

**STATE OF TEXAS
MEDICAL TRANSPORTATION PROGRAM
RATE SETTING
STATE FISCAL YEAR 2021**

Prepared for:
Texas Health and Human Services Commission

Contract #	Amend #	Service Area	Contractor
529-11-0004-00002	7	SDA 1	LogistiCare Solutions, LLC
529-11-0004-00001	7	SDA 2	Medical Transportation Management, Inc.
529-18-0076-00001	4	MTO Region 1	LogistiCare Solutions, LLC
529-15-0002-00002	6	MTO Region 2	Project Amistad
529-15-0002-00003	5	MTO Region 3	American Medical Response, Inc.
529-15-0002-00005	5	MTO Region 5	Medical Transportation Management, Inc.
529-15-0002-00006	5	MTO Region 6	American Medical Response, Inc.
529-15-0002-00007	5	MTO Region 7	LogistiCare Solutions, LLC
529-15-0002-00012	5	MTO Region 8	LogistiCare Solutions, LLC
529-15-0002-00009	5	MTO Region 9	Medical Transportation Management, Inc.
529-18-0077-00001	4	MTO Region 10	LogistiCare Solutions, LLC
529-15-0002-00011	5	MTO Region 11	LogistiCare Solutions, LLC

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July 8, 2020

TABLE OF CONTENTS

I.	Introduction.....	1
II.	Overview of Rate Setting Methodology	3
III.	Adjustment Factors	5
IV.	Administrative Fees, Taxes and Risk Margin.....	6
V.	Summary.....	7
VI.	Actuarial Certification	8
VII.	Attachments	9

I. Introduction

Rudd and Wisdom, Inc. has developed premium rates for the period September 1, 2020 through May 31, 2021 (FY2021) for the Medical Transportation Program (MTP). MTP provides non-emergency medical transportation to Medicaid, Children with Special Health Care Needs (CSHCN) and Transportation for Indigent Cancer Patient (TICP) members who do not have a way to get to covered health care services. Effective June 1, 2021 non-emergency medical transportation services will be provided by the Medicaid managed care organizations. This report presents the rating methodology and assumptions used in developing the September 1, 2020 through May 31, 2021 premium rates for MTP.

The Health and Human Services Commission (HHSC) currently has two managed non-emergency transportation programs: (a) full-risk broker (FRB) contracts in the Dallas/Fort Worth and Houston areas; and (b) managed transportation organization (MTO) contracts in the remainder of the state. The two FRB contracts have been in place since March 16, 2012, and April 16, 2012. The MTO contracts have been effective in the remaining Texas regions since September 1, 2014. Effective November 12, 2015, members in MTO Region 4 (North Texas) were carved out of managed care and placed back into fee-for-service. The FY2021 premium rates presented in this document include all Texas regions except MTO Region 4.

Rudd and Wisdom has relied on the following data sources as provided by HHSC, MTOs and the FRBs.

- Monthly enrollment by risk group and county. This includes historical enrollment since September 2015 and a projection of future enrollment through August 2021. These projections were prepared by HHS System Forecasting staff.
- Claim lag reports for each FRB and MTO for the period September 2016 through February 2020. These reports were provided by the FRBs and MTOs and include monthly paid claims by month of service, service category and risk group.
- Financial Statistical Reports (FSR) for the MTOs and FRBs for FY2018, FY2019 and the first six months of FY2020. The FSR contains detailed information regarding monthly enrollment, revenue, incurred claims and administrative expenses, as reported by the vendors.
- Information from the MTOs and FRBs regarding recent reimbursement changes for demand response providers.
- Information from MTP regarding recent changes to Individual Transportation Participant mileage reimbursement.
- Information from MTP staff regarding program administrative expenses.

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 MTOs and FRBs and (ii) the claim amounts reported in the FSRs. These data sources are compared to ensure consistent results such that the data are considered interchangeable in aggregate. Although interchangeable in total, each data source has a unique role in the analysis. FSR data provides high level

summary information of claims data and administrative costs. In some cases, this information is available at the risk group level while for others it is only provided at an aggregated level. MTO and FRB summary reports provide HHSC-specified data points at a more granular level such as claim lag data by type of service and month of trip. The use of these multiple data sources allows for a dynamic, flexible rating model that is not constrained to the data limitation of a single source.

All data requested by the actuary was provided by HHSC and the participating MTOs and FRBs. Although the above data was reviewed for reasonableness, Rudd and Wisdom did not audit the data.

Based on the review of the data by HHSC and the participating MTOs and FRBs, we have concluded that all data sources are consistent, complete and accurate. It is our opinion that the data collected for the rate development is high quality and we have no concerns over the availability or applicability to the FY2021 rate development. The accumulation of data sources noted above have been assigned full credibility.

Given the history of managed care data available for the MTP program, the rate development is based exclusively on managed care data.

II. Overview of the Rate Setting Methodology

The actuarial model used to derive the September 1, 2020 through May 31, 2021 (FY2021) FRB and MTO premium rates relies primarily on historical FRB and MTO financial experience. The historical claims experience data was analyzed and estimates for the base period were developed. The base period for the FRBs and MTOs relied on historical financial experience for the period January 1, 2019 through December 31, 2019 (CY2019). Estimates of the base period include an estimate of incurred but not reported (IBNR) claims based on claims paid through February 29, 2020 and represents 0.5% of total incurred claims for the base period. These incurred claims estimates were then projected forward to FY2021 using assumed trend rates and other adjustment factors. These adjustment factors are described in more detail in Section III. We added a reasonable provision for administrative expenses and risk margin in order to project the total FY2021 cost. This analysis was conducted for all Texas regions except for MTO Region 4.

Capitation rates were developed for the following Texas regions:

- MTO Region 1 – Panhandle
- MTO Region 2 – West Texas
- MTO Region 3 – Northwest Central
- MTO Region 5 – East Texas
- MTO Region 6 – Southwest Texas
- MTO Region 7 – Central Texas
- MTO Region 8 – South Central Texas
- MTO Region 9 – Southeast Texas
- MTO Region 10 – South Texas
- MTO Region 11 – Northeast Central
- FRB SDA 1 – Dallas/Fort Worth
- FRB SDA 2 – Houston

Capitation rates were determined for the following risk groups:

- Medicaid Children – Rural Counties
- Medicaid Children – Urban Counties
- Medicaid Adults – Rural Counties
- Medicaid Adults – Urban Counties
- Children with Special Health Care Needs (CSHCN)
- Transportation for Indigent Cancer Patient (TICP) – Only applies to Region 10

The non-emergency transportation services used in the analysis include the following:

- Demand Response Transportation
- Individual Transportation Participant (ITP)
- Mass Transit Ticket
- Meals and Lodging
- Advance Funds
- Out-of-State Travel

- Attendant Services
- Commercial Airline Transportation Services
- Nonemergency Ambulance Transportation

III. Adjustment Factors

This section contains a description of the adjustment factors used in the FY2021 FRB and MTO rate setting process.

Trend Factors

The rating methodology uses assumed trend factors to adjust the base period claims cost to the projection period. The trend factors used in this analysis are a combination of utilization and inflation components. The trend factors were developed using a combination of i) the actual trend experience under the program and ii) the industry trend from the Consumer Price Index published by the Bureau of Labor Statistics for transportation services. The annual trend assumption of 3.42% was used in the rating analysis to project historical experience forward to the rating period.

Attachment 2 presents a summary of the derivation of the annual trend assumption.

Individual Transportation Participant Reimbursement Change

Effective January 1, 2020, reimbursement for Individual Transportation Participant (ITP) service decreased from \$0.58 per mile to \$0.575 per mile. The base period claims cost for ITP service has been adjusted to reflect this change.

Seasonality Adjustment

The FY2021 FRB and MTO rates will be effective for the nine-month period September 1, 2020 through May 31, 2021. A seasonality adjustment was applied to reflect the cost difference between the months included in the base period and the rating period.

COVID-19

No adjustments to the rate development assumptions have been made as a result of the COVID-19 pandemic and its potential impact on utilization and cost. At the time the FY2021 rates were calculated there was no credible information on the impact to the specific Texas Medicaid programs and populations. While the preliminary insight is that utilization may be depressed for certain services and populations during parts of the remainder of FY2020, it is expected that there will be a rebound in utilization as pent up demand shifts services that were forgone during FY2020 into FY2021. At this time the impact cannot be estimated with any degree of certainty and has been excluded from these calculations.

In order to mitigate the risk to both HHSC and the MTOs resulting from COVID-19, HHSC and its actuaries will collect additional information from the participating MTOs during the summer and fall of 2020 to determine if a retroactive adjustment is necessary to properly account for COVID-19 related impacts to program expenditures.

IV. Administrative Fees, Taxes and Risk Margin

The rating methodology includes an explicit provision intended to provide for all administrative-related services performed by the vendors. The formula used for administrative expenses is \$0.175 per member per month (pmpm) plus 22.0% of gross premium. The administrative fee provision is limited to the minimum of i) the formula above or ii) 115% of the average administrative expense pmpm reported in each of the MTO and FRB's past three FSRs.

The data used in developing the administrative expense assumption are the detailed administrative costs reported by the transportation organization in their audited financial statistical reports (FSRs) for the past three fiscal years. These reports provide a detailed breakdown of monthly administrative expenses by category including salaries, technology, equipment, rent, call center and other expenses. These reports are provided quarterly and audited annually by an external auditor.

The table below summarizes the reported per capita administrative expenses for the past three fiscal years for MTP.

	Average
FY17	0.86
FY18	0.81
FY19	0.81

Based on the administrative formula included in the rate development the average administrative expense included in the capitation rates is \$0.89 pmpm which is in line with the historical averages. The fixed and variable components of the administrative cost assumption are not intended to account for different administrative cost categories. The combined administrative assumption is intended to be a reasonable amount to cover all administrative costs. This formula is reviewed annually to ensure consistency with the reported administrative costs.

No provision for premium, maintenance or Health Insurance Provider Fee taxes is included in the rate calculation as non-emergency medical transportation services are exempt from such taxes. The rates do include a risk margin equal to 1.50% of gross premiums.

V. Summary

The chart below presents the results of the September 1, 2020 Through May 31, 2021 (FY2021) FRB and MTO rate setting analysis. Attachment 1 shows the derivation of the premium rates.

Region Name	Adults		Children		CSHCN
	Urban	Rural	Urban	Rural	
MTO - Region 1	11.04	30.54	1.71	2.08	1.71
MTO - Region 2	9.92	25.81	2.09	2.79	2.09
MTO - Region 3	8.80	16.58	2.05	2.40	2.05
MTO - Region 5	14.38	20.34	1.88	2.39	1.88
MTO - Region 6	19.48	19.48	3.48	3.48	3.48
MTO - Region 7	13.07	27.50	0.87	1.62	0.87
MTO - Region 8	10.25	20.31	0.71	1.55	0.71
MTO - Region 9	22.01	22.01	2.22	2.22	2.22
MTO - Region 10	7.83	24.47	2.01	2.74	2.01
MTO - Region 11	10.06	26.34	1.13	1.90	1.13
SDA - 1	12.76	17.60	0.65	2.22	0.65
SDA - 2	9.47	23.70	0.64	1.96	0.64

Attachment 4 presents the required rating index summarizing the applicable sections from the 2020-2021 Medicaid Managed Care Rate Development Guide.

VI. Actuarial Certification of FY2021 FRB and MTO Premium Rates

I, Khiem D. Ngo, am a principal with the firm 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.

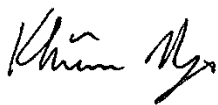
Rudd and Wisdom has been retained by the Texas Health and Human Services Commission (HHSC) to develop the capitation rates applicable to the Texas Medical Transportation Program's Full Risk Broker (FRB) and Medical Transportation Organization (MTO) contracts for the rating period September 1, 2020 through May 31, 2021 (FY2021) and to provide the actuarial certification required under Centers for Medicare and Medicaid Services (CMS) requirements 42 CFR 438.4.

I certify that the FY2021 FRB and MTO 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 principles 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 438.3(c), 438.3(e), 438.4, 438.5, 438.6 and 438.7. Any FRB or MTO contracting with the State should analyze its own projected premium needs before deciding whether to contract with the State.



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VII. Attachments

Attachment 1 – Summary of FY2021 MTP and FRB Rating Analysis

Attachment 2 – Trend Analysis

Attachment 3 – Seasonality Adjustment

Attachment 4 – Index for 2020-2021 Medicaid Managed Care Rate Development Guide

Attachment 1

Summary of FY2021 MTP and FRB Rating Analysis

The following exhibits present a summary of the experience analysis performed for each of the FRB and MTO regions.

Below is a brief description of each of the exhibits contained in the attachment. The exhibits present the derivation of the FY2021 FRB and MTO premium rates for the following regions:

- Exhibit A – MTO Region 1 – Panhandle
- Exhibit B – MTO Region 2 – West Texas
- Exhibit C – MTO Region 3 – Northwest Central
- Exhibit D – MTO Region 5 – East Texas
- Exhibit E – MTO Region 6 – Southwest Texas
- Exhibit F – MTO Region 7 – Central Texas
- Exhibit G – MTO Region 8 – South Central Texas
- Exhibit H – MTO Region 9 – Southeast Texas
- Exhibit I – MTO Region 10 – South Texas
- Exhibit J – MTO Region 11 – Northeast Central
- Exhibit K – FRB SDA 1– Dallas/Fort Worth
- Exhibit L – FRB SDA 2 – Houston

These exhibits show the calculation of the FY2021 premium rates for each region. The top portion of the exhibit shows summary base period enrollment and claims experience by service category. These estimates were then projected forward to FY2021 using assumed trend rates and other adjustment factors. These adjustment factors are described in more detail in Section III.

The formula used for administrative expenses is \$0.175 per member per month (pmpm) plus 22.0% of gross premium. The administrative fee provision is limited to the minimum of i) the formula above or ii) 115% of the average administrative expense PMPM reported in each of the MTO and FRB's FY2018, FY2019, and 2nd quarter FY2020 FSRs. We also added a risk margin equal to 1.50% of gross premiums to protect against adverse claim experience.

At the bottom of the exhibit is a summary of the projected FY2021 cost based on these assumptions.

