

Rudd and Wisdom, Inc.

CONSULTING ACTUARIES

Mitchell L. Bilbe, F.S.A.
Evan L. Dial, F.S.A.
Philip S. Dial, F.S.A.
Philip J. Ellis, A.S.A.
Charles V. Faerber, F.S.A., A.C.A.S.
Mark R. Fenlaw, F.S.A.
Carl L. Frammolino, F.S.A.

Christopher S. Johnson, F.S.A.
Oliver B. Kiel, A.S.A.
Robert M. May, F.S.A.
J. Christopher McCaul, F.S.A.
Edward A. Mire, F.S.A.

Rebecca B. Morris, A.S.A.
Michael J. Muth, F.S.A.
Khiem Ngo, F.S.A.
Coralie A. Taylor, F.S.A.
Ronald W. Tobleman, F.S.A.
Kenneth Torng, A.S.A.
David G. Wilkes, F.S.A.

January 13, 2015

Ms. Rachel Butler
Chief Actuary
Health and Human Services Commission
1100 W. 49th Street
Austin, Texas 78756

Re: STAR Rate Amendment UMCC 529-12-0002 V2.13

Dear Ms. Butler:

This letter amends the report titled State of Texas Medicaid Managed Care STAR Program Rate Setting State Fiscal Year 2015 and dated June 9, 2014. The amended FY2015 capitation rates were developed using identical methods and assumptions as the rates described in that report. The amended rates are assumed to be payable for the period March 1, 2015 through August 31, 2015. The reasons for these revisions are included below:

1. El Paso Children's Hospital Reimbursement Adjustment

The El Paso Children's Hospital opened in March, 2012. Utilization and reimbursement to this facility has been steadily increasing since this time as the demand for its services has ramped up and managed care reimbursement has been established. Further complicating the evolution of facility reimbursement was HHSC's transition to APR DRG reimbursement for all children's hospitals effective September 1, 2013. Effective March 1, 2015 it is expected that all managed care plans in the El Paso service delivery area will reimburse this hospital at the Medicaid fee-for-service reimbursement level. Attachment 5 Exhibit I (revised) presents the revised cost impact associated with this new assumption.

2. Network Access Improvement Program (NAIP)

Effective March 1, 2015 several managed care organizations will be implementing programs aimed at improving network access for Medicaid members. The NAIP is designed to further the state's goal of increasing the availability and effectiveness of primary care for Medicaid beneficiaries by incentivizing various institutions to provide quality, well-coordinated, and continuous care. The NAIP is intended to achieve the following objectives regarding health-related institutions (HRI):

- Improve the availability of and Medicaid access to primary care physicians. This program may also target specialist physicians willing to provide a medical home to managed care members with special needs and conditions, and advanced practice registered nurses (APRNs) and physician assistants (PAs) practicing under the supervision of an HRI staff provider.
- Enhance the coordination and continuity of services and quality of care of Medicaid managed care members who receive primary care services through those physician practices.
- Increase access to primary care in these settings, underscoring the importance of primary care residency programs and influencing future physician participation.
- Promote provider education on Medicaid program requirements and the specialized needs of Medicaid recipients.
- Measure progress through increased primary care access and physician compliance with selected quality objectives, to be determined later.

Similarly, the NAIP is intended to achieve the following objectives relating to public hospitals:

- Improve the availability, quality and coordination of primary and specialty care services provided by public hospitals;
- Promote provider education on Medicaid program requirements and the specialized needs of Medicaid recipients;
- Measure progress through increased care access and physician compliance with quality objectives.

The above-stated objectives will lead to better health outcomes for Medicaid beneficiaries and decreased overall healthcare costs for the Medicaid program.

The NAIPs were developed independently by various managed care organizations and providers. The NAIPs outline the services to be provided by the providers, measurements to evaluate their effectiveness and the cost to be paid by the managed care organizations. The NAIP amounts impact all STAR risk groups.

Exhibit B presents the development of the NAIP add on amounts to be included in the capitation rates effective March 1, 2015.

