



Jim Doyle  
Governor

Karen E. Timberlake  
Secretary

**State of Wisconsin**

**Department of Health Services**

November 17, 2008

Jinn-Feng Lin  
PricewaterhouseCoopers LLP  
One North Wacker Drive  
Chicago, IL 60606

RE: Actuarial Certification of Calendar Year 2009 BadgerCare Plus Standard, Benchmark, and Childless Adults Programs

Dear Ms. Lin:

I, Curtis Cunningham, hereby affirm that the data prepared and submitted to PricewaterhouseCoopers (PwC) for the purpose of developing the calendar year 2009 BadgerCare Plus Standard, Benchmark, and Childless Adults Programs Managed Care Equivalent and Capitation Rates were prepared under my direction, and to the best of my knowledge are accurate and complete. These data include:

1. 2006-2007 encounter claims data for BadgerCare Plus, including imputed Medicaid payment amounts and supplemental threshold limit encounter data
2. 2006-2007 Medicaid fee-for-service (FFS) claims and eligibility date for BadgerCare Plus eligibles
3. 2006-2007 capitation payment records for BadgerCare Plus
4. List of pregnant women who delivered during calendar years 2006 and 2007 and criteria used to identify the deliveries
5. January through September 2008 capitation payment records for BadgerCare Plus including indicators for expansion population and HSPW pregnant women
6. 2006-2007 GAMP member months and claims data
7. Projected enrollment counts and age/gender/region distributions for 2009 BadgerCare Plus Benchmark and Childless Adults
8. BadgerCare Plus Benchmark and Childless Adults benefit design provisions
9. 2006-2007 FFS dental and chiropractic claims and related eligible months for BadgerCare Plus
10. 2006-2007 Milwaukee County Transportation Cost
11. 2006-2007 AIDS/Vent recipient IDs and status begin and end dates
12. Summary of 2007 AIDS settlement data for BadgerCare Plus
13. 2005-2006 HealthCheck recoupment data
14. State Fiscal Year 2007 through 2009 provider rate increases
15. List of procedure codes to carve out physician administered drugs
16. Medical status code eligibility crosswalk and category of service groupings

17. Medicaid co-payments and other insurance paid data for FFS payments and managed care encounter data
18. DSH percentages by provider ID for FY 2006 through 2008
19. Department of Health Services (DHS) analyses related to DSH payments
20. Analyses related to inpatient and outpatient reimbursement changes for Critical Access Hospital reimbursement
21. Calendar years 2006 and 2007 CDPS scores by individual recipients for BadgerCare Plus
22. Final 2009 BadgerCare Plus capitation rates

I further affirm that the number of eligibles, claim incurral dates, paid claim dates, paid claim amounts, projected enrollment months, summaries and related data submitted to PwC are, to the best of my knowledge and belief, accurately stated.

Sincerely,



Curtis J. Cunningham  
Section Chief of Hospital and Managed Care Rate Setting  
Bureau of Fiscal Management  
Division of Health Care Access and Accountability  
Wisconsin Department of Health Services

**Wisconsin Department of Health Services**  
**Crosswalk from CMS Rate Setting Checklist to 2009 BadgerCare Plus Standard, Benchmark, and Childless Adults Programs Report**

Item	Location	Comments
AA.1.0 Overview of Ratesetting Methodology	Entire Report	
AA.1.1 Actuarial Certification	Pages 21-23	Section VI. Actuarial Certification
AA.1.2 Projection of Expenditures	NA	DHS will provide
AA.1.3 Procurement, Prior Approval and Ratesetting	NA	State Set Rates
AA.1.5 Risk contracts	NA	
AA.1.6 Limit on Payment to other providers	NA	
AA.1.7 Rate Modifications	NA	
AA.2.0 Base Year Utilization and Cost Data	Pages 6-7; Exh 1-3, 5-6, 9	Encounter Data submitted by participating HMOS
AA.2.1 Medicaid Eligibles under the Contract	Pages 3-4	
AA.2.2 Dual Eligibles	NA	
AA.2.3 Spenddown	NA	
AA.2.4 State Plan Services only	NA	
AA.2.5 Services that may be covered out of contract savings	NA	
AA.3.0 Adjustments to Base Year Data	Pages 8-16; Exh 2-3, 5-6, 9	
AA.3.1 Benefit Differences	Pages 12-15; Exh 11-14	
AA.3.2 Administrative Cost Allowance Calculations	Page 10-11	
AA.3.3 Special Populations' Adjustments	Pages 12-15; Exh 11-14	
AA.3.4 Eligibility Adjustments	NA	
AA.3.5 DSH Payments	Page 8-9; Exh 2	
AA.3.6 Third Party Liability	NA	Claims net of TPL, HMOs will collect TPL
AA.3.7 Co-payments, Coinsurance and Deductibles in Capitated Rates	Pages 10,12,13; Exh 3,11,14	
AA.3.8 Graduate Medical Education	NA	
AA.3.9 FQHC and RHC Reimbursement	NA	
AA.3.10 Medical Cost / Trend Inflation	Pages 9-11	
AA.3.11 Utilization Adjustments	Page 11	
AA.3.12 Utilization and Cost Assumptions	NA	
AA.3.13 Post-Eligibility Treatment of Income	NA	
AA.3.14 Incomplete Data Adjustment	Page 9	
AA.4.0 Establish Rate Category Groupings	Pages 3-4	
AA.4.1 Age	Page 4	
AA.4.2 Gender	Page 4	
AA.4.3 Locality / Region	Pages 4-5	All 6 Rate Regions
AA.4.4 Eligibility Categories	Page 4	
AA.5.0 Data Smoothing	Pages 8-15	Use two years of base data
AA 5.1 Special Population and Assessment of the Data for Distortions	Pages 8-15	Use two years of base data
AA.5.2 Cost-neutral data smoothing adjustment	Pages 8-15	Use two years of base data
AA.5.3 Risk Adjustment	Page 19, Exh 15	CDPS Risk Adjustment
AA.6.0 Stop Loss, Reinsurance or Risk Sharing arrangements	NA	
AA.6.1 Commercial Reinsurance	NA	
AA.6.2 Simple stop loss program	NA	
AA.6.3 Risk corridor program	NA	
AA.7.0 Incentive Arrangements	Pages 19-20	

**Wisconsin Department of  
Health Services**

**2009 Managed Care Equivalent and  
HMO Capitation Rate Development for  
BadgerCare Plus Standard, Benchmark, and  
Childless Adults Programs**

*Prepared by:*

PricewaterhouseCoopers

*November 2008*

November 18, 2008

Mr. Curtis Cunningham  
Rate Setting Section Chief  
Bureau of Fiscal Management  
Division of Health Care Access and Accountability  
1 West Wilson Street  
P. O. BOX 309  
Madison, WI 53701-0309

**Re: 2009 Managed Care Equivalent and HMO Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

Dear Curtis:

The enclosed report provides a detailed description of the methodology used to develop the 2009 managed care equivalent estimates and HMO capitation rates for the BadgerCare Plus managed care programs effective January 1, 2009 through December 31, 2009 in Wisconsin. The methods used for calculating these costs are consistent with Centers for Medicare and Medicaid Services requirements that the capitation rates be actuarially sound and appropriate for the population covered by the program.

