76	184.71
Total	91.42	249.98	284.71	439.05	678.21	111.60	237.19	89.16	183.88
FY2008 Adjusted Premium Rate Change									
CFHP - Bexar	14.8%	-23.8%	36.0%	14.2%	7.5%	22.9%	20.0%	23.9%	14.3%
Superior - Bexar	18.2%	-19.5%	32.2%	16.0%	8.4%	23.9%	28.0%	24.4%	15.5%
Aetna - Bexar	18.2%	-19.5%	32.2%	16.0%	8.4%	23.9%	28.0%	24.4%	17.3%
Americaid - Dallas	8.8%	12.8%	16.5%	12.9%	9.7%	18.7%	13.8%	27.2%	17.0%
Parkland - Dallas	9.4%	6.4%	20.3%	14.9%	7.3%	19.0%	15.0%	27.8%	13.9%
Unicare - Dallas	8.8%	12.8%	16.5%	12.9%	9.7%	18.7%	13.8%	27.2%	15.1%
El Paso First - El Paso	13.9%	50.8%	25.4%	15.7%	1.0%	11.5%	19.7%	21.5%	11.8%
Superior - El Paso	16.1%	51.2%	23.5%	16.5%	5.0%	15.0%	17.1%	22.3%	14.1%
Americaid - Harris	11.6%	-23.7%	31.9%	12.3%	4.4%	17.5%	10.2%	28.5%	13.5%
CHC - Harris	16.3%	-18.9%	42.9%	15.2%	7.3%	16.0%	9.2%	32.4%	13.8%
TCHP - Harris	4.0%	-36.8%	45.7%	13.1%	10.6%	15.4%	-1.7%	24.2%	14.7%
United - Harris	9.4%	-24.9%	33.6%	12.3%	7.5%	14.6%	5.0%	26.2%	13.9%
Molina - Harris	9.4%	-24.9%	33.6%	12.3%	7.5%	14.6%	5.0%	26.2%	14.3%
Firstcare - Lubbock	11.4%	-11.5%	15.6%	6.3%	5.0%	13.1%	9.9%	17.5%	9.0%
Superior - Lubbock	11.4%	-11.5%	15.6%	6.3%	5.0%	13.1%	9.9%	17.5%	9.5%
Americaid - Tarrant	12.2%	38.6%	13.3%	21.7%	7.4%	13.7%	9.1%	27.7%	14.5%
Aetna - Tarrant	12.2%	38.6%	13.3%	21.7%	7.4%	13.7%	9.1%	27.7%	16.2%
Cook - Tarrant	12.2%	38.6%	13.3%	21.7%	7.4%	13.7%	9.1%	27.7%	15.4%
Superior - Travis	11.8%	7.2%	17.9%	11.2%	2.7%	14.5%	35.0%	21.7%	10.1%
Americaid - Travis	12.1%	11.0%	18.9%	14.7%	5.4%	13.5%	30.4%	19.8%	11.6%
Total	12.0%	-0.2%	25.1%	14.9%	6.9%	17.0%	11.2%	25.9%	14.0%

FY2008 STAR Rating Summary

Health Plan	TANF Children (over age 1)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (over age 1)	Expansion Children (< 1)	Federal Mandate Children	Total
FY2008 Adjusted Premium									
CFHP - Bexar	4,943,829	648,338	3,644,177	21,547,692	68,605,453	27,787,092	488,184	28,318,228	155,982,992
Superior - Bexar	4,967,325	682,514	3,910,473	21,106,885	59,139,087	24,620,631	770,787	24,152,603	139,350,304
Aetna - Bexar	1,343,112	174,632	1,837,812	18,028,985	9,562,490	5,465,752	822,845	8,306,810	45,542,437
Americaid - Dallas	6,109,564	722,495	2,960,216	11,867,929	44,514,506	49,743,574	3,879,499	40,398,369	160,196,152
Parkland - Dallas	6,935,086	1,536,641	3,847,177	37,265,902	109,602,990	58,340,398	3,812,361	38,338,051	259,678,605
Unicare - Dallas	1,295,266	262,134	1,237,213	11,760,683	12,742,599	6,952,550	1,716,558	7,857,226	43,824,228
El Paso First - El Paso	4,538,246	1,061,421	3,081,902	9,645,426	22,956,848	14,140,927	451,764	17,967,204	73,843,737
Superior - El Paso	5,824,732	1,449,754	2,983,912	16,205,668	29,683,167	17,230,328	828,500	21,192,960	95,399,020
Americaid - Harris	8,280,457	1,261,037	6,669,556	27,805,311	86,764,762	52,085,251	3,689,163	51,284,553	237,840,091
CHC - Harris	5,800,104	1,550,975	6,908,897	44,187,064	110,223,556	38,400,175	3,866,739	33,952,280	244,889,789
TCHP - Harris	6,132,236	825,985	2,150,470	12,073,354	63,500,655	60,606,763	5,952,418	52,210,667	203,452,549
United - Harris	1,280,925	181,849	1,285,129	5,517,945	9,980,783	3,961,966	5,482	6,270,704	28,484,783
Molina - Harris	1,229,018	100,413	638,305	4,477,204	7,352,495	5,249,196	5,482	5,748,202	24,800,316
Firstcare - Lubbock	1,742,671	235,213	1,361,270	14,590,994	18,004,066	8,079,134	187,884	9,565,241	53,766,473
Superior - Lubbock	483,780	62,300	414,242	2,809,707	3,300,995	1,840,699	78,543	2,209,879	11,200,145
Americaid - Tarrant	6,543,996	982,856	4,797,044	35,266,636	86,999,467	46,340,449	1,588,138	40,314,599	222,833,185
Aetna - Tarrant	557,697	102,548	928,028	8,339,483	6,900,647	2,634,551	548,182	3,459,718	23,470,853
Cook - Tarrant	1,036,865	193,161	538,930	5,544,002	10,915,238	8,441,099	1,140,611	7,610,768	35,420,674
Superior - Travis	14,243,006	3,583,106	12,185,242	17,304,353	50,425,763	18,670,842	1,713,733	15,388,528	133,514,573
Americaid - Travis	3,137,595	934,747	3,457,079	3,981,303	11,904,971	4,618,388	588,187	3,085,209	31,707,478
Total	86,425,508	16,552,117	64,837,076	329,326,526	823,080,537	455,209,763	32,135,057	417,631,798	2,225,198,382

Attachment 2

Individual HMO Experience Analysis

The following exhibits present a summary of the experience analysis performed for each health plan. The exhibits in this section use hypothetical experience data from a sample HMO. The actual analysis is based on experience data provided by each health plan. This data was checked for reasonableness by comparing to other data sources provided by HHSC, the EQRO and the HMO. Below is a brief description of each of the exhibits contained in this attachment.

Exhibit A. This exhibit shows monthly enrollment, number of maternity deliveries and earned premium by risk group for the period September 2004 through March 2007. All of this information was provided by HHSC.

Exhibit B. This exhibit shows a sample of a claim lag report for one risk group. This report includes claim amounts by payment month and month of service. We analyzed claims experience for the period September 2004 through January 2007.

Exhibit C. This exhibit shows the calculation of estimated monthly incurred claims for one risk group. The report includes the following information: (i) monthly enrollment, (ii) claim amounts incurred in that month and paid through March 31, 2007, (iii) estimated proportion of that month's incurred claims paid through March 31, 2007 (completion factor), (iv) estimated incurred claims, (v) estimated incurred claims pmpm and (vi) the ratio of this month's incurred claims pmpm to the same statistic from one year ago (trend factor). For plans that began participation prior to September 1, 2007, the assumed completion factors and estimated incurred claims were derived based on the actual historical claims payment pattern of the HMO. For new plans, the assumed completion factors are based on the combined claims experience of previously participating plans.

Exhibit D. This exhibit is a summary of the sample HMO's projected FY2008 cost based on the HMO's actual experience for two risk groups. The top of the exhibit shows summary base period (FY2006) enrollment, premium and claims experience. Next are projected FY2008 enrollment and premium based on current (FY2007) rates. Trend assumptions for FY2007 and FY2008 are used to project the average base period claims cost to FY2008. Following that are several adjustment factors. Combining these factors results in projected FY2008 incurred claims.

In addition to incurred claims, provision is also made for services that are capitated by the HMO, such as vision and behavioral health services. The cost of reinsurance is also considered. In developing the cost of reinsurance, an assumption is made regarding how much the HMO is expected to receive in reinsurance recoveries (reimbursements from the reinsurance company for large claims). We have assumed that the net cost of reinsurance (reinsurance premium less reinsurance recoveries) is the minimum of (a) the actual reinsurance premium rate and (b) \$1.50 pmpm.

A provision for administrative expenses is included in the amount of \$11.1025 pmpm and 7.5% of gross premium. A risk margin is also included at 2.0% of gross premium.

At the bottom of Exhibit D is a summary of the projected FY2008 cost based on the above assumptions. Cost projections are presented both with and without the inclusion of maternity expenses.

Sample HMO

Enrollment and Premium Experience

Month	Members		TANF Adults	Pregnant Women	Newborns	Expansion Children	Exp Ch <1	Fed Mand Children	Total Members
	TANF Children	TANF Ch <1							
Sep-04	2,140	182	1,053	1,055	1,145	2,117	711	2,551	10,954
Oct-04	2,150	179	1,058	1,076	1,218	2,175	716	2,603	11,175
Nov-04	2,209	171	1,086	1,177	1,275	2,199	707	2,630	11,454
Dec-04	2,265	168	1,128	1,208	1,339	2,297	761	2,677	11,843
Jan-05	2,355	193	1,169	1,204	1,450	2,458	804	2,848	12,481
Feb-05	2,456	226	1,244	1,289	1,539	2,964	975	3,422	14,115
Mar-05	2,482	244	1,236	1,344	1,658	3,208	1,071	3,492	14,735
Apr-05	2,492	253	1,231	1,436	1,729	3,594	1,288	3,904	15,927
May-05	2,454	268	1,246	1,805	1,781	4,144	1,443	4,496	17,637
Jun-05	2,617	274	1,338	2,102	1,916	4,899	1,638	5,321	20,105
Jul-05	2,751	285	1,473	2,397	2,119	5,308	1,671	5,805	21,809
Aug-05	3,016	295	1,621	2,754	2,291	6,191	1,912	6,697	24,777
Sep-05	3,347	340	1,790	3,119	2,470	6,913	2,086	7,652	27,717
Oct-05	3,499	354	1,892	3,359	2,719	7,244	2,125	8,122	29,314
Nov-05	3,849	411	2,164	3,432	2,964	8,137	2,399	9,481	32,837
Dec-05	4,146	422	2,323	3,463	3,264	8,773	2,570	10,371	35,332
Jan-06	4,320	469	2,449	3,391	3,493	8,991	2,600	10,680	36,393
Feb-06	4,492	509	2,571	3,503	3,617	9,523	2,702	11,263	38,180
Mar-06	4,578	528	2,577	3,453	3,814	9,663	2,723	11,299	38,635
Apr-06	4,569	559	2,624	3,585	3,939	10,085	2,799	11,829	39,989
May-06	4,698	597	2,735	3,669	4,128	10,496	2,838	12,387	41,548
Jun-06	4,848	636	2,837	3,643	4,283	11,070	2,872	12,951	43,140
Jul-06	5,085	650	2,905	3,653	4,413	11,282	2,914	13,177	44,079
Aug-06	5,192	637	2,925	3,801	4,545	11,615	2,789	13,210	44,714
Sep-06	6,018	626	2,539	4,016	4,931	13,220	2,835	14,940	49,125
Oct-06	6,110	644	2,733	4,011	5,063	12,726	2,564	14,228	48,079
Nov-06	5,813	618	2,733	3,962	5,084	12,645	2,445	14,323	47,623
Dec-06	5,791	603	2,686	3,807	5,208	13,279	2,496	15,017	48,887
Jan-07	5,617	586	2,571	3,636	5,265	13,671	2,398	15,504	49,248
Feb-07	5,543	580	2,479	3,576	5,148	13,992	2,467	15,567	49,352
Mar-07	5,283	546	2,336	3,464	5,294	14,038	2,399	15,267	48,627
FY2005	29,387	2,738	14,883	18,847	19,460	41,554	13,697	46,446	187,012
FY2006	52,623	6,112	29,792	42,071	43,649	113,792	31,417	132,422	451,878
FY2007	40,175	4,203	18,077	26,472	35,993	93,571	17,604	104,846	340,941

Sample HMO
Enrollment and Premium Experience

Month	Deliveries			Pregnant Women	Newborns	Deliveries (continued)			Total Deliveries
	TANF Children	TANF Ch <1	TANF Adults			Expansion Children	Exp Ch <1	Fed Mand Children	
Sep-04	1	0	9	126	0	0	0	2	138
Oct-04	5	0	9	147	0	0	0	3	164
Nov-04	2	0	7	140	0	0	0	1	150
Dec-04	4	0	9	145	0	0	0	1	159
Jan-05	8	0	15	154	0	0	0	1	178
Feb-05	3	0	9	145	0	0	0	2	159
Mar-05	1	0	13	138	0	0	0	7	159
Apr-05	1	0	13	164	0	0	0	1	179
May-05	4	0	6	163	0	0	0	1	174
Jun-05	1	0	18	196	0	0	0	3	218
Jul-05	9	0	22	276	0	0	0	3	310
Aug-05	5	0	19	263	0	0	0	3	290
Sep-05	5	0	24	297	0	0	0	1	327
Oct-05	5	0	23	350	0	0	0	3	381
Nov-05	3	0	32	362	0	0	0	4	401
Dec-05	3	0	20	404	0	0	0	5	432
Jan-06	6	0	27	366	0	0	0	4	403
Feb-06	3	0	19	324	0	0	0	3	349
Mar-06	9	0	32	370	0	0	0	3	414
Apr-06	9	0	27	353	0	0	0	5	394
May-06	6	0	28	410	0	0	0	1	445
Jun-06	11	0	41	370	0	0	0	4	426
Jul-06	6	0	23	434	0	0	0	8	471
Aug-06	4	0	29	427	0	0	0	9	469
Sep-06	13	0	13	474	0	0	0	6	506
Oct-06	13	0	29	423	0	0	0	7	472
Nov-06	5	0	25	406	0	0	0	11	447
Dec-06	7	0	24	483	0	0	0	8	522
Jan-07	6	0	16	492	0	0	0	10	524
Feb-07									
Mar-07									
FY2005	44	0	149	2,057	0	0	0	28	2,278
FY2006	70	0	325	4,467	0	0	0	50	4,912
FY2007	44	0	107	2,278	0	0	0	42	2,471