The capitation rates included in this document do not include provision for the Affordable Care Act (ACA) Health Insurance Providers Fee. HHSC will develop and implement a procedure for reimbursing the MCOs for (i) the ACA Health Insurance Providers Fee, (ii) any applicable federal income tax impact resulting from payment of the ACA Health Insurance Providers Fee and (iii) any applicable state premium tax impact resulting from payment of the ACA Health Insurance Providers Fee. Such reimbursement will be provided based on a CMS-approved methodology.

The attached Exhibit A presents the amended FY2015 capitation rates payable for the period March 1, 2015 through August 31, 2015. The exhibit presents the total capitation rate along with the three components of the rate – medical, prescription drug and NAIP add on.

Sincerely,

A handwritten signature in black ink that reads "Evan Dial". The signature is written in a cursive, flowing style.

Evan Dial

Enclosure

Actuarial Certification of Amended FY2015 STAR HMO Capitation Rates

I, Evan L. Dial, 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 2015 (FY2015) managed care rate-setting methodology, assumptions and resulting capitation 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 amended FY2015 STAR 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.



Evan L. Dial, F.S.A., M.A.A.A.

FY2015 STAR Rating Summary
 March 1, 2015 through August 31, 2015

<u>Health Plan</u>	<u>Under Age 1</u>	<u>Ages 1-5</u>	<u>Ages 6-14</u>	<u>Ages 15-18</u>	<u>Ages 19-20</u>	<u>TANF Adults</u>	<u>Pregnant Women</u>	<u>DSP</u>
3/1/2015-8/31/2015 Medical Premium Rates pmpm								
Aetna - Bexar	605.40	126.66	82.67	110.85	362.25	294.63	404.62	3,266.59
Amerigroup - Bexar	468.42	155.38	56.39	79.78	268.45	217.96	334.56	3,266.59
CFHP - Bexar	529.42	135.65	88.63	116.39	298.46	334.26	383.34	3,266.59
Superior - Bexar	619.17	149.49	95.09	122.30	391.73	346.97	403.38	3,266.59
Amerigroup - Dallas	495.19	143.46	92.54	114.66	303.35	258.95	378.65	3,537.13
Molina - Dallas	524.74	168.73	74.74	87.59	253.18	252.29	363.39	3,537.13
Parkland - Dallas	521.56	155.98	95.49	117.42	304.90	243.84	383.97	3,537.13
El Paso First - El Paso	501.22	119.21	88.33	100.96	243.12	249.90	328.54	3,443.04
Molina - El Paso	506.69	145.75	53.93	67.21	161.33	186.86	295.09	3,443.04
Superior - El Paso	623.33	129.72	91.08	106.11	271.16	252.00	327.71	3,443.04
Amerigroup - Harris	577.31	114.19	70.49	96.03	337.98	335.69	381.82	3,519.20
CHC - Harris	597.87	135.67	84.46	111.20	380.77	331.32	430.83	3,519.20