The development of these rates was overseen by Sandra Hunt, Principal, and Jinn-Feng Lin, Lead Actuary.

Please call Sandra Hunt at 415-498-5365 or Jinn Lin at 312-298-3792 if you have any questions regarding these rates.

Very truly yours,  
PricewaterhouseCoopers LLP

*Sandra S. Hunt*

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By: Sandra S. Hunt, M.P.A.  
Principal

*Jinn-Feng Lin*

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Jinn-Feng Lin, F.S.A., M.A.A.A.  
Director

**Wisconsin Department of Health Services**  
**2009 Managed Care Equivalent and  
HMO Capitation Rate Development for  
BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

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## **I. EXECUTIVE SUMMARY**

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This report describes the methodology used to develop the 2009 per eligible per month (PEPM) managed care equivalent (MCE) estimates and HMO capitation rates for the BadgerCare Plus managed care programs in Wisconsin.

There will be a number of changes to the Wisconsin Family Medicaid managed care program beginning in 2009. In addition, some changes were made to the rate methodology. These include:

- Age/Gender - The 2009 MCE development is based on PEPM values at the rate cell level rather than applying statewide factors for age and gender.
- Maternity Carve-out - Beginning with pregnancies identified in 2009, the cost of maternity related services for managed care enrollees will be paid through a case rate rather than through capitation payments.
- Physician Administered Drugs Carve-out - Drug cost for managed care enrollees will be paid through Fee-For-Service (FFS) rather than through capitation payments; the costs for these drugs were carved out of the base data.
- HIV / AIDS costs - The costs and member months associated with enrollees identified with HIV / AIDS have been included in the 2009 MCE development.
- Milwaukee Transportation - Transportation costs for the Milwaukee region (Region 6) have been included in the 2009 MCE development.
- Base Data Weighting - The two year base data has been weighted by actual member month distribution rather than a 50/50 weighting.
- Risk Adjustment - MCO capitation rates will be adjusted for the health status of each MCO's enrollees. The risk adjustment is calculated using the Chronic Illness and Disability Payment System (CDPS).

In 2009, the Wisconsin BadgerCare Plus Standard Plan managed care program will provide health care coverage to members of low-income families with dependent children, low-income pregnant women and certain other children. The BadgerCare Plus Benchmark Plan managed care programs will provide health coverage to both children eligible for Medicaid under the state plan and children ineligible for Medicaid under the state plan since their family incomes are greater than 250% of the federal poverty level. In addition, the Benchmark plan provides coverage to pregnant women and certain self employed adults with countable income from 200-300% of the federal poverty level.. The Childless Adults program will provide a "Core" set of benefits to individuals, ages 19 through 64, that do not have any children under age 19 under his/her care, and whose income does not exceed 200% of the Federal Poverty Level (FPL). The Core benefit plan will include primary and preventive care, but will be much less comprehensive than



traditional Medicaid. The Benchmark and Childless Adults programs require higher cost sharing than the Standard Plan.

PricewaterhouseCoopers LLP (PwC) has calculated 2009 Managed Care Equivalence (MCE) rates for the BadgerCare Plus Standard, Benchmark, and Childless Adults programs. Effective August 13, 2003, regulations issued by the Centers for Medicare and Medicaid Services govern the development of capitation payments for Medicaid managed care programs. These regulations require that rates be “actuarially sound”. While there are no definitive criteria for determining actuarial soundness for Medicaid managed care programs, CMS has issued a checklist that provides guidance. We have followed that checklist in developing the proposed rates shown here. The final rates will be established through signed contracts with HMOs, which will ensure that the plans concur that the rates paid will allow for contracting with sufficient numbers of providers to ensure appropriate access to health care and that they expect to remain financially sound throughout the contract period.

The general guidelines for developing actuarially sound payment rates encompass the following concepts:

- ◆ Data appropriate for the population to be covered by the managed care program should be used for the analysis;
- ◆ Payment rates should be sufficiently differentiated to reflect known variation in per capita costs related to age, gender, Medicaid eligibility category, and health status;
- ◆ Where rate cells have relatively small numbers of individuals, cost neutral data smoothing techniques should be used;
- ◆ Medicaid fee-for-service payment rates per unit of service are an appropriate benchmark for developing capitation rates;
- ◆ Differences in expected utilization rates between fee-for-service and managed care programs should be accounted for;
- ◆ Appropriate levels of HMO administrative costs should be included in the rates;
- ◆ Programmatic changes in the Medicaid program between the data and contract period should be reflected in the rates; and
- ◆ A range of appropriate rates could emerge from the rate-setting process.

These MCE rates are developed to be consistent with the concepts described above.

The 2009 MCE estimates are based on encounter data submitted by the participating HMOs. The rate development process starts with the HMO encounter data, makes necessary adjustments to

reflect Medicaid reimbursement levels, applies a trend adjustment to estimate costs in 2009, and applies an administrative cost allowance.

The 2009 HMO capitation rates were developed in accordance with the CMS actuarial soundness requirement as well as the CMS rate setting checklist. HMO capitation rates were set with the goal of minimizing revenue reductions to any rate region or health plan while keeping rates within an actuarially reasonable range of the MCE rates. The HMO capitation rates are effective as of January 1, 2009.

### **Disclaimer**

In performing this analysis, we relied on data and other information provided by the State. We have not audited or verified this data or other information. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete.

We performed a limited review of the data used directly in our analysis for reasonableness and consistency and believe the data appear to be reasonable for this rate development. If there are material errors or omissions in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment.

Differences between our projections and actual results depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis.

This report is intended to assist the State in developing BadgerCare Plus capitation rates. It may not be appropriate for other uses. PricewaterhouseCoopers does not intend to benefit and assumes no duty or liability to other parties who receive this work. This report should only be reviewed in its entirety. It assumes the reader is familiar with the BadgerCare Plus programs and managed care rating principles.

The results in this report are technical in nature and are dependent upon specific assumptions and methods. No party should rely upon these results without a thorough understanding of those assumptions and methods. Such an understanding may require consultation with qualified professionals.

### **Report Structure**

Section II describes the data used for the 2009 rate development. Section III documents the methodology used to calculate the MCE estimates. Section IV documents the methodology used to calculate the maternity case rates. Section V documents the 2009 HMO capitation rates. Section VI provides an actuarial certification of the 2009 HMO capitation rates.

### **Rate Cells**

The 2009 MCE estimates will vary based on the following criteria:

- ◆ Eligibility Group. Members eligible for participation in these programs include:
  - BadgerCare Plus Standard Plan
  - BadgerCare Plus Benchmark Plan
  - BadgerCare Plus Childless Adults

The BadgerCare Plus Standard Plan is a program that became effective February 1, 2008 that consists of the combination of former BadgerCare Plus Standard Plan for Families and former BadgerCare Plus Standard Plan for Pregnant Women enrollees. The BadgerCare Plus Benchmark Plan expands Medicaid services to all previously non-covered children, to certain previously non-covered pregnant women, and to certain self-employed adults. The BadgerCare Plus Childless Adults Plan expands Medicaid services to adults that do not have any children under age 19 under their care, and whose income does not exceed 200% of the FPL. The Childless Adults population will also consist of individuals currently enrolled in the General Assistance Medical Program (GAMP). Individuals that currently have other health insurance, or had coverage in the previous 12 months, are not eligible to enroll in the Childless Adults program.