Sample HMO

Enrollment and Premium Experience

Month	Premium		TANF Adults	Pregnant Women	Newborns	Expansion Children	Exp Ch <1	Fed Mand Children	Deliveries	Total
	TANF Children	TANF Ch <1								
Sep-04	195,532	102,497	227,027	301,350	644,830	185,619	400,414	187,499	434,975	2,679,741
Oct-04	196,446	100,807	228,105	307,349	685,941	190,704	403,230	191,321	516,926	2,820,828
Nov-04	201,836	96,302	234,142	336,198	718,042	192,808	398,161	193,305	472,799	2,843,593
Dec-04	206,953	94,613	243,197	345,053	754,085	201,401	428,572	196,760	501,166	2,971,799
Jan-05	215,176	108,692	252,036	343,911	816,597	215,517	452,789	209,328	561,054	3,175,100
Feb-05	224,405	127,276	268,206	368,190	866,719	259,884	549,091	251,517	501,166	3,416,454
Mar-05	226,780	137,413	266,482	383,900	933,736	281,277	603,155	256,662	501,166	3,590,572
Apr-05	227,694	142,482	265,404	410,179	973,721	315,122	725,363	286,944	564,206	3,911,115
May-05	224,222	150,930	268,638	515,580	1,003,006	363,346	812,654	330,456	548,446	4,217,278
Jun-05	239,115	154,309	288,473	600,415	1,079,034	429,544	922,472	391,094	687,134	4,791,590
Jul-05	251,359	160,503	317,579	684,679	1,193,357	465,405	941,057	426,668	977,117	5,417,724
Aug-05	275,572	166,135	349,488	786,653	1,290,222	542,827	1,076,781	492,230	914,077	5,893,984
Sep-05	305,815	191,478	385,924	890,911	1,391,030	606,132	1,174,773	562,422	1,030,701	6,539,185
Oct-05	319,704	199,362	407,915	959,465	1,531,259	635,154	1,196,736	596,967	1,200,908	7,047,470
Nov-05	351,683	231,463	466,558	980,316	1,669,236	713,452	1,351,045	696,854	1,263,948	7,724,555
Dec-05	378,820	237,658	500,839	989,171	1,838,187	769,217	1,447,347	762,269	1,361,660	8,285,166
Jan-06	394,718	264,127	528,004	968,605	1,967,153	788,331	1,464,242	784,980	1,270,252	8,430,412
Feb-06	410,434	286,654	554,308	1,000,597	2,036,986	834,977	1,521,685	827,831	1,100,045	8,573,515
Mar-06	418,292	297,354	555,601	986,315	2,147,930	847,252	1,533,512	830,477	1,304,924	8,921,656
Apr-06	417,470	314,812	565,734	1,024,019	2,218,327	884,253	1,576,313	869,432	1,241,884	9,112,243
May-06	429,256	336,212	589,666	1,048,013	2,324,766	920,289	1,598,276	910,445	1,402,636	9,559,559
Jun-06	442,962	358,176	611,657	1,040,587	2,412,057	970,618	1,617,424	951,899	1,342,748	9,748,127
Jul-06	464,616	366,061	626,318	1,043,443	2,485,269	989,206	1,641,077	968,510	1,484,587	10,069,087
Aug-06	474,393	358,739	630,630	1,085,718	2,559,608	1,018,403	1,570,681	970,935	1,478,283	10,147,390
Sep-06	544,990	387,801	602,149	1,261,827	3,054,705	1,275,069	1,756,254	1,207,899	1,594,907	11,685,602
Oct-06	553,322	398,952	648,158	1,260,256	3,136,478	1,227,423	1,588,372	1,150,334	1,487,739	11,451,034
Nov-06	526,425	382,845	648,158	1,244,860	3,149,487	1,219,610	1,514,653	1,158,015	1,408,940	11,252,993
Dec-06	524,433	373,552	637,012	1,196,159	3,226,304	1,280,760	1,546,247	1,214,124	1,645,339	11,643,930
Jan-07	508,676	363,021	609,738	1,142,431	3,261,615	1,318,568	1,485,537	1,253,498	1,651,643	11,594,727
Feb-07	501,974	359,304	587,920	1,123,579	3,189,135	1,349,528	1,528,282	1,258,592	0	9,898,314
Mar-07	478,428	338,242	554,006	1,088,389	3,279,580	1,353,965	1,486,157	1,234,337	0	9,813,103
FY2005	2,685,090	1,541,959	3,208,775	5,383,457	10,959,288	3,643,455	7,713,739	3,413,781	7,180,233	45,729,778
FY2006	4,808,164	3,442,095	6,423,155	12,017,160	24,581,807	9,977,283	17,693,112	9,733,017	15,482,575	104,158,368
FY2007	3,638,248	2,603,716	4,287,141	8,317,502	22,297,304	9,024,923	10,905,502	8,476,799	7,788,567	77,339,703

Sample HMO
Claims Lag Report

Month Incurred	Month Paid	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06
TANF Children (over age 1)																		
Sep-04	1000	47156	8341	3957	2079	579	1539	22	193	213	0	373	0	81	0	0	0	0
Oct-04		8701	39700	19906	5289	4776	492	6	366	16	0	94	79	0	0	0	0	0
Nov-04			1233	35388	163476	12818	2260	8818	145	51	524	-82	132	0	0	80	0	0
Dec-04				193	52634	38379	24471	22090	906	690	257	491	332	0	6704	51	158	0
Jan-05					196	50933	38693	8913	4932	230	925	2115	89	0	38	0	29	0
Feb-05						31	45023	62910	13298	2143	928	534	372	158	163	0	0	0
Mar-05							0	36452	76394	11165	5046	1776	1651	3225	406	1592	0	0
Apr-05								0	53209	51888	9970	3533	1281	929	762	221	176	0
May-05									1585	41013	30073	11262	2092	1907	482	460	518	0
Jun-05										3230	50726	20244	6454	4166	535	230	25	0
Jul-05												3883	87700	45829	10161	3696	1499	488
Aug-05													119	75192	87224	12162	5501	5722
Sep-05														3083	107042	50751	12587	2901
Oct-05															8177	66240	54266	10337
Nov-05																5927	95711	61082
Dec-05																	9190	104078
Jan-06																		12077
Feb-06																		
Mar-06																		
Apr-06																		
May-06																		
Jun-06																		
Jul-06																		
Aug-06																		
Sep-06																		
Oct-06																		
Nov-06																		
Dec-06																		
Jan-07																		
Total	1000	55857	49273	59444	223674	107517	112479	139210	151029	110639	102331	128160	136585	223070	147865	181387	197589	

Sample HMO
Estimated Claims Experience

Month	TANF Children (over age 1)		Compl Factor	Est Inc Claims	Est Inc pmpm	Trend Factor
	Members	Inc & Pd Claims				
Sep-04	2,140	65,723	1.000	65,723	30.71	
Oct-04	2,150	79,426	1.000	79,426	36.94	
Nov-04	2,209	224,844	1.000	224,844	101.79	
Dec-04	2,265	147,354	1.000	147,354	65.06	
Jan-05	2,355	107,565	1.000	107,565	45.68	
Feb-05	2,456	126,276	1.000	126,276	51.42	
Mar-05	2,482	137,777	1.000	137,777	55.51	
Apr-05	2,492	128,990	1.000	128,990	51.76	
May-05	2,454	89,478	1.000	89,478	36.46	
Jun-05	2,617	86,217	1.000	86,217	32.95	
Jul-05	2,751	154,801	1.000	154,801	56.27	
Aug-05	3,016	187,566	1.000	187,566	62.19	
Sep-05	3,347	242,168	1.000	242,168	72.35	2.356
Oct-05	3,499	148,172	0.999	148,320	42.39	1.147
Nov-05	3,849	192,133	0.999	192,325	49.97	0.491
Dec-05	4,146	190,592	0.999	190,783	46.02	0.707
Jan-06	4,320	184,772	0.998	185,142	42.86	0.938
Feb-06	4,492	203,375	0.997	203,987	45.41	0.883
Mar-06	4,578	218,850	0.997	219,508	47.95	0.864
Apr-06	4,569	233,615	0.996	234,553	51.34	0.992
May-06	4,698	224,050	0.994	225,402	47.98	1.316
Jun-06	4,848	214,436	0.990	216,602	44.68	1.356
Jul-06	5,085	316,706	0.987	320,877	63.10	1.121
Aug-06	5,192	303,849	0.980	310,050	59.72	0.960
Sep-06	6,018	365,246	0.965	378,493	62.89	0.869
Oct-06	6,110	317,391	0.925	343,126	56.16	1.325
Nov-06	5,813	199,873	0.750	266,497	45.85	0.917
Dec-06	5,791	144,438	0.520	277,765	47.96	1.042
Jan-07	5,617	25,978	0.104	249,787	44.47	1.038
Feb-07	5,543					
Mar-07	5,283					
9/04-11/04	6,499			369,993	56.93	
12/04-2/05	7,076			381,196	53.87	
3/05-5/05	7,428			356,245	47.96	
6/05-8/05	8,384			428,584	51.12	
9/05-11/05	10,695			582,814	54.49	0.957
12/05-2/06	12,958			579,912	44.75	0.831
3/06-5/06	13,845			679,463	49.08	1.023
6/06-8/06	15,125			847,529	56.03	1.096
9/06-11/06	17,941			988,116	55.08	1.011
FY2005	29,387			1,536,017	52.27	
FY2006	52,623			2,689,719	51.11	0.978
FY2007	29,349			1,515,668	51.64	1.032

	TANF Children (over age 1)		TANF Children <1	
	Amount	per Member per Month	Amount	per Member per Month
FY2006 Experience Period				
Member Months	52,623		6,112	
Premium Revenue	4,808,164	91.37	3,442,095	563.17
Adjusted Premium	4,765,539	90.56	3,786,323	619.49
Estimated Incurred Claims	2,689,719	51.11	1,638,385	268.06
Projected FY2008 Member Months	63,827		7,114	
Projected FY2008 Premium				
Current Unadjusted Rates	7,288,405	114.19	812,348	114.19
Current Adjusted Rates	5,780,173	90.56	4,407,052	619.49
Current DSP Rate	261,537	3,151.99	0	3,151.99
Annual Cost Trend Assumptions				
FY2007	1.4 %		1.4 %	
FY2008	3.9 %		3.9 %	
Provider Reimbursement Adjustment		1.1430		1.1200
Benefit Change Factor		1.0000		1.0000
Out-of-Network Adjustment		1.009		1.012
Third Party Recovery Adjustment		1.000		1.000
Projected FY2008 Incurred Claims	3,963,657	62.10	2,277,191	320.10
Capitation Expenses				
Vision	63,827	1.00	7,114	1.00
Mental Health	159,568	2.50	17,785	2.50
PCP	191,481	3.00	21,342	3.00
Other	0	0.00	0	0.00
Total	414,876	6.50	46,241	6.50
Reinsurance Expenses				
Gross Premium	319,135	5.00	35,570	5.00
Projected Reinsurance Recoveries	223,395	3.50	24,899	3.50
Net Reinsurance Cost	95,741	1.50	10,671	1.50
Administrative Expenses				
Fixed Amount	708,639	11.10	78,983	11.10
Percentage of Premium	428,320	7.50 %	199,420	7.50 %
Total	1,136,960		278,403	
Risk Margin	114,219	2.0 %	53,179	2.0 %
Investment Income Adjustment		0.9972		0.9972
Projected FY2008 Total Cost				
with deliveries	5,710,939	89.48	2,658,928	373.76
without deliveries	5,449,402	85.38	2,658,928	373.76

Attachment 3

Community Experience Analysis

The following exhibits present a summary of the experience analysis performed for each managed care service area. HHSC utilizes an adjusted community rating methodology in setting the STAR premium rates. The base community rates by risk group vary by service area but are the same for each HMO in a service area. The community rates are developed by a weighted average of the projected FY2008 cost for each health plan in the service area. The weights used in this formula are the projected number of FY2008 clients enrolled in each health plan.

Below is a brief description of each of the exhibits contained in the attachment. The exhibits present the derivation of the FY2008 STAR HMO premium rates for the following service areas:

- Exhibit A – Bexar Service Area
- Exhibit B – Dallas Service Area
- Exhibit C – El Paso Service Area
- Exhibit D – Harris Service Area
- Exhibit E – Lubbock Service Area
- Exhibit F – Tarrant Service Area
- Exhibit G – Travis Service Area

These exhibits show projected FY2008 experience for each of the service areas. These amounts were derived by summing amounts from each individual health plan in the service area (including PCCM, if applicable). The experience analysis for individual HMOs is described in Attachment 2. The top portion of the exhibit shows summary base period (FY2006) experience. Following that are projected FY2008 enrollment, premium and incurred claims experience.

In addition to incurred claims, provision is also made for services that are capitated by the HMOs, such as vision and behavioral health services. The cost of reinsurance is also considered. In developing the cost of reinsurance we make an assumption regarding how much the HMO is expected to receive in reinsurance recoveries (reimbursements from the reinsurance company for large claims). We have assumed that the net cost of reinsurance (reinsurance premium less reinsurance recoveries) is the minimum of (a) the actual reinsurance premium rate and (b) \$1.50 pmpm.

A provision for administrative expenses is included in the amount of \$11.1025 pmpm and 7.5% of gross premium. A risk margin is also included at 2.0% of gross premium.

Near the bottom of the exhibit is a summary of the projected FY2008 cost based on these assumptions. Cost projections are presented both with and without the inclusion of maternity expenses.

FY2008 STAR Rating Summary
Bexar SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	132,198		9,230		35,417		121,312		175,890	
Premium Revenue	10,890,647	82.38	2,225,256	241.09	7,694,297	217.25	43,387,934	357.66	98,634,316	560.77
Adjusted Premium	11,662,246	88.22	2,615,278	283.35	9,292,565	262.38	48,643,791	400.98	114,823,504	652.81
FY2006 Incurred Claims	8,927,524	67.53	1,487,936	161.21	9,285,955	262.19	75,013,892	618.36	89,675,300	509.84
Proj.FY2008 Member Months	108,665		6,741		26,781		131,246		194,501	
Projected FY2008 Premium										
Current Unadjusted Rates	9,939,778	91.47	1,909,982	283.35	7,808,612	291.57	95,587,824	728.31	126,972,991	652.81
Current Adjusted Rates	9,586,211	88.22	1,909,982	283.35	7,026,636	262.38	52,627,098	400.98	126,972,991	652.81
Current DSP Rate	291,415	2.68	0	0.00	892,535	33.33	44,749,706	340.96	0	0.00
Annual Cost Trend Assumptions										
FY2007	1.4 %		1.4 %		7.8 %		5.0 %		6.9 %	
FY2008	3.9 %		3.9 %		11.8 %		4.0 %		7.1 %	
Provider Reimbursement Adjust.		1.1547		1.1295		1.0461		1.0631		1.0776
Benefit Change Factor		1.0000		1.0000		1.0000		1.0000		1.0000
Out-of-Network Adjustment		1.000		1.000		1.001		1.001		1.001
Third Party Recovery Adjust.		0.998		0.997		0.998		0.998		0.998
Projected Incurred Claims	8,914,846	82.04	1,290,189	191.40	8,844,004	330.24	94,118,787	717.12	122,164,142	628.09
Capitation Expenses	134,966	1.24	5,741	0.85	33,580	1.25	88,468	0.67	-95,987	-0.49
Net Reinsurance Cost	162,997	1.50	10,111	1.50	40,171	1.50	196,869	1.50	291,751	1.50

FY2008 STAR Rating Summary
 Bexar SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	1,206,453	11.1025	74,840	11.1025	297,334	11.1025	1,457,158	11.1025	2,159,447	11.1025
Percentage of Premium	861,057	7.50%	114,117	7.50%	761,543	7.50%	7,922,061	7.50%	10,290,389	7.50%
Total	2,067,510		188,957		1,058,877		9,379,219		12,449,836	
Risk Margin	229,615	2.00%	30,431	2.00%	203,078	2.00%	2,112,550	2.00%	2,744,104	2.00%
Investment Income Adjust.		0.9972		0.9972		0.9972		0.9972		0.9972
Projected Total Cost										
with deliveries	11,480,760	105.65	1,521,563	225.72	10,153,907	379.15	105,627,481	804.81	137,205,192	705.42
without deliveries	11,189,345	102.97	1,521,563	225.72	9,261,373	345.82	60,877,776	463.85	137,205,192	705.42
Experience Rate Increase										
with deliveries		15.5 %		-20.3 %		30.0 %		10.5 %		8.1 %
without deliveries		16.7 %		-20.3 %		31.8 %		15.7 %		8.1 %

FY2008 STAR Rating Summary
Bexar SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	547,611		30,966		731,940		13,323		1,784,564	
Premium Revenue	44,180,673	80.68	4,722,726	152.51	50,135,797	68.50	42,190,045	3,166.59	304,061,691	170.38
Adjusted Premium	47,908,567	87.49	5,776,377	186.54	49,743,727	67.96	43,522,394	3,266.59	333,988,449	187.15
FY2006 Incurred Claims	36,270,566	66.23	4,975,950	160.69	34,136,848	46.64			259,773,971	145.57
Proj.FY2008 Member Months	535,767		8,897		717,841				1,730,439	
Projected FY2008 Premium										
Current Unadjusted Rates	46,872,359	87.49	1,659,682	186.54	49,242,550	68.60			339,993,778	196.48
Current Adjusted Rates	46,872,359	87.49	1,659,682	186.54	48,785,540	67.96			295,440,499	170.73
Current DSP Rate	0	0.00	0	0.00	625,562	0.87			46,559,217	26.91
Annual Cost Trend Assumptions										
FY2007	4.8 %		4.8 %		9.6 %					
FY2008	3.9 %		3.9 %		7.0 %					
Provider Reimbursement Adjust.		1.1775		1.1468		1.1540				
Benefit Change Factor		1.0000		1.0000		1.0000				
Out-of-Network Adjustment		1.001		1.001		1.000				
Third Party Recovery Adjust.		0.998		0.997		0.998				
Projected Incurred Claims	45,436,756	84.81	1,781,886	200.27	45,238,775	63.02			327,789,385	189.43
Capitation Expenses	479,706	0.90	12,578	1.41	926,251	1.29			1,585,303	0.92
Net Reinsurance Cost	803,650	1.50	13,346	1.50	1,076,762	1.50			2,595,658	1.50

FY2008 STAR Rating Summary
 Bexar SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	5,948,351	11.1025	98,781	11.1025	7,969,830	11.1025			19,212,194	11.1025
Percentage of Premium	4,352,568	7.50%	157,562	7.50%	4,562,737	7.50%			29,022,035	7.50 %
Total	10,300,919		256,344		12,532,567				48,234,229	27.87
Risk Margin	1,160,685	2.00%	42,017	2.00%	1,216,730	2.00%			7,739,209	2.0 %
Investment Income Adjust.		0.9972		0.9972		0.9972				0.9972
Projected Total Cost										
with deliveries	58,034,245	108.32	2,100,832	236.12	60,836,492	84.75			386,960,473	223.62
without deliveries	58,034,245	108.32	2,100,832	236.12	60,210,931	83.88			340,401,256	196.71
Experience Rate Increase										
with deliveries		23.8 %		26.6 %		23.5 %				13.8 %
without deliveries		23.8 %		26.6 %		23.4 %				13.1 %