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	202,222		111,217		684,428		415,217		1,413,084	
Estimated Incurred Claims										
Demand Response	1,641,584	8.12	2,223,321	19.99	201,675	0.29	162,504	0.39	4,229,085	2.99
Mileage Reimbursement	83,948	0.42	423,690	3.81	253,799	0.37	317,848	0.77	1,079,285	0.76
All Others Claims	28,117	0.14	22,454	0.20	431,485	0.63	173,126	0.42	655,182	0.46
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	1,753,649	8.67	2,669,465	24.00	886,959	1.30	653,479	1.57	5,963,552	4.22
Projected Member Months - Rating Period	143,698		78,649		508,757		306,217		1,037,321	
Projected FY2021 Premium @ Current Rates	1,494,462	10.40	2,073,970	26.37	844,537	1.66	722,671	2.36	5,135,641	4.95
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		0.9814		0.9905		0.9401		0.9613		
Projected Incurred Claims - Rating Period	1,287,561	8.96	1,966,603	25.00	651,217	1.28	485,878	1.59	4,391,259	4.23
Administrative Expense - Formula										
Fixed Amount PMPM	25,147	0.175	13,764	0.175	89,033	0.175	53,588	0.175	181,531	
Percent of Premium	377,511	22.0%	569,517	22.0%	212,882	22.0%	155,141	22.0%	1,315,051	
Total	402,658	2.80	583,281	7.42	301,915	0.59	208,728	0.68	1,496,582	1.44
Administrative Expense - Cap	275,507	1.92	399,093	5.07	206,577	0.41	142,817	0.47	1,023,994	0.99
Administrative Expense - Selected	275,507	1.92	399,093	5.07	206,577	0.41	142,817	0.47	1,023,994	0.99
Risk Margin	23,803	1.50%	36,026	1.50%	13,063	1.50%	9,574	1.50%	82,466	1.50%
Projected Total Cost	1,586,871	11.04	2,401,722	30.54	870,857	1.71	638,269	2.08	5,497,719	5.30
Percentage Rate Change		6.2%		15.8%		3.1%		-11.7%		7.1%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	550,342		72,614		1,771,047		212,633		2,606,636	
Estimated Incurred Claims										
Demand Response	3,526,699	6.41	1,151,213	15.85	384,341	0.22	82,652	0.39	5,144,905	1.97
Mileage Reimbursement	177,387	0.32	198,839	2.74	453,879	0.26	194,244	0.91	1,024,348	0.39
All Others Claims	174,611	0.32	17,919	0.25	1,698,354	0.96	139,797	0.66	2,030,680	0.78
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	3,878,697	7.05	1,367,970	18.84	2,536,574	1.43	416,692	1.96	8,199,934	3.15
Projected Member Months - Rating Period	385,858		51,610		1,299,928		156,146		1,893,542	
Projected FY2021 Premium @ Current Rates	3,816,137	9.89	1,320,705	25.59	2,625,854	2.02	413,786	2.65	8,176,482	4.32
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		0.9995		0.9876		0.9455		0.9534		
Projected Incurred Claims - Rating Period	2,861,469	7.42	1,010,050	19.57	1,851,162	1.42	306,012	1.96	6,028,692	3.18
Administrative Expense - Formula										
Fixed Amount PMPM	67,525	0.175	9,032	0.175	227,487	0.175	27,325	0.175	331,370	
Percent of Premium	842,325	22.0%	293,069	22.0%	597,781	22.0%	95,862	22.0%	1,829,037	
Total	909,850	2.36	302,101	5.85	825,269	0.63	123,187	0.79	2,160,407	1.14
Administrative Expense - Cap	931,377	2.41	309,249	5.99	844,795	0.65	126,102	0.81	2,211,522	1.17
Administrative Expense - Selected	909,850	2.36	302,101	5.85	825,269	0.63	123,187	0.79	2,160,407	1.14
Risk Margin	57,431	1.50%	19,982	1.50%	40,758	1.50%	6,536	1.50%	124,707	1.50%
Projected Total Cost	3,828,750	9.92	1,332,132	25.81	2,717,189	2.09	435,735	2.79	8,313,806	4.39
Percentage Rate Change		0.3%		0.9%		3.5%		5.3%		1.7%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	112,256		111,124		299,551		268,721		791,652	
Estimated Incurred Claims										
Demand Response	558,938	4.98	1,166,802	10.50	91,062	0.30	86,304	0.32	1,903,105	2.40
Mileage Reimbursement	97,862	0.87	158,671	1.43	157,563	0.53	199,565	0.74	613,661	0.78
All Others Claims	37,102	0.33	28,267	0.25	134,233	0.45	149,123	0.55	348,724	0.44
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	693,901	6.18	1,353,740	12.18	382,858	1.28	434,992	1.62	2,865,490	3.62
Projected Member Months - Rating Period	79,904		79,122		220,983		197,796		577,805	
Projected FY2021 Premium @ Current Rates	717,534	8.98	1,345,872	17.01	377,881	1.71	407,459	2.06	2,848,747	4.93
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		1.0086		0.9759		1.0380		0.9791		
Projected Incurred Claims - Rating Period	524,010	6.56	989,732	12.51	307,670	1.39	328,866	1.66	2,150,278	3.72
Administrative Expense - Formula										
Fixed Amount PMPM	13,983	0.175	13,846	0.175	38,672	0.175	34,614	0.175	101,116	
Percent of Premium	154,717	22.0%	288,611	22.0%	99,602	22.0%	104,530	22.0%	647,460	
Total	168,700	2.11	302,457	3.82	138,274	0.63	139,145	0.70	748,576	1.30
Administrative Expense - Cap	172,279	2.16	308,873	3.90	141,207	0.64	142,096	0.72	764,455	1.32
Administrative Expense - Selected	168,700	2.11	302,457	3.82	138,274	0.63	139,145	0.70	748,576	1.30
Risk Margin	10,549	1.50%	19,678	1.50%	6,791	1.50%	7,127	1.50%	44,145	1.50%
Projected Total Cost	703,259	8.80	1,311,868	16.58	452,734	2.05	475,138	2.40	2,942,999	5.09
Percentage Rate Change		-2.0%		-2.5%		19.8%		16.6%		3.3%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	151,993		529,366		468,789		1,402,667		2,552,815	
Estimated Incurred Claims										
Demand Response	1,495,532	9.84	6,960,335	13.15	297,614	0.63	910,552	0.65	9,664,033	3.79
Mileage Reimbursement	113,450	0.75	871,248	1.65	135,616	0.29	991,438	0.71	2,111,752	0.83
All Others Claims	31,934	0.21	166,648	0.31	149,988	0.32	480,097	0.34	828,667	0.32
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	1,640,916	10.80	7,998,232	15.11	583,218	1.24	2,382,087	1.70	12,604,452	4.94
Projected Member Months - Rating Period	107,795		379,959		346,127		1,037,044		1,870,925	
Projected FY2021 Premium @ Current Rates	1,389,474	12.89	7,367,408	19.39	533,035	1.54	2,478,536	2.39	11,768,453	6.29
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		0.9841		0.9990		1.0146		0.9718		
Projected Incurred Claims - Rating Period	1,205,455	11.18	6,034,400	15.88	459,213	1.33	1,796,101	1.73	9,495,170	5.08
Administrative Expense - Formula										
Fixed Amount PMPM	18,864	0.175	66,493	0.175	60,572	0.175	181,483	0.175	327,412	
Percent of Premium	352,092	22.0%	1,754,505	22.0%	149,481	22.0%	568,717	22.0%	2,824,795	
Total	370,956	3.44	1,820,998	4.79	210,053	0.61	750,200	0.72	3,152,207	1.68
Administrative Expense - Cap	321,117	2.98	1,576,344	4.15	181,832	0.53	649,409	0.63	2,728,702	1.46
Administrative Expense - Selected	321,117	2.98	1,576,344	4.15	181,832	0.53	649,409	0.63	2,728,702	1.46
Risk Margin	23,247	1.50%	115,900	1.50%	9,762	1.50%	37,241	1.50%	186,150	1.50%
Projected Total Cost	1,549,820	14.38	7,726,643	20.34	650,808	1.88	2,482,751	2.39	12,410,022	6.63
Percentage Rate Change		11.5%		4.9%		22.1%		0.2%		5.5%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months			126,505				345,753		472,258	
Estimated Incurred Claims										
Demand Response			1,287,043	10.17			127,283	0.37	1,414,326	2.99
Mileage Reimbursement			532,714	4.21			484,719	1.40	1,017,432	2.15
All Others Claims			55,509	0.44			237,248	0.69	292,756	0.62
Non-Claim Expense			0	0.00			0	0.00	0	0.00
Total			1,875,265	14.82			849,249	2.46	2,724,514	5.77
Projected Member Months - Rating Period			89,814				256,394		346,207	
Projected FY2021 Premium @ Current Rates			1,547,490	17.23			866,611	3.38	2,414,101	6.97
Rating Adjustment Factors										
Client Service Annual Trend				1.0342				1.0342		
Mileage Reimbursement Change				0.9914				0.9914		
Seasonality Adjustment				0.9705				0.9978		
Projected Incurred Claims - Rating Period			1,357,457	15.11			658,560	2.57	2,016,017	5.82
Administrative Expense - Formula										
Fixed Amount PMPM			15,717	0.175			44,869	0.175	60,586	
Percent of Premium			394,900	22.0%			202,293	22.0%	597,193	
Total			410,617	4.57			247,162	0.96	657,779	1.90
Administrative Expense - Cap			365,621	4.07			220,078	0.86	585,699	1.69
Administrative Expense - Selected			365,621	4.07			220,078	0.86	585,699	1.69
Risk Margin			26,240	1.50%			13,380	1.50%	39,620	1.50%
Projected Total Cost	19.48		1,749,318	19.48		3.48	892,018	3.48	2,641,336	7.63
Percentage Rate Change				13.0%				2.9%		9.4%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	606,336		202,756		2,246,593		643,704		3,699,389	
Estimated Incurred Claims										
Demand Response	5,665,449	9.34	3,945,274	19.46	677,870	0.30	304,211	0.47	10,592,804	2.86
Mileage Reimbursement	158,604	0.26	280,778	1.38	166,971	0.07	250,307	0.39	856,661	0.23
All Others Claims	165,138	0.27	44,651	0.22	383,565	0.17	166,564	0.26	759,918	0.21
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	5,989,190	9.88	4,270,703	21.06	1,228,407	0.55	721,082	1.12	12,209,383	3.30
Projected Member Months - Rating Period	432,752		143,654		1,667,334		478,854		2,722,594	
Projected FY2021 Premium @ Current Rates	5,664,722	13.09	4,259,346	29.65	1,550,621	0.93	871,514	1.82	12,346,202	4.53
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		1.0018		0.9961		0.9743		0.9970		
Projected Incurred Claims - Rating Period	4,508,982	10.42	3,172,723	22.09	934,404	0.56	561,564	1.17	9,177,672	3.37
Administrative Expense - Formula										
Fixed Amount PMPM	75,732	0.175	25,139	0.175	291,784	0.175	83,799	0.175	476,454	
Percent of Premium	1,318,480	22.0%	919,647	22.0%	352,629	22.0%	185,595	22.0%	2,776,350	
Total	1,394,211	3.22	944,786	6.58	644,413	0.39	269,394	0.56	3,252,804	1.19
Administrative Expense - Cap	1,060,133	2.45	718,399	5.00	490,000	0.29	204,842	0.43	2,473,374	0.91
Administrative Expense - Selected	1,060,133	2.45	718,399	5.00	490,000	0.29	204,842	0.43	2,473,374	0.91
Risk Margin	84,809	1.50%	59,256	1.50%	21,691	1.50%	11,671	1.50%	177,427	1.50%
Projected Total Cost	5,653,924	13.07	3,950,377	27.50	1,446,095	0.87	778,077	1.62	11,828,473	4.34
Percentage Rate Change		-0.2%		-7.3%		-6.7%		-10.7%		-4.2%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	910,010		115,686		2,924,142		333,230		4,283,068	
Estimated Incurred Claims										
Demand Response	6,404,943	7.04	1,503,524	13.00	559,359	0.19	125,356	0.38	8,593,182	2.01
Mileage Reimbursement	107,435	0.12	158,806	1.37	139,704	0.05	91,682	0.28	497,628	0.12
All Others Claims	173,090	0.19	29,494	0.25	343,799	0.12	101,233	0.30	647,616	0.15
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	6,685,468	7.35	1,691,824	14.62	1,042,862	0.36	318,272	0.96	9,738,425	2.27
Projected Member Months - Rating Period	651,845		83,126		2,168,847		248,569		3,152,388	
Projected FY2021 Premium @ Current Rates	6,238,152	9.57	1,625,120	19.55	1,604,947	0.74	425,054	1.71	9,893,273	3.14
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		0.9935		1.0006		0.9942		1.0133		
Projected Incurred Claims - Rating Period	5,010,312	7.69	1,280,104	15.40	809,031	0.37	252,748	1.02	7,352,194	2.33
Administrative Expense - Formula										
Fixed Amount PMPM	114,073	0.175	14,547	0.175	379,548	0.175	43,500	0.175	551,668	
Percent of Premium	1,473,679	22.0%	372,318	22.0%	341,814	22.0%	85,195	22.0%	2,273,006	
Total	1,587,752	2.44	386,865	4.65	721,362	0.33	128,695	0.52	2,824,674	0.90
Administrative Expense - Cap	1,570,458	2.41	382,651	4.60	713,505	0.33	127,293	0.51	2,793,907	0.89
Administrative Expense - Selected	1,570,458	2.41	382,651	4.60	713,505	0.33	127,293	0.51	2,793,907	0.89
Risk Margin	100,215	1.50%	25,321	1.50%	23,186	1.50%	5,787	1.50%	154,509	1.50%
Projected Total Cost	6,680,984	10.25	1,688,076	20.31	1,545,721	0.71	385,828	1.55	10,300,610	3.27
Percentage Rate Change		7.1%		3.9%		-3.7%		-9.2%		4.1%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months			96,087				293,428		389,515	
Estimated Incurred Claims										
Demand Response			1,361,798	14.17			230,654	0.79	1,592,452	4.09
Mileage Reimbursement			153,882	1.60			111,566	0.38	265,448	0.68
All Others Claims			51,228	0.53			103,755	0.35	154,983	0.40
Non-Claim Expense			0	0.00			0	0.00	0	0.00
Total			1,566,909	16.31			445,975	1.52	2,012,883	5.17
Projected Member Months - Rating Period			68,720				218,471		287,191	
Projected FY2021 Premium @ Current Rates			1,319,421	19.20			458,789	2.10	1,778,210	6.19
Rating Adjustment Factors										
Client Service Annual Trend				1.0342				1.0342		
Mileage Reimbursement Change				0.9914				0.9914		
Seasonality Adjustment				1.0040				1.0026		
Projected Incurred Claims - Rating Period			1,183,949	17.23			349,868	1.60	1,533,817	5.34
Administrative Expense - Formula										
Fixed Amount PMPM			12,026	0.175			38,232	0.175	50,258	
Percent of Premium			343,940	22.0%			111,611	22.0%	455,551	
Total			355,966	5.18			149,843	0.69	505,809	1.76
Administrative Expense - Cap			306,181	4.46			128,886	0.59	435,067	1.51
Administrative Expense - Selected			306,181	4.46			128,886	0.59	435,067	1.51
Risk Margin			22,692	1.50%			7,291	1.50%	29,983	1.50%
Projected Total Cost	22.01		1,512,822	22.01	2.22		486,045	2.22	1,998,867	6.96
Percentage Rate Change				14.7%				5.9%		12.4%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	1,194,088		233,548		4,339,159		637,724		6,404,519	
Estimated Incurred Claims										
Demand Response	6,107,646	5.11	3,584,257	15.35	2,667,353	0.61	478,918	0.75	12,838,174	2.00
Mileage Reimbursement	733,012	0.61	738,260	3.16	1,177,240	0.27	532,366	0.83	3,180,878	0.50
All Others Claims	170,592	0.14	30,160	0.13	2,533,368	0.58	236,986	0.37	2,971,104	0.46
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	7,011,249	5.87	4,352,676	18.64	6,377,960	1.47	1,248,270	1.96	18,990,156	2.97
Projected Member Months - Rating Period	845,786		162,795		3,200,059		471,513		4,680,153	
Projected FY2021 Premium @ Current Rates	6,512,549	7.70	3,851,738	23.66	6,752,125	2.11	1,221,220	2.59	18,337,632	3.92
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		0.9922		0.9927		0.9460		0.9976		
Projected Incurred Claims - Rating Period	5,185,129	6.13	3,167,454	19.46	4,678,938	1.46	966,168	2.05	13,997,690	2.99
Administrative Expense - Formula										
Fixed Amount PMPM	148,012	0.175	28,489	0.175	560,010	0.175	82,515	0.175	819,027	
Percent of Premium	1,533,714	22.0%	919,095	22.0%	1,506,626	22.0%	301,582	22.0%	4,261,017	
Total	1,681,726	1.99	947,584	5.82	2,066,636	0.65	384,097	0.81	5,080,043	1.09
Administrative Expense - Cap	1,341,205	1.59	755,714	4.64	1,648,177	0.52	306,324	0.65	4,051,421	0.87
Administrative Expense - Selected	1,341,205	1.59	755,714	4.64	1,648,177	0.52	306,324	0.65	4,051,421	0.87
Risk Margin	99,386	1.50%	59,744	1.50%	96,352	1.50%	19,378	1.50%	274,860	1.50%
Projected Total Cost	6,625,720	7.83	3,982,912	24.47	6,423,468	2.01	1,291,870	2.74	18,323,970	3.92
Percentage Rate Change		1.7%		3.4%		-4.9%		5.8%		-0.1%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	111,344		56,361		344,341		147,997		660,043	
Estimated Incurred Claims										
Demand Response	784,399	7.04	1,000,555	17.75	92,548	0.27	68,013	0.46	1,945,515	2.95
Mileage Reimbursement	30,143	0.27	90,650	1.61	59,260	0.17	104,397	0.71	284,450	0.43
All Others Claims	15,537	0.14	10,173	0.18	96,147	0.28	28,035	0.19	149,892	0.23
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	830,080	7.46	1,101,378	19.54	247,955	0.72	200,444	1.35	2,379,857	3.61
Projected Member Months - Rating Period	79,418		40,436		254,757		109,996		484,607	
Projected FY2021 Premium @ Current Rates	875,183	11.02	930,436	23.01	300,614	1.18	214,492	1.95	2,320,725	4.79
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		1.0012		1.0121		0.9843		0.9617		
Projected Incurred Claims - Rating Period	624,103	7.86	841,671	20.81	189,786	0.74	150,218	1.37	1,805,778	3.73
Administrative Expense - Formula										
Fixed Amount PMPM	13,898	0.175	7,076	0.175	44,583	0.175	19,249	0.175	84,806	
Percent of Premium	183,477	22.0%	244,084	22.0%	67,400	22.0%	48,736	22.0%	543,697	
Total	197,376	2.49	251,161	6.21	111,983	0.44	67,985	0.62	628,503	1.30
Administrative Expense - Cap	163,095	2.05	207,539	5.13	92,533	0.36	56,177	0.51	519,344	1.07
Administrative Expense - Selected	163,095	2.05	207,539	5.13	92,533	0.36	56,177	0.51	519,344	1.07
Risk Margin	11,988	1.50%	15,978	1.50%	4,299	1.50%	3,143	1.50%	35,408	1.50%
Projected Total Cost	799,186	10.06	1,065,188	26.34	286,618	1.13	209,538	1.90	2,360,530	4.87
Percentage Rate Change		-8.7%		14.5%		-4.7%		-2.3%		1.7%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	1,821,060		94,907		7,348,405		287,803		9,552,175	
Estimated Incurred Claims										
Demand Response	15,561,077	8.55	1,092,974	11.52	1,705,136	0.23	131,353	0.46	18,490,540	1.94
Mileage Reimbursement	475,459	0.26	157,875	1.66	398,902	0.05	141,198	0.49	1,173,434	0.12
All Others Claims	1,530,415	0.84	19,120	0.20	556,838	0.08	161,432	0.56	2,267,805	0.24
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	17,566,951	9.65	1,269,969	13.38	2,660,876	0.36	433,982	1.51	21,931,778	2.30
Projected Member Months - Rating Period	1,304,513		66,834		5,414,475		213,281		6,999,105	
Projected FY2021 Premium @ Current Rates	16,541,227	12.68	1,166,929	17.46	3,681,843	0.68	428,696	2.01	21,818,696	3.12
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		0.9852		0.9850		0.9649		1.0237		
Projected Incurred Claims - Rating Period	13,054,089	10.01	926,831	13.87	1,989,937	0.37	345,774	1.62	16,316,631	2.33
Administrative Expense - Formula										
Fixed Amount PMPM	228,290	0.175	11,696	0.175	947,533	0.175	37,324	0.175	1,224,843	
Percent of Premium	3,819,769	22.0%	269,903	22.0%	844,763	22.0%	110,172	22.0%	5,044,607	
Total	4,048,059	3.10	281,599	4.21	1,792,296	0.33	147,496	0.69	6,269,450	0.90
Administrative Expense - Cap	3,335,911	2.56	232,059	3.47	1,476,989	0.27	121,548	0.57	5,166,508	0.74
Administrative Expense - Selected	3,335,911	2.56	232,059	3.47	1,476,989	0.27	121,548	0.57	5,166,508	0.74
Risk Margin	249,594	1.50%	17,648	1.50%	52,796	1.50%	7,117	1.50%	327,154	1.50%
Projected Total Cost	16,639,594	12.76	1,176,538	17.60	3,519,722	0.65	474,439	2.22	21,810,294	3.12
Percentage Rate Change		0.6%		0.8%		-4.4%		10.7%		0.0%