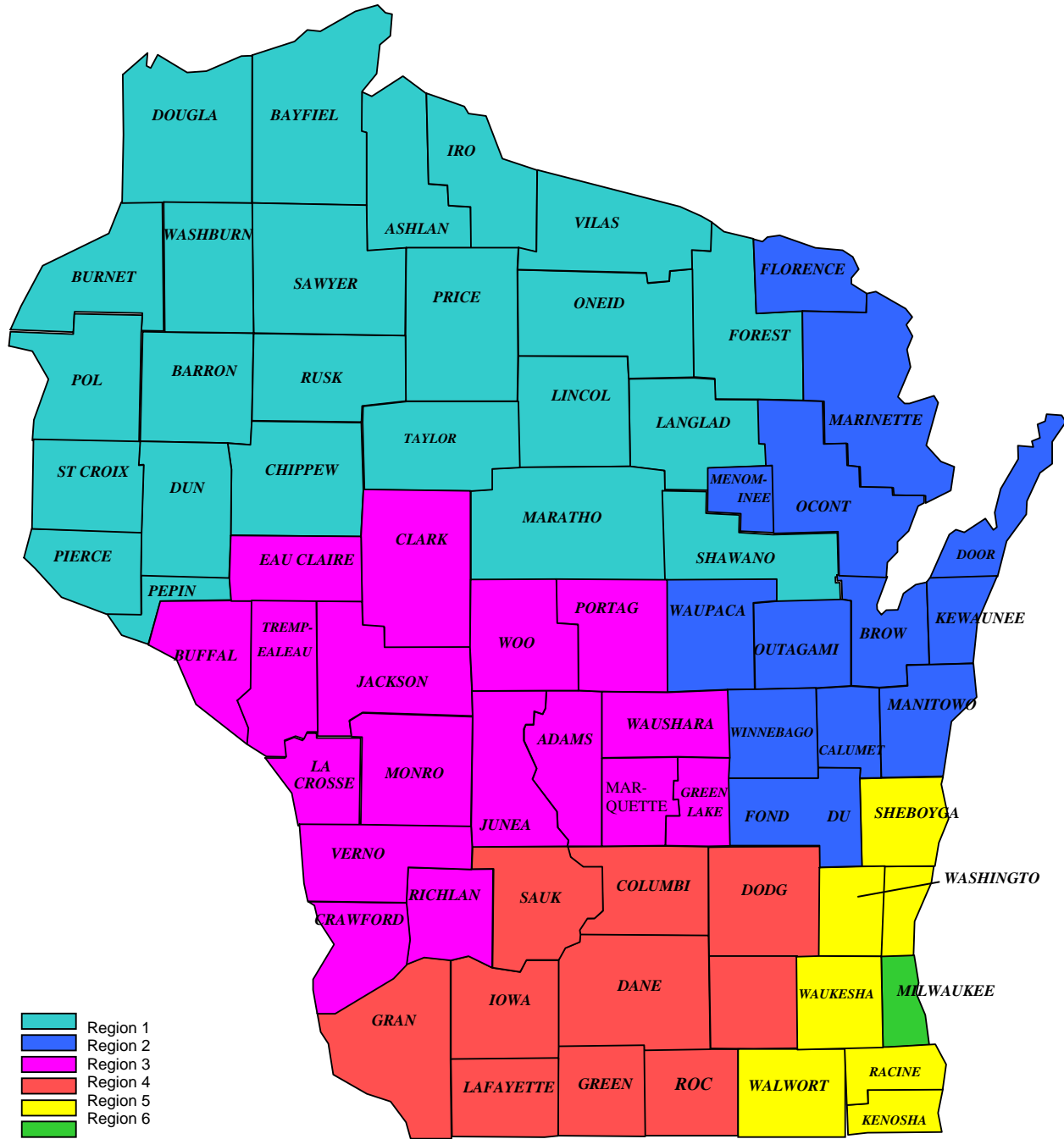
- ◆ Age/Gender and Region. Capitation rates will be paid separately by the following age/gender group and regions.

The Standard, Benchmark, and Childless Adults Plan age/gender categories and rate regions are as follows:

<b>Rate Regions</b>	<b>Standard and Benchmark Age/Gender</b>	<b>Childless Adults Age/Gender</b>
1 - North	Age 0	Male Age 19 – 34
2 - North East	Age 1 – 5	Female Age 19 – 34
3 - West Central	Age 6 – 14	Male Age 35 – 44
4 - Madison	Male Age 15 – 20	Female Age 35 – 44
5 - South East	Female Age 15 – 20	Male Age 45 – 64
6 - Milwaukee	Male Age 21 – 34	Female Age 45 - 64
	Female Age 21 – 34	
	Male Age 35 – 44	
	Female Age 35 – 44	
	Male Age 45+	
	Female Age 45+	

A map of the six rate regions for BadgerCare Plus managed care program is shown below:

*Wisconsin Department of Health Services  
 2009 Managed Care Equivalent and HMO Capitation Rate Development  
 For BadgerCare Plus Standard, Benchmark, and Childless Adults Programs*



## **II. DATA SOURCES**

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A first step in developing MCE rates is identifying the data that will be used for the calculations. The CMS regulations call for use of data that is appropriate for the population to be covered by the program. Those regulations also indicate it is CMS' intent that the data be no more than five years old. A number of sources of data may be considered appropriate including:

- ◆ Fee-for-service data for the Medicaid population in the geographic area to be covered by managed care plans;
- ◆ Health plan encounter data for their Medicaid population;
- ◆ Health plan encounter data for other populations, with appropriate adjustments to reflect utilization patterns of Medicaid enrollees;
- ◆ For some components of the analysis, health plan financial data;
- ◆ For some components of the analysis, data from other Medicaid programs.

In this section we describe the data available to PwC for developing the MCE rates, the process used for selecting the claims and the individuals that are ultimately included in the rate development process. Some adjustments that are made to the data in the early stages of the rate development process are also described in this section.

The 2009 MCE estimates for the BadgerCare Plus programs are based on 2006 and 2007 encounter data provided by DHS.

### **Encounter-Based Data**

Detailed 2006 and 2007 claim level encounter data were provided by DHS. Encounter data were submitted by HMOs. Medicaid FFS pricing methodologies were applied to the HMO encounter data where Medicaid prices (Medicaid fee schedule) were assigned to the encounter records for all HMOs.

DHS staff has performed data quality analyses to ensure data submitted by HMOs are complete, reliable, and valid. Based on information provided by DHS, approximately 97% - 99% of the encounter records that have an indicator showing HMOs paid the encounter are priced. HMOs are provided an opportunity to resubmit their data if the DHS analysis finds certain records to be invalid or incapable of being assigned a unit value.

PwC summarized the HMO encounter data by eligibility group, calendar year, region, age/gender group, HMO, and service category. The claims included in the historical database include encounter priced amounts based on the Medicaid fee schedule. Service categories (Inpatient, Outpatient, Physicians, and Other) are primarily defined by bill type, CPT, and revenue code fields in the claims records.

We performed various validation tests of encounter data including comparing the encounter Per Eligible Per Month (PEPMs) to prior year's report. Two health plans, that began providing coverage in CY2006 and CY2007, respectively, did not enroll a sufficiently large base population over the data period to be considered valid. As a result the claims and eligibility information for the two HMOs were excluded from the MCE rate development.