FY2008 STAR Rating Summary
Dallas SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	183,617		12,066		41,682		145,137		206,413	
Premium Revenue	15,750,815	85.78	4,686,966	388.44	7,849,108	188.31	44,804,084	308.70	119,688,906	579.85
Adjusted Premium	16,235,028	88.42	3,008,914	249.37	9,023,998	216.50	50,315,599	346.68	133,726,671	647.86
FY2006 Incurred Claims	11,527,421	62.78	2,492,187	206.55	7,974,489	191.32	86,033,055	592.77	102,090,863	494.60
Proj.FY2008 Member Months	148,556		9,320		31,408		153,828		234,158	
Projected FY2008 Premium										
Current Unadjusted Rates	13,620,202	91.68	2,324,031	249.37	7,783,633	247.83	111,239,379	723.14	151,701,729	647.86
Current Adjusted Rates	13,135,033	88.42	2,324,031	249.37	6,799,608	216.50	53,328,682	346.68	151,701,729	647.86
Current DSP Rate	529,448	3.56	0	0.00	1,009,988	32.16	58,446,143	379.94	0	0.00
Annual Cost Trend Assumptions										
FY2007	1.4 %		1.4 %		7.8 %		5.0 %		6.9 %	
FY2008	3.9 %		3.9 %		11.8 %		4.0 %		7.1 %	
Provider Reimbursement Adjust.		1.1275		1.1153		1.0496		1.0595		1.0811
Benefit Change Factor		1.0000		1.0000		1.0000		1.0000		1.0000
Out-of-Network Adjustment		1.001		1.000		1.000		1.000		1.000
Third Party Recovery Adjust.		0.998		0.997		0.998		0.998		0.998
Projected Incurred Claims	11,059,373	74.45	2,253,707	241.83	7,586,314	241.54	105,261,216	684.28	143,080,903	611.04
Capitation Expenses	596,895	4.02	37,967	4.07	114,061	3.63	536,720	3.49	854,598	3.65
Net Reinsurance Cost	97,440	0.66	6,424	0.69	20,941	0.67	108,060	0.70	157,928	0.67

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	1,649,346	11.1025	103,470	11.1025	348,702	11.1025	1,707,879	11.1025	2,599,742	11.1025
Percentage of Premium	1,107,640	7.50%	198,468	7.50%	666,913	7.50%	8,893,306	7.50%	12,122,853	7.50%
Total	2,756,986		301,938		1,015,615		10,601,185		14,722,596	
Risk Margin	295,371	2.00%	52,925	2.00%	177,844	2.00%	2,371,548	2.00%	3,232,761	2.00%
Investment Income Adjust.		0.9972		0.9972		0.9972		0.9972		0.9972
Projected Total Cost										
with deliveries	14,768,536	99.41	2,646,237	283.94	8,892,180	283.12	118,577,410	770.84	161,638,045	690.29
without deliveries	14,239,088	95.85	2,646,237	283.94	7,882,192	250.97	60,131,267	390.90	161,638,045	690.29
Experience Rate Increase										
with deliveries		8.4 %		13.9 %		14.2 %		6.6 %		6.5 %
without deliveries		8.4 %		13.9 %		15.9 %		12.8 %		6.5 %

FY2008 STAR Rating Summary
Dallas SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	868,521		129,258		873,628		16,523		2,460,322	
Premium Revenue	86,600,368	99.71	35,261,330	272.80	63,375,602	72.54	56,790,358	3,437.13	434,807,536	176.73
Adjusted Premium	93,104,995	107.20	28,772,049	222.59	63,654,368	72.86	58,442,619	3,537.13	456,284,240	185.46
FY2006 Incurred Claims	69,058,238	79.51	22,007,147	170.26	46,228,846	52.92			347,412,245	141.21
Proj.FY2008 Member Months	902,103		37,062		932,278				2,448,713	
Projected FY2008 Premium										
Current Unadjusted Rates	96,704,972	107.20	8,249,786	222.59	69,525,672	74.58			461,149,404	188.32
Current Adjusted Rates	96,704,972	107.20	8,249,786	222.59	67,927,742	72.86			400,171,583	163.42
Current DSP Rate	0	0.00	0	0.00	1,449,585	1.55			61,435,164	25.09
Annual Cost Trend Assumptions										
FY2007	4.8 %		4.8 %		9.6 %					
FY2008	3.9 %		3.9 %		7.0 %					
Provider Reimbursement Adjust.		1.1437		1.1441		1.1215				
Benefit Change Factor		1.0000		1.0000		1.0000				
Out-of-Network Adjustment		1.000		1.000		1.001				
Third Party Recovery Adjust.		0.997		0.997		0.998				
Projected Incurred Claims	89,145,838	98.82	7,838,779	211.50	64,797,195	69.50			431,023,325	176.02
Capitation Expenses	3,737,764	4.14	169,650	4.58	3,887,392	4.17			9,935,048	4.06
Net Reinsurance Cost	603,490	0.67	25,338	0.68	605,014	0.65			1,624,635	0.66

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	10,015,599	11.1025	411,481	11.1025	10,350,618	11.1025			27,186,839	11.1025
Percentage of Premium	8,553,554	7.50%	697,923	7.50%	6,581,538	7.50%			38,822,195	7.50 %
Total	18,569,153		1,109,404		16,932,157				66,009,034	26.96
Risk Margin	2,280,948	2.00%	186,113	2.00%	1,755,077	2.00%			10,352,585	2.0 %
Investment Income Adjust.		0.9972		0.9972		0.9972				0.9972
Projected Total Cost										
with deliveries	114,047,385	126.42	9,305,637	251.08	87,753,842	94.13			517,629,272	211.39
without deliveries	114,047,385	126.42	9,305,637	251.08	86,304,257	92.57			456,194,108	186.30
Experience Rate Increase										
with deliveries		17.9 %		12.8 %		26.2 %				12.2 %
without deliveries		17.9 %		12.8 %		27.1 %				12.1 %

FY2008 STAR Rating Summary
El Paso SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	132,753		8,775		28,715		56,994		78,248	
Premium Revenue	11,483,246	86.50	2,060,222	234.78	5,853,542	203.85	19,728,652	346.15	40,606,019	518.94
Adjusted Premium	10,164,825	76.57	2,098,924	239.19	6,264,291	218.15	21,852,219	383.41	44,110,295	563.72
FY2006 Incurred Claims	6,850,595	51.60	2,274,348	259.19	5,620,275	195.73	34,275,161	601.38	31,132,109	397.86
Proj.FY2008 Member Months	117,059		6,951		22,363		58,117		90,430	
Projected FY2008 Premium										
Current Unadjusted Rates	9,285,504	79.32	1,662,602	239.19	5,398,155	241.39	42,762,013	735.79	50,977,510	563.72
Current Adjusted Rates	8,963,134	76.57	1,662,602	239.19	4,878,568	218.15	22,282,899	383.41	50,977,510	563.72
Current DSP Rate	294,172	2.51	0	0.00	488,397	21.84	20,364,295	350.40	0	0.00
Annual Cost Trend Assumptions										
FY2007	1.4 %		1.4 %		7.8 %		5.0 %		6.9 %	
FY2008	3.9 %		3.9 %		11.8 %		4.0 %		7.1 %	
Provider Reimbursement Adjust.		1.1689		1.1318		1.0512		1.0716		1.1020
Benefit Change Factor		1.0000		1.0000		1.0000		1.0000		1.0000
Out-of-Network Adjustment		1.001		1.001		1.001		1.001		1.001
Third Party Recovery Adjust.		1.000		1.000		1.000		1.000		1.000
Projected Incurred Claims	7,445,322	63.60	2,149,392	309.23	5,549,421	248.15	40,934,656	704.35	45,433,975	502.42
Capitation Expenses	843,115	7.20	50,478	7.26	133,977	5.99	397,154	6.83	978,966	10.83
Net Reinsurance Cost	136,628	1.17	7,760	1.12	24,250	1.08	63,939	1.10	101,318	1.12

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	1,299,646	11.1025	77,172	11.1025	248,285	11.1025	645,247	11.1025	1,003,998	11.1025
Percentage of Premium	803,659	7.50%	188,818	7.50%	492,204	7.50%	3,474,305	7.50%	3,926,951	7.50%
Total	2,103,305		265,990		740,488		4,119,552		4,930,948	
Risk Margin	214,309	2.00%	50,351	2.00%	131,254	2.00%	926,481	2.00%	1,047,187	2.00%
Investment Income Adjust.		0.9972		0.9972		0.9972		0.9972		0.9972
Projected Total Cost										
with deliveries	10,715,450	91.54	2,517,574	362.20	6,562,714	293.46	46,324,068	797.08	52,359,344	579.00
without deliveries	10,421,278	89.03	2,517,574	362.20	6,074,317	271.62	25,959,773	446.68	52,359,344	579.00
Experience Rate Increase										
with deliveries		15.4 %		51.4 %		21.6 %		8.3 %		2.7 %
without deliveries		16.3 %		51.4 %		24.5 %		16.5 %		2.7 %

FY2008 STAR Rating Summary
El Paso SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	313,497		25,686		507,376		6,228		1,152,044	
Premium Revenue	28,323,697	90.35	4,863,268	189.34	36,353,660	71.65	20,820,215	3,343.04	170,092,522	147.64
Adjusted Premium	28,779,448	91.80	4,730,195	184.15	34,109,873	67.23	21,443,008	3,443.04	173,553,079	150.65
FY2006 Incurred Claims	18,279,605	58.31	3,763,175	146.51	20,855,604	41.10			123,050,873	106.81
Proj.FY2008 Member Months	300,621		5,919		476,933				1,078,393	
Projected FY2008 Premium										
Current Unadjusted Rates	27,597,407	91.80	1,090,030	184.15	32,557,752	68.26			171,330,973	158.88
Current Adjusted Rates	27,597,407	91.80	1,090,030	184.15	32,063,277	67.23			149,515,426	138.65
Current DSP Rate	0	0.00	0	0.00	492,630	1.03			21,639,495	20.07
Annual Cost Trend Assumptions										
FY2007	4.8 %		4.8 %		9.6 %					
FY2008	3.9 %		3.9 %		7.0 %					
Provider Reimbursement Adjust.		1.1731		1.1506		1.1712				
Benefit Change Factor		1.0000		1.0000		1.0000				
Out-of-Network Adjustment		1.001		1.001		1.001				
Third Party Recovery Adjust.		1.000		1.000		1.000				
Projected Incurred Claims	22,411,163	74.55	1,087,330	183.70	26,945,771	56.50			151,957,031	140.91
Capitation Expenses	2,311,017	7.69	42,784	7.23	3,311,392	6.94			8,068,885	7.48
Net Reinsurance Cost	345,724	1.15	6,443	1.09	544,124	1.14			1,230,186	1.14

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	3,337,644	11.1025	65,717	11.1025	5,295,153	11.1025			11,972,861	11.1025
Percentage of Premium	2,347,460	7.50%	99,357	7.50%	2,983,042	7.50%			14,315,795	7.50 %
Total	5,685,103		165,074		8,278,195				26,288,656	24.38
Risk Margin	625,989	2.00%	26,495	2.00%	795,478	2.00%			3,817,545	2.0 %
Investment Income Adjust.		0.9972		0.9972		0.9972				0.9972
Projected Total Cost										
with deliveries	31,299,462	104.12	1,324,760	223.81	39,773,889	83.40			190,877,262	177.00
without deliveries	31,299,462	104.12	1,324,760	223.81	39,281,259	82.36			169,237,767	156.94
Experience Rate Increase										
with deliveries		13.4 %		21.5 %		22.2 %				11.4 %
without deliveries		13.4 %		21.5 %		22.5 %				11.5 %

FY2008 STAR Rating Summary
Harris SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	321,507		20,333		73,164		225,385		340,020	
Premium Revenue	24,085,749	74.92	6,197,324	304.79	16,629,570	227.29	72,018,290	319.53	234,457,569	689.54
Adjusted Premium	26,421,545	82.18	6,317,419	310.70	17,694,202	241.84	83,801,942	371.82	226,960,145	667.49
FY2006 Incurred Claims	17,540,539	54.56	3,146,023	154.72	17,482,126	238.94	137,021,790	607.95	169,778,147	499.32
Proj.FY2008 Member Months	250,713		16,759		53,137		222,736		389,605	
Projected FY2008 Premium										
Current Unadjusted Rates	21,373,688	85.25	5,060,566	301.97	14,861,758	279.69	164,969,976	740.65	259,468,717	665.98
Current Adjusted Rates	20,603,679	82.18	5,206,871	310.70	12,850,806	241.84	82,817,073	371.82	260,057,675	667.49
Current DSP Rate	706,263	2.82	0	0.00	1,753,838	33.01	86,829,641	389.83	0	0.00
Annual Cost Trend Assumptions										
FY2007	1.4 %		1.4 %		7.8 %		5.0 %		6.9 %	
FY2008	3.9 %		3.9 %		11.8 %		4.0 %		7.1 %	
Provider Reimbursement Adjust.		1.1782		1.1664		1.0700		1.0765		1.0945
Benefit Change Factor		1.0000		1.0000		1.0000		1.0000		1.0000
Out-of-Network Adjustment		1.008		1.009		1.011		1.010		1.010
Third Party Recovery Adjust.		0.999		0.999		0.999		0.998		0.998
Projected Incurred Claims	17,096,529	68.19	3,212,461	191.69	16,522,656	310.94	160,401,987	720.14	245,727,646	630.71
Capitation Expenses	1,095,379	4.37	90,154	5.38	220,825	4.16	900,455	4.04	1,791,723	4.60
Net Reinsurance Cost	246,158	0.98	16,905	1.01	49,635	0.93	234,278	1.05	396,398	1.02

FY2008 STAR Rating Summary
Harris SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	2,783,542	11.1025	186,063	11.1025	589,953	11.1025	2,472,929	11.1025	4,325,590	11.1025
Percentage of Premium	1,753,772	7.50%	289,704	7.50%	1,436,552	7.50%	13,553,902	7.50%	20,845,449	7.50%
Total	4,537,314		475,767		2,026,506		16,026,831		25,171,038	
Risk Margin	467,673	2.00%	77,255	2.00%	383,081	2.00%	3,614,374	2.00%	5,558,786	2.00%
Investment Income Adjust.		0.9972		0.9972		0.9972		0.9972		0.9972
Projected Total Cost										
with deliveries	23,383,632	93.27	3,862,727	230.49	19,154,030	360.47	180,718,699	811.36	277,939,315	713.39
without deliveries	22,677,369	90.45	3,862,727	230.49	17,400,192	327.46	93,889,058	421.53	277,939,315	713.39
Experience Rate Increase										
with deliveries		9.4 %		-23.7 %		28.9 %		9.5 %		7.1 %
without deliveries		10.1 %		-25.8 %		35.4 %		13.4 %		6.9 %

FY2008 STAR Rating Summary
Harris SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	1,459,078		183,020		1,607,024		26,613		4,229,531	
Premium Revenue	114,069,245	78.18	49,981,282	273.09	114,680,199	71.36	90,995,331	3,419.20	723,114,559	170.97
Adjusted Premium	134,467,141	92.16	40,069,518	218.94	113,890,150	70.87	93,656,636	3,519.20	743,278,697	175.74
FY2006 Incurred Claims	86,881,018	59.55	25,912,944	141.59	76,656,207	47.70			534,418,794	126.35
Proj.FY2008 Member Months	1,493,043		58,607		1,648,463				4,133,062	
Projected FY2008 Premium										
Current Unadjusted Rates	136,745,405	91.59	12,483,431	213.00	117,967,149	71.56			732,930,689	177.33
Current Adjusted Rates	137,597,325	92.16	12,831,094	218.94	116,826,908	70.87			648,791,431	156.98
Current DSP Rate	0	0.00	0	0.00	2,442,324	1.48			91,732,066	22.19
Annual Cost Trend Assumptions										
FY2007	4.8 %		4.8 %		9.6 %					
FY2008	3.9 %		3.9 %		7.0 %					
Provider Reimbursement Adjust.		1.2138		1.2174		1.1698				
Benefit Change Factor		1.0000		1.0000		1.0000				
Out-of-Network Adjustment		1.007		1.008		1.008				
Third Party Recovery Adjust.		0.999		0.999		0.999				
Projected Incurred Claims	118,286,111	79.22	11,077,181	189.01	108,601,654	65.88			680,926,225	164.75
Capitation Expenses	6,809,757	4.56	356,604	6.08	7,275,472	4.41			18,540,369	4.49
Net Reinsurance Cost	1,573,327	1.05	65,476	1.12	1,699,564	1.03			4,281,742	1.04