	Adult Urban		Adults Rural		Children Urban (incl. CSHCN)		Children Rural		Total	
	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm	Amount	pmpm
CY2019 Experience Period										
Member Months	2,230,399		230,811		8,965,124		718,048		12,144,382	
Estimated Incurred Claims										
Demand Response	14,208,136	6.37	3,169,876	13.73	1,734,284	0.19	375,972	0.52	19,488,269	1.60
Mileage Reimbursement	688,570	0.31	667,583	2.89	628,408	0.07	477,158	0.66	2,461,718	0.20
All Others Claims	102,971	0.05	84,723	0.37	337,650	0.04	95,226	0.13	620,569	0.05
Non-Claim Expense	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	14,999,677	6.73	3,922,182	16.99	2,700,341	0.30	948,356	1.32	22,570,556	1.86
Projected Member Months - Rating Period	1,598,091		164,129		6,655,528		535,333		8,953,081	
Projected FY2021 Premium @ Current Rates	13,887,407	8.69	3,758,555	22.90	3,993,317	0.60	1,059,960	1.98	22,699,239	2.54
Rating Adjustment Factors										
Client Service Annual Trend		1.0342		1.0342		1.0342		1.0342		
Mileage Reimbursement Change		0.9914		0.9914		0.9914		0.9914		
Seasonality Adjustment		0.9985		1.0047		0.9849		0.9542		
Projected Incurred Claims - Rating Period	11,297,756	7.07	2,946,905	17.95	2,075,211	0.31	707,464	1.32	17,027,336	1.90
Administrative Expense - Formula										
Fixed Amount PMPM	279,666	0.175	28,723	0.175	1,164,717	0.175	93,683	0.175	1,566,789	
Percent of Premium	3,329,455	22.0%	855,736	22.0%	931,744	22.0%	230,395	22.0%	5,347,330	
Total	3,609,121	2.26	884,459	5.39	2,096,462	0.31	324,079	0.61	6,914,119	0.77
Administrative Expense - Cap	3,792,294	2.37	929,347	5.66	2,202,863	0.33	340,527	0.64	7,265,032	0.81
Administrative Expense - Selected	3,609,121	2.26	884,459	5.39	2,096,462	0.31	324,079	0.61	6,914,119	0.77
Risk Margin	227,008	1.50%	58,346	1.50%	63,528	1.50%	15,709	1.50%	364,591	1.50%
Projected Total Cost	15,133,885	9.47	3,889,709	23.70	4,235,200	0.64	1,047,251	1.96	24,306,046	2.71
Percentage Rate Change		9.0%		3.5%		6.1%		-1.2%		7.1%

Attachment 2

Trend Analysis

The rating methodology uses assumed trend factors to adjust the base period claims cost to the projection period. The trend factors used in this analysis are a combination of utilization and inflation components. The trend factors were developed using a combination of i) the actual trend experience under the program and ii) the industry trend from the Consumer Price Index published by the Bureau of Labor Statistics for transportation services.

The experience trend analysis included a review of transportation organization claims experience data through February 2020. Based on this information, estimates of monthly incurred claims were made through December 2019. The claims cost and trend experience were reviewed separately by region and risk group. The region trends were then combined into a statewide average using a weighted average formula with estimated incurred claims as the weights. All historical trends have been calculated as the average cost per member per month during a specified time period (monthly, quarterly or annually) compared to the same time period from the prior year. For example, the CY2019 trend has been calculated as the change in average cost per member per month during the period January 1, 2019 through December 31, 2019 (CY2019) compared to the average cost per member per month during the period January 1, 2018 through December 31, 2018 (CY2018). The experience trends for all time periods were adjusted to remove the impact of the various provider reimbursement changes and other revisions that have impacted the cost of the program. The trend analysis only includes demand response service and excludes experience for MTO Regions 1 and 10 resulting from changes in transportation provider effective September 1, 2017. The selected experience trend was determined using a straight average of the CY2017, CY2018 and CY2019 statewide trend. This analysis was used to select an experience annual trend rate assumption of 3.6%. Attachment 2 Exhibit C presents a summary of the derivation of the annual trend assumption.

The industry annual trend assumption was selected by the actuary based on a study of the transportation Consumer Price Index (CPI) and the actuary's judgment regarding future cost increases. The inflation trend assumption of 1.7% was selected by taking the average of the monthly year-over-year CPI trend published by the Bureau of Labor Statistics from January 2010 through December 2019. The utilization trend assumption of 1.5% was selected based on the actuary's judgment regarding future utilization increases. This analysis was used to select an industry annual trend rate assumption of 3.2%. Attachment 2 Exhibit B presents a summary of the derivation of the annual trend assumption.

The selected annual trend assumption was determined using a straight average of the experience annual trend assumption and the industry annual trend assumption. This analysis was used to select an annual trend rate assumption of 3.42%. Attachment 2 Exhibit A presents a summary of the derivation of the annual trend assumption.

MTP FY2021 Rating
Trend Analysis

	Annual Trend Assumption
Experience	3.6%
Industry (CPI)	3.2%
Selected	3.42%

Notes:

Experience trend developed based on average of CY17-CY19 demand response trends. See Attachment 2 Exhibit C
Industry trend developed using i) inflation trend based on CPI transportation trend for past 10 years
and ii) utilization trend of 1.5% selected by actuary. See worksheet Attachment 2 - Exhibit B
Selected trend equals 50% weight for Experience trend and 50% weight for Industry trend.

Bureau of Labor Statistics
CPI-All Urban Consumers (Current Series)
Original Data Value

Series Id: CUSR0000SAT
Seasonally Adjusted
Series Title: Transportation in U.S. city average, all urban
Area: U.S. city average
Item: Transportation
Base Period: 1982-84=100
Years: 2009 to 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2009	168.403	171.424	169.449	170.090	172.235	180.667	180.915	183.729	185.329	187.793	191.243	191.517
2010	193.116	191.978	191.375	191.249	190.231	189.426	191.082	192.287	193.316	196.845	198.783	202.454
2011	204.232	205.704	209.591	213.032	214.499	212.957	213.661	214.651	215.455	214.682	215.149	213.784
2012	215.385	217.686	218.457	218.615	215.029	212.225	211.791	217.573	221.574	222.913	218.833	217.524
2013	218.092	223.274	218.985	214.905	214.010	215.380	216.562	217.901	216.898	216.682	217.170	218.715
2014	219.287	218.525	217.491	218.989	218.306	218.653	218.126	217.071	215.410	213.730	210.033	204.124
2015	194.852	197.087	199.119	198.636	202.277	203.860	204.166	202.609	197.162	196.445	196.644	194.728
2016	193.399	189.463	191.128	193.786	194.830	196.765	194.794	194.614	195.233	196.702	197.151	199.509
2017	202.404	201.582	200.416	200.552	198.346	198.101	197.313	200.197	204.390	202.926	205.823	206.595
2018	208.664	210.133	208.046	208.613	209.906	211.432	211.583	212.783	212.833	213.842	211.365	208.286
2019	205.439	206.719	209.303	211.987	211.243	210.135	211.136	210.216	209.752	210.734	211.119	212.571

Annual Inflation Trend

2010	14.7%	12.0%	12.9%	12.4%	10.4%	4.8%	5.6%	4.7%	4.3%	4.8%	3.9%	5.7%
2011	5.8%	7.1%	9.5%	11.4%	12.8%	12.4%	11.8%	11.6%	11.5%	9.1%	8.2%	5.6%
2012	5.5%	5.8%	4.2%	2.6%	0.2%	-0.3%	-0.9%	1.4%	2.8%	3.8%	1.7%	1.7%
2013	1.3%	2.6%	0.2%	-1.7%	-0.5%	1.5%	2.3%	0.2%	-2.1%	-2.8%	-0.8%	0.5%
2014	0.5%	-2.1%	-0.7%	1.9%	2.0%	1.5%	0.7%	-0.4%	-0.7%	-1.4%	-3.3%	-6.7%
2015	-11.1%	-9.8%	-8.4%	-9.3%	-7.3%	-6.8%	-6.4%	-6.7%	-8.5%	-8.1%	-6.4%	-4.6%
2016	-0.7%	-3.9%	-4.0%	-2.4%	-3.7%	-3.5%	-4.6%	-3.9%	-1.0%	0.1%	0.3%	2.5%
2017	4.7%	6.4%	4.9%	3.5%	1.8%	0.7%	1.3%	2.9%	4.7%	3.2%	4.4%	3.6%
2018	3.1%	4.2%	3.8%	4.0%	5.8%	6.7%	7.2%	6.3%	4.1%	5.4%	2.7%	0.8%
2019	-1.5%	-1.6%	0.6%	1.6%	0.6%	-0.6%	-0.2%	-1.2%	-1.4%	-1.5%	-0.1%	2.1%

Average Inflation Trend (1)	1.7%
Selected Utilization Trend (2)	1.5%
Total Annual Trend Assumption	3.2%

Notes:

- (1) Average CPI monthly year-over-year trend for the past 10 years
- (2) Selected by the Actuary

MTP FY2021 Rating
Trend Analysis
Demand Response Service
All Risk Groups

	MTO 2	MTO 3	MTO 5	MTO 6	MTO 7	MTO 8	MTO 9	MTO 11	MTO 12	MTO 13	Total
CY2017 Trend Development											
Member Months											
CY2016	2,833,440	838,759	2,654,574	510,954	3,794,088	4,445,510	405,326	672,681	10,227,409	12,582,847	38,965,588
CY2017	2,793,997	836,212	2,668,133	502,420	3,785,224	4,415,931	412,206	676,874	10,059,563	12,682,572	38,833,132
Incurred Claims - Adjusted for Reimbursement Changes											
CY2016	5,234,111	2,403,683	9,267,658	1,054,751	14,035,452	8,120,845	1,285,024	2,459,066	19,596,440	16,516,754	79,973,784
CY2017	5,148,584	2,210,933	9,336,609	1,098,343	14,719,098	8,595,794	1,349,962	2,444,570	20,129,068	17,220,912	82,253,873
PMPM											
CY2016	1.85	2.87	3.49	2.06	3.70	1.83	3.17	3.66	1.92	1.31	2.05
CY2017	1.84	2.64	3.50	2.19	3.89	1.95	3.27	3.61	2.00	1.36	2.12
Trend Factor	0.998	0.923	1.002	1.059	1.051	1.066	1.033	0.988	1.044	1.034	1.032

CY2018 Trend Development

Member Months											
CY2017	2,793,997	836,212	2,668,133	502,420	3,785,224	4,415,931	412,206	676,874	10,059,563	12,682,572	38,833,132
CY2018	2,720,399	816,520	2,626,885	487,746	3,770,098	4,382,631	402,626	674,064	9,825,291	12,466,502	38,172,762
Incurred Claims - Adjusted for Reimbursement Changes											
CY2017	5,148,584	2,210,933	9,336,609	1,098,343	13,364,227	7,991,208	1,349,962	1,965,528	20,129,068	17,220,912	79,815,374
CY2018	5,305,146	2,057,871	9,287,511	1,064,435	13,951,422	8,311,223	1,385,960	1,937,430	18,717,468	18,494,886	80,513,353
PMPM											
CY2017	1.84	2.64	3.50	2.19	3.53	1.81	3.27	2.90	2.00	1.36	2.06
CY2018	1.95	2.52	3.54	2.18	3.70	1.90	3.44	2.87	1.91	1.48	2.11
Trend Factor	1.058	0.953	1.010	0.998	1.048	1.048	1.051	0.990	0.952	1.093	1.026

CY2019 Trend Development

Member Months											
CY2018	2,720,399	816,520	2,626,885	487,746	3,770,098	4,382,631	402,626	674,064	9,825,291	12,466,502	38,172,762
CY2019	2,606,636	791,652	2,552,815	472,300	3,699,389	4,283,068	389,542	660,043	9,552,175	12,144,382	37,152,002
Incurred Claims - Adjusted for Reimbursement Changes											
CY2018	5,305,146	2,057,871	9,287,511	1,064,435	12,440,079	8,311,223	1,385,960	1,937,430	18,717,468	18,494,886	79,002,010
CY2019	5,144,905	1,903,105	9,664,033	1,081,822	12,841,046	8,593,182	1,592,452	1,945,515	18,490,540	19,488,269	80,744,868
PMPM											
CY2018	1.95	2.52	3.54	2.18	3.30	1.90	3.44	2.87	1.91	1.48	2.07
CY2019	1.97	2.40	3.79	2.29	3.47	2.01	4.09	2.95	1.94	1.60	2.17
Trend Factor	1.012	0.954	1.071	1.050	1.052	1.058	1.188	1.026	1.016	1.082	1.050

(1) Notes:

Trend analysis only includes demand response services.