Molina - Harris	585.65	153.87	88.30	114.82	297.01	309.15	388.13	3,519.20
TCHP - Harris	521.08	143.84	102.36	135.98	377.97	299.83	418.15	3,519.20
United - Harris	587.76	172.27	94.05	129.95	432.02	396.76	410.52	3,519.20
Driscoll - Hidalgo	436.31	152.77	87.90	103.11	240.41	191.05	314.74	3,409.95
Molina - Hidalgo	428.58	165.38	105.34	100.66	285.12	273.07	317.02	3,409.95
Superior - Hidalgo	487.05	185.67	110.27	113.23	278.17	293.09	323.24	3,409.95
United - Hidalgo	458.46	190.85	103.15	112.47	307.94	271.03	321.79	3,409.95
Amerigroup - Jefferson	623.70	123.63	71.10	87.48	378.57	349.01	371.91	3,394.58
CHC - Jefferson	648.06	109.08	81.86	100.66	301.24	293.34	407.22	3,394.58
Molina - Jefferson	552.80	132.47	96.06	93.87	325.75	336.63	399.85	3,394.58
TCHP - Jefferson	671.26	112.26	87.07	116.60	340.46	309.23	423.25	3,394.58
United - Jefferson	617.53	107.53	78.31	91.21	274.94	351.23	394.14	3,394.58
Amerigroup - Lubbock	558.43	115.68	68.84	99.75	355.97	202.08	375.03	3,230.39
Firstcare - Lubbock	590.35	120.82	78.91	116.74	293.52	312.58	381.29	3,230.39
Superior - Lubbock	670.75	110.37	78.01	122.64	242.11	287.41	385.39	3,230.39
Christus - Nueces	596.14	156.18	104.38	129.43	207.65	212.50	418.60	3,203.82
Driscoll - Nueces	696.50	179.33	125.71	181.49	327.34	278.45	417.95	3,203.82
Superior - Nueces	803.68	186.36	124.69	159.07	333.36	345.33	433.83	3,203.82
Aetna - Tarrant	500.59	104.57	70.56	92.49	276.12	296.81	311.61	3,635.64
Amerigroup - Tarrant	529.48	139.81	85.91	115.05	268.12	320.99	310.47	3,635.64
Cook - Tarrant	584.42	163.95	120.81	160.25	288.30	255.60	306.46	3,635.64
Blue Cross - Travis	571.72	122.59	76.80	84.71	242.83	277.09	515.23	3,247.49
Sendero - Travis	491.47	186.07	76.75	108.67	147.48	201.30	476.30	3,247.49
Seton - Travis	465.51	124.34	78.95	101.22	226.65	233.14	458.11	3,247.49
Superior - Travis	602.93	141.94	91.09	114.80	266.34	327.74	523.55	3,247.49
Amerigroup - MRSA Central	494.98	102.61	75.63	85.35	258.66	247.14	379.70	3,035.27
Scott & White - MRSA Central	561.54	141.21	89.57	125.23	284.03	267.36	380.19	3,035.27
Superior - MRSA Central	515.16	120.00	82.50	99.77	288.92	282.62	395.83	3,035.27
Amerigroup - MRSA Northeast	493.35	116.28	79.09	101.91	260.20	274.93	400.24	3,160.40
Superior - MRSA Northeast	506.83	115.64	79.46	99.59	302.88	283.71	392.48	3,160.40
Amerigroup - MRSA West	591.64	115.13	76.60	99.56	266.87	235.19	393.30	3,204.07
Firstcare - MRSA West	564.90	115.69	80.99	105.22	305.82	309.63	392.42	3,204.07
Superior - MRSA West	521.71	103.89	82.87	108.07	320.78	286.58	396.31	3,204.07