FY2008 STAR Rating Summary
Harris SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	16,576,510	11.1025	650,682	11.1025	18,302,055	11.1025			45,887,324	11.1025
Percentage of Premium	11,837,952	7.50%	1,004,082	7.50%	11,229,140	7.50%			61,950,554	7.50 %
Total	28,414,462		1,654,764		29,531,195				107,837,878	26.09
Risk Margin	3,156,787	2.00%	267,755	2.00%	2,994,437	2.00%			16,520,148	2.0 %
Investment Income Adjust.		0.9972		0.9972		0.9972				0.9972
Projected Total Cost										
with deliveries	157,839,357	105.72	13,387,760	228.43	149,721,862	90.83			826,007,382	199.85
without deliveries	157,839,357	105.72	13,387,760	228.43	147,279,537	89.34			734,275,315	177.66
Experience Rate Increase										
with deliveries		15.4 %		7.2 %		26.9 %				12.7 %
without deliveries		14.7 %		4.3 %		26.1 %				11.5 %

FY2008 STAR Rating Summary
Lubbock SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	29,008		2,138		8,643		29,479		40,869	
Premium Revenue	2,248,410	77.51	428,840	200.58	1,758,851	203.50	14,782,834	501.47	13,933,468	340.93
Adjusted Premium	2,505,711	86.38	442,737	207.08	2,188,062	253.16	15,056,104	510.74	17,017,034	416.38
FY2006 Incurred Claims	1,874,483	64.62	273,057	127.72	1,893,157	219.04	20,245,822	686.79	12,604,018	308.40
Proj.FY2008 Member Months	23,143		1,624		6,067		32,060		48,737	
Projected FY2008 Premium										
Current Unadjusted Rates	2,049,786	88.57	336,332	207.08	1,710,776	281.96	27,544,531	859.16	20,293,215	416.38
Current Adjusted Rates	1,999,102	86.38	336,332	207.08	1,536,033	253.16	16,374,242	510.74	20,293,215	416.38
Current DSP Rate	74,761	3.23	0	0.00	154,842	25.52	10,822,624	337.58	0	0.00
Annual Cost Trend Assumptions										
FY2007	1.4 %		1.4 %		7.8 %		5.0 %		6.9 %	
FY2008	3.9 %		3.9 %		11.8 %		4.0 %		7.1 %	
Provider Reimbursement Adjust.		1.1113		1.1168		1.0394		1.0458		1.0774
Benefit Change Factor		1.0000		1.0000		1.0000		1.0000		1.0000
Out-of-Network Adjustment		1.000		1.000		1.000		1.000		1.000
Third Party Recovery Adjust.		1.000		1.000		1.000		1.000		1.000
Projected Incurred Claims	1,750,937	75.66	244,064	150.27	1,664,834	274.39	25,145,211	784.32	18,540,445	380.42
Capitation Expenses	45,846	1.98	5,473	3.37	10,577	1.74	64,583	2.01	180,563	3.70
Net Reinsurance Cost	34,715	1.50	2,436	1.50	9,101	1.50	48,090	1.50	73,106	1.50

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	256,946	11.1025	18,032	11.1025	67,364	11.1025	355,944	11.1025	541,105	11.1025
Percentage of Premium	172,591	7.50%	22,313	7.50%	144,777	7.50%	2,116,749	7.50%	1,597,880	7.50%
Total	429,537		40,346		212,140		2,472,694		2,138,985	
Risk Margin	46,024	2.00%	5,950	2.00%	38,607	2.00%	564,467	2.00%	426,101	2.00%
Investment Income Adjust.		0.9972		0.9972		0.9972		0.9972		0.9972
Projected Total Cost										
with deliveries	2,301,212	99.43	297,513	183.18	1,930,354	318.15	28,223,325	880.33	21,305,062	437.14
without deliveries	2,226,450	96.20	297,513	183.18	1,775,512	292.63	17,400,701	542.76	21,305,062	437.14
Experience Rate Increase										
with deliveries		12.3 %		-11.5 %		12.8 %		2.5 %		5.0 %
without deliveries		11.4 %		-11.5 %		15.6 %		6.3 %		5.0 %

FY2008 STAR Rating Summary
Lubbock SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	108,948		3,623		145,142		3,237		367,850	
Premium Revenue	9,499,176	87.19	699,601	193.10	10,514,086	72.44	10,134,089	3,130.39	63,999,356	173.98
Adjusted Premium	9,610,303	88.21	865,390	238.86	11,043,855	76.09	10,457,822	3,230.39	69,187,018	188.08
FY2006 Incurred Claims	6,698,051	61.48	665,018	183.55	7,505,931	51.71			51,759,537	140.71
Proj.FY2008 Member Months	99,391		1,015		131,729				343,766	
Projected FY2008 Premium										
Current Unadjusted Rates	8,767,316	88.21	242,334	238.86	10,147,059	77.03			71,091,348	206.80
Current Adjusted Rates	8,767,316	88.21	242,334	238.86	10,023,234	76.09			59,571,808	173.29
Current DSP Rate	0	0.00	0	0.00	170,214	1.29			11,222,441	32.65
Annual Cost Trend Assumptions										
FY2007	4.8 %		4.8 %		9.6 %					
FY2008	3.9 %		3.9 %		7.0 %					
Provider Reimbursement Adjust.		1.1308		1.1120		1.1123				
Benefit Change Factor		1.0000		1.0000		1.0000				
Out-of-Network Adjustment		1.000		1.000		1.000				
Third Party Recovery Adjust.		1.000		1.000		1.000				
Projected Incurred Claims	7,523,859	75.70	225,485	222.25	8,886,035	67.46			63,980,870	186.12
Capitation Expenses	226,217	2.28	3,522	3.47	294,737	2.24			831,518	2.42
Net Reinsurance Cost	149,087	1.50	1,522	1.50	197,593	1.50			515,650	1.50

FY2008 STAR Rating Summary
Lubbock SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	1,103,493	11.1025	11,264	11.1025	1,462,517	11.1025			3,816,667	11.1025
Percentage of Premium	743,987	7.50%	19,982	7.50%	895,900	7.50%			5,714,179	7.50 %
Total	1,847,481		31,246		2,358,417				9,530,846	27.72
Risk Margin	198,397	2.00%	5,329	2.00%	238,907	2.00%			1,523,781	2.0 %
Investment Income Adjust.		0.9972		0.9972		0.9972				0.9972
Projected Total Cost										
with deliveries	9,919,833	99.81	266,426	262.61	11,945,334	90.68			76,189,059	221.63
without deliveries	9,919,833	99.81	266,426	262.61	11,775,120	89.39			64,966,618	188.98
Experience Rate Increase										
with deliveries		13.1 %		9.9 %		17.7 %				7.2 %
without deliveries		13.1 %		9.9 %		17.5 %				7.6 %

FY2008 STAR Rating Summary
Tarrant SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	99,398		6,596		27,961		96,603		143,697	
Premium Revenue	7,428,013	74.73	2,137,500	324.06	6,659,751	238.18	30,741,973	318.23	66,846,407	465.19
Adjusted Premium	8,574,071	86.26	1,182,069	179.21	7,799,441	278.94	36,755,509	380.48	80,359,673	559.23
FY2006 Incurred Claims	6,033,836	60.70	1,109,508	168.21	6,517,433	233.09	62,661,687	648.65	59,756,228	415.85
Proj.FY2008 Member Months	84,109		5,149		19,817		106,161		174,528	
Projected FY2008 Premium										
Current Unadjusted Rates	7,522,674	89.44	922,739	179.21	6,214,398	313.59	81,792,682	770.46	97,601,106	559.23
Current Adjusted Rates	7,255,208	86.26	922,739	179.21	5,527,741	278.94	40,392,077	380.48	97,601,106	559.23
Current DSP Rate	244,631	2.91	0	0.00	612,402	30.90	41,375,191	389.74	0	0.00
Annual Cost Trend Assumptions										
FY2007	1.4 %		1.4 %		7.8 %		5.0 %		6.9 %	
FY2008	3.9 %		3.9 %		11.8 %		4.0 %		7.1 %	
Provider Reimbursement Adjust.		1.1701		1.1609		1.0603		1.0643		1.1000
Benefit Change Factor		1.0000		1.0000		1.0000		1.0000		1.0000
Out-of-Network Adjustment		1.007		1.007		1.007		1.007		1.007
Third Party Recovery Adjust.		1.000		1.000		1.000		1.000		1.000
Projected Incurred Claims	6,339,520	75.37	1,066,936	207.22	5,945,298	300.01	80,609,475	759.31	92,062,589	527.50
Capitation Expenses	295,221	3.51	33,828	6.57	65,990	3.33	317,421	2.99	1,041,930	5.97
Net Reinsurance Cost	39,531	0.47	2,420	0.47	9,314	0.47	49,896	0.47	82,028	0.47

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	933,816	11.1025	57,166	11.1025	220,018	11.1025	1,178,651	11.1025	1,937,693	11.1025
Percentage of Premium	628,739	7.50%	95,892	7.50%	515,730	7.50%	6,789,398	7.50%	7,861,151	7.50%
Total	1,562,555		153,058		735,748		7,968,049		9,798,845	
Risk Margin	167,664	2.00%	25,571	2.00%	137,528	2.00%	1,810,506	2.00%	2,096,307	2.00%
Investment Income Adjust.		0.9972		0.9972		0.9972		0.9972		0.9972
Projected Total Cost										
with deliveries	8,383,188	99.67	1,278,565	248.32	6,876,405	347.00	90,525,312	852.72	104,815,351	600.57
without deliveries	8,138,557	96.76	1,278,565	248.32	6,264,003	316.09	49,150,121	462.98	104,815,351	600.57
Experience Rate Increase										
with deliveries		11.4 %		38.6 %		10.7 %		10.7 %		7.4 %
without deliveries		12.2 %		38.6 %		13.3 %		21.7 %		7.4 %

FY2008 STAR Rating Summary
Tarrant SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	469,798		52,209		491,017		10,881		1,387,279	
Premium Revenue	32,777,806	69.77	19,425,925	372.08	38,397,529	78.20	38,471,299	3,535.64	242,886,203	175.08
Adjusted Premium	46,359,667	98.68	9,804,328	187.79	36,664,239	74.67	39,559,399	3,635.64	267,058,398	192.51
FY2006 Incurred Claims	30,761,161	65.48	6,523,730	124.95	26,576,785	54.13			199,940,368	144.12
Proj.FY2008 Member Months	511,684		15,997		539,095				1,456,540	
Projected FY2008 Premium										
Current Unadjusted Rates	50,493,019	98.68	3,004,168	187.79	41,208,458	76.44			288,759,244	198.25
Current Adjusted Rates	50,493,019	98.68	3,004,168	187.79	40,254,259	74.67			245,450,317	168.52
Current DSP Rate	0	0.00	0	0.00	783,983	1.45			43,016,207	29.53
Annual Cost Trend Assumptions										
FY2007	4.8 %		4.8 %		9.6 %					
FY2008	3.9 %		3.9 %		7.0 %					
Provider Reimbursement Adjust.		1.1869		1.1908		1.1431				
Benefit Change Factor		1.0000		1.0000		1.0000				
Out-of-Network Adjustment		1.007		1.007		1.007				
Third Party Recovery Adjust.		1.000		1.000		1.000				
Projected Incurred Claims	43,612,229	85.23	2,610,607	163.19	39,397,958	73.08			271,644,613	186.50
Capitation Expenses	2,573,773	5.03	178,212	11.14	1,708,933	3.17			6,215,308	4.27
Net Reinsurance Cost	240,492	0.47	7,519	0.47	253,375	0.47			684,574	0.47

FY2008 STAR Rating Summary
Tarrant SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	5,680,976	11.1025	177,612	11.1025	5,985,307	11.1025			16,171,239	11.1025
Percentage of Premium	4,306,207	7.50%	245,770	7.50%	3,912,680	7.50%			24,355,569	7.50 %
Total	9,987,184		423,382		9,897,987				40,526,808	27.82
Risk Margin	1,148,322	2.00%	65,539	2.00%	1,043,381	2.00%			6,494,818	2.0 %
Investment Income Adjust.		0.9972		0.9972		0.9972				0.9972
Projected Total Cost										
with deliveries	57,416,099	112.21	3,276,931	204.84	52,169,067	96.77			324,740,918	222.95
without deliveries	57,416,099	112.21	3,276,931	204.84	51,385,084	95.32			281,724,711	193.42
Experience Rate Increase										
with deliveries		13.7 %		9.1 %		26.6 %				12.5 %
without deliveries		13.7 %		9.1 %		27.7 %				12.6 %

FY2008 STAR Rating Summary
Travis SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	187,888		18,585		66,633		45,743		71,415	
Premium Revenue	13,845,467	73.69	3,637,270	195.71	12,916,807	193.85	14,749,373	322.44	37,197,931	520.87
Adjusted Premium	13,705,559	72.95	3,944,124	212.22	12,940,598	194.21	18,863,478	412.38	52,804,601	739.40
FY2006 Incurred Claims	9,236,948	49.16	3,004,288	161.65	11,599,403	174.08	28,262,446	617.85	39,321,859	550.61
Proj.FY2008 Member Months	213,101		19,670		68,159		45,947		81,647	
Projected FY2008 Premium										
Current Unadjusted Rates	16,434,062	77.12	4,183,719	212.69	15,347,988	225.18	33,876,386	737.29	60,380,131	739.53
Current Adjusted Rates	15,542,713	72.94	4,183,719	212.69	13,242,963	194.29	19,033,512	414.25	60,380,131	739.53
Current DSP Rate	855,548	4.01	0	0.00	2,695,448	39.55	16,387,210	356.66	0	0.00
Annual Cost Trend Assumptions										
FY2007	1.4 %		1.4 %		7.8 %		5.0 %		6.9 %	
FY2008	3.9 %		3.9 %		11.8 %		4.0 %		7.1 %	
Provider Reimbursement Adjust.		1.1475		1.1234		1.0535		1.0615		1.0818
Benefit Change Factor		1.0000		1.0000		1.0000		1.0000		1.0000
Out-of-Network Adjustment		1.008		1.008		1.008		1.008		1.008
Third Party Recovery Adjust.		1.000		1.000		1.000		1.000		1.000
Projected Incurred Claims	12,767,476	59.91	3,793,476	192.85	15,185,579	222.80	33,164,724	721.81	56,123,051	687.39
Capitation Expenses	1,068,278	5.01	96,670	4.91	313,496	4.60	220,642	4.80	407,128	4.99
Net Reinsurance Cost	279,856	1.31	25,348	1.29	86,388	1.27	59,960	1.30	106,681	1.31

FY2008 STAR Rating Summary
Travis SDA Total

	<u>TANF Children (age 1+)</u>		<u>TANF Children <1</u>		<u>TANF Adults</u>		<u>Pregnant Women</u>		<u>Newborns</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	2,365,958	11.1025	218,389	11.1025	756,738	11.1025	510,125	11.1025	906,486	11.1025
Percentage of Premium	1,362,051	7.50%	341,628	7.50%	1,350,534	7.50%	2,806,109	7.50%	4,755,433	7.50%
Total	3,728,009		560,016		2,107,272		3,316,234		5,661,919	
Risk Margin	363,214	2.00%	91,101	2.00%	360,142	2.00%	748,296	2.00%	1,268,115	2.00%
Investment Income Adjust.		0.9972		0.9972		0.9972		0.9972		0.9972
Projected Total Cost										
with deliveries	18,160,684	85.22	4,555,035	231.57	18,007,119	264.19	37,414,780	814.31	63,405,773	776.58
without deliveries	17,305,135	81.21	4,555,035	231.57	15,311,671	224.65	21,027,571	457.65	63,405,773	776.58
Experience Rate Increase										
with deliveries		10.5 %		8.9 %		17.3 %		10.4 %		5.0 %
without deliveries		11.3 %		8.9 %		15.6 %		10.5 %		5.0 %

FY2008 STAR Rating Summary
Travis SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
FY2006 Experience Period										
Member Months	227,858		29,797		232,054		6,095		879,973	
Premium Revenue	19,481,859	85.50	4,619,429	155.03	14,338,617	61.79	19,183,952	3,147.49	139,970,704	159.06
Adjusted Premium	19,631,478	86.16	6,424,700	215.62	14,864,969	64.06	19,793,452	3,247.49	162,972,960	185.20
FY2006 Incurred Claims	12,522,752	54.96	5,818,034	195.26	9,081,389	39.13			118,847,119	135.06
Proj.FY2008 Member Months	236,505		7,985		237,640				910,655	
Projected FY2008 Premium										
Current Unadjusted Rates	20,375,363	86.15	1,720,936	215.52	15,572,176	65.53			167,890,761	184.36
Current Adjusted Rates	20,375,363	86.15	1,720,877	215.51	15,222,845	64.06			149,702,123	164.39
Current DSP Rate	0	0.00	0	0.00	295,641	1.24			20,233,847	22.22
Annual Cost Trend Assumptions										
FY2007	4.8 %		4.8 %		9.6 %					
FY2008	3.9 %		3.9 %		7.0 %					
Provider Reimbursement Adjust.		1.1819		1.1140		1.1522				
Benefit Change Factor		1.0000		1.0000		1.0000				
Out-of-Network Adjustment		1.008		1.008		1.008				
Third Party Recovery Adjust.		1.000		1.000		1.000				
Projected Incurred Claims	16,862,630	71.30	1,906,736	238.79	12,665,276	53.30			152,468,947	167.43
Capitation Expenses	1,167,434	4.94	37,396	4.68	1,203,203	5.06			4,514,247	4.96
Net Reinsurance Cost	306,049	1.29	9,828	1.23	315,059	1.33			1,189,168	1.31

FY2008 STAR Rating Summary
Travis SDA Total

	<u>Exp Children (age 1+)</u>		<u>Exp Children <1</u>		<u>Fed Mand Children</u>		<u>Deliveries</u>		<u>Total</u>	
	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>	<u>Amount</u>	<u>pmpm</u>
Administrative Expenses										
Fixed Amount	2,625,794	11.1025	88,654	11.1025	2,638,403	11.1025			10,110,548	11.1025
Percentage of Premium	1,732,311	7.50%	168,803	7.50%	1,390,180	7.50%			13,907,048	7.50 %
Total	4,358,105		257,457		4,028,583				24,017,596	26.37
Risk Margin	461,949	2.00%	45,014	2.00%	370,715	2.00%			3,708,546	2.0 %
Investment Income Adjust.		0.9972		0.9972		0.9972				0.9972
Projected Total Cost										
with deliveries	23,097,474	97.66	2,250,712	281.87	18,535,735	78.00			185,427,313	203.62
without deliveries	23,097,474	97.66	2,250,712	281.87	18,240,094	76.76			165,193,466	181.40
Experience Rate Increase										
with deliveries		13.4 %		30.8 %		19.0 %				10.4 %
without deliveries		13.4 %		30.8 %		19.8 %				9.1 %

Attachment 4

Trend Analysis

The FY2008 rating methodology uses assumed trend factors to adjust the base period claims cost to the projection period. The cost trend factors used in this analysis are a combination of utilization and inflation components. The projected trend rate assumptions were developed by the actuary based on an analysis of recent experience under the various HMO plans and PCCM plan. A single trend assumption applied to all service areas but varies by risk group and year.