## **Other Reports**

We also relied on various data reports from DHS, including:

- ◆ 2006 – 2007 recipient ID listing for individuals who are classified as Ventilator dependent (Vent),
- ◆ 2007 HIV/AIDS costs submitted by HMOs for reimbursements,
- ◆ 2007 Region 6 Milwaukee Transportation costs by HMO,
- ◆ 2006 HealthCheck recoupments,
- ◆ SFY 2009 and SFY 2010 MA provider rate increases,
- ◆ Medicaid FFS member co-payment data,
- ◆ Procedure codes for vaccination claims to be excluded from the encounter data.
- ◆ 2006 – 2007 encounter expenditures not originally priced due to encounter pricing threshold errors, and
- ◆ Various DHS analyses regarding disproportionate share payments, IMD payments, and critical access hospital reimbursement.

## **Dental and Chiropractic Data**

The dental and chiropractic MCE estimates were calculated using a combination of 2006 – 2007 FFS data for HMO enrollees in HMOs that do not cover dental and/or chiropractic services and encounter data for enrollees in HMOs that do cover dental and/or chiropractic services. This data represents the most current experience base for dental and chiropractic services delivered to the HMO eligible population.

### **III. MANAGED CARE EQUIVALENT METHODOLOGY**

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This section discusses the development of the 2009 MCE estimates for three programs:

BadgerCare Plus Standard Plan  
BadgerCare Plus Benchmark Plan  
BadgerCare Plus Childless Adults Plan

The 2009 MCE rates were developed from the encounter-based data using the adjustments and methodology discussed in the rest of this section.

#### **Detailed Methodology Description – Medical Services**

The 2009 MCE rates for each of the six geographic regions are calculated based on the historical data shown in Exhibits 1 and 2, adjusted to reflect changes in payment rates, covered services, and any other anticipated programmatic and policy changes. Each adjustment to the historical data is described in the following section. The adjustments are applied to the historical data and resulting medical (non-dental, non-chiropractor) MCE rates are calculated in Exhibits 2a through 2f, and 3.

The Benchmark and Childless Adults programs became effective February 1, 2008 and January 1, 2009, respectively. As a result, there is no managed care experience for enrollees in the two programs. Therefore, the MCE rates for the BadgerCare Plus Benchmark and Childless Adults programs are calculated by adjusting the Standard Plan MCE rates for differences in benefit plan design, differences in reimbursement level and differences in expected enrollee characteristics.

#### **BadgerCare Plus Standard Plan MCE Rates**

The steps used for developing the 2009 MCE rates for the BadgerCare Plus Standard Plan programs are as follows:

- ◆ **Data Summarization** – Encounter claims data, as provided and priced by DHS, were summarized by rate region, eligibility category, age/gender, and major service category. Eligible months used to calculate encounter PEPMs are calculated from capitation payment records.
- ◆ **Ventilator Dependent Adjustment** – DHS reimburses HMOs for Vent individuals according to the contracted risk sharing terms. The cost and enrollment data for these individuals were removed from the encounter data.
- ◆ **Prescription Drugs** - Prescription drug costs, including all physician administered drugs, will be paid on a FFS basis, and are therefore carved out of the MCE rate development.
- ◆ **Adjustment to Remove DSH Payments** – Disproportionate Share Hospital (DSH) payment rates were provided by DHS for fiscal years 2006 and 2007. The DSH

adjustment payments are allocated between MA programs and among geographic regions based on each DSH hospital's Medicaid recipient base. The DSH payment rates by provider ID were applied to the encounter data, which was then converted to a percentage of total Medicaid payments to be applied to the inpatient costs in Exhibits 2a - 2f.

- ◆ **Provider Reimbursement Rate Increase** - An adjustment was made to increase the base data to reflect the state implementing in state fiscal year 2009 a home health care provider rate increase of 1.5%, a psychiatrist provider rate increase of 20%, and a 1% increase for all other professional services.
- ◆ **Critical Access Hospital (CAH) Adjustment** – The Encounter pricing system utilizes FFS rates on file to price hospital encounter records for rate setting purposes. The time period between a hospital being designated a CAH and retrospective payment adjustments being paid results in a lag between the FFS rates used for capitation and the rates charged to MCOs by CAHs. The CAH adjustment in the capitation rates is used to mitigate the impact of the lag between the two rates. The adjustment is calculated based on year over year changes in FFS DRG payment rates for CAHs. The changes are weighted by actual utilization during the rate-setting data period to reflect the usage of CAH. This is calculated separately by region and separately for inpatient and outpatient hospitals.
- ◆ **Completion Factor** – A completion factor was applied to the 2007 encounter data to reflect claims incurred but not reported at the time the HMOs compiled their data. We based this factor on encounter payment patterns. The 2006 data was assumed to be complete. The encounter data reflects payments through August 2008. The completion factors vary by category of service as follows:

	<b>BadgerCarePlus</b>
Inpatient	1.036
Outpatient	1.007
Professional & Other	1.020
Maternity	1.022

- ◆ **Data Period Trend** - Data period trend rates are used to project the CY06 claims experience to CY07. Actual claims experience slightly decreased from CY06 to CY07; therefore we have assumed no increase in the CY06 data period trend.
- ◆ **Contract Period Trend to 2009-** The data used for the calculations reflects experience in the BadgerCare Plus programs during CY 2006 and CY 2007. These data must be adjusted to reflect the contract period of CY 2009 through the application of trend rates that reflect changes in payment levels and utilization rates between the data period and the contract period. A number of elements were considered when establishing the trend rate, including changes in cost per unit of service and utilization, changes in utilization, and other programmatic changes. Historical experience, along with other information,



were considered in the trend development. The annualized trend factor is 3.0% for inpatient hospital, outpatient hospital, and professional and other services.

- ◆ **Combined 2006 and 2007 PEPM Medical Cost** –The PEPM experience for 2006 and 2007 were blended using the respective calendar year member month weights.
- ◆ **HealthCheck Adjustment** – The 2009 medical costs were adjusted to fully fund the costs associated with providing HealthCheck screens at the targeted level (80% of recommended screens) by adding the HealthCheck recoupments to 2009 medical costs. The adjustment is based on 2006 recoupment information trended to 2009. DHS recoups the cost of the HealthCheck screen itself. Historically, DHS has added outreach and follow-up services to the MCE rates. We adjusted the recoupments to reflect the cost of outreach and follow-up services.
- ◆ **IMD Adjustment** – Beginning in CY 2007, the IMD services provided in lieu of acute psych days were included in the rate development, consistent with CMS policy. The cost per unit of service is the FFS cost per day for acute inpatient psych care, up to the maximum of the amount paid by the HMO for the service. The IMD costs are recognized to the extent that they are equal to or less than the cost of an equivalent psychiatric stay in a general hospital. IMD costs for persons aged 22-64 are reflected in the rate development if HMOs report IMD services in their encounter data. HMOs are not required to pay for services in an IMD for persons aged 22-64 years old and these services are not a Medicaid covered benefit. The IMD services covered by HMOs are substitutes for covered acute inpatient days, and do not represent long-term care IMD services.
- ◆ **Copayment Adjustment** – Enrollees in the BadgerCare Plus managed care programs during the data period were not subject to copays. Starting in contract year 2008, all enrollees, except children in families with income below 100% of the poverty level and pregnant women, in the BadgerCare Plus Standard and Benchmark Plan managed care programs will be subject to copays. The copays required will be the same amounts as copays required under Medicaid FFS. Copay amounts were subtracted from the base data. The amounts removed were based on FFS copay and claims data provided by DHS. The ratio of total paid claims gross of copays to total paid claims net of copays ranges from 1.001 to 1.002 across the 6 rate regions. Based on this analysis, we have decreased the 2009 medical costs by these factors.
- ◆ **Administration** –CMS regulations allow administrative costs directly related to the provision of Medicaid State Plan approved services be incorporated into the rate-setting process. Consistent with the CY 2008 rate development, the base administrative allowance is 15% of the MCE rate for medical and pharmacy services. Because costs for administering pharmacy claims are lower than average, the overall admin factor for the program as a whole was increased, essentially retaining a portion of claims previously allocated to pharmacy. Approximately 43% of pharmacy admin costs were retained in