Experience for MTO 1, MTO 10 and MTO 4 are excluded from trend analysis. MTO 1 and MTO 10 switched organizations effective 9/1/2017. MTO 4 is FFS.

Average **1.036**

Attachment 3

Seasonality Adjustment

The FY2021 FRB and MTO rates will be effective for the nine-month period September 1, 2020 through May 31, 2021. A seasonality adjustment was applied to reflect the cost difference between the months included in the base period and the rating period. Attachment 3 presents a summary of the derivation of this adjustment factor.

Seasonality Adjustment
MTO 1

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	16,981	143,353	145,580	8.57	0.99	9,460	203,708	206,872	21.87	0.91
Feb-19	16,945	127,163	128,777	7.60	0.88	9,396	213,406	216,114	23.00	0.96
Mar-19	16,957	135,354	136,688	8.06	0.93	9,349	215,489	217,612	23.28	0.97
Apr-19	16,855	148,546	149,590	8.88	1.02	9,270	223,098	224,667	24.24	1.01
May-19	16,839	151,320	151,957	9.02	1.04	9,247	221,179	222,111	24.02	1.00
Jun-19	16,888	151,924	152,137	9.01	1.04	9,207	209,448	209,742	22.78	0.95
Jul-19	16,916	154,803	154,586	9.14	1.05	9,229	239,070	238,736	25.87	1.08
Aug-19	16,888	157,847	157,185	9.31	1.07	9,244	235,827	234,838	25.40	1.06
Sep-19	16,848	143,137	142,138	8.44	0.97	9,249	232,355	230,732	24.95	1.04
Oct-19	16,801	161,658	160,080	9.53	1.10	9,240	246,890	244,480	26.46	1.10
Nov-19	16,682	137,971	136,242	8.17	0.94	9,180	217,057	214,337	23.35	0.97
Dec-19	16,622	140,573	138,423	8.33	0.96	9,146	211,939	208,697	22.82	0.95
Total	202,222	1,753,649	1,753,383	8.67	1.00	111,217	2,669,465	2,668,938	24.00	1.00
Rating Period										
Sept-Dec	66,953		576,883	8.62	0.994	36,815		898,247	24.40	1.017
Sept-Jan	83,934		722,463	8.61	0.993	46,275		1,105,118	23.88	0.995
Sept-Feb	100,879		851,240	8.44	0.973	55,671		1,321,233	23.73	0.989
Sept-Mar	117,836		987,927	8.38	0.967	65,020		1,538,845	23.67	0.986
Sept-Apr	134,691		1,137,517	8.45	0.974	74,290		1,763,512	23.74	0.989
Sept-May	151,530		1,289,475	8.51	0.981	83,537		1,985,623	23.77	0.990
Sept-June	168,418		1,441,612	8.56	0.987	92,744		2,195,364	23.67	0.986
Sept-July	185,334		1,596,198	8.61	0.993	101,973		2,434,100	23.87	0.995
Sept-Aug	202,222		1,753,383	8.67	1.000	111,217		2,668,938	24.00	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 1

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	57,666	68,626	69,692	1.21	0.93	35,255	60,595	61,536	1.75	1.11
Feb-19	57,413	68,677	69,549	1.21	0.93	35,158	45,719	46,299	1.32	0.84
Mar-19	57,322	61,453	62,059	1.08	0.84	35,068	55,420	55,966	1.60	1.01
Apr-19	56,771	67,228	67,701	1.19	0.92	34,656	54,758	55,143	1.59	1.01
May-19	56,425	71,039	71,339	1.26	0.98	34,440	50,227	50,438	1.46	0.93
Jun-19	56,724	88,090	88,213	1.56	1.20	34,395	54,489	54,566	1.59	1.01
Jul-19	57,111	102,764	102,621	1.80	1.39	34,405	68,512	68,416	1.99	1.26
Aug-19	57,269	70,967	70,669	1.23	0.95	34,463	58,821	58,574	1.70	1.08
Sep-19	57,096	74,631	74,110	1.30	1.00	34,473	46,910	46,583	1.35	0.86
Oct-19	57,151	77,503	76,746	1.34	1.04	34,422	57,779	57,215	1.66	1.06
Nov-19	56,778	72,788	71,876	1.27	0.98	34,243	48,614	48,005	1.40	0.89
Dec-19	56,702	63,193	62,227	1.10	0.85	34,239	51,636	50,846	1.49	0.94
Total	684,428	886,959	886,800	1.30	1.00	415,217	653,479	653,586	1.57	1.00
Rating Period										
Sept-Dec	227,727		284,958	1.25	0.966	137,377		202,648	1.48	0.937
Sept-Jan	285,393		354,650	1.24	0.959	172,632		264,184	1.53	0.972
Sept-Feb	342,806		424,199	1.24	0.955	207,790		310,483	1.49	0.949
Sept-Mar	400,128		486,258	1.22	0.938	242,858		366,449	1.51	0.959
Sept-Apr	456,899		553,958	1.21	0.936	277,514		421,592	1.52	0.965
Sept-May	513,324		625,297	1.22	0.940	311,954		472,030	1.51	0.961
Sept-June	570,048		713,510	1.25	0.966	346,349		526,596	1.52	0.966
Sept-July	627,159		816,131	1.30	1.004	380,754		595,012	1.56	0.993
Sept-Aug	684,428		886,800	1.30	1.000	415,217		653,586	1.57	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 1

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	119,362	476,282	483,680	4.05	0.96
Feb-19	118,912	454,965	460,739	3.87	0.92
Mar-19	118,696	467,715	472,325	3.98	0.94
Apr-19	117,552	493,630	497,101	4.23	1.00
May-19	116,951	493,765	495,845	4.24	1.00
Jun-19	117,214	503,952	504,658	4.31	1.02
Jul-19	117,661	565,149	564,358	4.80	1.14
Aug-19	117,864	523,462	521,266	4.42	1.05
Sep-19	117,666	497,032	493,563	4.19	0.99
Oct-19	117,614	543,830	538,522	4.58	1.09
Nov-19	116,883	476,429	470,459	4.03	0.95
Dec-19	116,709	467,341	460,193	3.94	0.93
Total	1,413,084	5,963,552	5,962,707	4.22	1.00
Rating Period					
Sept-Dec	468,872		1,962,736	4.19	0.992
Sept-Jan	588,234		2,446,415	4.16	0.986
Sept-Feb	707,146		2,907,154	4.11	0.974
Sept-Mar	825,842		3,379,479	4.09	0.970
Sept-Apr	943,394		3,876,580	4.11	0.974
Sept-May	1,060,345		4,372,425	4.12	0.977
Sept-June	1,177,559		4,877,083	4.14	0.982
Sept-July	1,295,220		5,441,441	4.20	0.996
Sept-Aug	1,413,084		5,962,707	4.22	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 2

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	46,145	343,132	348,462	7.55	1.07	6,198	107,442	109,111	17.60	0.93
Feb-19	46,069	314,322	318,311	6.91	0.98	6,172	101,051	102,334	16.58	0.88
Mar-19	46,076	321,924	325,097	7.06	1.00	6,117	105,678	106,719	17.45	0.93
Apr-19	45,818	339,591	341,978	7.46	1.06	6,054	116,421	117,240	19.37	1.03
May-19	45,679	352,151	353,635	7.74	1.10	6,023	125,417	125,946	20.91	1.11
Jun-19	45,827	314,268	314,709	6.87	0.97	6,031	108,748	108,901	18.06	0.96
Jul-19	46,041	335,206	334,737	7.27	1.03	6,015	122,832	122,660	20.39	1.08
Aug-19	46,012	325,633	324,267	7.05	1.00	6,031	122,181	121,668	20.17	1.07
Sep-19	45,989	320,523	318,285	6.92	0.98	6,035	113,953	113,157	18.75	1.00
Oct-19	45,918	348,539	345,137	7.52	1.07	6,026	123,106	121,904	20.23	1.07
Nov-19	45,439	295,756	292,050	6.43	0.91	5,957	116,569	115,108	19.32	1.03
Dec-19	45,329	267,651	263,558	5.81	0.82	5,955	104,573	102,973	17.29	0.92
Total	550,342	3,878,697	3,880,226	7.05	1.00	72,614	1,367,970	1,367,721	18.84	1.00
Rating Period										
Sept-Dec	182,675		1,219,030	6.67	0.946	23,973		453,143	18.90	1.004
Sept-Jan	228,820		1,567,492	6.85	0.972	30,171		562,253	18.64	0.989
Sept-Feb	274,889		1,885,803	6.86	0.973	36,343		664,587	18.29	0.971
Sept-Mar	320,965		2,210,900	6.89	0.977	42,460		771,306	18.17	0.964
Sept-Apr	366,783		2,552,878	6.96	0.987	48,514		888,546	18.32	0.972
Sept-May	412,462		2,906,513	7.05	0.999	54,537		1,014,492	18.60	0.988
Sept-June	458,289		3,221,222	7.03	0.997	60,568		1,123,393	18.55	0.985
Sept-July	504,330		3,555,958	7.05	1.000	66,583		1,246,053	18.71	0.994
Sept-Aug	550,342		3,880,226	7.05	1.000	72,614		1,367,721	18.84	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 2

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	151,117	199,119	202,211	1.34	0.93	18,238	34,385	34,919	1.91	0.98
Feb-19	150,470	209,395	212,053	1.41	0.98	18,169	32,819	33,235	1.83	0.93
Mar-19	149,890	235,369	237,689	1.59	1.11	18,017	29,426	29,716	1.65	0.84
Apr-19	147,864	221,825	223,385	1.51	1.05	17,656	35,564	35,814	2.03	1.04
May-19	146,709	182,384	183,152	1.25	0.87	17,565	33,883	34,025	1.94	0.99
Jun-19	146,679	244,175	244,517	1.67	1.16	17,529	39,857	39,913	2.28	1.16
Jul-19	147,357	243,702	243,361	1.65	1.15	17,555	39,703	39,647	2.26	1.15
Aug-19	147,272	249,375	248,329	1.69	1.18	17,668	38,596	38,434	2.18	1.11
Sep-19	146,926	197,668	196,288	1.34	0.93	17,722	35,079	34,834	1.97	1.00
Oct-19	146,589	223,038	220,861	1.51	1.05	17,693	31,405	31,099	1.76	0.90
Nov-19	145,221	175,811	173,608	1.20	0.83	17,435	36,437	35,981	2.06	1.05
Dec-19	144,953	154,713	152,346	1.05	0.73	17,386	29,539	29,087	1.67	0.85
Total	1,771,047	2,536,574	2,537,800	1.43	1.00	212,633	416,692	416,704	1.96	1.00
Rating Period										
Sept-Dec	583,689		743,103	1.27	0.888	70,236		131,001	1.87	0.952
Sept-Jan	734,806		945,314	1.29	0.898	88,474		165,920	1.88	0.957
Sept-Feb	885,276		1,157,367	1.31	0.912	106,643		199,155	1.87	0.953
Sept-Mar	1,035,166		1,395,056	1.35	0.940	124,660		228,871	1.84	0.937
Sept-Apr	1,183,030		1,618,440	1.37	0.955	142,316		264,685	1.86	0.949
Sept-May	1,329,739		1,801,592	1.35	0.946	159,881		298,711	1.87	0.953
Sept-June	1,476,418		2,046,110	1.39	0.967	177,410		338,623	1.91	0.974
Sept-July	1,623,775		2,289,471	1.41	0.984	194,965		378,270	1.94	0.990
Sept-Aug	1,771,047		2,537,800	1.43	1.000	212,633		416,704	1.96	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 2

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	221,698	684,078	694,703	3.13	1.00
Feb-19	220,880	657,587	665,932	3.01	0.96
Mar-19	220,100	692,397	699,222	3.18	1.01
Apr-19	217,392	713,401	718,417	3.30	1.05
May-19	215,976	693,835	696,758	3.23	1.03
Jun-19	216,066	707,048	708,040	3.28	1.04
Jul-19	216,968	741,443	740,405	3.41	1.08
Aug-19	216,983	735,785	732,698	3.38	1.07
Sep-19	216,672	667,223	662,565	3.06	0.97
Oct-19	216,226	726,088	719,001	3.33	1.06
Nov-19	214,052	624,574	616,747	2.88	0.92
Dec-19	213,623	556,475	547,964	2.57	0.82
Total	2,606,636	8,199,934	8,202,451	3.15	1.00
Rating Period					
Sept-Dec	860,573		2,546,276	2.96	0.940
Sept-Jan	1,082,271		3,240,979	2.99	0.952
Sept-Feb	1,303,151		3,906,911	3.00	0.953
Sept-Mar	1,523,251		4,606,133	3.02	0.961
Sept-Apr	1,740,643		5,324,550	3.06	0.972
Sept-May	1,956,619		6,021,308	3.08	0.978
Sept-June	2,172,685		6,729,347	3.10	0.984
Sept-July	2,389,653		7,469,752	3.13	0.993
Sept-Aug	2,606,636		8,202,451	3.15	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 3

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	9,482	61,060	62,009	6.54	1.06	9,420	109,259	110,956	11.78	0.97
Feb-19	9,403	61,119	61,894	6.58	1.06	9,368	100,015	101,284	10.81	0.89
Mar-19	9,367	67,691	68,358	7.30	1.18	9,341	100,426	101,416	10.86	0.89
Apr-19	9,308	61,138	61,568	6.61	1.07	9,247	110,541	111,318	12.04	0.99
May-19	9,290	57,024	57,265	6.16	1.00	9,233	109,794	110,257	11.94	0.98
Jun-19	9,304	57,401	57,482	6.18	1.00	9,277	106,064	106,213	11.45	0.94
Jul-19	9,380	57,038	56,959	6.07	0.98	9,294	131,811	131,626	14.16	1.16
Aug-19	9,407	55,083	54,852	5.83	0.94	9,252	125,958	125,430	13.56	1.11
Sep-19	9,385	49,359	49,014	5.22	0.84	9,233	118,247	117,421	12.72	1.04
Oct-19	9,397	60,867	60,273	6.41	1.04	9,208	127,214	125,972	13.68	1.12
Nov-19	9,292	52,148	51,495	5.54	0.90	9,147	107,194	105,851	11.57	0.95
Dec-19	9,241	53,971	53,145	5.75	0.93	9,104	107,217	105,577	11.60	0.95
Total	112,256	693,901	694,314	6.19	1.00	111,124	1,353,740	1,353,321	12.18	1.00
Rating Period										
Sept-Dec	37,315		213,927	5.73	0.927	36,692		454,821	12.40	1.018
Sept-Jan	46,797		275,936	5.90	0.953	46,112		565,777	12.27	1.007
Sept-Feb	56,200		337,830	6.01	0.972	55,480		667,061	12.02	0.987
Sept-Mar	65,567		406,189	6.20	1.002	64,821		768,477	11.86	0.973
Sept-Apr	74,875		467,757	6.25	1.010	74,068		879,795	11.88	0.975
Sept-May	84,165		525,021	6.24	1.009	83,301		990,052	11.89	0.976
Sept-June	93,469		582,503	6.23	1.008	92,578		1,096,265	11.84	0.972
Sept-July	102,849		639,462	6.22	1.005	101,872		1,227,891	12.05	0.990
Sept-Aug	112,256		694,314	6.19	1.000	111,124		1,353,321	12.18	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 3