The trend analysis included a review of HMO and PCCM claims experience data through March 31, 2007. Based on this information, estimates of monthly incurred claims were made through January 2007. The claims cost and trend experience was reviewed separately by service area and risk group. The service area trends were then combined into a statewide average using a weighted average formula with estimated incurred claims as the weights.

The FY2007 trend assumption by risk group was developed using the weighted average HMO and PCCM trend for the period September 1, 2006 through January 31, 2007 (the first five months of FY2007). The FY2008 trend assumption was developed based on an average of the HMO and PCCM experience trends for the most recent three years (FY2005 through FY2007).

The attached exhibits present recent trend experience under the HMO plans (Exhibit A), the PCCM (Exhibit B), the HMO and PCCM combined (Exhibit C) and the trend assumptions used in the ration analysis (Exhibit D). The chart below presents the assumed annual trend rates for FY2007 and FY2008.

	<u>FY2007</u>	<u>FY2008</u>
TANF Children Over Age 1	1.4 %	3.9 %
TANF Children Under Age 1	1.4 %	3.9 %
TANF Adults	7.8 %	11.8 %
Pregnant Women	5.0 %	4.0 %
Newborns	6.9 %	7.1 %
Expansion Children Over Age 1	4.8 %	3.9 %
Expansion Children Under Age 1	4.8 %	3.9 %
Federal Mandate Children	9.6 %	7.0 %

Health and Human Services Commission
Analysis of HMO Cost Trends

	<u>Bexar</u>	<u>Dallas</u>	<u>El Paso</u>	<u>Harris</u>	<u>Lubbock</u>	<u>Tarrant</u>	<u>Travis</u>	<u>HMO Average</u>	<u>Weighted Average</u>
TANF - Children >1									
FY2005	1.091	1.011	1.030	1.056	1.209	1.085	1.092	1.039	1.060
FY2006	1.238	1.007	1.154	0.968	1.085	1.010	1.108	1.042	1.061
FY2007	0.966	0.932	0.998	1.109	0.865	1.069	1.006	1.015	1.017
TANF - Children <1									
FY2005	1.315	1.075	1.047	1.509	0.783	0.855	1.117	1.159	1.241
FY2006	0.805	1.081	1.096	0.603	0.924	1.317	1.152	0.913	0.998
FY2007	1.885	0.992	1.057	1.037	0.933	0.639	1.156	1.108	1.194
TANF - Children									
FY2005	1.142	1.018	1.024	1.146	1.139	1.046	1.149	1.071	1.095
FY2006	1.120	1.029	1.128	0.864	1.071	1.044	1.121	1.012	1.033
FY2007	1.091	0.940	0.975	1.106	0.872	0.994	1.037	1.029	1.030
TANF - Adults									
FY2005	1.235	1.177	1.075	1.072	1.392	1.161	1.037	1.105	1.118
FY2006	1.257	1.054	1.147	1.261	1.009	0.988	1.109	1.129	1.149
FY2007	0.986	1.087	1.102	1.041	1.379	1.044	1.110	1.062	1.075
Pregnant Women									
FY2005	1.045	1.071	1.041	1.014	1.203	1.063	1.088	1.054	1.054
FY2006	1.039	0.995	1.003	1.042	0.980	1.027	1.044	1.024	1.025
FY2007	1.003	1.056	1.003	1.030	0.902	1.047	1.008	1.028	1.024
Newborns									
FY2005	1.138	1.126	1.056	1.008	0.988	1.094	1.410	1.094	1.110
FY2006	1.146	1.075	0.989	1.018	1.219	1.023	1.048	1.060	1.054
FY2007	0.949	0.838	0.933	1.066	1.196	1.201	0.903	1.007	1.013
Expansion Children >1									
FY2005	1.126	0.975	1.091	1.025	1.021	1.010	1.032	1.022	1.022
FY2006	1.169	1.075	1.066	1.012	1.039	0.998	1.030	1.047	1.051
FY2007	1.121	0.944	0.995	1.170	0.885	0.912	1.091	1.038	1.053

Health and Human Services Commission
Analysis of HMO Cost Trends

	<u>Bexar</u>	<u>Dallas</u>	<u>El Paso</u>	<u>Harris</u>	<u>Lubbock</u>	<u>Tarrant</u>	<u>Travis</u>	<u>HMO Average</u>	<u>Weighted Average</u>
Expansion Children <1									
FY2005	1.228	1.093	1.013	1.025	1.204	1.016	1.481	1.082	1.096
FY2006	1.204	1.054	1.122	0.898	1.102	0.964	1.275	1.015	1.028
FY2007	1.228	0.965	0.853	1.164	0.549	1.267	1.029	1.073	1.092
Expansion Children									
FY2005	1.133	0.996	1.054	1.013	1.036	1.008	1.130	1.028	1.029
FY2006	1.174	1.063	1.060	0.976	1.039	0.984	1.091	1.032	1.038
FY2007	1.122	0.944	0.949	1.159	0.848	0.966	1.080	1.037	1.051
Federal Mandate Children									
FY2005	1.058	1.079	1.118	1.025	1.159	1.026	1.191	1.065	1.063
FY2006	1.085	1.068	1.028	1.043	1.034	1.045	1.068	1.051	1.054
FY2007	1.178	1.061	1.036	1.217	0.929	1.108	1.141	1.125	1.136

Health and Human Services Commission
Analysis of PCCM Cost Trends

	<u>Southeast</u>	<u>Bexar</u>	<u>Lubbock</u>	<u>Harris</u>	<u>Dallas</u>	<u>El Paso</u>	<u>PCCM Average</u>	<u>Weighted Average</u>
TANF - Children >1								
FY2005	1.010	1.022	1.266	1.042	0.971	0.944	1.035	1.034
FY2006	0.955	0.920	1.042	0.936	0.956	1.038	0.965	0.964
FY2007	1.090	0.852	1.148	1.163	0.894	0.781	0.970	0.994
TANF - Children <1								
FY2005	0.886	1.126	0.986	1.561	0.868	1.384	1.028	1.062
FY2006	0.780	0.702	1.067	3.295	0.943	0.695	1.084	1.577
FY2007	1.699	0.870	0.883	0.412	1.724	1.164	0.941	1.333
TANF - Children								
FY2005	0.988	1.046	1.218	1.096	0.957	1.015	1.037	1.034
FY2006	0.919	0.877	1.032	1.218	0.935	0.940	0.962	0.969
FY2007	1.167	0.840	1.104	0.755	0.952	0.838	0.952	0.990
TANF - Adults								
FY2005	1.146	1.153	0.993	1.211	0.940	1.063	1.069	1.066
FY2006	0.820	1.083	1.019	1.015	0.929	1.080	0.968	0.979
FY2007	1.207	0.870	0.949	0.880	0.950	1.006	0.977	1.041
Pregnant Women								
FY2005	0.987	1.046	0.980	1.062	0.958	1.027	0.996	0.994
FY2006	1.053	1.065	1.050	1.082	1.008	1.019	1.035	1.038
FY2007	1.030	1.033	1.145	0.937	1.068	1.184	1.062	1.070
Newborns								
FY2005	0.852	0.964	0.847	1.000	0.917	0.875	0.910	0.908
FY2006	1.117	0.963	1.006	1.083	0.906	0.869	0.976	0.977
FY2007	0.830	1.001	1.101	0.466	0.908	1.151	0.985	0.947
Expansion Children >1								
FY2005	0.967	0.965	1.120	1.067	1.043	1.037	1.037	1.034
FY2006	0.967	1.015	1.104	0.918	0.898	1.001	0.972	0.973
FY2007	1.109	0.869	0.861	1.507	1.004	0.844	0.958	0.999
Expansion Children <1								
FY2005	0.995	1.177	1.710	0.965	1.204	1.653	1.265	1.309
FY2006	1.200	1.030	0.702	0.993	0.882	0.869	0.875	0.896
FY2007	0.862	0.462	0.408	8.877	1.516	0.721	1.085	2.066
Expansion Children								
FY2005	0.969	0.981	1.221	1.042	1.067	1.071	1.068	1.069
FY2006	0.993	0.994	0.972	0.919	0.852	0.976	0.924	0.924
FY2007	1.061	0.818	0.775	1.897	1.005	0.821	0.935	0.993
Federal Mandate Children								
FY2005	0.989	0.968	1.293	1.108	0.876	1.013	0.985	0.992
FY2006	0.917	0.980	1.094	1.044	0.993	0.928	0.998	0.995
FY2007	1.053	1.056	0.922	1.033	0.897	1.271	0.982	1.004

Health and Human Services Commission
Analysis of Medicaid Cost Trends

<u>Risk Group</u>	<u>PCCM</u>	<u>HMO</u>	<u>PCCM & HMO</u>	<u>Risk Group</u>	<u>PCCM</u>	<u>HMO</u>	<u>PCCM & HMO</u>
TANF - Children (over age one)				Newborns			
FY2005	1.034	1.060	1.049	FY2005	0.908	1.110	1.049
FY2006	0.964	1.061	1.029	FY2006	0.977	1.054	1.044
FY2007	0.994	1.017	1.009	FY2007	0.947	1.013	1.069
Average	0.988	1.045	1.043	Average	0.953	1.051	1.071
TANF - Children (under age one)				Expansion Children (over age one)			
FY2005	1.062	1.241	1.173	FY2005	1.034	1.022	1.025
FY2006	1.577	0.998	1.046	FY2006	0.973	1.051	1.030
FY2007	1.333	1.194	1.163	FY2007	0.999	1.053	1.047
Average	1.389	1.115	1.104	Average	0.994	1.046	1.044
TANF - Children (total)				Expansion Children (under age one)			
FY2005	1.034	1.095	1.075	FY2005	1.309	1.096	1.134
FY2006	0.969	1.033	1.016	FY2006	0.896	1.028	0.988
FY2007	0.990	1.030	1.014	FY2007	2.066	1.092	1.075
Average	0.990	1.044	1.039	Average	1.388	1.064	1.058
TANF - Adults				Expansion Children (total)			
FY2005	1.066	1.118	1.100	FY2005	1.069	1.029	1.039
FY2006	0.979	1.149	1.118	FY2006	0.924	1.038	1.009
FY2007	1.041	1.075	1.078	FY2007	0.993	1.051	1.048
Average	1.018	1.117	1.118	Average	0.977	1.041	1.039
Pregnant Women				Federal Mandate Children			
FY2005	0.994	1.054	1.041	FY2005	0.992	1.063	1.036
FY2006	1.038	1.025	1.035	FY2006	0.995	1.054	1.037
FY2007	1.070	1.024	1.050	FY2007	1.004	1.136	1.096
Average	1.040	1.031	1.040	Average	0.998	1.084	1.070

Health and Human Services Commission
Trend Assumptions for FY2008 Managed Care Rating

	<u>FY2007</u>	<u>FY2008</u>
TANF - Children (over age one)	1.4 %	3.9 %
TANF - Children (under age one)	1.4 %	3.9 %
TANF - Adults	7.8 %	11.8 %
Pregnant Women	5.0 %	4.0 %
Newborns	6.9 %	7.1 %
Expansion Children (over age one)	4.8 %	3.9 %
Expansion Children (under age one)	4.8 %	3.9 %
Federal Mandate Children	9.6 %	7.0 %
Overall Weighted Average	6.1 %	5.6 %

Attachment 5

Provider Reimbursement Adjustments

This attachment presents information regarding the various provider reimbursement adjustments considered in the rating analysis and how the adjustment factors were developed.

As a component of the Frew lawsuit settlement, the Texas Medicaid program will implement significant changes in provider reimbursement effective September 1, 2007. Professional provider reimbursement will increase an average of 25% for children and 10% for adults. HHSC will require STAR health plans to pass on this level of reimbursement increases to their participating providers and, as a result, these reimbursement increases have been considered in the rating analysis.

In developing the Frew adjustment factors, we used health plan encounter data from FY2006. To this claims experience we applied the proposed FY2008 Medicaid provider reimbursement schedule. The additional cost due to the increased reimbursement rates was then divided by total FY2006 claims (from the encounter data) to yield the overall claims adjustment factor.

It is anticipated that provisions of the Frew settlement will result in increased utilization of certain services under STAR. We have assumed that there will be a 33% increase in the utilization of EPSDT services and a 5% increase in the utilization of medical (type of service 1) services for children. The utilization adjustment factors were derived in a similar manner as that described above for the fee increase. We have assumed no utilization increase for adults.

The anticipated cost impact of the Frew settlement is presented in attached Exhibit A.

In addition to those resulting from the Frew settlement, there were several other significant revisions to the Medicaid fee schedule. Reimbursement increases were provided for the following services: ambulance services, State-owned teaching hospitals, physician administered drugs and therapy services (physical, occupational and speech) provided through home health agencies. The rating adjustment factors for these provider reimbursement changes were calculated in a manner similar to those for the Frew settlement, described above. The reimbursement change was applied to actual FY2006 health plan encounter data and the resulting impact determined. The anticipated cost impact of these reimbursement changes is presented in attached Exhibit B.

The 2.5% reduction in reimbursement rates to professional, outpatient facility and certain other providers implemented in FY2004 was restored. The FY2006 FSRs provided by the health plans were used in this analysis. The anticipated cost impact of this reimbursement change is presented in attached Exhibits C and D.

Effective March 1, 2006, a Medicaid provider reimbursement increase was implemented for Nurse Practitioners, Clinical Nurse Specialists, Certified Nurse Midwives, and Certified Registered Nurse Anesthetists. The reimbursement factor for these providers was increased from .85 to .92. Attached Exhibit E presents the estimated cost impact from this revision. As the increase became effective mid-year during the base period, only one-half of the calculated adjustment factor was applied in the rating analysis.