the MCE rates without drugs, resulting in an adjusted administrative allowance of 16.1%. The administrative allowance is 16.1% of the MCE rate for medical services.

We believe these administration allowances are sufficient based on a comparison to HMO financial results as reported on the website of the Wisconsin Office of the Commissioner of Insurance (OCI) and additional administrative requirements placed on the HMOs by DHS. This administrative cost factor is applied to the total adjusted and trended claims amount for each rate payment category. This adjustment factor is applied in the final step of the MCE calculations at the bottom of each rate cell worksheet in Exhibit 3.

### **Dental and Chiropractor MCE Rates**

Participating HMOs have the option of covering dental and chiropractor services. Therefore, separate MCE rates were calculated for dental and chiropractic services. Exhibit 5a shows the development of the dental MCE rates for the BadgerCare Plus population. Exhibit 5b shows the development of the chiropractic MCEs for the BadgerCare Plus population.

The 2009 MCE rates for dental and chiropractic services were calculated using a blend of FFS and encounter data.

For dental services, the 2006 and 2007 FFS data were used for individuals enrolled in HMOs that do not cover dental (all counties and regions except Milwaukee, Racine, Kenosha, and Waukesha) while the 2006 and 2007 encounter data were used for Milwaukee, Racine, Kenosha, and Waukesha.

For chiropractic services, the 2006 and 2007 FFS data were used for individuals enrolled in HMOs that do not cover chiropractic services (that included all counties/regions) while the encounter data were used for those HMOs that cover chiropractic services.

The following adjustments were made to the 2006 - 2006 dental and chiropractic data:

- ◆ **Trend** – The 2006 and 2007 dental and chiropractor FFS data were trended to 2009 using the same professional services trend of 3% annually.
- ◆ **Managed Care Adjustment** – The FFS PEPM costs were adjusted to reflect estimated managed care utilization levels. We assumed HMOs could not reduce utilization for dental services due to the historically low access level for dental services in the FFS population. We assumed HMOs could reduce utilization for chiropractic services by 11% by limiting services that are not medically necessary.
- ◆ **Administration** – An adjustment is made to reflect average health plan administrative costs and profit load of 16.1% for BadgerCare Plus.

## **BadgerCare Plus Benchmark Rates**

The BadgerCare Plus Benchmark Plan will cover previously non-Medicaid eligible children, certain pregnant women, and certain self-employed adult populations. Because data is not available for populations comparable to the enrollees that will be covered by this program, we have developed the Benchmark Plan MCE rates by reference to the Standard Plan MCE rates.

The following adjustments have been made to the 2009 Standard Plan MCE rates to calculate the 2009 Benchmark Plan MCE rates:

- ◆ **Benefit Design Adjustment** – Adult enrollees other than Pregnant Women and children in the Benchmark Plan will receive a different benefit package and be required to pay different copays than enrollees in the Standard Plan. Both the Standard Plan and Benchmark Plan designs were priced based on actual Wisconsin Family Medicaid experience. The percentage change in State spend by service category when moving from the Standard Plan to the Benchmark Plan was applied to the managed care experience. This adjustment was determined and applied by age/gender cohort.
- ◆ **Health Status Adjustment** - Actuarial models show the estimated medical cost for adult Farmers is 10% higher than that for an individual with a ‘standard’ occupation. We have adjusted the MCE to reflect this higher cost. Projected enrollment counts were provided by DHS.

The health status of children and adults in higher income families, other than farmers, is not expected to be materially different than those individuals currently enrolled in the program. Therefore no adjustment has been made to the baseline per capita costs for these enrollees.

- ◆ **Fee Schedule** - The State of Wisconsin will reimburse dental providers for services to Benchmark Plan enrollees at a higher rate than for traditional Medicaid enrollees. The maximum allowable fees for dental services under the Benchmark Plan are set at the 50th percentile of the *American Dental Association (ADA) 2005 Survey of Dental Fees for the East North Central Region*. The weighted average unit cost under the State Medicaid Maximum Allowable Fee Schedule and the ADA 50th Percentile Fee Schedule were calculated, and the ratio between the two was applied to the Standard Plan MCE rates.
- ◆ **Eligibility** – Non-pregnant adults are not eligible for dental coverage under the Benchmark Plan.
- ◆ **Selection Effects** – The low level of premium requirements for the Benchmark Plan should minimize variation in participation based on health status; therefore no adjustment for selection effects has been made.

### **BadgerCare Plus Childless Adults Rates (Core Plan)**

The BadgerCare Plus Childless Adults Plan will cover previously non-Medicaid eligible adults that do not have any children under age 19 under their care and whose income does not exceed 200% of the FPL. A subset of the Childless Adults population consists of individuals currently enrolled in the General Assistance Medical Program (GAMP). Individuals enrolled in GAMP will be automatically enrolled into BadgerCare Plus effective January 1, 2009. Individuals that currently have access to employer sponsored health insurance, or had coverage in the previous 12 months, are not eligible to enroll in the program. Because data is not available for populations comparable to the enrollees that will be covered by this program, we have developed the Childless Adults MCE rates by reference to the Standard Plan MCE rates.

The Childless Adults program will cover three populations:

- ◆ Current GAMP enrollees;
- ◆ Other Childless Adults below 100% of the FPL; and
- ◆ Other Childless Adults between 100% and 200% of the FPL

MCE rates have been developed separately for each population because the underlying health status and level of cost share varies between the three populations. The following adjustments have been made to the 2009 Standard Plan MCE rates to calculate the three sets of 2009 Childless Adults MCE rates:

- ◆ **Benefit Design Adjustment** –Childless Adults enrollees in the Core Plan will receive a different benefit package and be required to pay different copays than enrollees in the Standard Plan. Additionally, the level of copay varies for adults below and above 100% of the FPL. Both the Standard Plan and Childless Adults Plan designs were priced based on actual Wisconsin Family Medicaid experience. The percentage change in State spend by service category when moving from the Standard Plan to the Childless Adults Core Plan was applied to the managed care experience. This adjustment was determined and applied by age/gender cohort.
- ◆ **Health Status Adjustment** - The current GAMP population provides coverage to individuals that have a poorer health status on average as compared to the Standard Plan enrollees. Analyzing the underlying GAMP claim and eligibility data, supplemented with our experience in setting rates for similar populations in other states, we have made an adjustment to the baseline per capita costs to reflect the difference in health status variation.