FY2015 STAR Rating Summary
 March 1, 2015 through August 31, 2015

<u>Health Plan</u>	<u>Under Age 1</u>	<u>Ages 1-5</u>	<u>Ages 6-14</u>	<u>Ages 15-18</u>	<u>Ages 19-20</u>	<u>TANF Adults</u>	<u>Pregnant Women</u>	<u>DSP</u>
3/1/2015-8/31/2015 Prescription Drug Premium Rates pmpm								
Aetna - Bexar	22.03	19.61	38.28	33.67	31.44	103.75	48.20	
Amerigroup - Bexar	19.16	27.04	29.34	27.23	26.19	86.25	44.79	
CFHP - Bexar	19.26	21.00	41.03	35.35	25.91	117.70	45.66	
Superior - Bexar	22.53	23.15	44.02	37.15	34.00	122.18	48.05	
Amerigroup - Dallas	26.79	25.10	35.30	37.96	39.41	88.62	47.05	
Molina - Dallas	28.39	29.52	28.51	29.00	32.89	86.34	45.16	
Parkland - Dallas	28.22	27.29	36.42	38.87	39.61	83.45	47.71	
El Paso First - El Paso	29.36	23.69	34.11	36.47	55.01	93.48	35.67	
Molina - El Paso	29.68	28.97	20.83	24.28	36.50	69.90	32.04	
Superior - El Paso	36.51	25.78	35.17	38.34	61.36	94.27	35.58	
Amerigroup - Harris	32.34	22.96	28.21	28.75	34.28	124.31	52.82	
CHC - Harris	29.98	24.43	30.26	29.81	34.58	109.86	53.37	
Molina - Harris	29.37	27.70	31.64	30.78	26.97	102.50	48.08	
TCHP - Harris	26.13	25.90	36.68	36.45	34.32	99.41	51.80	
United - Harris	31.54	33.19	36.06	37.27	41.97	140.76	54.41	
Driscoll - Hidalgo	49.78	40.13	37.65	41.19	33.99	90.92	47.58	
Molina - Hidalgo	48.89	43.44	45.12	40.21	40.31	129.95	47.92	
Superior - Hidalgo	55.56	48.77	47.23	45.23	39.32	139.48	48.86	
United - Hidalgo	52.37	50.19	44.24	44.99	43.59	129.16	48.71	
Amerigroup - Jefferson	37.66	35.89	45.04	39.93	59.88	140.51	43.40	
CHC - Jefferson	37.18	30.09	49.26	43.66	45.27	112.21	45.15	
Molina - Jefferson	31.72	36.54	57.81	40.71	48.96	128.76	44.33	
TCHP - Jefferson	38.51	30.96	52.40	50.57	51.17	118.28	46.93	
United - Jefferson	36.29	30.37	48.26	40.51	42.31	137.58	44.75	
Amerigroup - Lubbock	24.10	23.29	30.76	28.98	85.80	83.25	37.90	
Firstcare - Lubbock	25.48	24.33	35.26	33.91	70.75	128.78	38.53	
Superior - Lubbock	29.02	22.28	34.95	35.72	58.51	118.72	39.05	
Christus - Nueces	28.24	29.10	44.36	31.43	21.09	87.30	45.28	
Driscoll - Nueces	32.99	33.41	53.45	44.61	32.71	113.45	45.08	
Superior - Nueces	39.02	35.58	54.34	40.07	34.14	144.21	47.96	
Aetna - Tarrant	21.09	15.00	25.17	27.11	56.70	110.33	51.92	
Amerigroup - Tarrant	22.31	20.06	30.64	33.72	55.05	119.32	51.73	
Cook - Tarrant	24.63	23.52	43.09	46.97	59.20	95.01	51.06	
Blue Cross - Travis	23.08	15.84	24.91	25.11	25.83	95.28	43.76	
Sendero - Travis	19.84	24.04	24.89	32.21	15.69	69.22	40.45	
Seton - Travis	18.79	16.07	25.60	29.83	23.99	80.39	39.24	
Superior - Travis	24.34	18.34	29.55	34.02	28.33	112.70	44.46	
Amerigroup - MRSA Central	20.32	15.44	32.89	29.11	25.22	93.64	37.29	
Scott & White - MRSA Central	23.39	21.55	39.51	43.32	28.09	102.75	37.87	
Superior - MRSA Central	21.15	18.05	35.87	34.03	28.17	107.08	38.87	
Amerigroup - MRSA Northeast	26.42	24.31	41.64	38.59	37.57	122.59	43.96	
Superior - MRSA Northeast	27.14	24.18	41.83	37.71	43.73	126.50	43.11	
Amerigroup - MRSA West	27.14	21.38	35.17	32.49	38.14	95.53	32.82	
Firstcare - MRSA West	25.91	21.48	37.19	34.34	43.71	125.76	32.75	
Superior - MRSA West	23.93	19.29	38.06	35.27	45.84	116.40	33.07	