FY2008 STAR Rating
 Provider Reimbursement Adjustments
 Impact of Frew Settlement

	TANF Children Age 1+	TANF Children <1	TANF Adult	Pregnant Women	Newborn	Expansion Children Age 1+	Expansion Children <1	Federal Mandate Children	Other	Total
Cost Impact Provider Rate Increase (1)										
Bexar	445,694	77,590	194,405	2,448,081	2,790,040	2,051,248	286,073	2,011,786	25,395	10,330,312
Dallas	556,698	98,566	171,275	2,507,113	2,989,982	3,892,368	1,338,816	2,334,967	67,064	13,956,848
El Paso	543,466	98,492	152,277	1,749,336	1,508,078	1,554,069	259,533	1,774,658	11,089	7,650,998
Harris	1,024,600	171,120	369,303	4,467,424	5,246,220	6,414,173	2,091,371	4,587,082	115,235	24,486,529
Lubbock	52,623	11,610	21,920	305,138	360,244	272,468	24,497	295,898	9,141	1,353,538
Tarrant	526,908	87,964	194,358	2,589,744	2,911,636	2,858,511	626,967	2,047,525	34,933	11,878,546
Travis	853,153	250,470	397,851	1,125,318	1,671,100	1,251,204	355,834	908,958	12,168	6,826,056
Total	4,003,142	795,812	1,501,388	15,192,154	17,477,300	18,294,041	4,983,092	13,960,873	275,024	76,482,826
Cost Impact of Utilization Increase (2)										
Bexar	170,595	48,221	0	94,525	1,358,403	984,589	209,544	676,284	7,924	3,550,085
Dallas	289,125	70,048	0	99,848	1,592,346	2,229,024	1,060,723	1,134,229	21,727	6,497,070
El Paso	233,826	65,099	0	47,806	855,302	798,979	192,253	654,181	3,845	2,851,291
Harris	480,339	116,552	0	169,997	2,859,297	3,487,467	1,490,949	1,980,716	36,534	10,621,851
Lubbock	21,872	6,187	0	12,448	186,231	127,740	14,985	104,260	2,295	476,018
Tarrant	219,603	54,485	0	108,029	1,627,744	1,442,454	461,558	793,940	13,039	4,720,852
Travis	324,005	145,818	0	40,578	823,772	624,716	223,515	321,871	5,285	2,509,560
Total	1,739,365	506,410	0	573,231	9,303,095	9,694,969	3,653,527	5,665,481	90,649	31,226,727
Total Frew Impact (3)										
Bexar	616,289	125,811	194,405	2,542,606	4,148,443	3,035,837	495,617	2,688,070	33,319	13,880,397
Dallas	845,823	168,614	171,275	2,606,961	4,582,328	6,121,392	2,399,539	3,469,196	88,791	20,453,918
El Paso	777,292	163,591	152,277	1,797,142	2,363,380	2,353,048	451,786	2,428,839	14,934	10,502,289
Harris	1,504,939	287,672	369,303	4,637,421	8,105,517	9,901,640	3,582,320	6,567,798	151,769	35,108,380
Lubbock	74,495	17,797	21,920	317,586	546,475	400,208	39,482	400,158	11,436	1,829,556
Tarrant	746,511	142,449	194,358	2,697,773	4,539,380	4,300,965	1,088,525	2,841,465	47,972	16,599,398
Travis	1,177,158	396,288	397,851	1,165,896	2,494,872	1,875,920	579,349	1,230,829	17,453	9,335,616
Total	5,742,507	1,302,222	1,501,388	15,765,385	26,780,395	27,989,010	8,636,619	19,626,354	365,673	107,709,553

FY2008 STAR Rating
 Provider Reimbursement Adjustments
 Impact of Frew Settlement

	TANF Children Age 1+	TANF Children <1	TANF Adult	Pregnant Women	Newborn	Expansion Children Age 1+	Expansion Children <1	Federal Mandate Children	Other	Total
FY2006 Total Incurred Claims (4)										
Bexar	5,214,213	1,146,247	6,389,373	54,918,595	61,666,923	22,309,165	3,813,547	20,913,575	547,540	176,919,178
Dallas	8,620,645	1,802,462	5,901,323	62,668,571	70,031,983	55,124,983	19,687,040	36,389,422	2,295,597	262,522,026
El Paso	5,422,220	1,434,256	4,419,967	31,557,152	26,154,601	15,849,416	3,376,631	16,386,471	422,638	105,023,352
Harris	11,491,470	2,215,566	12,182,760	101,888,922	116,255,267	57,861,821	20,256,688	52,107,678	2,996,721	377,256,893
Lubbock	864,752	173,002	920,381	9,824,253	8,128,665	3,620,021	417,757	4,447,697	271,835	28,668,363
Tarrant	5,792,887	1,082,986	6,158,320	61,972,644	54,225,116	28,436,492	6,732,883	25,645,644	1,501,661	191,548,633
Travis	9,642,590	3,797,674	12,215,871	27,055,845	35,596,276	11,960,682	6,039,710	9,877,858	405,670	116,592,176
Total	47,048,777	11,652,193	48,187,995	349,885,982	372,058,831	195,162,580	60,324,256	165,768,345	8,441,662	1,258,530,621
Frew Rate Adjustment Factor (5)										
Bexar	11.8 %	11.0 %	3.0 %	4.6 %	6.7 %	13.6 %	13.0 %	12.9 %	6.1 %	7.8 %
Dallas	9.8 %	9.4 %	2.9 %	4.2 %	6.5 %	11.1 %	12.2 %	9.5 %	3.9 %	7.8 %
El Paso	14.3 %	11.4 %	3.4 %	5.7 %	9.0 %	14.8 %	13.4 %	14.8 %	3.5 %	10.0 %
Harris	13.1 %	13.0 %	3.0 %	4.6 %	7.0 %	17.1 %	17.7 %	12.6 %	5.1 %	9.3 %
Lubbock	8.6 %	10.3 %	2.4 %	3.2 %	6.7 %	11.1 %	9.5 %	9.0 %	4.2 %	6.4 %
Tarrant	12.9 %	13.2 %	3.2 %	4.4 %	8.4 %	15.1 %	16.2 %	11.1 %	3.2 %	8.7 %
Travis	12.2 %	10.4 %	3.3 %	4.3 %	7.0 %	15.7 %	9.6 %	12.5 %	4.3 %	8.0 %
Total	12.2 %	11.2 %	3.1 %	4.5 %	7.2 %	14.3 %	14.3 %	11.8 %	4.3 %	8.6 %

Footnotes:

- (1) Equals the additional cost resulting from application of the FY2008 Medicaid fee schedule to the FY2006 health plans claims (from the Encounter database).
- (2) The Frew settlement is anticipated to result in increased utilization for certain services. It is assumed that the utilization of EPSDT services will increase 33% and the utilization of medical (type of service 1) services will increase 5%.
- (3) Equals the impact of reimbursement changes and utilization changes combined.
- (4) Equals FY2006 health plan fee-for-service claims for all services (from the Encounter database).
- (5) Equals Total Frew Impact divided by FY2006 Total Incurred Claims.

FY2008 STAR Rating
 Provider Reimbursement Adjustments
 Impact of Other Reimbursement Changes

	TANF Children Age 1+	TANF Children <1	TANF Adult	Pregnant Women	Newborn	Expansion Children Age 1+	Expansion Children <1	Federal Mandate Children	Other	Total
Ambulance (1)										
Bexar	70,679	7,122	29,820	226,464	112,561	165,996	8,276	181,308	565	802,791
Dallas	89,561	15,896	49,453	280,259	396,494	538,569	132,812	348,561	5,584	1,857,189
El Paso	38,040	6,258	19,412	62,071	35,993	64,544	7,603	70,829	548	305,298
Harris	236,815	24,437	206,702	772,311	731,573	779,753	197,795	974,047	35,014	3,958,447
Lubbock	10,261	0	5,295	29,306	13,413	24,773	1,958	37,748	485	123,239
Tarrant	122,008	12,860	96,460	414,277	261,073	355,195	62,875	406,482	2,674	1,733,904
Travis	78,353	17,395	94,443	107,439	103,803	69,872	25,076	104,904	461	601,746
Total	645,717	83,968	501,585	1,892,127	1,654,910	1,998,702	436,395	2,123,879	45,331	9,382,614
State-Owned Teaching Hospitals (1)										
Bexar	0	0	63	263	1,171	56	76	442	0	2,071
Dallas	0	0	0	1,268	403	177	121	659	232	2,860
El Paso	47	350	46	127	4,536	2,319	0	1,901	0	9,326
Harris	74,801	18,233	118,739	905,527	951,347	310,647	156,796	326,834	4,082	2,867,006
Lubbock	0	0	0	799	0	0	0	0	0	799
Tarrant	0	0	0	1,266	109	814	0	1,439	0	3,628
Travis	9,282	1,121	19,971	52,000	6,278	864	0	1,031	0	90,547
Total	84,130	19,704	138,819	961,250	963,844	314,877	156,993	332,306	4,314	2,976,237
PT/OT/ST (1)										
Bexar	33,867	403	783	346	8,618	323,093	863	18,614	601	387,188
Dallas	36,200	48	242	72	2,548	360,169	9,903	81,543	0	490,725
El Paso	3,727	24	1,387	0	1,076	32,507	0	5,705	0	44,426
Harris	8,109	84	133	166	10,202	123,239	19,548	5,704	0	167,185
Lubbock	0	258	0	0	0	0	0	0	0	258
Tarrant	5,506	0	0	0	725	90,500	135	738	0	97,604
Travis	5,152	3,297	679	0	4,226	13,907	7,515	3,591	0	38,367
Total	92,561	4,114	3,224	584	27,395	943,415	37,964	115,895	601	1,225,753
Total Cost Impact (2)										
Bexar	104,546	7,525	30,666	227,073	122,350	489,145	9,215	200,364	1,166	1,192,050
Dallas	125,761	15,944	49,695	281,599	399,445	898,915	142,836	430,763	5,816	2,350,774
El Paso	41,814	6,632	20,845	62,198	41,605	99,370	7,603	78,435	548	359,050
Harris	319,725	42,754	325,574	1,678,004	1,693,122	1,213,639	374,139	1,306,585	39,096	6,992,638
Lubbock	10,261	258	5,295	30,105	13,413	24,773	1,958	37,748	485	124,296
Tarrant	127,514	12,860	96,460	415,543	261,907	446,509	63,010	408,659	2,674	1,835,136
Travis	92,787	21,813	115,093	159,439	114,307	84,643	32,591	109,526	461	730,660
Total	822,408	107,786	643,628	2,853,961	2,646,149	3,256,994	631,352	2,572,080	50,246	13,584,604

FY2006 Total Incurred Claims (3)

FY2008 STAR Rating
 Provider Reimbursement Adjustments
 Impact of Other Reimbursement Changes

	TANF Children Age 1+	TANF Children <1	TANF Adult	Pregnant Women	Newborn	Expansion Children Age 1+	Expansion Children <1	Federal Mandate Children	Other	Total
Bexar	5,214,213	1,146,247	6,389,373	54,918,595	61,666,923	22,309,165	3,813,547	20,913,575	547,540	176,919,178
Dallas	8,620,645	1,802,462	5,901,323	62,668,571	70,031,983	55,124,983	19,687,040	36,389,422	2,295,597	262,522,026
El Paso	5,422,220	1,434,256	4,419,967	31,557,152	26,154,601	15,849,416	3,376,631	16,386,471	422,638	105,023,352
Harris	11,491,470	2,215,566	12,182,760	101,888,922	116,255,267	57,861,821	20,256,688	52,107,678	2,996,721	377,256,893
Lubbock	864,752	173,002	920,381	9,824,253	8,128,665	3,620,021	417,757	4,447,697	271,835	28,668,363
Tarrant	5,792,887	1,082,986	6,158,320	61,972,644	54,225,116	28,436,492	6,732,883	25,645,644	1,501,661	191,548,633
Travis	9,642,590	3,797,674	12,215,871	27,055,845	35,596,276	11,960,682	6,039,710	9,877,858	405,670	116,592,176
Total	47,048,777	11,652,193	48,187,995	349,885,982	372,058,831	195,162,580	60,324,256	165,768,345	8,441,662	1,258,530,621

Other Reimbursement Changes Rate Adjustment Factor (4)

Bexar	2.0 %	0.7 %	0.5 %	0.4 %	0.2 %	2.2 %	0.2 %	1.0 %	0.2 %	0.7 %
Dallas	1.5 %	0.9 %	0.8 %	0.4 %	0.6 %	1.6 %	0.7 %	1.2 %	0.3 %	0.9 %
El Paso	0.8 %	0.5 %	0.5 %	0.2 %	0.2 %	0.6 %	0.2 %	0.5 %	0.1 %	0.3 %
Harris	2.8 %	1.9 %	2.7 %	1.6 %	1.5 %	2.1 %	1.8 %	2.5 %	1.3 %	1.9 %
Lubbock	1.2 %	0.1 %	0.6 %	0.3 %	0.2 %	0.7 %	0.5 %	0.8 %	0.2 %	0.4 %
Tarrant	2.2 %	1.2 %	1.6 %	0.7 %	0.5 %	1.6 %	0.9 %	1.6 %	0.2 %	1.0 %
Travis	1.0 %	0.6 %	0.9 %	0.6 %	0.3 %	0.7 %	0.5 %	1.1 %	0.1 %	0.6 %
Total	1.7 %	0.9 %	1.3 %	0.8 %	0.7 %	1.7 %	1.0 %	1.6 %	0.6 %	1.1 %

Footnotes:

- (1) Equals the additional cost resulting from application of the FY2008 Medicaid fee schedule to the FY2006 health plans claims (from the Encounter database).
- (2) Equals the impact of reimbursement changes and utilization changes combined.
- (3) Equals FY2006 health plan fee-for-service claims for all services (from the Encounter database).
- (4) Equals Total Cost Impact divided by FY2006 Total Incurred Claims.

FY2008 STAR Rating
 Provider Reimbursement Adjustments
 Impact of 2.5% Outpatient Facility Reimbursement Restoration (1)

	Outpatient Facility Claims (2)	Total Claims (3)	OP % of Total	Adjustment Factor (4)
Bexar	15,417,317	177,347,760	8.7 %	0.22 %
Dallas	40,014,916	271,228,767	14.8 %	0.37 %
El Paso	8,705,260	111,949,457	7.8 %	0.19 %
Harris	46,441,392	388,181,906	12.0 %	0.30 %
Lubbock	2,927,454	29,258,911	10.0 %	0.25 %
Tarrant	29,665,954	200,878,700	14.8 %	0.37 %
Travis	9,186,470	118,692,202	7.7 %	0.19 %
Total	152,358,765	1,297,537,703	11.7 %	0.29 %

Footnotes:

- (1) The 2.5% reduction in outpatient facility and other reimbursement implemented in fiscal year 2004 was restored effective 9/1/2007.
- (2) Equals the health plan's FY2006 outpatient facility cost as reported in the FY2006 FSR.
- (3) Equals the health plan's FY2006 total fee-for-service medical cost as reported in the FY2006 FSR.
- (4) Equals OP % of Total times 2.5%.

FY2008 STAR Rating

Provider Reimbursement Adjustments

Impact of 2.5% Professional Reimbursement Restoration (1)

	TANF Children Age 1+	TANF Children <1	TANF Adult	Pregnant Women	Newborn	Expansion Children Age 1+	Expansion Children <1	Federal Mandate Children	Other	Total
FY2006 Professional Claims Paid (2)										
Bexar	2,060,034	397,990	2,011,800	20,657,297	12,814,925	10,466,446	1,520,720	8,633,465	138,970	58,701,647
Dallas	2,763,890	500,843	1,752,347	21,677,154	13,887,811	19,576,680	6,645,421	11,427,456	330,553	78,562,157
El Paso	2,664,568	516,976	1,610,237	12,142,338	7,109,521	8,118,715	1,385,329	8,441,844	79,705	42,069,234
Harris	4,715,076	842,027	4,002,507	39,254,025	24,175,588	27,268,570	10,001,676	21,044,257	1,126,391	132,430,116
Lubbock	287,140	57,187	241,354	2,797,656	1,642,449	1,224,809	141,144	1,614,783	65,722	8,072,244
Tarrant	2,361,664	427,197	1,965,948	22,501,292	13,281,266	12,511,696	3,099,864	9,142,276	266,559	65,557,761
Travis	4,094,996	1,400,031	4,167,056	10,221,287	7,774,960	5,842,137	2,126,352	4,347,259	77,912	40,051,990
Total	18,947,368	4,142,250	15,751,250	129,251,049	80,686,520	85,009,052	24,920,506	64,651,340	2,085,813	425,445,148

Cost Impact of 2.5% Reimbursement Restoration for Professional Services (3)

Bexar	51,501	9,950	50,295	516,432	320,373	261,661	38,018	215,837	3,474	1,467,541
Dallas	69,097	12,521	43,809	541,929	347,195	489,417	166,136	285,686	8,264	1,964,054
El Paso	66,614	12,924	40,256	303,558	177,738	202,968	34,633	211,046	1,993	1,051,731
Harris	117,877	21,051	100,063	981,351	604,390	681,714	250,042	526,106	28,160	3,310,753
Lubbock	7,179	1,430	6,034	69,941	41,061	30,620	3,529	40,370	1,643	201,806
Tarrant	59,042	10,680	49,149	562,532	332,032	312,792	77,497	228,557	6,664	1,638,944
Travis	102,375	35,001	104,176	255,532	194,374	146,053	53,159	108,681	1,948	1,001,300
Total	473,684	103,556	393,781	3,231,276	2,017,163	2,125,226	623,013	1,616,284	52,145	10,636,129

FY2006 Total Incurred Claims (4)