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	25,546	31,976	32,473	1.27	1.00	22,902	27,401	27,827	1.22	0.75
Feb-19	25,370	25,558	25,883	1.02	0.80	22,768	23,964	24,268	1.07	0.66
Mar-19	25,316	27,548	27,819	1.10	0.86	22,617	33,469	33,799	1.49	0.92
Apr-19	25,009	24,498	24,670	0.99	0.77	22,403	33,045	33,277	1.49	0.92
May-19	24,702	34,221	34,365	1.39	1.09	22,244	38,996	39,160	1.76	1.09
Jun-19	24,714	23,650	23,683	0.96	0.75	22,337	32,803	32,849	1.47	0.91
Jul-19	24,819	31,543	31,499	1.27	0.99	22,413	40,590	40,534	1.81	1.12
Aug-19	24,912	29,066	28,944	1.16	0.91	22,395	42,178	42,001	1.88	1.16
Sep-19	24,901	38,654	38,384	1.54	1.21	22,335	45,455	45,138	2.02	1.25
Oct-19	24,891	46,412	45,959	1.85	1.45	22,255	50,736	50,241	2.26	1.40
Nov-19	24,716	27,543	27,197	1.10	0.86	22,028	30,183	29,804	1.35	0.84
Dec-19	24,655	42,188	41,543	1.68	1.32	22,024	36,172	35,619	1.62	1.00
Total	299,551	382,858	382,420	1.28	1.00	268,721	434,992	434,516	1.62	1.00
Rating Period										
Sept-Dec	99,163		153,084	1.54	1.209	88,642		160,802	1.81	1.122
Sept-Jan	124,709		185,557	1.49	1.165	111,544		188,629	1.69	1.046
Sept-Feb	150,079		211,439	1.41	1.104	134,312		212,897	1.59	0.980
Sept-Mar	175,395		239,259	1.36	1.069	156,929		246,696	1.57	0.972
Sept-Apr	200,404		263,929	1.32	1.032	179,332		279,973	1.56	0.966
Sept-May	225,106		298,294	1.33	1.038	201,576		319,133	1.58	0.979
Sept-June	249,820		321,977	1.29	1.010	223,913		351,982	1.57	0.972
Sept-July	274,639		353,476	1.29	1.008	246,326		392,515	1.59	0.985
Sept-Aug	299,551		382,420	1.28	1.000	268,721		434,516	1.62	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 3

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	67,350	229,697	233,264	3.46	0.96
Feb-19	66,909	210,656	213,329	3.19	0.88
Mar-19	66,641	229,135	231,393	3.47	0.96
Apr-19	65,967	229,222	230,834	3.50	0.97
May-19	65,469	240,035	241,046	3.68	1.02
Jun-19	65,632	219,919	220,227	3.36	0.93
Jul-19	65,906	260,983	260,618	3.95	1.09
Aug-19	65,966	252,285	251,227	3.81	1.05
Sep-19	65,854	251,715	249,957	3.80	1.05
Oct-19	65,751	285,229	282,445	4.30	1.19
Nov-19	65,183	217,068	214,348	3.29	0.91
Dec-19	65,024	239,547	235,883	3.63	1.00
Total	791,652	2,865,490	2,864,572	3.62	1.00
Rating Period					
Sept-Dec	261,812		982,633	3.75	1.037
Sept-Jan	329,162		1,215,898	3.69	1.021
Sept-Feb	396,071		1,429,227	3.61	0.997
Sept-Mar	462,712		1,660,620	3.59	0.992
Sept-Apr	528,679		1,891,453	3.58	0.989
Sept-May	594,148		2,132,500	3.59	0.992
Sept-June	659,780		2,352,727	3.57	0.985
Sept-July	725,686		2,613,345	3.60	0.995
Sept-Aug	791,652		2,864,572	3.62	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 5

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	12,841	155,334	157,746	12.28	1.14	44,593	694,607	705,396	15.82	1.05
Feb-19	12,830	134,452	136,158	10.61	0.98	44,469	643,422	651,587	14.65	0.97
Mar-19	12,803	132,440	133,746	10.45	0.97	44,309	666,933	673,507	15.20	1.01
Apr-19	12,695	140,368	141,355	11.13	1.03	44,078	709,953	714,944	16.22	1.07
May-19	12,647	138,956	139,541	11.03	1.02	44,027	667,945	670,758	15.24	1.01
Jun-19	12,632	136,714	136,905	10.84	1.00	44,010	627,244	628,124	14.27	0.94
Jul-19	12,657	150,308	150,097	11.86	1.10	44,125	691,535	690,567	15.65	1.04
Aug-19	12,644	142,933	142,333	11.26	1.04	44,098	688,720	685,831	15.55	1.03
Sep-19	12,640	138,522	137,555	10.88	1.01	44,155	657,549	652,958	14.79	0.98
Oct-19	12,605	139,369	138,009	10.95	1.01	44,100	736,083	728,899	16.53	1.09
Nov-19	12,544	118,761	117,272	9.35	0.87	43,783	597,900	590,407	13.48	0.89
Dec-19	12,455	112,760	111,035	8.91	0.83	43,619	616,340	606,913	13.91	0.92
Total	151,993	1,640,916	1,641,754	10.80	1.00	529,366	7,998,232	7,999,892	15.11	1.00
Rating Period										
Sept-Dec	50,244		503,871	10.03	0.928	175,657		2,579,178	14.68	0.972
Sept-Jan	63,085		661,617	10.49	0.971	220,250		3,284,574	14.91	0.987
Sept-Feb	75,915		797,775	10.51	0.973	264,719		3,936,161	14.87	0.984
Sept-Mar	88,718		931,521	10.50	0.972	309,028		4,609,668	14.92	0.987
Sept-Apr	101,413		1,072,876	10.58	0.979	353,106		5,324,612	15.08	0.998
Sept-May	114,060		1,212,418	10.63	0.984	397,133		5,995,370	15.10	0.999
Sept-June	126,692		1,349,323	10.65	0.986	441,143		6,623,494	15.01	0.994
Sept-July	139,349		1,499,420	10.76	0.996	485,268		7,314,061	15.07	0.997
Sept-Aug	151,993		1,641,754	10.80	1.000	529,366		7,999,892	15.11	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 5

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	39,666	48,827	49,586	1.25	1.01	118,968	202,371	205,514	1.73	1.02
Feb-19	39,414	48,337	48,951	1.24	1.00	118,511	189,348	191,751	1.62	0.95
Mar-19	39,386	44,558	44,997	1.14	0.92	118,087	182,177	183,973	1.56	0.92
Apr-19	38,984	45,705	46,027	1.18	0.95	116,938	208,248	209,712	1.79	1.06
May-19	38,801	47,037	47,235	1.22	0.98	116,161	189,246	190,043	1.64	0.96
Jun-19	38,907	41,828	41,887	1.08	0.87	116,256	206,898	207,188	1.78	1.05
Jul-19	39,014	48,812	48,744	1.25	1.00	116,638	213,790	213,491	1.83	1.08
Aug-19	39,068	48,711	48,507	1.24	1.00	116,621	224,361	223,420	1.92	1.13
Sep-19	39,080	57,300	56,900	1.46	1.17	116,671	200,606	199,205	1.71	1.01
Oct-19	39,071	61,749	61,147	1.57	1.26	116,494	232,476	230,207	1.98	1.16
Nov-19	38,696	49,667	49,045	1.27	1.02	115,641	163,660	161,609	1.40	0.82
Dec-19	38,702	40,686	40,063	1.04	0.83	115,681	168,906	166,323	1.44	0.85
Total	468,789	583,218	583,087	1.24	1.00	1,402,667	2,382,087	2,382,436	1.70	1.00
Rating Period										
Sept-Dec	155,549		207,155	1.33	1.071	464,487		757,344	1.63	0.960
Sept-Jan	195,215		256,741	1.32	1.057	583,455		962,858	1.65	0.972
Sept-Feb	234,629		305,691	1.30	1.047	701,966		1,154,609	1.64	0.968
Sept-Mar	274,015		350,688	1.28	1.029	820,053		1,338,582	1.63	0.961
Sept-Apr	312,999		396,715	1.27	1.019	936,991		1,548,294	1.65	0.973
Sept-May	351,800		443,950	1.26	1.015	1,053,152		1,738,336	1.65	0.972
Sept-June	390,707		485,837	1.24	1.000	1,169,408		1,945,525	1.66	0.979
Sept-July	429,721		534,580	1.24	1.000	1,286,046		2,159,016	1.68	0.988
Sept-Aug	468,789		583,087	1.24	1.000	1,402,667		2,382,436	1.70	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 5

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	216,068	1,101,139	1,118,242	5.18	1.05
Feb-19	215,224	1,015,559	1,028,447	4.78	0.97
Mar-19	214,585	1,026,108	1,036,222	4.83	0.98
Apr-19	212,695	1,104,274	1,112,038	5.23	1.06
May-19	211,636	1,043,183	1,047,577	4.95	1.00
Jun-19	211,805	1,012,685	1,014,105	4.79	0.97
Jul-19	212,434	1,104,445	1,102,899	5.19	1.05
Aug-19	212,431	1,104,725	1,100,091	5.18	1.05
Sep-19	212,546	1,053,977	1,046,618	4.92	1.00
Oct-19	212,270	1,169,678	1,158,261	5.46	1.10
Nov-19	210,664	929,988	918,334	4.36	0.88
Dec-19	210,457	938,692	924,334	4.39	0.89
Total	2,552,815	12,604,452	12,607,169	4.94	1.00
Rating Period					
Sept-Dec	845,937		4,047,548	4.78	0.969
Sept-Jan	1,062,005		5,165,790	4.86	0.985
Sept-Feb	1,277,229		6,194,237	4.85	0.982
Sept-Mar	1,491,814		7,230,459	4.85	0.981
Sept-Apr	1,704,509		8,342,497	4.89	0.991
Sept-May	1,916,145		9,390,074	4.90	0.992
Sept-June	2,127,950		10,404,179	4.89	0.990
Sept-July	2,340,384		11,507,078	4.92	0.996
Sept-Aug	2,552,815		12,607,169	4.94	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 6

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19						10,670	119,851	121,712	11.41	0.77
Feb-19						10,627	144,791	146,629	13.80	0.93
Mar-19						10,561	146,269	147,710	13.99	0.94
Apr-19						10,508	152,565	153,637	14.62	0.99
May-19						10,517	154,834	155,486	14.78	1.00
Jun-19						10,561	151,428	151,640	14.36	0.97
Jul-19						10,606	174,622	174,377	16.44	1.11
Aug-19						10,549	186,132	185,351	17.57	1.19
Sep-19						10,534	161,665	160,537	15.24	1.03
Oct-19						10,520	178,598	176,855	16.81	1.13
Nov-19						10,433	157,067	155,099	14.87	1.00
Dec-19						10,419	147,445	145,189	13.94	0.94
Total						126,505	1,875,265	1,874,222	14.82	1.00
Rating Period										
Sept-Dec						41,906		637,680	15.22	1.027
Sept-Jan						52,576		759,392	14.44	0.975
Sept-Feb						63,203		906,021	14.34	0.968
Sept-Mar						73,764		1,053,731	14.29	0.964
Sept-Apr						84,272		1,207,368	14.33	0.967
Sept-May						94,789		1,362,854	14.38	0.970
Sept-June						105,350		1,514,494	14.38	0.970
Sept-July						115,956		1,688,871	14.56	0.983
Sept-Aug						126,505		1,874,222	14.82	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 6

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19						29,309	50,214	50,994	1.74	0.71
Feb-19						29,158	54,741	55,436	1.90	0.78
Mar-19						29,159	52,235	52,750	1.81	0.74
Apr-19						28,747	67,512	67,987	2.37	0.96
May-19						28,542	58,332	58,577	2.05	0.84
Jun-19						28,685	58,398	58,480	2.04	0.83
Jul-19						28,676	73,762	73,658	2.57	1.05
Aug-19						28,688	80,584	80,246	2.80	1.14
Sep-19						28,697	97,626	96,944	3.38	1.38
Oct-19						28,823	104,227	103,210	3.58	1.46
Nov-19						28,649	65,540	64,719	2.26	0.92
Dec-19						28,620	86,079	84,762	2.96	1.21
Total						345,753	849,249	847,763	2.45	1.00
Rating Period										
Sept-Dec						114,789		349,635	3.05	1.242
Sept-Jan						144,098		400,629	2.78	1.134
Sept-Feb						173,256		456,065	2.63	1.074
Sept-Mar						202,415		508,814	2.51	1.025
Sept-Apr						231,162		576,801	2.50	1.018
Sept-May						259,704		635,379	2.45	0.998
Sept-June						288,389		693,858	2.41	0.981
Sept-July						317,065		767,517	2.42	0.987
Sept-Aug						345,753		847,763	2.45	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 6

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	39,979	170,065	172,706	4.32	0.75
Feb-19	39,785	199,532	202,065	5.08	0.88
Mar-19	39,720	198,503	200,460	5.05	0.88
Apr-19	39,255	220,077	221,624	5.65	0.98
May-19	39,059	213,165	214,063	5.48	0.95
Jun-19	39,246	209,825	210,120	5.35	0.93
Jul-19	39,282	248,383	248,035	6.31	1.10
Aug-19	39,237	266,716	265,597	6.77	1.17
Sep-19	39,231	259,291	257,481	6.56	1.14
Oct-19	39,343	282,825	280,065	7.12	1.24
Nov-19	39,082	222,607	219,817	5.62	0.98
Dec-19	39,039	233,523	229,952	5.89	1.02
Total	472,258	2,724,514	2,721,985	5.76	1.00
Rating Period					
Sept-Dec	156,695		987,315	6.30	1.093
Sept-Jan	196,674		1,160,021	5.90	1.023
Sept-Feb	236,459		1,362,085	5.76	0.999
Sept-Mar	276,179		1,562,545	5.66	0.982
Sept-Apr	315,434		1,784,170	5.66	0.981
Sept-May	354,493		1,998,233	5.64	0.978
Sept-June	393,739		2,208,353	5.61	0.973
Sept-July	433,021		2,456,388	5.67	0.984
Sept-Aug	472,258		2,721,985	5.76	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 7