FY2015 STAR Rating Summary
 March 1, 2015 through August 31, 2015

<u>Health Plan</u>	<u>Under Age 1</u>	<u>Ages 1-5</u>	<u>Ages 6-14</u>	<u>Ages 15-18</u>	<u>Ages 19-20</u>	<u>TANF Adults</u>	<u>Pregnant Women</u>	<u>DSP</u>
3/1/2015-8/31/2015 NAIP Add On pmpm								
Aetna - Bexar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amerigroup - Bexar	1.78	1.78	1.78	1.78	1.78	1.78	1.78	
CFHP - Bexar	22.29	22.29	22.29	22.29	22.29	22.29	22.29	
Superior - Bexar	5.74	5.74	5.74	5.74	5.74	5.74	5.74	
Amerigroup - Dallas	15.88	15.88	15.88	15.88	15.88	15.88	15.88	
Molina - Dallas	16.80	16.80	16.80	16.80	16.80	16.80	16.80	
Parkland - Dallas	13.51	13.51	13.51	13.51	13.51	13.51	13.51	
El Paso First - El Paso	32.92	32.92	32.92	32.92	32.92	32.92	32.92	
Molina - El Paso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Superior - El Paso	25.42	25.42	25.42	25.42	25.42	25.42	25.42	
Amerigroup - Harris	30.56	30.56	30.56	30.56	30.56	30.56	30.56	
CHC - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Molina - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TCHP - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
United - Harris	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Driscoll - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Molina - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Superior - Hidalgo	1.59	1.59	1.59	1.59	1.59	1.59	1.59	
United - Hidalgo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amerigroup - Jefferson	1.78	1.78	1.78	1.78	1.78	1.78	1.78	
CHC - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Molina - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TCHP - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
United - Jefferson	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amerigroup - Lubbock	11.40	11.40	11.40	11.40	11.40	11.40	11.40	
Firstcare - Lubbock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Superior - Lubbock	6.21	6.21	6.21	6.21	6.21	6.21	6.21	
Christus - Nueces	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Driscoll - Nueces	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Superior - Nueces	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Aetna - Tarrant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amerigroup - Tarrant	6.62	6.62	6.62	6.62	6.62	6.62	6.62	
Cook - Tarrant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Blue Cross - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Sendero - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Seton - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Superior - Travis	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amerigroup - MRSA Central	6.62	6.62	6.62	6.62	6.62	6.62	6.62	
Scott & White - MRSA Central	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Superior - MRSA Central	2.21	2.21	2.21	2.21	2.21	2.21	2.21	
Amerigroup - MRSA Northeast	6.62	6.62	6.62	6.62	6.62	6.62	6.62	
Superior - MRSA Northeast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amerigroup - MRSA West	16.24	16.24	16.24	16.24	16.24	16.24	16.24	
Firstcare - MRSA West	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Superior - MRSA West	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