Bexar	5,214,213	1,146,247	6,389,373	54,918,595	61,666,923	22,309,165	3,813,547	20,913,575	547,540	176,919,178
Dallas	8,620,645	1,802,462	5,901,323	62,668,571	70,031,983	55,124,983	19,687,040	36,389,422	2,295,597	262,522,024
El Paso	5,422,220	1,434,256	4,419,967	31,557,152	26,154,601	15,849,416	3,376,631	16,386,471	422,638	105,023,352
Harris	11,491,470	2,215,566	12,182,760	101,888,922	116,255,267	57,861,821	20,256,688	52,107,678	2,996,721	377,256,892
Lubbock	864,752	173,002	920,381	9,824,253	8,128,665	3,620,021	417,757	4,447,697	271,835	28,668,363
Tarrant	5,792,887	1,082,986	6,158,320	61,972,644	54,225,116	28,436,492	6,732,883	25,645,644	1,501,661	191,548,632
Travis	9,642,590	3,797,674	12,215,871	27,055,845	35,596,276	11,960,682	6,039,710	9,877,858	405,670	116,592,176
Total	47,048,777	11,652,191	48,187,994	349,885,982	372,058,832	195,162,579	60,324,256	165,768,345	8,441,661	1,258,530,617

FY2008 STAR Rating

Provider Reimbursement Adjustments

Impact of 2.5% Professional Reimbursement Restoration (1)

	TANF Children Age 1+	TANF Children <1	TANF Adult	Pregnant Women	Newborn	Expansion Children Age 1+	Expansion Children <1	Federal Mandate Children	Other	Total
Rate Adjustment Factor (5)										
Bexar	0.99 %	0.87 %	0.79 %	0.94 %	0.52 %	1.17 %	1.00 %	1.03 %	0.63 %	0.83 %
Dallas	0.80 %	0.69 %	0.74 %	0.86 %	0.50 %	0.89 %	0.84 %	0.79 %	0.36 %	0.75 %
El Paso	1.23 %	0.90 %	0.91 %	0.96 %	0.68 %	1.28 %	1.03 %	1.29 %	0.47 %	1.00 %
Harris	1.03 %	0.95 %	0.82 %	0.96 %	0.52 %	1.18 %	1.23 %	1.01 %	0.94 %	0.88 %
Lubbock	0.83 %	0.83 %	0.66 %	0.71 %	0.51 %	0.85 %	0.84 %	0.91 %	0.60 %	0.70 %
Tarrant	1.02 %	0.99 %	0.80 %	0.91 %	0.61 %	1.10 %	1.15 %	0.89 %	0.44 %	0.86 %
Travis	1.06 %	0.92 %	0.85 %	0.94 %	0.55 %	1.22 %	0.88 %	1.10 %	0.48 %	0.86 %
Total	1.01 %	0.89 %	0.82 %	0.92 %	0.54 %	1.09 %	1.03 %	0.98 %	0.62 %	0.85 %

Footnotes:

- (1) The 2.5% reduction in professional services reimbursement implemented in fiscal year 2004 was restored effective 9/1/2007.
- (2) Equals FY2006 health plan fee-for-service claims for professional services (from the Encounter database).
- (3) Equals 2.5% of FY2006 Professional Claims Paid.
- (4) Equals FY2006 health plan fee-for-service claims for all services (from the Encounter database).
- (5) Equals Cost Impact of 2.5% Reimbursement Restoration for Professional Services divided by FY2006 Total Incurred Claims.

FY2008 STAR Rating
 Provider Reimbursement Adjustments
 Estimated Impact of Increase in Reimbursement for NPs, CNSs CNMs and CRNAs (1)

<u>Risk Group</u>	<u>FY2004 Incurred Claims (2)</u>	<u>FY2004 Impacted Providers (3)</u>	<u>Adjustment Amount (4)</u>	<u>Adjustment Factor (5)</u>
TANF Children Age 1+	57,695,863			
TANF Children Age <1	13,396,981			
TANF Adults	56,013,394			
Pregnant Women	250,777,125			
Newborns	263,140,215			
Expansion Children Age 1+	152,385,626			
Expansion Children Age <1	50,696,870			
Federal Mandate Children	117,541,308			
Total	961,647,382	7,388,080	608,430	1.0006

Notes:

- (1) Effective 3/1/2006, the reimbursement factor for these providers is being increased from .85 to .92.
- (2) FY2004 incurred FFS claims for all STAR HMOs for all services.
- (3) FY2004 incurred FFS claims for all STAR HMOs for all services provided by NPs, CNSs CNMs and CRNAs.
- (4) Equals FY2004 claims for all services provided by NPs, CNSs CNMs and CRNAs times .07/.85.
- (5) Equals Adjustment Amount divided by FY2004 total incurred claims.

Attachment 6

Out-of-Network Adjustment

Effective September 1, 2006, the state implemented a change in the rules regarding STAR HMO reimbursement to out-of-network providers. Previously, HMOs were allowed to pay out-of-network providers a discounted Medicaid fee-for-service (FFS) rate using a discount of up to 12%. Beginning September 1, 2006, the maximum discount was reduced to 3%.

The attached exhibit presents the estimated cost impact from this revision. The exhibit shows FY2006 in-network and out-of-network claims experience as reported by the HMOs. Based on this information, the FY2006 cost impact of the program change was estimated. The resulting percentage impact for each individual health plan was then used in the FY2008 rating analysis.

Health and Human Services Commission
 Analysis of Out-of-Network Reimbursement in the STAR Program
 And the Cost Impact of the Proposed New Rule

Health Plan	FY2006 Experience Cost			Out-of-Net as % of Total	Current Out-of-Net Reimb. (4)	New Rule (5)	Cost Impact	% of Total Claims
	In-Net Claims	Out-of-Net Claims	Total Claims					
STAR								
CFHP - Bexar	99,884,180	4,114,091	103,998,271	3.96%	M-0%	M-3%	-123,423	-0.1%
Superior - Bexar	68,179,694	4,386,121	72,565,815	6.04%	M-10%	M-3%	307,028	0.4%
Bexar Total	168,063,874	8,500,212	176,564,085	4.81%			183,606	0.1%
Americaid - Dallas	89,741,368	14,597,064	104,338,432	13.99%	M-6%	M-3%	437,912	0.4%
Parkland - Dallas	153,184,708	11,860,492	165,045,200	7.19%	M-0%	M-3%	-281,687	-0.2%
Dallas Total	242,926,076	26,457,556	269,383,632	9.82%			156,225	0.1%
El Paso First - El Paso	47,700,438	2,881,567	50,582,005	5.70%	M-0%	M-0%	0	0.0%
Superior - El Paso	47,001,727	3,425,112	50,426,839	6.79%	M-6%	M-3%	102,753	0.2%
El Paso Total	94,702,165	6,306,679	101,008,845	6.24%			102,753	0.1%
Americaid - Harris	135,979,344	28,581,754	164,561,098	17.37%	M-12%	M-3%	2,572,358	1.6%
CHC - Harris	101,871,299	15,351,453	117,222,752	13.10%	M-12%	M-3%	1,381,631	1.2%
TCHP - Harris	96,131,463	8,478,967	104,610,430	8.11%	M-12%	M-3%	763,107	0.7%
Harris Total	333,982,106	52,412,175	386,394,281	13.56%			4,717,096	1.2%
Firstcare - Lubbock	27,063,514	1,616,811	28,680,325	5.64%	M-0%	M-0%	0	0.0%
Americaid - Tarrant	182,347,150	20,964,989	203,312,139	10.31%	M-10%	M-3%	1,467,549	0.7%
Superior - Travis	77,973,970	9,129,578	87,103,548	10.48%	M-10%	M-3%	639,070	0.7%
Americaid- Travis	24,823,338	4,306,793	29,130,132	14.78%	M-10%	M-3%	301,476	1.0%
Travis Total	102,797,308	13,436,371	116,233,679	11.56%			940,546	0.8%
Total - STAR	1,151,882,192	129,694,793	1,281,576,986	10.12%			7,567,775	0.6%

Attachment 7

Third Party Recoveries

The rating methodology includes a factor to recognize those health plans that do not satisfy a minimum level of recoveries for coordination of benefits. Any plan that did not recover at least 0.8% of claims had its projected claims cost reduced by 0.8% less their actual percentage of recoveries. For example, if a specific health plan has third party recoveries (TPR) of 0.6% of claims, then their projected claims cost would be reduced by 0.2%. Any plan that exceeded the minimum TPR standard of 0.8% had no penalty applied.

The attached chart presents a summary of health plan TPR experience for FY2006.

FY2008 STAR Rating

Analysis of Plan-reported Third Party Recovery (TPR) Experience

	TPR			Incurred Claims			TPR/Claims			Adjustment Factor
	FY2005	FY2006	FY2007	FY2005	FY2006	FY2007	FY2005	FY2006	FY2007	
CFHP - Bexar	217,122	313,964	148,282	82,650,454	104,842,304	39,788,938	0.3 %	0.3 %	0.4 %	0.995
Superior - Bexar	1,050,235	1,447,467	528,711	48,517,374	72,943,896	31,113,545	2.2 %	2.0 %	1.7 %	1.000
Americaid - Dallas	665,636	2,244,586	172,171	106,647,113	103,156,644	34,165,311	0.6 %	2.2 %	0.5 %	1.000
Parkland - Dallas	299,983	467,941	24,423	138,472,187	165,714,302	63,640,014	0.2 %	0.3 %	0.0 %	0.995
El Paso First - El Paso	364,619	460,272	130,461	49,296,802	54,384,042	19,855,621	0.7 %	0.8 %	0.7 %	1.000
Superior - El Paso	628,153	782,779	353,988	39,195,481	50,645,407	19,633,126	1.6 %	1.5 %	1.8 %	1.000
Americaid - Harris	1,083,424	1,610,710	210,803	166,469,038	161,400,691	55,166,088	0.7 %	1.0 %	0.4 %	1.000
CHC - Harris	320,908	220,512	379,253	81,929,218	118,669,251	37,338,944	0.4 %	0.2 %	1.0 %	0.994
TCHP - Harris	1,743,994	5,140,795	781,919	84,751,319	104,751,033	40,604,515	2.1 %	4.9 %	1.9 %	1.000
Firstcare - Lubbock	1,610,508	1,610,893	975,595	24,703,114	28,697,610	10,418,728	6.5 %	5.6 %	9.4 %	1.000
Americaid - Tarrant	2,451,897	2,759,725	762,703	206,697,203	200,552,768	70,341,111	1.2 %	1.4 %	1.1 %	1.000
Superior - Travis	2,001,547	2,341,032	621,604	94,912,789	88,288,394	32,718,071	2.1 %	2.7 %	1.9 %	1.000
Americaid - Travis	103,531	868,692	26,429	18,108,782	29,423,395	7,751,002		3.0 %	0.3 %	1.000
Total - All Plans	12,541,558	20,269,370	5,116,341	1,142,350,873	1,283,469,735	462,535,014	1.1 %	1.6 %	1.1 %	

Attachment 8

Investment Income Adjustment

An investment income credit was included in the rating process to account for the income expected to be generated by the HMO between the time they receive the premium from HHSC and the time they pay claims. We have assumed that the value of this timing (or cash flow) difference is 0.28% of premium. The attached exhibit presents our analysis.

FY2008 Rating
Investment Income Assumption

<u>Program</u>	<u>Average Claims Lag (1)</u>	<u>FFS Claims/ Total (2)</u>	<u>Average DSP Lag (3)</u>	<u>DSP/ Total (4)</u>	<u>Interest Rate (5)</u>	<u>Investment Income Factor (6)</u>
STAR	1.54	0.820	3.20	0.107	4.5 %	0.28 %
CHIP	1.20	0.714			4.5 %	0.32 %
CHIP Dental	0.92	0.824			4.5 %	0.28 %

Footnotes:

- (1) The average time (in months) between the beginning of the month of claim incurral and payment date for all plans combined.
- (2) Equals the ratio of projected FY2008 FFS claims to FY2008 premium for all plans combined.
- (3) The average time (in months) between incurral of delivery claims and payment of DSP.
- (4) Equals the ratio of projected FY2008 DSP payments to FY2008 premium for all plans combined.
- (5) Assumed annual interest rate earned by the plan.
- (6) Equals Average Claims Lag divided by 12 times FFS Claims/Total times Interest Rate.

Attachment 9

Delivery Supplemental Payment

The rate setting methodology incorporates a risk adjustment technique that is designed to provide uniform treatment of the health plans for costs related to maternity delivery services. Maternity cases occur in several risk groups – Pregnant Women, TANF Adults, TANF Children and Federal Mandate Children. As a result, it is possible for one health plan to enroll a higher percentage of TANF Adults who are pregnant and therefore generally more expensive. In order to recognize the potential inequity that might arise between health plans, HHSC developed this risk adjustment methodology. The goal is to reimburse the plans uniformly for maternity expenses.

The State pays a delivery supplemental payment (DSP) for each delivery in a managed care plan. The amount of the payment is a function of the average delivery cost in the area. The attached exhibit presents the FY2008 DSP payment rates by area.

In order to achieve cost neutrality, the projected cost of maternity expenses is subtracted from the unadjusted premium rates. The resulting adjusted premium rates are the rates actually paid to the HMOs in addition to any DSP amounts.

Health and Human Services Commission
FY2008 STAR Rating
Delivery Supplemental Payment (DSP) Rates per Delivery

Service Delivery Area	DSP Amount	
	FY2007	FY2008
Bexar SDA	\$ 3,166.59	\$ 3,266.59
Dallas SDA	3,437.13	3,537.13
El Paso SDA	3,343.04	3,443.04
Harris SDA	3,419.20	3,519.20
Lubbock SDA	3,130.39	3,230.39
Tarrant SDA	3,535.64	3,635.64
Travis SDA	3,147.49	3,247.49

Attachment 10

Acuity Risk Adjustment

The rate setting methodology incorporates a risk adjustment technique that is designed to adjust the base community rate in each service area to reflect the health status, or acuity, of the population enrolled in each health plan. The purpose of acuity risk adjustment is to recognize the anticipated cost differential between multiple health plans in a service area by analyzing the health status of their respective memberships. The risk analysis was performed by the University of Florida's Institute for Child Health Policy (ICHP). The methodology used to incorporate the risk adjustment is the Chronic Illness and Disability Payment System (CDPS). The attached exhibits (provided by ICHP) present a summary of the risk adjustment analysis. There is a separate exhibit for each risk group.

The column titled Case Mix on the chart is the risk adjustment factor. It is the ratio of the predicted average cost of the individual health plan's membership divided by the predicted average cost of the entire service area's membership. The risk adjustment factor is applied to the community rate for each health plan and risk group. If necessary, an additional adjustment was made to the risk adjusted community rates to ensure that, in total, they produce the same premium as the community rates.

For FY2008, as an introductory step toward the use of acuity risk adjustment in the STAR program, the risk adjustment factors were only applied to those plans with an overall positive acuity factor. Any new HMO to a service area will receive the community rates.

TEXAS STAR CDPS Health Plan/SDA Risk
Reporting Period: September 1, 2005 to August 30, 2006

STAR MCO					
SDA/Health Plan	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS					
TEXAS STAR MCO--TANF Children	100.00	51.58	51.58	1.000	1.000
LUBBOCK	1.62	52.87	50.09	1.000	1.056
First Care	100.00	52.87	50.09	1.000	1.056
EL PASO	12.40	53.28	51.79	1.000	1.029
Superior	61.82	42.70	51.34	0.991	0.832
El Paso First	38.18	70.63	52.52	1.014	1.345
TRAVIS	23.67	43.95	52.81	1.000	0.832
Amerigroup	15.77	61.16	51.49	0.975	1.188
Superior	84.23	40.92	53.04	1.004	0.771
BEXAR	8.61	58.59	53.52	1.000	1.095
Superior	46.25	44.26	52.76	0.986	0.839
Community First	53.75	70.83	54.17	1.012	1.308
HARRIS	25.55	49.55	49.90	1.000	0.993
Amerigroup	51.56	43.06	49.78	0.998	0.865
Texas Children's	28.20	59.51	47.73	0.957	1.247
Community Health	20.24	52.46	53.21	1.066	0.986
DALLAS	16.49	59.16	50.85	1.000	1.163
Amerigroup	48.45	49.07	50.03	0.984	0.981
Parkland	51.55	68.65	51.62	1.015	1.330
TARRANT	11.66	54.05	52.18	1.000	1.036
Amerigroup	100.00	54.05	52.18	1.000	1.036

Note: CDPS results are based on information in enrollment and encounter datasets from September 1, 2005 to August 30, 2006. CDPS results were obtained for those enrollees who had been in the program for at least 3 months (age<1) and for those who had been in the program for at least 6 months (age=>1) (permitting one month lapse in enrollment within the 6 months period).