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	50,764	516,255	524,274	10.33	1.05	17,081	380,672	386,584	22.63	1.07
Feb-19	50,619	473,368	479,376	9.47	0.96	17,094	350,073	354,515	20.74	0.98
Mar-19	50,640	484,541	489,317	9.66	0.98	16,974	359,689	363,234	21.40	1.02
Apr-19	50,297	502,326	505,857	10.06	1.02	16,878	371,320	373,931	22.15	1.05
May-19	50,299	532,353	534,595	10.63	1.08	16,867	383,546	385,162	22.84	1.08
Jun-19	50,338	470,666	471,326	9.36	0.95	16,860	338,509	338,983	20.11	0.95
Jul-19	50,801	494,207	493,515	9.71	0.98	16,944	366,307	365,794	21.59	1.02
Aug-19	50,818	530,536	528,310	10.40	1.05	16,940	378,463	376,875	22.25	1.06
Sep-19	50,763	504,400	500,879	9.87	1.00	16,841	350,673	348,224	20.68	0.98
Oct-19	50,733	549,339	543,978	10.72	1.09	16,839	364,943	361,381	21.46	1.02
Nov-19	50,189	465,668	459,833	9.16	0.93	16,724	314,281	310,342	18.56	0.88
Dec-19	50,075	465,530	458,410	9.15	0.93	16,714	312,229	307,454	18.39	0.87
Total	606,336	5,989,190	5,989,670	9.88	1.00	202,756	4,270,703	4,272,480	21.07	1.00
Rating Period										
Sept-Dec	201,760		1,963,099	9.73	0.985	67,118		1,327,401	19.78	0.939
Sept-Jan	252,524		2,487,373	9.85	0.997	84,199		1,713,985	20.36	0.966
Sept-Feb	303,143		2,966,749	9.79	0.991	101,293		2,068,501	20.42	0.969
Sept-Mar	353,783		3,456,066	9.77	0.989	118,267		2,431,735	20.56	0.976
Sept-Apr	404,080		3,961,923	9.80	0.993	135,145		2,805,666	20.76	0.985
Sept-May	454,379		4,496,519	9.90	1.002	152,012		3,190,828	20.99	0.996
Sept-June	504,717		4,967,844	9.84	0.996	168,872		3,529,811	20.90	0.992
Sept-July	555,518		5,461,360	9.83	0.995	185,816		3,895,605	20.96	0.995
Sept-Aug	606,336		5,989,670	9.88	1.000	202,756		4,272,480	21.07	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 7

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	188,823	104,355	105,975	0.56	1.03	54,228	62,730	63,704	1.17	1.05
Feb-19	188,268	89,690	90,829	0.48	0.88	54,102	63,102	63,903	1.18	1.05
Mar-19	188,260	87,547	88,409	0.47	0.86	53,907	64,094	64,725	1.20	1.07
Apr-19	186,511	91,986	92,632	0.50	0.91	53,450	55,854	56,247	1.05	0.94
May-19	185,852	92,239	92,628	0.50	0.91	53,168	63,581	63,849	1.20	1.07
Jun-19	186,133	97,240	97,377	0.52	0.96	53,239	54,860	54,936	1.03	0.92
Jul-19	187,189	119,709	119,541	0.64	1.17	53,469	65,096	65,005	1.22	1.08
Aug-19	187,667	113,786	113,309	0.60	1.10	53,626	61,636	61,377	1.14	1.02
Sep-19	187,834	95,820	95,151	0.51	0.93	53,708	62,165	61,731	1.15	1.03
Oct-19	187,666	103,954	102,939	0.55	1.00	53,820	64,128	63,502	1.18	1.05
Nov-19	186,157	107,548	106,201	0.57	1.04	53,399	51,939	51,288	0.96	0.86
Dec-19	186,233	124,534	122,629	0.66	1.21	53,588	51,898	51,104	0.95	0.85
Total	2,246,593	1,228,407	1,227,620	0.55	1.00	643,704	721,082	721,372	1.12	1.00
Rating Period										
Sept-Dec	747,890		426,920	0.57	1.045	214,515		227,626	1.06	0.947
Sept-Jan	936,713		532,895	0.57	1.041	268,743		291,330	1.08	0.967
Sept-Feb	1,124,981		623,724	0.55	1.015	322,845		355,233	1.10	0.982
Sept-Mar	1,313,241		712,133	0.54	0.992	376,752		419,958	1.11	0.995
Sept-Apr	1,499,752		804,766	0.54	0.982	430,202		476,205	1.11	0.988
Sept-May	1,685,604		897,393	0.53	0.974	483,370		540,053	1.12	0.997
Sept-June	1,871,737		994,770	0.53	0.973	536,609		594,990	1.11	0.989
Sept-July	2,058,926		1,114,311	0.54	0.990	590,078		659,995	1.12	0.998
Sept-Aug	2,246,593		1,227,620	0.55	1.000	643,704		721,372	1.12	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 7

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	310,896	1,064,012	1,080,538	3.48	1.05
Feb-19	310,083	976,233	988,622	3.19	0.97
Mar-19	309,781	995,870	1,005,686	3.25	0.98
Apr-19	307,136	1,021,486	1,028,667	3.35	1.01
May-19	306,186	1,071,719	1,076,234	3.51	1.06
Jun-19	306,570	961,274	962,622	3.14	0.95
Jul-19	308,403	1,045,319	1,043,855	3.38	1.03
Aug-19	309,051	1,084,420	1,079,871	3.49	1.06
Sep-19	309,146	1,013,057	1,005,985	3.25	0.99
Oct-19	309,058	1,082,365	1,071,800	3.47	1.05
Nov-19	306,469	939,436	927,664	3.03	0.92
Dec-19	306,610	954,191	939,597	3.06	0.93
Total	3,699,389	12,209,383	12,211,142	3.30	1.00
Rating Period					
Sept-Dec	1,231,283		3,945,046	3.20	0.971
Sept-Jan	1,542,179		5,025,584	3.26	0.987
Sept-Feb	1,852,262		6,014,206	3.25	0.984
Sept-Mar	2,162,043		7,019,892	3.25	0.984
Sept-Apr	2,469,179		8,048,559	3.26	0.988
Sept-May	2,775,365		9,124,793	3.29	0.996
Sept-June	3,081,935		10,087,415	3.27	0.992
Sept-July	3,390,338		11,131,271	3.28	0.995
Sept-Aug	3,699,389		12,211,142	3.30	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 8

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	76,449	563,211	571,959	7.48	1.02	9,806	139,315	141,479	14.43	0.99
Feb-19	76,163	514,488	521,017	6.84	0.93	9,706	141,058	142,848	14.72	1.01
Mar-19	76,003	524,099	529,265	6.96	0.95	9,701	143,156	144,567	14.90	1.02
Apr-19	75,642	550,804	554,676	7.33	1.00	9,554	143,391	144,399	15.11	1.03
May-19	75,633	566,700	569,087	7.52	1.02	9,580	146,966	147,586	15.41	1.05
Jun-19	75,689	532,395	533,142	7.04	0.96	9,605	133,395	133,582	13.91	0.95
Jul-19	76,147	581,092	580,279	7.62	1.04	9,680	147,512	147,305	15.22	1.04
Aug-19	76,064	595,588	593,090	7.80	1.06	9,693	142,756	142,157	14.67	1.00
Sep-19	76,036	554,445	550,574	7.24	0.99	9,649	128,428	127,531	13.22	0.90
Oct-19	75,950	620,313	614,258	8.09	1.10	9,630	151,778	150,296	15.61	1.07
Nov-19	75,198	546,726	539,875	7.18	0.98	9,549	137,937	136,208	14.26	0.98
Dec-19	75,036	535,607	527,415	7.03	0.96	9,533	136,132	134,050	14.06	0.96
Total	910,010	6,685,468	6,684,637	7.35	1.00	115,686	1,691,824	1,692,009	14.63	1.00
Rating Period										
Sept-Dec	302,220		2,232,122	7.39	1.005	38,361		548,086	14.29	0.977
Sept-Jan	378,669		2,804,081	7.41	1.008	48,167		689,564	14.32	0.979
Sept-Feb	454,832		3,325,098	7.31	0.995	57,873		832,412	14.38	0.983
Sept-Mar	530,835		3,854,363	7.26	0.988	67,574		976,980	14.46	0.989
Sept-Apr	606,477		4,409,040	7.27	0.990	77,128		1,121,379	14.54	0.994
Sept-May	682,110		4,978,127	7.30	0.994	86,708		1,268,965	14.63	1.001
Sept-June	757,799		5,511,269	7.27	0.990	96,313		1,402,547	14.56	0.996
Sept-July	833,946		6,091,547	7.30	0.994	105,993		1,549,852	14.62	1.000
Sept-Aug	910,010		6,684,637	7.35	1.000	115,686		1,692,009	14.63	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 8

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	246,563	95,045	96,521	0.39	1.10	28,115	25,712	26,111	0.93	0.97
Feb-19	245,548	78,878	79,879	0.33	0.91	27,981	29,197	29,568	1.06	1.11
Mar-19	245,188	85,641	86,485	0.35	0.99	27,826	25,771	26,025	0.94	0.98
Apr-19	243,005	88,869	89,493	0.37	1.03	27,569	26,642	26,830	0.97	1.02
May-19	241,817	95,406	95,808	0.40	1.11	27,469	23,681	23,781	0.87	0.91
Jun-19	241,986	87,208	87,331	0.36	1.01	27,574	16,794	16,818	0.61	0.64
Jul-19	243,138	91,065	90,937	0.37	1.05	27,707	24,122	24,088	0.87	0.91
Aug-19	243,954	86,691	86,327	0.35	0.99	27,832	35,433	35,284	1.27	1.33
Sep-19	244,148	82,608	82,031	0.34	0.94	27,866	26,635	26,449	0.95	0.99
Oct-19	244,102	95,351	94,420	0.39	1.08	27,859	39,400	39,015	1.40	1.47
Nov-19	242,374	75,062	74,121	0.31	0.86	27,717	25,086	24,772	0.89	0.94
Dec-19	242,319	81,038	79,799	0.33	0.92	27,715	19,798	19,496	0.70	0.74
Total	2,924,142	1,042,862	1,043,153	0.36	1.00	333,230	318,272	318,236	0.96	1.00
Rating Period										
Sept-Dec	972,943		330,372	0.34	0.952	111,157		109,732	0.99	1.034
Sept-Jan	1,219,506		426,893	0.35	0.981	139,272		135,843	0.98	1.021
Sept-Feb	1,465,054		506,772	0.35	0.970	167,253		165,411	0.99	1.036
Sept-Mar	1,710,242		593,257	0.35	0.972	195,079		191,436	0.98	1.028
Sept-Apr	1,953,247		682,750	0.35	0.980	222,648		218,266	0.98	1.027
Sept-May	2,195,064		778,558	0.35	0.994	250,117		242,046	0.97	1.013
Sept-June	2,437,050		865,889	0.36	0.996	277,691		258,864	0.93	0.976
Sept-July	2,680,188		956,826	0.36	1.001	305,398		282,952	0.93	0.970
Sept-Aug	2,924,142		1,043,153	0.36	1.000	333,230		318,236	0.96	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 8

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	360,933	823,283	836,070	2.32	1.02
Feb-19	359,398	763,621	773,312	2.15	0.95
Mar-19	358,718	778,668	786,343	2.19	0.96
Apr-19	355,770	809,706	815,399	2.29	1.01
May-19	354,499	832,754	836,262	2.36	1.04
Jun-19	354,854	769,793	770,872	2.17	0.96
Jul-19	356,672	843,790	842,609	2.36	1.04
Aug-19	357,543	860,467	856,858	2.40	1.05
Sep-19	357,699	792,116	786,586	2.20	0.97
Oct-19	357,541	906,841	897,990	2.51	1.10
Nov-19	354,838	784,811	774,977	2.18	0.96
Dec-19	354,603	772,575	760,759	2.15	0.94
Total	4,283,068	9,738,425	9,738,035	2.27	1.00
Rating Period					
Sept-Dec	1,424,681		3,220,312	2.26	0.994
Sept-Jan	1,785,614		4,056,382	2.27	0.999
Sept-Feb	2,145,012		4,829,693	2.25	0.990
Sept-Mar	2,503,730		5,616,036	2.24	0.987
Sept-Apr	2,859,500		6,431,435	2.25	0.989
Sept-May	3,213,999		7,267,697	2.26	0.995
Sept-June	3,568,853		8,038,569	2.25	0.991
Sept-July	3,925,525		8,881,178	2.26	0.995
Sept-Aug	4,283,068		9,738,035	2.27	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 9

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19						8,120	130,566	132,594	16.33	1.00
Feb-19						8,119	115,865	117,335	14.45	0.89
Mar-19						8,076	130,702	131,990	16.34	1.00
Apr-19						7,982	138,269	139,241	17.44	1.07
May-19						7,984	131,981	132,537	16.60	1.02
Jun-19						8,031	106,259	106,408	13.25	0.81
Jul-19						8,065	131,250	131,066	16.25	1.00
Aug-19						8,042	152,061	151,423	18.83	1.15
Sep-19						8,026	131,050	130,135	16.21	0.99
Oct-19						7,947	143,762	142,358	17.91	1.10
Nov-19						7,865	124,982	123,416	15.69	0.96
Dec-19						7,830	130,162	128,172	16.37	1.00
Total						96,087	1,566,909	1,566,676	16.30	1.00
Rating Period										
Sept-Dec						31,668		524,081	16.55	1.015
Sept-Jan						39,788		656,675	16.50	1.012
Sept-Feb						47,907		774,010	16.16	0.991
Sept-Mar						55,983		906,000	16.18	0.993
Sept-Apr						63,965		1,045,241	16.34	1.002
Sept-May						71,949		1,177,778	16.37	1.004
Sept-June						79,980		1,284,186	16.06	0.985
Sept-July						88,045		1,415,252	16.07	0.986
Sept-Aug						96,087		1,566,676	16.30	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 9

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19						25,008	35,032	35,576	1.42	0.94
Feb-19						24,828	33,098	33,518	1.35	0.89
Mar-19						24,695	38,125	38,500	1.56	1.03
Apr-19						24,337	38,798	39,071	1.61	1.06
May-19						24,119	31,045	31,176	1.29	0.85
Jun-19						24,141	32,730	32,776	1.36	0.89
Jul-19						24,330	38,420	38,366	1.58	1.04
Aug-19						24,386	38,837	38,674	1.59	1.04
Sep-19						24,440	38,291	38,024	1.56	1.02
Oct-19						24,457	47,889	47,421	1.94	1.28
Nov-19						24,337	35,031	34,592	1.42	0.94
Dec-19						24,350	38,678	38,087	1.56	1.03
Total						293,428	445,975	445,782	1.52	1.00
Rating Period										
Sept-Dec						97,584		158,124	1.62	1.067
Sept-Jan						122,592		193,701	1.58	1.040
Sept-Feb						147,420		227,218	1.54	1.015
Sept-Mar						172,115		265,719	1.54	1.016
Sept-Apr						196,452		304,790	1.55	1.021
Sept-May						220,571		335,965	1.52	1.003
Sept-June						244,712		368,741	1.51	0.992
Sept-July						269,042		407,107	1.51	0.996
Sept-Aug						293,428		445,782	1.52	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 9

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	33,128	165,599	168,171	5.08	0.98
Feb-19	32,947	148,962	150,853	4.58	0.89
Mar-19	32,771	168,826	170,490	5.20	1.01
Apr-19	32,319	177,067	178,312	5.52	1.07
May-19	32,103	163,026	163,713	5.10	0.99
Jun-19	32,172	138,989	139,184	4.33	0.84
Jul-19	32,395	169,670	169,433	5.23	1.01
Aug-19	32,428	190,899	190,098	5.86	1.13
Sep-19	32,466	169,341	168,159	5.18	1.00
Oct-19	32,404	191,650	189,780	5.86	1.13
Nov-19	32,202	160,013	158,008	4.91	0.95
Dec-19	32,180	168,841	166,258	5.17	1.00
Total	389,515	2,012,883	2,012,458	5.17	1.00
Rating Period					
Sept-Dec	129,252		682,205	5.28	1.022
Sept-Jan	162,380		850,376	5.24	1.014
Sept-Feb	195,327		1,001,229	5.13	0.992
Sept-Mar	228,098		1,171,719	5.14	0.994
Sept-Apr	260,417		1,350,031	5.18	1.003
Sept-May	292,520		1,513,743	5.17	1.002
Sept-June	324,692		1,652,927	5.09	0.985
Sept-July	357,087		1,822,360	5.10	0.988
Sept-Aug	389,515		2,012,458	5.17	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 10