FY2015 STAR Rating Summary
 March 1, 2015 through August 31, 2015

<u>Health Plan</u>	<u>Under Age 1</u>	<u>Ages 1-5</u>	<u>Ages 6-14</u>	<u>Ages 15-18</u>	<u>Ages 19-20</u>	<u>TANF Adults</u>	<u>Pregnant Women</u>	<u>DSP</u>
3/1/2015-8/31/2015 Total Premium Rates pmpm								
Aetna - Bexar	627.43	146.27	120.95	144.52	393.69	398.38	452.82	3,266.59
Amerigroup - Bexar	489.36	184.20	87.51	108.79	296.42	305.99	381.13	3,266.59
CFHP - Bexar	570.97	178.94	151.95	174.03	346.66	474.25	451.29	3,266.59
Superior - Bexar	647.44	178.38	144.85	165.19	431.47	474.89	457.17	3,266.59
Amerigroup - Dallas	537.86	184.44	143.72	168.50	358.64	363.45	441.58	3,537.13
Molina - Dallas	569.93	215.05	120.05	133.39	302.87	355.43	425.35	3,537.13
Parkland - Dallas	563.29	196.78	145.42	169.80	358.02	340.80	445.19	3,537.13
El Paso First - El Paso	563.50	175.82	155.36	170.35	331.05	376.30	397.13	3,443.04
Molina - El Paso	536.37	174.72	74.76	91.49	197.83	256.76	327.13	3,443.04
Superior - El Paso	685.26	180.92	151.67	169.87	357.94	371.69	388.71	3,443.04
Amerigroup - Harris	640.21	167.71	129.26	155.34	402.82	490.56	465.20	3,519.20
CHC - Harris	627.85	160.10	114.72	141.01	415.35	441.18	484.20	3,519.20
Molina - Harris	615.02	181.57	119.94	145.60	323.98	411.65	436.21	3,519.20
TCHP - Harris	547.21	169.74	139.04	172.43	412.29	399.24	469.95	3,519.20
United - Harris	619.30	205.46	130.11	167.22	473.99	537.52	464.93	3,519.20
Driscoll - Hidalgo	486.09	192.90	125.55	144.30	274.40	281.97	362.32	3,409.95
Molina - Hidalgo	477.47	208.82	150.46	140.87	325.43	403.02	364.94	3,409.95
Superior - Hidalgo	544.20	236.03	159.09	160.05	319.08	434.16	373.69	3,409.95
United - Hidalgo	510.83	241.04	147.39	157.46	351.53	400.19	370.50	3,409.95
Amerigroup - Jefferson	663.14	161.30	117.92	129.19	440.23	491.30	417.09	3,394.58
CHC - Jefferson	685.24	139.17	131.12	144.32	346.51	405.55	452.37	3,394.58
Molina - Jefferson	584.52	169.01	153.87	134.58	374.71	465.39	444.18	3,394.58
TCHP - Jefferson	709.77	143.22	139.47	167.17	391.63	427.51	470.18	3,394.58
United - Jefferson	653.82	137.90	126.57	131.72	317.25	488.81	438.89	3,394.58
Amerigroup - Lubbock	593.93	150.37	111.00	140.13	453.17	296.73	424.33	3,230.39
Firstcare - Lubbock	615.83	145.15	114.17	150.65	364.27	441.36	419.82	3,230.39
Superior - Lubbock	705.98	138.86	119.17	164.57	306.83	412.34	430.65	3,230.39
Christus - Nueces	624.38	185.28	148.74	160.86	228.74	299.80	463.88	3,203.82
Driscoll - Nueces	729.49	212.74	179.16	226.10	360.05	391.90	463.03	3,203.82
Superior - Nueces	842.70	221.94	179.03	199.14	367.50	489.54	481.79	3,203.82
Aetna - Tarrant	521.68	119.57	95.73	119.60	332.82	407.14	363.53	3,635.64
Amerigroup - Tarrant	558.41	166.49	123.17	155.39	329.79	446.93	368.82	3,635.64
Cook - Tarrant	609.05	187.47	163.90	207.22	347.50	350.61	357.52	3,635.64
Blue Cross - Travis	594.80	138.43	101.71	109.82	268.66	372.37	558.99	3,247.49
Sendero - Travis	511.31	210.11	101.64	140.88	163.17	270.52	516.75	3,247.49
Seton - Travis	484.30	140.41	104.55	131.05	250.64	313.53	497.35	3,247.49
Superior - Travis	627.27	160.28	120.64	148.82	294.67	440.44	568.01	3,247.49
Amerigroup - MRSA Central	521.92	124.67	115.14	121.08	290.50	347.40	423.61	3,035.27
Scott & White - MRSA Central	584.93	162.76	129.08	168.55	312.12	370.11	418.06	3,035.27
Superior - MRSA Central	538.52	140.26	120.58	136.01	319.30	391.91	436.91	3,035.27
Amerigroup - MRSA Northeast	526.39	147.21	127.35	147.12	304.39	404.14	450.82	3,160.40
Superior - MRSA Northeast	533.97	139.82	121.29	137.30	346.61	410.21	435.59	3,160.40
Amerigroup - MRSA West	635.02	152.75	128.01	148.29	321.25	346.96	442.36	3,204.07
Firstcare - MRSA West	590.81	137.17	118.18	139.56	349.53	435.39	425.17	3,204.07
Superior - MRSA West	545.64	123.18	120.93	143.34	366.62	402.98	429.38	3,204.07