TEXAS STAR CDPS Health Plan/SDA Risk
Reporting Period: September 1, 2005 to August 30, 2006

STAR MCO					
SDA/Health Plan	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS					
TEXAS STAR MCO--TANF Newborn	100.00	144.73	144.73	1.000	1.000
LUBBOCK	1.18	112.61	181.48	1.000	0.621
First Care	100.00	112.61	181.48	1.000	0.621
EL PASO	12.91	182.94	157.45	1.000	1.162
Superior	51.56	179.03	156.65	0.995	1.143
El Paso First	48.44	187.05	158.29	1.005	1.182
TRAVIS	35.97	158.29	137.55	1.000	1.151
Amerigroup	30.82	154.16	142.31	1.035	1.083
Superior	69.18	160.10	135.46	0.985	1.182
BEXAR	8.98	142.24	151.73	1.000	0.937
Superior	45.42	131.29	155.80	1.027	0.843
Community First	54.58	150.86	148.53	0.979	1.016
HARRIS	20.32	105.55	136.80	1.000	0.772
Amerigroup	48.77	101.02	132.84	0.971	0.760
Texas Children's	24.35	123.64	130.02	0.950	0.951
Community Health	26.88	97.96	150.42	1.100	0.651
DALLAS	11.65	143.58	159.35	1.000	0.901
Amerigroup	42.32	153.43	181.54	1.139	0.845
Parkland	57.68	136.39	143.13	0.898	0.953
TARRANT	8.99	131.12	142.82	1.000	0.918
Amerigroup	100.00	131.12	142.82	1.000	0.918

Note: CDPS results are based on information in enrollment and encounter datasets from September 1, 2005 to August 30, 2006. CDPS results were obtained for those enrollees who had been in the program for at least 3 months (age<1) and for those who had been in the program for at least 6 months (age=>1) (permitting one month lapse in enrollment within the 6 months period).

TEXAS STAR CDPS Health Plan/SDA Risk
Reporting Period: September 1, 2005 to August 30, 2006

STAR MCO					
SDA/Health Plan	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS					
TEXAS STAR MCO--TANF Adult	100.00	186.43	186.43	1.000	1.000
LUBBOCK	1.72	197.69	181.30	1.000	1.090
First Care	100.00	197.69	181.30	1.000	1.090
EL PASO	10.41	190.28	180.38	1.000	1.055
Superior	44.88	173.96	179.82	0.997	0.967
El Paso First	55.12	203.59	180.83	1.002	1.126
TRAVIS	31.46	159.38	179.12	1.000	0.890
Amerigroup	23.78	163.96	162.15	0.905	1.011
Superior	76.22	157.98	184.30	1.029	0.857
BEXAR	10.08	249.19	196.35	1.000	1.269
Superior	51.07	192.27	189.51	0.965	1.015
Community First	48.93	307.91	203.40	1.036	1.514
HARRIS	22.84	191.27	190.42	1.000	1.004
Amerigroup	56.51	151.64	185.89	0.976	0.816
Texas Children's	14.96	269.16	177.00	0.930	1.521
Community Health	28.53	230.07	206.62	1.085	1.113
DALLAS	12.09	167.65	176.44	1.000	0.950
Amerigroup	46.46	131.33	167.07	0.947	0.786
Parkland	53.54	199.09	184.56	1.046	1.079
TARRANT	11.39	212.99	207.38	1.000	1.027
Amerigroup	100.00	212.99	207.38	1.000	1.027

Note: CDPS results are based on information in enrollment and encounter datasets from September 1, 2005 to August 30, 2006. CDPS results were obtained for those enrollees who had been in the program for at least 3 months (age<1) and for those who had been in the program for at least 6 months (age=>1) (permitting one month lapse in enrollment within the 6 months period).

TEXAS STAR CDPS Health Plan/SDA Risk
Reporting Period: September 1, 2005 to August 30, 2006

STAR MCO					
SDA/Health Plan	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS					
TEXAS STAR MCO--Pregnant Women	100.00	645.78	645.78	1.000	1.000
LUBBOCK	2.84	694.94	658.98	1.000	1.055
First Care	100.00	694.94	658.98	1.000	1.055
EL PASO	10.66	660.70	652.13	1.000	1.013
Superior	47.23	599.12	646.01	0.991	0.927
El Paso First	52.77	716.30	657.67	1.008	1.089
TRAVIS	9.83	533.20	596.83	1.000	0.893
Amerigroup	27.30	521.86	561.82	0.941	0.000
Superior	72.70	537.42	609.86	1.022	0.881
BEXAR	16.42	662.05	635.57	1.000	1.042
Superior	47.06	623.85	641.67	1.010	0.972
Community First	52.94	696.08	630.14	0.991	1.105
HARRIS	26.94	649.42	664.16	1.000	0.978
Amerigroup	46.16	615.68	661.69	0.996	0.930
Texas Children's	13.75	681.46	617.41	0.930	1.104
Community Health	40.09	677.69	683.09	1.029	0.992
DALLAS	16.13	634.83	638.37	1.000	0.994
Amerigroup	32.40	575.51	601.35	0.942	0.957
Parkland	67.60	663.28	656.12	1.028	1.011
TARRANT	17.19	684.01	657.01	1.000	1.041
Amerigroup	100.00	684.01	657.01	1.000	1.041

Note: CDPS results are based on information in enrollment and encounter datasets from September 1, 2005 to August 30, 2006. CDPS results were obtained for those enrollees who had been in the program for at least 3 months (age<1) and for those who had been in the program for at least 6 months (age=>1) (permitting one month lapse in enrollment within the 6 months period).

TEXAS STAR CDPS Health Plan/SDA Risk
Reporting Period: September 1, 2005 to August 30, 2006

STAR MCO					
SDA/Health Plan	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS					
TEXAS STAR MCO--STAR Newborns	100.00	402.04	402.04	1.000	1.000
LUBBOCK	2.52	350.77	454.34	1.000	0.772
First Care	100.00	350.77	454.34	1.000	0.772
EL PASO	8.98	317.74	372.70	1.000	0.853
Superior	52.94	289.20	376.52	1.010	0.768
El Paso First	47.06	349.82	368.40	0.988	0.950
TRAVIS	9.00	450.40	392.81	1.000	1.147
Amerigroup	22.70	465.83	426.80	1.087	1.091
Superior	77.30	446.07	383.28	0.976	1.164
BEXAR	14.43	479.60	411.42	1.000	1.166
Superior	45.02	409.39	410.68	0.998	0.997
Community First	54.98	535.79	412.00	1.001	1.300
HARRIS	28.17	414.75	383.22	1.000	1.082
Amerigroup	47.14	381.64	383.63	1.001	0.995
Texas Children's	18.96	420.78	383.84	1.002	1.096
Community Health	33.91	459.73	382.29	0.998	1.203
DALLAS	18.52	428.42	437.42	1.000	0.979
Amerigroup	42.77	377.93	395.77	0.905	0.955
Parkland	57.23	468.88	470.80	1.076	0.996
TARRANT	18.39	322.34	399.86	1.000	0.806
Amerigroup	100.00	322.34	399.86	1.000	0.806

Note: CDPS results are based on information in enrollment and encounter datasets from September 1, 2004 to August 30, 2005. CDPS results were obtained for those enrollees who had been in the program for at least 3 months (age<1) and for those who had been in the program for at least 6 months (age=>1) (permitting one month lapse in enrollment within the 6 months period).

TEXAS STAR CDPS Health Plan/SDA Risk
Reporting Period: September 1, 2005 to August 30, 2006

STAR MCO					
SDA/Health Plan	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS					
TEXAS STAR MCO--Expansion Children	100.00	61.10	61.10	1.000	1.000
LUBBOCK	1.96	62.36	61.85	1.000	1.008
First Care	100.00	62.36	61.85	1.000	1.008
EL PASO	8.99	61.07	62.64	1.000	0.975
Superior	58.03	53.58	62.89	1.004	0.852
El Paso First	41.97	71.44	62.31	0.995	1.147
TRAVIS	7.03	48.47	58.95	1.000	0.822
Amerigroup	14.56	52.35	56.33	0.956	0.929
Superior	85.44	47.84	59.38	1.007	0.806
BEXAR	11.00	66.02	63.46	1.000	1.040
Superior	41.45	58.10	63.92	1.007	0.909
Community First	58.55	71.56	63.14	0.995	1.133
HARRIS	32.99	53.45	60.24	1.000	0.887
Amerigroup	43.96	40.45	57.76	0.959	0.700
Texas Children's	35.04	72.04	62.73	1.041	1.148
Community Health	21.00	49.88	61.32	1.018	0.813
DALLAS	22.64	76.21	61.99	1.000	1.229
Amerigroup	44.42	61.61	60.71	0.979	1.015
Parkland	55.58	87.74	63.01	1.016	1.392
TARRANT	15.38	57.26	59.85	1.000	0.957
Amerigroup	100.00	57.26	59.85	1.000	0.957

Note: CDPS results are based on information in enrollment and encounter datasets from September 1, 2005 to August 30, 2006. CDPS results were obtained for those enrollees who had been in the program for at least 3 months (age<1) and for those who had been in the program for at least 6 months (age=>1) (permitting one month lapse in enrollment within the 6 months period).

TEXAS STAR CDPS Health Plan/SDA Risk
Reporting Period: September 1, 2005 to August 30, 2006

STAR MCO					
SDA/Health Plan	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS					
TEXAS STAR MCO--Expansion Newborns	100.00	130.74	130.74	1.000	1.000
LUBBOCK	0.54	184.75	198.85	1.000	0.929
First Care	100.00	184.75	198.85	1.000	0.929
EL PASO	6.00	133.73	140.60	1.000	0.951
Superior	45.92	116.74	129.53	0.921	0.901
El Paso First	54.08	148.05	149.93	1.066	0.987
TRAVIS	7.29	158.94	142.57	1.000	1.115
Amerigroup	34.32	177.06	131.45	0.922	1.347
Superior	65.68	149.41	148.42	1.041	1.007
BEXAR	6.12	127.92	142.14	1.000	0.900
Superior	45.30	124.46	147.03	1.034	0.846
Community First	54.70	130.77	138.11	0.972	0.947
HARRIS	37.81	112.92	126.84	1.000	0.890
Amerigroup	37.52	83.88	123.06	0.970	0.682
Texas Children's	39.11	143.21	127.28	1.003	1.125
Community Health	23.37	110.16	132.65	1.046	0.830
DALLAS	29.01	153.15	129.57	1.000	1.182
Amerigroup	39.89	132.11	125.37	0.968	1.054
Parkland	60.11	167.05	132.35	1.021	1.262
TARRANT	13.23	116.67	125.84	1.000	0.927
Amerigroup	100.00	116.67	125.84	1.000	0.927

Note: CDPS results are based on information in enrollment and encounter datasets from September 1, 2005 to August 30, 2006. CDPS results were obtained for those enrollees who had been in the program for at least 3 months (age<1) and for those who had been in the program for at least 6 months (age=>1) (permitting one month lapse in enrollment within the 6 months period).

TEXAS STAR CDPS Health Plan/SDA Risk
Reporting Period: September 1, 2005 to August 30, 2006

STAR MCO					
SDA/Health Plan	Percent Affected	Actual PMPM Expenditures Based on Paid Amounts	Predicted PMPM Payment	Case Mix	Spend Ratio
CDPS					
TEXAS STAR MCO--Federal Mandate Ch	100.00	46.76	46.76	1.000	1.000
LUBBOCK	2.46	51.02	50.34	1.000	1.014
First Care	100.00	51.02	50.34	1.000	1.014
EL PASO	12.04	46.24	48.29	1.000	0.958
Superior	56.15	29.67	48.03	0.995	0.618
El Paso First	43.85	67.74	48.63	1.007	1.393
TRAVIS	6.24	37.36	46.15	1.000	0.810
Amerigroup	15.75	39.07	42.59	0.923	0.000
Superior	84.25	37.05	46.79	1.014	0.792
BEXAR	12.30	44.30	47.96	1.000	0.924
Superior	41.69	33.59	46.73	0.974	0.719
Community First	58.31	51.92	48.83	1.018	1.063
HARRIS	32.97	44.45	46.08	1.000	0.965
Amerigroup	46.56	33.45	44.42	0.964	0.753
Texas Children's	34.76	56.86	46.94	1.019	1.211
Community Health	18.68	49.07	48.67	1.056	1.008
DALLAS	19.88	51.34	45.38	1.000	1.131
Amerigroup	50.15	46.96	45.04	0.993	1.043
Parkland	49.85	55.71	45.71	1.007	1.219
TARRANT	14.11	51.62	47.53	1.000	1.086
Amerigroup	100.00	51.62	47.53	1.000	1.086

Note: CDPS results are based on information in enrollment and encounter datasets from September 1, 2005 to August 30, 2006. CDPS results were obtained for those enrollees who had been in the program for at least 3 months (age<1) and for those who had been in the program for at least 6 months (age=>1) (permitting one month lapse in enrollment within the 6 months period).

Attachment 11

Managed Care Efficiency Factor

Effective December 1, 2006, the PCCM was eliminated as a plan option in STAR service areas and PCCM clients were moved to HMOs. In developing the FY2008 premium rates we have included the actual claims experience from current PCCM clients. We have made the assumption that the FY2008 gross cost of current PCCM clients under the HMO model will be the same as that under the PCCM model. Since administrative expenses and risk margin are significantly higher under the HMO model, in order for the gross cost to be the same as the PCCM it is necessary for the claims cost to be lower than that under the PCCM.

The analysis summarized below presents the calculation of our assumed managed care efficiency factor for PCCM claims.

The projected average incurred claims for PCCM clients is \$161.23 pmpm. In addition, the PCCM has a \$2.92 pmpm case management fee and a TMHP administrative cost of \$5.47 pmpm. So the total average cost for current PCCM clients is \$169.62 pmpm. The TMHP administrative cost for HMO clients is \$1.75 pmpm. To determine the managed care efficiency factor necessary in order to satisfy our equal gross cost requirement, we must solve the following equation for X.

$$\begin{aligned} \$169.62 \text{ pmpm} &= \frac{\$161.23 \text{ pmpm} (1-X) + \$10 \text{ pmpm}}{(1 - 5.75\% - 2.0\%)} + \$1.75 \text{ pmpm} \end{aligned}$$

Therefore, in order for the gross cost under the HMO model to be the same as the projected gross cost under the PCCM model, the PCCM claims cost will need to be discounted by 10.2%.

Attachment 12

Nueces Service Area Rating

The STAR program expanded into the nine-county Nueces service area effective September 1, 2006. Since this region was not a STAR service area during the FY2006 base period used in our general rating analysis, we used different rating methodology to develop FY2008 rates.

Last year, in deriving the current FY2007 premium rates, HHSC used a rating methodology based on historical Medicaid fee-for-service (FFS) experience in the Nueces area. As a result of the participating health plan's very poor financial experience during the first six months of FY2007, HHSC decided to abandon the FFS methodology in favor of an experience-based methodology for determining FY2008 premium rates. We estimated that during the first half of FY2007 the average claims cost in the Nueces service area was 20% higher than the average cost for all other service areas combined. Therefore, the FY2008 premium rates for the Nueces service area were set at 120% of the average premium rates for all other areas combined.

The attached exhibit presents the derivation of the FY2008 Nueces area premium rates.

HHSC is also offering an optional rate enhancement to health plans participating in the Nueces service area. The rate enhancement is available to any plan that will agree to reimburse (through the experience rebate provision of the contract) 100% of any FY2008 profits. The optional rate enhancement is approximately 10.5%.

FY2008 STAR Rating
Nueces Premium Rate Development

	TANF Children (age 1+)	TANF Children (< 1)	TANF Adults	Pregnant Women	Newborns	Expansion Children (age 1+)	Expansion Children (< 1)	Federal Mandate Children	subtotal	DSP	Total
FY2008 Projected Nueces Enrollment	58,572	3,671	17,285	48,774	76,560	201,908	1,831	289,246	697,847	4,998	697,847
FY2007 Nueces Adjusted Premium Rates	88.46	322.76	230.50	292.08	670.99	92.31	322.76	67.25	164.29	3,103.82	
FY2008 Premium Based on FY2007 Rates (in \$1,000s)	5,181	1,185	3,984	14,246	51,371	18,638	591	19,452	114,648	15,513	130,161
FY2008 STAR Statewide Avg Adjusted Premium Rates	91.42	249.98	284.71	439.05	678.21	111.60	237.19	89.16	191.00		
FY2008 Nueces Adjusted Premium Rates	123.41	450.28	321.57	407.48	936.09	128.78	450.28	93.82	229.20	3,203.82	
FY2008 Premium Based on FY2008 Rates (in \$1,000s)	7,228	1,653	5,558	19,874	71,667	26,002	824	27,137	159,944	16,013	175,957
Premium Rate Change	39.5 %	39.5 %	39.5 %	39.5 %	39.5 %	39.5 %	39.5 %	39.5 %	39.5 %	3.2 %	35.2 %