The health status of other childless adults is not expected to be materially different than those individuals currently enrolled in the program. Therefore no adjustment has been made to the baseline per capita costs for these enrollees.

- ◆ **Mandatory Benefits** - All childless adults must obtain a mandatory physical exam within the first certification period (generally within one year after enrollment). We have

analyzed the underlying data to determine the amount of enrollees that had a physical and made an adjustment to account for the remaining individuals obtaining a physical.

- ◆ **Eligibility** - Enrollees are not eligible for dental coverage under the Childless Adults Core Plan.
- ◆ **Selection Effects** – The low level of the application fee requirements for the Childless Adults Plan should minimize variation in participation based on health status; therefore no adjustment for selection effects has been made.

### **Detailed Methodology Description – Summary Tables**

Exhibits 4a, 6a, 6b, and 7 show summary results of the MCE estimate calculation for the BadgerCare Plus Standard Plan categories:

- ◆ Exhibit 4a shows the 2009 medical MCE estimates by age/gender and region for the BadgerCare Plus Standard Plan and a comparison to summarized 2008 medical MCE estimates under 2009 Policy Assumptions.
- ◆ Exhibit 6a shows the 2009 dental MCE estimates by age/gender and region for the BadgerCare Plus Standard Plan and a comparison to summarized 2008 dental MCE estimates.
- ◆ Exhibit 6b shows the 2009 chiropractic MCE estimates by age/gender and region for the BadgerCare Plus Standard Plan and a comparison to summarized 2008 chiropractic MCE estimates.
- ◆ Exhibit 7 shows the 2009 MCE estimates by age/gender and region for the BadgerCare Plus Standard Plan for the various possible benefit package combinations

Exhibits 10 - 12 show results and calculations of the MCE estimates for the BadgerCare Plus Benchmark Eligibility groups:

- ◆ Exhibit 10 shows projected 2009 total enrollment months for the Benchmark Plan by region and age/gender.
- ◆ Exhibit 11a shows the 2009 medical MCE calculation for the Benchmark Plan.
- ◆ Exhibit 11b shows the 2009 dental MCE calculation for the Benchmark Plan
- ◆ Exhibit 11c shows the 2009 chiropractic MCE calculation for the Benchmark Plan.
- ◆ Exhibit 12 shows the 2009 MCE estimates by age/gender and region for the Benchmark Plan and the various possible benefit package combinations.

All MCEs are calculated by region and age/gender cohort. Likewise, all 2009 capitation rates are determined by region and age/gender cohort. Regional and statewide average MCEs and capitation rates are shown as a weighted average using base period demographics as well as using 2009 projected enrollment based on the most up-to-date demographic information available.

Exhibits 13 - 14 show results and calculations of the MCE estimates for the BadgerCare Plus Childless Adults Core benefit plan:

- ◆ Exhibit 13 shows projected 2009 total enrollment months for the Childless Adults Plan by region and age/gender.
- ◆ Exhibit 14a shows the 2009 medical MCE calculation for GAMP population.
- ◆ Exhibit 14b shows the 2009 medical MCE calculation for Childless Adults < 100% FPL population.
- ◆ Exhibit 14c shows the 2009 medical MCE calculation for Childless Adults > 100% FPL population.

## **IV. MATERNITY PAYMENT METHODOLOGY**

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During the CY09 contract year maternities that have been identified prior to January 1, 2009 will be paid on a capitation rate basis, while those that are identified on January 1, 2009 and later will be paid on a case rate basis. The capitation rate and case rate will vary by region based on differences in historical costs; the same case rate will be paid for all maternities for women enrolled in the Badger Care Plus Standard and Benchmark programs within a region. The rates cover the costs of prenatal care, professional services related to pregnancy, delivery, and hospital services arising from the delivery.

### **Capitation Payments for Women Identified as Pregnant Before January 1, 2009**

The capitation rate for women who are identified in the eligibility system as pregnant at the start of the contract year is calculated as follows:

1. The Healthy Start Pregnant Woman rate from 2008 is used as the starting point.
2. That rate is inflated by 3.4%.

This rate will be paid from the start of the contract year to the date of delivery, and until the woman disenrolls from Badger Care Plus or up to 60 days post partum. Our analysis shows that, during the data period, women on average remained covered by Badger Care Plus for 1.7 months from the date of delivery.

Following the maternity eligibility period, any woman who remains enrolled in Badger Care Plus programs will receive the capitation rate for the relevant rate category, which will exclude costs for maternity-related services.

### **Maternity Kick Payment for Women Identified as Pregnant On or After January 1, 2009**

The maternity case rate was developed in the following manner:

1. Base encounter data for 2006 and 2007 were submitted by the HMOs;
2. APS/DHS determined the criteria used for identifying completed pregnancies for which a case payment would have been made during 2006/2007 if the kick payment had been in effect. APS provided a list of deliveries incurred during CY 2006 and CY 2007 based on those criteria. This list was augmented by PwC through an additional analysis of the encounter data to identify any apparent maternity cases that were not on APS' list;
3. Using the same diagnosis code and service type code criteria, PwC identified all maternity costs in the encounter data, including prenatal care, delivery and postpartum care;

4. For purposes of developing the kick payment the claims analysis was limited to maternities that completed during 2007, including costs associated with 2007 deliveries that were incurred in 2006. Maternity costs for cases that would be complete in 2008 were excluded from this calculation;
5. The total claims dollars associated with completed pregnancies were divided by the number of completed cases to derive the base kick payment value for 2007 (\$3,911);
6. To calculate a CY 2009 kick payment, the following adjustments were applied to the base case rate amount;
  - ◆ IBNR Completion Factor
  - ◆ An increase of 1.0% for non-institutional providers - no utilization trend is applied since the kick payment is triggered by a delivery event and changes in prevalence rates will naturally result in changes in payments.
  - ◆ An administrative allowance rate of 16.1% was applied

The base Badger Care Plus capitation rates were reduced by the value of maternity services that will be paid on a case rate basis in either 2009 or 2010. Exhibit 9 provides the underlying base data and the 2009 HSPW and Maternity Case Rates by rate region for the BadgerCare Plus Standard and Benchmark Plans.



## **V. HMO CAPITATION RATE METHODOLOGY**

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DHS developed the 2009 capitation rates with reference to the 2009 MCE rates, to the relationship of 2008 capitation rates to 2009 MCE rates, and to aggregate financial results as reported by the HMOs.

The 2009 capitation rates will be effective January 1, 2009 and will reflect MCE rates plus an additional load that varies by region and program. On average, the 2009 capitation rates for the Standard Plan are approximately 4.7% greater than the 2009 MCE rates. In addition, Exhibit 4b shows the final base 2009 medical capitation rates compared to the final 2008 capitation rates under 2009 policy assumptions. The 2009 capitation rates for the Benchmark and Childless Adults Plan are set equal to the 2009 MCE rates.

We believe the capitation rates are reasonable in aggregate based on the 2007 and 2008 year-to-date HMO financial results for the Medicaid line of business as reported by the Office of the Commissioner of Insurance (OCI), capitation rate increases for 2009, our best estimate trend rates from 2008 to 2009, and historical Wisconsin HMO medical loss ratios for the Medicaid line of business as reported by OCI.