FY2015 STAR Rating
 Provider Reimbursement Adjustments
 APR DRG Rebasing

	Age <1	Age 1-5	Age 6-14	Age 15-18	Age 19-20	TANF Adult	Pregnant Women	Other	Total
Estimated Cost Impact of APR DRG Implementation (1)									
Bexar	-1,537,199	-372,311	-470,050	-338,785	22,979	-11,449	-469,441	-314,361	-3,490,618
Dallas	-1,203,624	1,888,928	105,223	-56,088	-3,665	-41,778	-282,345	-887,594	-480,942
El Paso	2,892,583	1,951,056	1,916,067	865,199	0	0	-3,152	-1,052	7,620,701
Harris	1,137,760	4,519,161	3,152,152	1,334,300	43,986	-367,958	-2,244,153	-4,142,126	3,433,121
Hidalgo	-415,473	294,892	291,227	-477,716	-13,451	21,201	108,172	-550,573	-741,721
Jefferson	1,478,413	516,556	387,877	111,373	10,618	78,746	188,482	83,142	2,855,206
Lubbock	3,090,565	602,466	135,107	177,608	2,179	16,827	102,460	1,734	4,128,946
Nueces	1,277,647	631,759	394,300	98,547	4,598	40,189	137,251	-978,423	1,605,869
Tarrant	-1,724,643	926,001	-84,268	-1,315,330	1,679	69,204	284,590	-1,032,674	-2,875,440
Travis	-1,434,264	-124,483	-496,192	7,569	520	4,627	67,950	-2,606	-1,976,878
MRSA Cent	775,824	278,228	208,424	74,193	4,601	62,222	292,585	-6,109	1,689,969
MRSA NE	-880,490	1,089,194	124,423	170,958	8,681	187,606	602,077	-796,637	505,812
MRSA West	2,000,154	482,790	-203,942	42,355	12,526	251,225	1,279,901	-186,090	3,678,918
Total	5,457,253	12,684,236	5,460,348	694,183	95,252	310,663	64,377	-8,813,369	15,952,943
FY2013 Total Incurred Claims (2)									
Bexar	121,999,919	84,616,163	61,045,497	23,364,506	1,998,161	38,164,123	72,221,706	3,207,765	406,617,840
Dallas	182,367,269	160,078,633	116,914,789	35,054,779	2,035,876	34,814,866	97,360,263	4,387,513	633,013,989
El Paso	52,496,971	33,068,753	29,845,282	12,557,308	633,532	11,907,878	31,517,155	1,315,375	173,342,254
Harris	334,635,265	225,958,058	168,564,263	59,834,088	3,234,279	69,426,093	183,946,988	20,274,726	1,065,873,760
Hidalgo	134,023,590	163,829,164	116,490,869	37,913,941	1,746,931	35,335,209	72,114,553	2,094,230	563,548,486
Jefferson	41,412,121	19,419,392	16,161,535	6,221,938	659,499	13,576,976	25,130,909	985,097	123,567,467
Lubbock	38,875,026	19,186,823	15,529,500	6,082,478	518,700	9,898,396	25,615,105	597,951	116,303,978
Nueces	48,952,011	31,275,192	24,798,732	10,055,820	621,407	11,482,560	28,010,344	2,820,475	158,016,542
Tarrant	127,751,305	89,903,003	70,223,199	24,268,081	1,119,521	28,834,999	67,759,521	4,445,432	414,305,061
Travis	76,290,647	54,123,176	33,985,766	10,812,974	1,040,629	23,137,126	42,469,060	1,002,172	242,861,549
MRSA Cent	51,379,059	33,930,232	23,158,212	8,336,317	730,383	15,555,545	30,798,451	1,328,035	165,216,233
MRSA NE	75,255,531	45,007,996	34,561,954	12,570,421	1,098,888	22,878,782	50,594,688	3,168,801	245,137,061
MRSA West	78,437,424	36,029,073	30,439,046	11,145,998	948,904	17,944,626	52,888,459	2,067,668	229,901,199
Total	1,363,876,138	996,425,657	741,718,644	258,218,649	16,386,710	332,957,178	780,427,201	47,695,241	4,537,705,418