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	100,159	584,026	593,097	5.92	1.01	19,680	373,110	378,905	19.25	1.03
Feb-19	99,861	552,604	559,617	5.60	0.95	19,637	338,147	342,438	17.44	0.94
Mar-19	99,764	567,600	573,195	5.75	0.98	19,559	340,200	343,553	17.56	0.94
Apr-19	99,487	580,695	584,777	5.88	1.00	19,530	355,645	358,146	18.34	0.98
May-19	99,383	621,000	623,615	6.27	1.07	19,486	351,662	353,143	18.12	0.97
Jun-19	99,403	547,568	548,336	5.52	0.94	19,459	327,321	327,780	16.84	0.90
Jul-19	99,768	622,927	622,055	6.24	1.06	19,448	379,258	378,727	19.47	1.05
Aug-19	99,725	628,145	625,510	6.27	1.07	19,380	405,269	403,569	20.82	1.12
Sep-19	99,691	587,247	583,147	5.85	1.00	19,396	378,307	375,666	19.37	1.04
Oct-19	99,432	652,326	645,959	6.50	1.11	19,367	419,495	415,401	21.45	1.15
Nov-19	98,730	559,759	552,744	5.60	0.95	19,292	354,956	350,508	18.17	0.97
Dec-19	98,685	507,351	499,591	5.06	0.86	19,314	329,305	324,268	16.79	0.90
Total	1,194,088	7,011,249	7,011,646	5.87	1.00	233,548	4,352,676	4,352,105	18.63	1.00
Rating Period										
Sept-Dec	396,538		2,281,443	5.75	0.980	77,369		1,465,843	18.95	1.017
Sept-Jan	496,697		2,874,540	5.79	0.986	97,049		1,844,748	19.01	1.020
Sept-Feb	596,558		3,434,157	5.76	0.980	116,686		2,187,186	18.74	1.006
Sept-Mar	696,322		4,007,352	5.76	0.980	136,245		2,530,739	18.57	0.997
Sept-Apr	795,809		4,592,129	5.77	0.983	155,775		2,888,885	18.55	0.995
Sept-May	895,192		5,215,744	5.83	0.992	175,261		3,242,029	18.50	0.993
Sept-June	994,595		5,764,081	5.80	0.987	194,720		3,569,809	18.33	0.984
Sept-July	1,094,363		6,386,136	5.84	0.994	214,168		3,948,536	18.44	0.989
Sept-Aug	1,194,088		7,011,646	5.87	1.000	233,548		4,352,105	18.63	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 10

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	367,878	542,250	550,672	1.50	1.02	54,200	118,159	119,994	2.21	1.13
Feb-19	366,403	493,546	499,809	1.36	0.93	53,936	114,590	116,044	2.15	1.10
Mar-19	365,074	515,679	520,761	1.43	0.97	53,688	110,430	111,519	2.08	1.06
Apr-19	361,596	522,642	526,317	1.46	0.99	53,064	94,218	94,880	1.79	0.91
May-19	360,203	518,717	520,902	1.45	0.98	52,890	101,506	101,933	1.93	0.98
Jun-19	359,845	558,582	559,365	1.55	1.06	52,695	93,254	93,384	1.77	0.90
Jul-19	360,583	771,322	770,242	2.14	1.45	52,870	106,645	106,495	2.01	1.03
Aug-19	361,148	521,510	519,323	1.44	0.98	52,867	113,102	112,627	2.13	1.09
Sep-19	360,683	493,167	489,724	1.36	0.92	53,012	97,421	96,741	1.82	0.93
Oct-19	359,922	548,004	542,655	1.51	1.03	53,014	121,457	120,272	2.27	1.16
Nov-19	357,896	473,642	467,707	1.31	0.89	52,717	98,078	96,849	1.84	0.94
Dec-19	357,928	418,900	412,493	1.15	0.78	52,771	79,412	78,197	1.48	0.76
Total	4,339,159	6,377,960	6,379,970	1.47	1.00	637,724	1,248,270	1,248,936	1.96	1.00
Rating Period										
Sept-Dec	1,436,429		1,912,579	1.33	0.906	211,514		392,059	1.85	0.946
Sept-Jan	1,804,307		2,463,251	1.37	0.929	265,714		512,053	1.93	0.984
Sept-Feb	2,170,710		2,963,060	1.37	0.928	319,650		628,097	1.96	1.003
Sept-Mar	2,535,784		3,483,821	1.37	0.934	373,338		739,615	1.98	1.012
Sept-Apr	2,897,380		4,010,138	1.38	0.941	426,402		834,495	1.96	0.999
Sept-May	3,257,583		4,531,040	1.39	0.946	479,292		936,429	1.95	0.998
Sept-June	3,617,428		5,090,405	1.41	0.957	531,987		1,029,813	1.94	0.988
Sept-July	3,978,011		5,860,647	1.47	1.002	584,857		1,136,308	1.94	0.992
Sept-Aug	4,339,159		6,379,970	1.47	1.000	637,724		1,248,936	1.96	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 10

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	541,917	1,617,544	1,642,668	3.03	1.02
Feb-19	539,837	1,498,887	1,517,909	2.81	0.95
Mar-19	538,085	1,533,909	1,549,028	2.88	0.97
Apr-19	533,677	1,553,200	1,564,120	2.93	0.99
May-19	531,962	1,592,885	1,599,594	3.01	1.01
Jun-19	531,402	1,526,725	1,528,866	2.88	0.97
Jul-19	532,669	1,880,152	1,877,519	3.52	1.19
Aug-19	533,120	1,668,027	1,661,030	3.12	1.05
Sep-19	532,782	1,556,141	1,545,277	2.90	0.98
Oct-19	531,735	1,741,282	1,724,287	3.24	1.09
Nov-19	528,635	1,486,435	1,467,808	2.78	0.94
Dec-19	528,698	1,334,968	1,314,550	2.49	0.84
Total	6,404,519	18,990,156	18,992,657	2.97	1.00
Rating Period					
Sept-Dec	2,121,850		6,051,923	2.85	0.962
Sept-Jan	2,663,767		7,694,591	2.89	0.974
Sept-Feb	3,203,604		9,212,499	2.88	0.970
Sept-Mar	3,741,689		10,761,528	2.88	0.970
Sept-Apr	4,275,366		12,325,648	2.88	0.972
Sept-May	4,807,328		13,925,242	2.90	0.977
Sept-June	5,338,730		15,454,108	2.89	0.976
Sept-July	5,871,399		17,331,627	2.95	0.995
Sept-Aug	6,404,519		18,992,657	2.97	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 11

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	9,338	67,160	68,203	7.30	0.98	4,712	93,994	95,454	20.26	1.04
Feb-19	9,344	59,746	60,504	6.48	0.87	4,692	88,566	89,690	19.12	0.98
Mar-19	9,373	63,532	64,158	6.84	0.92	4,671	92,628	93,541	20.03	1.02
Apr-19	9,298	69,865	70,357	7.57	1.02	4,689	96,066	96,741	20.63	1.06
May-19	9,285	75,185	75,502	8.13	1.09	4,707	99,856	100,277	21.30	1.09
Jun-19	9,327	67,634	67,728	7.26	0.97	4,718	86,497	86,618	18.36	0.94
Jul-19	9,342	71,920	71,819	7.69	1.03	4,727	87,499	87,376	18.48	0.95
Aug-19	9,291	68,409	68,122	7.33	0.98	4,705	93,007	92,617	19.68	1.01
Sep-19	9,252	71,217	70,719	7.64	1.03	4,704	90,644	90,011	19.13	0.98
Oct-19	9,230	83,533	82,718	8.96	1.20	4,701	99,741	98,767	21.01	1.07
Nov-19	9,143	69,001	68,136	7.45	1.00	4,662	91,056	89,915	19.29	0.99
Dec-19	9,121	62,879	61,917	6.79	0.91	4,673	81,827	80,575	17.24	0.88
Total	111,344	830,080	829,883	7.45	1.00	56,361	1,101,378	1,101,581	19.55	1.00
Rating Period										
Sept-Dec	36,746		283,490	7.71	1.035	18,740		359,268	19.17	0.981
Sept-Jan	46,084		351,693	7.63	1.024	23,452		454,722	19.39	0.992
Sept-Feb	55,428		412,197	7.44	0.998	28,144		544,411	19.34	0.990
Sept-Mar	64,801		476,355	7.35	0.986	32,815		637,952	19.44	0.995
Sept-Apr	74,099		546,712	7.38	0.990	37,504		734,693	19.59	1.002
Sept-May	83,384		622,214	7.46	1.001	42,211		834,970	19.78	1.012
Sept-June	92,711		689,942	7.44	0.998	46,929		921,588	19.64	1.005
Sept-July	102,053		761,761	7.46	1.001	51,656		1,008,964	19.53	0.999
Sept-Aug	111,344		829,883	7.45	1.000	56,361		1,101,581	19.55	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 11

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	29,020	21,512	21,846	0.75	1.05	12,569	16,636	16,895	1.34	0.99
Feb-19	28,940	15,961	16,163	0.56	0.78	12,463	11,350	11,494	0.92	0.68
Mar-19	28,840	21,510	21,722	0.75	1.05	12,496	13,250	13,381	1.07	0.79
Apr-19	28,652	27,889	28,085	0.98	1.36	12,303	16,317	16,432	1.34	0.99
May-19	28,572	19,125	19,206	0.67	0.93	12,170	16,616	16,686	1.37	1.01
Jun-19	28,649	19,138	19,165	0.67	0.93	12,151	18,287	18,312	1.51	1.11
Jul-19	28,699	22,813	22,781	0.79	1.10	12,219	20,482	20,454	1.67	1.24
Aug-19	28,776	23,107	23,010	0.80	1.11	12,294	16,697	16,627	1.35	1.00
Sep-19	28,680	19,970	19,831	0.69	0.96	12,332	15,752	15,642	1.27	0.94
Oct-19	28,677	21,764	21,552	0.75	1.04	12,454	22,128	21,912	1.76	1.30
Nov-19	28,410	18,687	18,452	0.65	0.90	12,299	18,107	17,880	1.45	1.07
Dec-19	28,426	16,479	16,227	0.57	0.79	12,247	14,822	14,595	1.19	0.88
Total	344,341	247,955	248,040	0.72	1.00	147,997	200,444	200,309	1.35	1.00
Rating Period										
Sept-Dec	114,193		76,062	0.67	0.925	49,332		70,029	1.42	1.049
Sept-Jan	143,213		97,908	0.68	0.949	61,901		86,923	1.40	1.038
Sept-Feb	172,153		114,071	0.66	0.920	74,364		98,418	1.32	0.978
Sept-Mar	200,993		135,794	0.68	0.938	86,860		111,798	1.29	0.951
Sept-Apr	229,645		163,879	0.71	0.991	99,163		128,230	1.29	0.955
Sept-May	258,217		183,084	0.71	0.984	111,333		144,916	1.30	0.962
Sept-June	286,866		202,250	0.71	0.979	123,484		163,229	1.32	0.977
Sept-July	315,565		225,030	0.71	0.990	135,703		183,682	1.35	1.000
Sept-Aug	344,341		248,040	0.72	1.000	147,997		200,309	1.35	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
MTO 11

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	55,639	199,302	202,397	3.64	1.01
Feb-19	55,439	175,622	177,851	3.21	0.89
Mar-19	55,380	190,919	192,801	3.48	0.97
Apr-19	54,942	210,137	211,615	3.85	1.07
May-19	54,734	210,783	211,670	3.87	1.07
Jun-19	54,845	191,555	191,824	3.50	0.97
Jul-19	54,987	202,714	202,430	3.68	1.02
Aug-19	55,066	201,220	200,376	3.64	1.01
Sep-19	54,968	197,582	196,203	3.57	0.99
Oct-19	55,062	227,166	224,949	4.09	1.13
Nov-19	54,514	196,850	194,383	3.57	0.99
Dec-19	54,467	176,007	173,315	3.18	0.88
Total	660,043	2,379,857	2,379,814	3.61	1.00
Rating Period					
Sept-Dec	219,011		788,849	3.60	0.999
Sept-Jan	274,650		991,247	3.61	1.001
Sept-Feb	330,089		1,169,098	3.54	0.982
Sept-Mar	385,469		1,361,899	3.53	0.980
Sept-Apr	440,411		1,573,514	3.57	0.991
Sept-May	495,145		1,785,184	3.61	1.000
Sept-June	549,990		1,977,008	3.59	0.997
Sept-July	604,977		2,179,438	3.60	0.999
Sept-Aug	660,043		2,379,814	3.61	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
FRB - Logisticare

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	151,802	1,466,688	1,489,469	9.81	1.02	7,986	103,748	105,359	13.19	0.99
Feb-19	151,514	1,335,333	1,352,279	8.93	0.93	7,996	96,838	98,067	12.26	0.92
Mar-19	151,551	1,380,526	1,394,133	9.20	0.95	7,979	100,532	101,523	12.72	0.95
Apr-19	151,125	1,450,656	1,460,855	9.67	1.00	7,951	110,717	111,496	14.02	1.05
May-19	151,289	1,540,663	1,547,153	10.23	1.06	7,914	106,088	106,535	13.46	1.01
Jun-19	151,627	1,466,454	1,468,510	9.69	1.00	7,871	98,267	98,405	12.50	0.93
Jul-19	152,486	1,489,043	1,486,958	9.75	1.01	7,914	112,780	112,622	14.23	1.06
Aug-19	152,752	1,653,647	1,646,711	10.78	1.12	7,889	120,497	119,992	15.21	1.14
Sep-19	152,592	1,506,168	1,495,653	9.80	1.02	7,879	107,483	106,732	13.55	1.01
Oct-19	152,315	1,557,032	1,541,835	10.12	1.05	7,872	115,183	114,058	14.49	1.08
Nov-19	151,188	1,364,433	1,347,335	8.91	0.92	7,823	101,934	100,656	12.87	0.96
Dec-19	150,819	1,356,309	1,335,565	8.86	0.92	7,833	95,901	94,435	12.06	0.90
Total	1,821,060	17,566,951	17,566,454	9.65	1.00	94,907	1,269,969	1,269,881	13.38	1.00
Rating Period										
Sept-Dec	606,914		5,720,387	9.43	0.977	31,407		415,882	13.24	0.990
Sept-Jan	758,716		7,209,856	9.50	0.985	39,393		521,241	13.23	0.989
Sept-Feb	910,230		8,562,135	9.41	0.975	47,389		619,308	13.07	0.977
Sept-Mar	1,061,781		9,956,268	9.38	0.972	55,368		720,831	13.02	0.973
Sept-Apr	1,212,906		11,417,123	9.41	0.976	63,319		832,327	13.14	0.982
Sept-May	1,364,195		12,964,276	9.50	0.985	71,233		938,862	13.18	0.985
Sept-June	1,515,822		14,432,786	9.52	0.987	79,104		1,037,267	13.11	0.980
Sept-July	1,668,308		15,919,743	9.54	0.989	87,018		1,149,889	13.21	0.988
Sept-Aug	1,821,060		17,566,454	9.65	1.000	94,907		1,269,881	13.38	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
FRB - Logisticare