### **Capitation Rate Methodology Before Phase-in**

DHS established the base 2009 HMO capitation rates by applying the rate adjustments in the table below to the 2009 medical, dental, and chiropractic managed care equivalent rates for each region.

<b>Wisconsin Department of Health Services 2009 Capitation Rates vs. 2009 Managed Care Equivalent Rates</b>		
<b>Region</b>	<b>Standard Plan</b>	<b>Benchmark &amp; Childless Adults Plans</b>
1	5.50%	0.00%
2	0.00%	0.00%
3	5.50%	0.00%
4	5.50%	0.00%
5	5.50%	0.00%
6	5.50%	0.00%

Exhibits 8 shows the final base 2009 capitation rates for the BadgerCare Plus Standard program by age/gender category while Exhibit 12 shows the final 2009 capitation rates for the BadgerCare Plus Benchmark program and Exhibit 14 shows the capitation rates for the Childless Adults program.

## **Phase-in of Regional Realignment and CDPS Risk Adjustment**

DHS will phase in the effect of changes in the regional realignment and application of CDPS risk adjustment following a three-year schedule for the BadgerCare Plus Standard Plan. Specifically, for CY 2008 DHS redistributed 75% of gains and losses attributed to region realignment and risk adjustment. For CY 2009, the redistribution will reduce to 50% and 25% in CY 2010. For plans that continue to experience a reduction in total revenue compared to the rates they would have received under the prior methodology (i.e., 14 regions with no risk adjustment), DHS will offset 50% of the remaining plan losses in CY 2009 and 25% in CY 2010 through additional State funding.

To estimate the effect of the combined rate methodology changes, PwC calculated implied capitation rates under the prior approach, and compared the results by MCO to the final 2009 capitation rates and calculated the effect of the change in rate methodology. Using these values, DHS calculated the estimated annual effect of the methodology change. That amount is calculated as the per member per month difference multiplied by the estimated enrollment for each MCO by rate cell. For plans qualifying for additional payment due to rate methodology change, the additional payment will be made each month of the contract. The payments will be reconciled at the end of the year based on actual enrollment mix.

Capitation rates adjusted for the phase in are shown in Exhibit 15.

## **Managed Care Incentive Programs**

DHS is in the process of implementing a series of incentive payments to HMOs in order to meet specific policy goals. Various incentives for the CY2009 are being developed. Some initiatives being considered for the BadgerCare Plus program include the following:

***Combination Pay for Performance Incentive (BadgerCare Plus – Benchmark, Standard Plan HMOs only):*** In CY09, DHS is offering a combination pay for performance incentive. This incentive will look at seven performance metrics in five focus areas using 2005-2007 data to identify targeted performance goal, minimum thresholds and maintenance-of-effort requirements. The five focus areas are:

- *Child Immunization*
- *Lead Testing of One and Two Year Olds*
- *Use of Appropriate Medications for People with Asthma*
- *Comprehensive Diabetes Care (HbA1c and LDL)*
- *Tobacco Cessation*

To be eligible for incentive funding, the following three criteria must be met:

1. The HMO must meet the identified CY09 minimum thresholds for all seven performance metrics.
2. The HMO must maintain maintenance of effort in performance metrics in which they perform above the minimum threshold.

3. The HMO must meet the targeted stretch performance goal for the Department-identified focus area.

The Department has allocated \$4,250,000 for the combination pay for performance incentive. The available \$4,250,000 will be allocated based on the following data for BadgerCare Plus – Standard and Benchmark Plan members:

1. The total number of CY09 member months in plans qualifying for the incentive will be determined.
2. The \$4,250,000 will be divided by the total number of member months of plans that qualify for the incentive.
3. Each qualifying HMO will receive the lesser of the sum of their total allocation based on member months or 1% of their total capitation revenue for the year.

***HMO expansion incentives:*** DHS will provide direct financial incentives to HMOs that increase their enrollment in BadgerCare Plus and SSI managed care by either removing enrollment caps or by expanding into under served counties. This is consistent with the Department’s goal of increasing enrollment into managed care. HMOs will receive the incentive payment up front based on projected enrollment. They will have one year from the effective date of the contract amendment to achieve the enrollment limit. DHS will recoup funds from any HMO if that HMO does not expand or meet its projected enrollment levels.

Overall the state will ensure that the incentive payments in aggregate will not exceed 5% of the approved capitation payments attributable to the enrollees or services covered by the incentive arrangement. Therefore, we consider the overall capitation rates to be actuarially sound.

## **VI. ACTUARIAL CERTIFICATION**

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This section includes our actuarial certification for the 2009 capitation rates.

**Actuarial Certification of  
Proposed 2009 BadgerCare Plus Capitated Rates  
State of Wisconsin Department of Health Services**

I, Jinn-Feng Lin, am associated with the firm of PricewaterhouseCoopers. I am a member of the American Academy of Actuaries and meet its Qualification Standards to certify as to the actuarial soundness of the 2009 capitation rates developed for the Medicaid managed care programs known as the BadgerCare Plus Standard Plan, Benchmark Plan, and Childless Adults programs. I have been retained by the Wisconsin Department of Health Services (DHS) to perform an actuarial certification of the BadgerCare Plus Standard, Benchmark, and Childless Adults capitation rates for calendar year 2009 for filing with the Centers for Medicare and Medicaid Services (CMS). I have reviewed the capitation rates developed by DHS and am familiar with the Code of Federal Regulations, 42 CFR 438.6(c) and the CMS "Appendix A, PAHP, PIHP and MCO Contracts Financial Review Documentation for At-risk Capitated Contracts Ratesetting."

I have examined the actuarial assumptions and actuarial methods used by DHS in setting the capitation rates for calendar year 2009.

To the best of my information, knowledge and belief, for the period from January 1, 2009 to December 31, 2009, the capitation rates offered by DHS are in compliance with 42 CFR 438.6(c), with respect to the development of Medicaid managed care capitation rates. The attached actuarial report describes the rate development methodology used by DHS. I believe that the capitation rates have been developed in accordance with generally accepted actuarial principles and practices, and are appropriate for the populations to be covered and the services to be furnished under the contract. The capitation rates are based solely on the projected costs for State Plan services.

In making my opinion, I have relied upon the accuracy of the underlying enrollment, encounter, and other data and summaries prepared by DHS and the participating contracted HMOs. A copy of the reliance letter received from DHS is attached and constitutes part of this opinion. I reviewed the data for reasonableness; however, I performed no independent verification and take no responsibility as to the accuracy of these data.

The proposed actuarially sound rates shown are a projection of future events. It may be expected that actual experience will vary from the values shown here. Actuarial methods, considerations, and analyses used in developing the proposed capitation rates conform to the appropriate Standards of Practice promulgated from time to time by the Actuarial Standards Board.

The capitation rates may not be appropriate for any specific HMO. Each HMO will need to review the rates in relation to the benefits provided. The HMOs should compare the rates with their own experience, expenses, capital and surplus, and profit requirements prior to agreeing to contract with the State. The HMO may require rates above, equal to, or below the proposed actuarially sound capitation rates.

This Opinion assumes the reader is familiar with the Wisconsin Medicaid program, Medicaid eligibility rules, and actuarial rating techniques. The Opinion is intended for the State of Wisconsin and Centers for Medicare and Medicaid Services and should not be relied on by other parties. The reader should be advised by actuaries or other professionals competent in the area of actuarial rate projections of the type in this Opinion, so as to properly interpret the projection results.