FY2015 STAR Rating
 Provider Reimbursement Adjustments
 APR DRG Rebasing

	Age <1	Age 1-5	Age 6-14	Age 15-18	Age 19-20	TANF Adult	Pregnant Women	Other	Total
Rate Adjustment (3)									
Bexar	-1.26 %	-0.44 %	-0.77 %	-1.45 %	1.15 %	-0.03 %	-0.65 %	-9.80 %	-0.86 %
Dallas	-0.66 %	1.18 %	0.09 %	-0.16 %	-0.18 %	-0.12 %	-0.29 %	-20.23 %	-0.08 %
El Paso	5.51 %	5.90 %	6.42 %	6.89 %	0.00 %	0.00 %	-0.01 %	-0.08 %	4.40 %
Harris	0.34 %	2.00 %	1.87 %	2.23 %	1.36 %	-0.53 %	-1.22 %	-20.43 %	0.32 %
Hidalgo	-0.31 %	0.18 %	0.25 %	-1.26 %	-0.77 %	0.06 %	0.15 %	-26.29 %	-0.13 %
Jefferson	3.57 %	2.66 %	2.40 %	1.79 %	1.61 %	0.58 %	0.75 %	8.44 %	2.31 %
Lubbock	7.95 %	3.14 %	0.87 %	2.92 %	0.42 %	0.17 %	0.40 %	0.29 %	3.55 %
Nueces	2.61 %	2.02 %	1.59 %	0.98 %	0.74 %	0.35 %	0.49 %	-34.69 %	1.02 %
Tarrant	-1.35 %	1.03 %	-0.12 %	-5.42 %	0.15 %	0.24 %	0.42 %	-23.23 %	-0.69 %
Travis	-1.88 %	-0.23 %	-1.46 %	0.07 %	0.05 %	0.02 %	0.16 %	-0.26 %	-0.81 %
MRSA Cent	1.51 %	0.82 %	0.90 %	0.89 %	0.63 %	0.40 %	0.95 %	-0.46 %	1.02 %
MRSA NE	-1.17 %	2.42 %	0.36 %	1.36 %	0.79 %	0.82 %	1.19 %	-25.14 %	0.21 %
MRSA West	2.55 %	1.34 %	-0.67 %	0.38 %	1.32 %	1.40 %	2.42 %	-9.00 %	1.60 %
Total	0.40 %	1.27 %	0.74 %	0.27 %	0.58 %	0.09 %	0.01 %	-18.48 %	0.35 %

Footnotes:

- (1) Equals the cost impact from implementation of the APR DRG system to rural and children's hospitals.
 (2) Equals FY2013 health plan fee-for-service claims for all services (ICHP provided encounter data).
 (3) Additional cost divided by FY2013 Total Incurred Claims.

FY2015 STAR Rating
Network Access Improvement Program

MCO (1)	Impacted Programs	SDAs Impacted	Contracted Cost (2)	Projected Member Months (3)	PMPM Impact
Amerigroup	STAR	Dallas	11,090,000	1,273,566.92	8.71
Amerigroup	STAR & STAR+PLUS	Harris	25,960,362	902,137.05	28.78
Amerigroup	STAR & STAR+PLUS	Lubbock & MRSA West	2,515,500	261,450.44	9.62
Amerigroup	STAR & STAR+PLUS	All SDAs	7,200,000	4,042,953.35	1.78
Amerigroup	STAR	Dallas	700,000	1,273,566.92	0.55
Amerigroup	STAR & STAR+PLUS	Dallas, Tarrant, MRSA Central, MRSA Northeast & MRSA West	13,700,000	2,830,997.39	4.84
CFHP	STAR	Bexar	15,214,797	682,525.25	22.29
El Paso First	STAR	El Paso	13,500,000	410,032.65	32.92
Molina	STAR	Dallas	1,979,927	117,858.77	16.80
Parkland	STAR	Dallas	16,120,000	1,193,033.93	13.51
Superior	STAR	El Paso	10,125,007	398,310.39	25.42
Superior	STAR & STAR+PLUS	Bexar	3,169,747	764,292.02	4.15
Superior	STAR & STAR+PLUS	Bexar, Hidalgo & MRSA Central	3,803,699	2,388,569.83	1.59
Superior	STAR & STAR+PLUS	MRSA Central	286,396	465,655.12	0.62
Superior	STAR & STAR+PLUS	Lubbock	1,193,317	192,156.69	6.21

(1) MCOs may have NAIP arrangements with multiple providers.

(2) Based on contracted amounts between MCOs and providers.

(3) Based on HHSC most recent caseload forecast. Includes all (i) all STAR Risk Groups, (ii) STAR+PLUS Medicaid Only OCC, (iii) STAR+PLUS Medicaid Only HCBS and (iv) IDD <21 and >21.