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	621,974	216,646	220,011	0.35	0.98	24,274	39,303	39,914	1.64	1.09
Feb-19	619,607	201,121	203,673	0.33	0.91	24,168	33,371	33,794	1.40	0.93
Mar-19	618,847	206,431	208,466	0.34	0.93	24,123	45,325	45,772	1.90	1.26
Apr-19	612,229	199,511	200,913	0.33	0.91	23,934	36,296	36,551	1.53	1.01
May-19	608,326	211,831	212,724	0.35	0.97	23,808	34,049	34,192	1.44	0.95
Jun-19	608,976	228,395	228,715	0.38	1.04	23,899	30,607	30,650	1.28	0.85
Jul-19	612,141	231,002	230,678	0.38	1.04	24,008	36,617	36,565	1.52	1.01
Aug-19	612,788	275,641	274,485	0.45	1.24	24,118	33,833	33,691	1.40	0.93
Sep-19	611,910	232,453	230,830	0.38	1.04	23,971	31,582	31,361	1.31	0.87
Oct-19	611,062	238,315	235,989	0.39	1.07	23,956	31,331	31,025	1.30	0.86
Nov-19	605,761	195,563	193,112	0.32	0.88	23,760	25,343	25,025	1.05	0.70
Dec-19	604,784	223,968	220,543	0.36	1.01	23,784	56,328	55,467	2.33	1.55
Total	7,348,405	2,660,876	2,660,138	0.36	1.00	287,803	433,982	434,006	1.51	1.00
Rating Period										
Sept-Dec	2,433,517		880,473	0.36	0.999	95,471		142,878	1.50	0.992
Sept-Jan	3,055,491		1,100,484	0.36	0.995	119,745		182,792	1.53	1.012
Sept-Feb	3,675,098		1,304,157	0.35	0.980	143,913		216,586	1.50	0.998
Sept-Mar	4,293,945		1,512,623	0.35	0.973	168,036		262,358	1.56	1.035
Sept-Apr	4,906,174		1,713,537	0.35	0.965	191,970		298,908	1.56	1.033
Sept-May	5,514,500		1,926,260	0.35	0.965	215,778		333,100	1.54	1.024
Sept-June	6,123,476		2,154,975	0.35	0.972	239,677		363,750	1.52	1.006
Sept-July	6,735,617		2,385,653	0.35	0.978	263,685		400,315	1.52	1.007
Sept-Aug	7,348,405		2,660,138	0.36	1.000	287,803		434,006	1.51	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
FRB - Logisticare

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	806,036	1,826,384	1,854,752	2.30	1.00
Feb-19	803,285	1,666,663	1,687,814	2.10	0.92
Mar-19	802,500	1,732,815	1,749,894	2.18	0.95
Apr-19	795,239	1,797,180	1,809,815	2.28	0.99
May-19	791,337	1,892,631	1,900,604	2.40	1.05
Jun-19	792,373	1,823,722	1,826,279	2.30	1.00
Jul-19	796,549	1,869,441	1,866,823	2.34	1.02
Aug-19	797,547	2,083,618	2,074,878	2.60	1.13
Sep-19	796,352	1,877,685	1,864,576	2.34	1.02
Oct-19	795,205	1,941,860	1,922,907	2.42	1.05
Nov-19	788,532	1,687,272	1,666,128	2.11	0.92
Dec-19	787,220	1,732,507	1,706,009	2.17	0.94
Total	9,552,175	21,931,778	21,930,479	2.30	1.00
Rating Period					
Sept-Dec	3,167,309		7,159,620	2.26	0.985
Sept-Jan	3,973,345		9,014,372	2.27	0.988
Sept-Feb	4,776,630		10,702,186	2.24	0.976
Sept-Mar	5,579,130		12,452,080	2.23	0.972
Sept-Apr	6,374,369		14,261,895	2.24	0.975
Sept-May	7,165,706		16,162,498	2.26	0.982
Sept-June	7,958,079		17,988,778	2.26	0.985
Sept-July	8,754,628		19,855,601	2.27	0.988
Sept-Aug	9,552,175		21,930,479	2.30	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
FRB - MTM

Month	Adults Urban					Adults Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	186,448	1,266,821	1,286,497	6.90	1.03	19,377	332,641	337,807	17.43	1.03
Feb-19	186,090	1,174,183	1,189,084	6.39	0.95	19,352	325,709	329,842	17.04	1.00
Mar-19	185,982	1,213,937	1,225,903	6.59	0.98	19,314	317,637	320,768	16.61	0.98
Apr-19	185,172	1,266,444	1,275,347	6.89	1.02	19,260	337,026	339,395	17.62	1.04
May-19	185,122	1,308,628	1,314,140	7.10	1.06	19,182	345,815	347,271	18.10	1.07
Jun-19	185,423	1,190,326	1,191,995	6.43	0.96	19,196	303,402	303,828	15.83	0.93
Jul-19	186,528	1,275,426	1,273,640	6.83	1.02	19,308	328,124	327,664	16.97	1.00
Aug-19	186,639	1,313,386	1,307,877	7.01	1.04	19,237	337,463	336,048	17.47	1.03
Sep-19	186,580	1,214,191	1,205,715	6.46	0.96	19,247	317,987	315,767	16.41	0.97
Oct-19	186,507	1,420,944	1,407,075	7.54	1.12	19,190	367,565	363,977	18.97	1.12
Nov-19	185,075	1,197,041	1,182,040	6.39	0.95	19,069	313,143	309,219	16.22	0.95
Dec-19	184,833	1,158,350	1,140,634	6.17	0.92	19,079	295,670	291,148	15.26	0.90
Total	2,230,399	14,999,677	14,999,947	6.73	1.00	230,811	3,922,182	3,922,735	17.00	1.00
Rating Period										
Sept-Dec	742,995		4,935,464	6.64	0.988	76,585		1,280,111	16.71	0.983
Sept-Jan	929,443		6,221,961	6.69	0.995	95,962		1,617,919	16.86	0.992
Sept-Feb	1,115,533		7,411,045	6.64	0.988	115,314		1,947,761	16.89	0.994
Sept-Mar	1,301,515		8,636,948	6.64	0.987	134,628		2,268,529	16.85	0.991
Sept-Apr	1,486,687		9,912,295	6.67	0.991	153,888		2,607,924	16.95	0.997
Sept-May	1,671,809		11,226,435	6.72	0.998	173,070		2,955,195	17.08	1.005
Sept-June	1,857,232		12,418,430	6.69	0.994	192,266		3,259,023	16.95	0.997
Sept-July	2,043,760		13,692,070	6.70	0.996	211,574		3,586,687	16.95	0.997
Sept-Aug	2,230,399		14,999,947	6.73	1.000	230,811		3,922,735	17.00	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
FRB - MTM

Month	Children Urban (incl. CSHCN)					Children Rural				
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	Seasonality Factor
Jan-19	762,708	236,853	240,532	0.32	1.05	60,736	82,832	84,118	1.38	1.05
Feb-19	758,652	224,710	227,561	0.30	1.00	60,555	72,605	73,526	1.21	0.92
Mar-19	755,667	213,742	215,849	0.29	0.95	60,295	72,982	73,701	1.22	0.93
Apr-19	745,396	231,178	232,803	0.31	1.04	59,712	82,766	83,348	1.40	1.06
May-19	739,695	219,640	220,565	0.30	0.99	59,270	78,913	79,245	1.34	1.01
Jun-19	738,851	213,445	213,745	0.29	0.96	59,160	87,890	88,013	1.49	1.13
Jul-19	742,662	243,661	243,320	0.33	1.09	59,622	86,887	86,765	1.46	1.10
Aug-19	745,036	245,502	244,473	0.33	1.09	59,649	94,001	93,607	1.57	1.19
Sep-19	744,781	217,409	215,891	0.29	0.96	59,713	71,870	71,368	1.20	0.90
Oct-19	745,807	260,624	258,080	0.35	1.15	59,864	82,507	81,702	1.36	1.03
Nov-19	742,334	207,056	204,462	0.28	0.91	59,634	67,704	66,855	1.12	0.85
Dec-19	743,535	186,522	183,669	0.25	0.82	59,838	67,401	66,370	1.11	0.84
Total	8,965,124	2,700,341	2,700,948	0.30	1.00	718,048	948,356	948,619	1.32	1.00
Rating Period										
Sept-Dec	2,976,457		862,102	0.29	0.961	239,049		286,295	1.20	0.907
Sept-Jan	3,739,165		1,102,634	0.29	0.979	299,785		370,414	1.24	0.935
Sept-Feb	4,497,817		1,330,195	0.30	0.982	360,340		443,940	1.23	0.933
Sept-Mar	5,253,484		1,546,043	0.29	0.977	420,635		517,641	1.23	0.932
Sept-Apr	5,998,880		1,778,846	0.30	0.984	480,347		600,989	1.25	0.947
Sept-May	6,738,575		1,999,411	0.30	0.985	539,617		680,234	1.26	0.954
Sept-June	7,477,426		2,213,156	0.30	0.982	598,777		768,247	1.28	0.971
Sept-July	8,220,088		2,456,476	0.30	0.992	658,399		855,012	1.30	0.983
Sept-Aug	8,965,124		2,700,948	0.30	1.000	718,048		948,619	1.32	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Seasonality Adjustment
FRB - MTM

Month	Total				Seasonality Factor
	Members	Est. Inc. Claims	Trended to Midpt (7/1)*	PMPM	
Jan-19	1,029,269	1,919,146	1,948,954	1.89	1.02
Feb-19	1,024,649	1,797,206	1,820,014	1.78	0.96
Mar-19	1,021,258	1,818,299	1,836,221	1.80	0.97
Apr-19	1,009,540	1,917,413	1,930,893	1.91	1.03
May-19	1,003,269	1,952,995	1,961,221	1.95	1.05
Jun-19	1,002,630	1,795,064	1,797,581	1.79	0.96
Jul-19	1,008,120	1,934,098	1,931,390	1.92	1.03
Aug-19	1,010,561	1,990,352	1,982,003	1.96	1.06
Sep-19	1,010,321	1,821,457	1,808,741	1.79	0.96
Oct-19	1,011,368	2,131,640	2,110,834	2.09	1.12
Nov-19	1,006,112	1,784,944	1,762,576	1.75	0.94
Dec-19	1,007,285	1,707,944	1,681,821	1.67	0.90
Total	12,144,382	22,570,556	22,572,249	1.86	1.00
Rating Period					
Sept-Dec	4,035,086		7,363,972	1.82	0.982
Sept-Jan	5,064,355		9,312,927	1.84	0.989
Sept-Feb	6,089,004		11,132,940	1.83	0.984
Sept-Mar	7,110,262		12,969,161	1.82	0.981
Sept-Apr	8,119,802		14,900,054	1.84	0.987
Sept-May	9,123,071		16,861,275	1.85	0.994
Sept-June	10,125,701		18,658,856	1.84	0.991
Sept-July	11,133,821		20,590,245	1.85	0.995
Sept-Aug	12,144,382		22,572,249	1.86	1.000

* Trend estimated incurred claims to midpoint 7/1/2019 using annual trend assumption 3.42%.

Attachment 4

FY2021 Medicaid Rate Certification Index

The index below includes the pages of this report that correspond to the applicable sections of the 2020-2021 Medicaid Managed Care Rate Development Guide, dated July 2, 2020.

Section I. Medicaid Managed Care Rates

1. General Information

A. Rate Development Standards

- i. Rates are for the period September 1, 2020 through May 31, 2021 (FY2021).
- ii.
 - (a) The certification letter is on page 8 of the report.
 - (b) The final capitation rates are shown on page 7 of the report.
 - (c)
 - (i) See pages 1 through 4 of the report.
 - (ii) See pages 1 through 4 of the report.
 - (iii) See pages 1 through 4 of the report.
 - (iv) Not applicable.
 - (v) Not applicable.
 - (vi) Not applicable.
- iii. Acknowledged.
- iv. Acknowledged.
- v. Acknowledged.
- vi. Acknowledged. Section 42 CFR § 438.8 does not apply to NEMT PAHP.
- vii. Acknowledged.
- viii. Acknowledged.
- ix. Acknowledged.

B. Appropriate Documentation

- i. Acknowledged.
- ii. Acknowledged.
- iii. Acknowledged.
- iv. Acknowledged.
- v. See Attachment 1 pages 10 through 22 of the report.
- vi. Not applicable. While amendments may be necessary in future months there are no known at this time.

2. Data

A. Rate Development Standards

- i. (a) Acknowledged.
(b) Acknowledged.
(c) Acknowledged.
(d) Not applicable.

B. Appropriate Documentation

- i. (a) See pages 1 through 2 of the report.
- ii. (a) See pages 1 through 2 of the report.
(b) See pages 1 through 2 of the report.
(c) See pages 1 through 2 of the report.
(d) Not applicable.
- iii. (a) Base period data is fully credible.
(b) See page 3 of the report.
(c) No errors found in the data.
(d) See page 5 of the report.
(e) Value added services have been excluded from the analysis.

3. Projected benefit Costs and Trends

A. Rate Development Standards

- i. Acknowledged.
- ii. Acknowledged.
- iii. Acknowledged.
- iv. Acknowledged.
- v. Not applicable.

B. Appropriate Documentation

- i. See page 7 and Attachment 1 pages 10 through 22 of the report.
- ii. (a) See Attachment 1 pages 10 through 22 of the report.

(b) There have been no significant changes in the development of the benefit cost since the last certification.

(c) Any overpayments or recoveries are included in the experience data.
- iii. (a) See Attachment 2 pages 23 through 26 of the report.

(b) See Attachment 2 pages 23 through 26 of the report.

(c) See Attachment 2 pages 23 through 26 of the report.

(d) See Attachment 2 pages 23 through 26 of the report.

(e) Not applicable.
- iv. Not applicable.
- v. Not applicable.
- vi. (a) Restorative enrollment can occur when an individual is deemed to have been Medicaid eligible during a prior period. If the individual was eligible for and enrolled in Medicaid managed care during the prior period, then the individual is retrospectively enrolled in the same managed care plan as their prior enrollment segment. The managed care plan is then retrospectively responsible for all Medicaid expenses incurred during this retrospective period and is also paid a retrospective premium for this time period.

(b) All claims paid during retroactive enrollment periods are included in the base period data used to develop the FY2021 premium rate.

(c) All enrollment data during retroactive enrollment periods are included in the base period data used to develop the FY2021 premium rate.

(d) No adjustments are necessary to account for retroactive enrollment periods because the enrollment criteria have not changed from the base period to the rating period. All retroactive enrollment and claims information has been included in the base period data, the trend calculations and all other adjustment factors.

vii. See Attachment 3 pages 27 through 63 of the report.

viii. See Attachment 3 pages 27 through 63 of the report.

4. Special Contract Provisions Related to Payment

A. Incentive Arrangements

i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

(a) Not applicable.

B. Withhold Arrangements

i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

(a) Not applicable.

C. Risk-Sharing Arrangements

i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

HHSC includes an experience rebate provision in its contracts which requires the MTOs and FRBs to return a portion of net income before taxes if greater than the specified percentages. The net income is measured by the financial statistical reports (FSRs) submitted by the MTOs and FRBs and audited by an external auditor. The aggregated net income is shared as follows:

Pre-tax Income as a % of Revenues	MTO Share	HHSC Share
≤ 5%	100%	0%
> 5% and ≤ 8%	60%	40%
> 8% and ≤ 12%	35%	65%
> 12%	15%	85%

D. Delivery System and Provider Payment Initiatives

i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

(a) Not applicable.

E. Pass-Through Payments

i. Rate Development Standards

Acknowledged.

ii. Appropriate Documentation

(a) Not applicable.

5. Projected Non-Benefit Costs

A. Rate Development Standards

i. Acknowledged.

ii. Acknowledged.

iii. Acknowledged.

iv. Not applicable.

B. Appropriate Documentation

- i. See page 6 of the report.
- ii. See page 6 of the report.
- iii. See page 6 of the report.
- iv. See page 6 of the report.

6. Risk Adjustment and Acuity Adjustments

A. Rate Development Standards

- i. Acknowledged.
- ii. Acknowledged.
- iii. Acknowledged.

B. Appropriate Documentation

- i. Not applicable.
- ii. Not applicable.
- iii. Not applicable.
- iv. Not applicable.

Section II. Medicaid Managed Care Rates with Long-Term Services and Support

Not applicable.

Section III. New Adult Group Capitation Rates

Not applicable.