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Jinn-Feng Lin  
Member, American Academy of Actuaries

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November 18, 2008

Date

# Wisconsin Department of Health Services

Exhibit 1

## 2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs

Summary of Baseline Cost by Year and Region (Excludes Maternity Related, Physician Admin Rx, HIV/Vent Costs and Net of TPL)

Service Category	Region							Statewide
	1	2	3	4	5	6		
Inpatient - Medical/Surgical	17.16	14.11	13.48	15.21	16.38	17.06	15.98	
Inpatient - Newborn	5.29	6.35	4.33	5.25	4.46	6.43	5.62	
Inpatient - Psychiatric/Substance Abuse	1.91	0.97	1.68	1.08	1.63	0.53	1.12	
Inpatient - Other	0.82	1.38	0.69	1.15	0.66	1.16	1.01	
<b>Inpatient Total</b>	<b>\$ 25.18</b>	<b>\$ 22.80</b>	<b>\$ 20.18</b>	<b>\$ 22.68</b>	<b>\$ 23.13</b>	<b>\$ 25.19</b>	<b>\$ 23.73</b>	
Outpatient - Emergency	3.33	4.76	2.85	3.47	6.92	7.12	5.47	
Outpatient - Laboratory	2.93	4.51	2.88	1.96	4.18	3.57	3.50	
Outpatient - Radiology	2.41	2.36	1.92	1.23	3.04	2.14	2.24	
Outpatient - Pharmacy	2.80	0.39	3.21	2.08	0.70	1.95	1.78	
Outpatient - Evaluation & Management	1.12	1.40	0.66	0.73	2.70	4.54	2.59	
Outpatient - Physical Therapy	0.57	1.77	0.59	0.72	2.20	1.15	1.24	
Outpatient - Surgery	1.18	1.13	0.39	0.23	0.97	0.60	0.75	
Outpatient - Psychiatric/Substance Abuse	0.00	0.25	0.01	0.77	0.27	0.07	0.18	
Outpatient - Other	2.35	1.75	1.92	4.75	2.04	1.89	2.22	
<b>Outpatient Total</b>	<b>\$ 16.69</b>	<b>\$ 18.32</b>	<b>\$ 14.44</b>	<b>\$ 15.93</b>	<b>\$ 23.02</b>	<b>\$ 23.05</b>	<b>\$ 19.97</b>	
Professional - Evaluation & Management	13.28	13.46	13.37	13.82	13.85	14.62	13.95	
Professional - Surgery	8.89	8.72	8.16	7.77	9.35	5.80	7.62	
Professional - Radiology	4.07	4.54	3.57	3.71	5.03	3.59	4.03	
Professional - Laboratory	3.47	3.11	3.43	3.64	3.28	4.85	3.91	
Professional - Psychiatric/Substance Abuse	3.88	3.75	3.43	4.11	3.77	2.49	3.31	
Professional - Emergency	1.87	2.25	1.44	1.79	2.53	3.40	2.54	
Professional - DME	1.74	9.13	1.82	1.86	2.33	1.53	2.84	
Professional - Transportation/Ambulance	1.32	0.86	0.91	0.91	1.00	1.64	1.24	
Professional - Therapy	1.50	0.50	1.15	0.34	0.52	0.83	0.80	
Professional - Other	5.10	5.51	5.03	4.68	4.69	4.26	4.74	
<b>Professional Total</b>	<b>\$ 45.12</b>	<b>\$ 51.82</b>	<b>\$ 42.31</b>	<b>\$ 42.64</b>	<b>\$ 46.35</b>	<b>\$ 43.01</b>	<b>\$ 44.98</b>	
<b>All Other Services</b>	<b>\$ 1.59</b>	<b>\$ 2.66</b>	<b>\$ 1.64</b>	<b>\$ 2.06</b>	<b>\$ 2.17</b>	<b>\$ 2.11</b>	<b>\$ 2.08</b>	
<b>2006 Base PMPM</b>	<b>\$ 88.58</b>	<b>\$ 95.59</b>	<b>\$ 78.56</b>	<b>\$ 83.31</b>	<b>\$ 94.68</b>	<b>\$ 93.36</b>	<b>\$ 90.76</b>	

# Wisconsin Department of Health Services

Exhibit 1

## 2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs

Summary of Baseline Cost by Year and Region (Excludes Maternity Related, Physician Admin Rx, HIV/Vent Costs and Net of TPL)

Service Category	Region							Statewide
	1	2	3	4	5	6		
Inpatient - Medical/Surgical	17.56	13.39	15.25	13.00	14.81	15.43	15.07	
Inpatient - Newborn	4.33	5.90	4.56	4.68	4.48	6.40	5.39	
Inpatient - Psychiatric/Substance Abuse	1.87	1.15	1.70	1.22	1.65	0.44	1.14	
Inpatient - Other	1.31	1.67	1.51	1.24	1.51	1.88	1.61	
<b>Inpatient Total</b>	<b>\$ 25.07</b>	<b>\$ 22.12</b>	<b>\$ 23.03</b>	<b>\$ 20.14</b>	<b>\$ 22.46</b>	<b>\$ 24.15</b>	<b>\$ 23.21</b>	
Outpatient - Emergency	3.32	4.92	2.74	3.50	6.42	6.76	5.20	
Outpatient - Laboratory	2.98	4.83	2.25	2.11	5.47	3.04	3.48	
Outpatient - Radiology	2.73	2.57	1.98	1.42	3.14	2.18	2.36	
Outpatient - Pharmacy	3.52	2.12	3.27	2.42	2.44	2.91	2.80	
Outpatient - Evaluation & Management	1.08	1.24	0.50	1.06	2.32	3.33	2.03	
Outpatient - Physical Therapy	0.20	2.10	0.31	0.53	2.13	1.26	1.20	
Outpatient - Surgery	1.05	0.90	0.34	0.10	0.56	0.47	0.57	
Outpatient - Psychiatric/Substance Abuse	0.03	0.23	0.03	0.62	0.27	0.08	0.17	
Outpatient - Other	2.06	1.65	2.18	4.25	1.93	1.70	2.07	
<b>Outpatient Total</b>	<b>\$ 16.97</b>	<b>\$ 20.56</b>	<b>\$ 13.61</b>	<b>\$ 16.01</b>	<b>\$ 24.69</b>	<b>\$ 21.74</b>	<b>\$ 19.88</b>	
Professional - Evaluation & Management	13.87	14.31	13.75	14.28	12.74	14.18	13.90	
Professional - Surgery	9.01	9.23	8.22	7.86	8.36	5.59	7.52	
Professional - Radiology	4.63	4.51	3.90	3.89	4.36	3.59	4.04	
Professional - Laboratory	3.87	3.12	3.94	3.94	2.85	5.20	4.10	
Professional - Psychiatric/Substance Abuse	4.02	3.70	3.63	4.03	4.29	2.76	3.52	
Professional - Emergency	1.97	2.39	1.46	2.09	2.74	3.29	2.57	
Professional - DME	1.63	1.55	1.71	2.22	1.15	1.05	1.40	
Professional - Transportation/Ambulance	1.40	0.87	0.97	1.05	0.98	1.62	1.26	
Professional - Therapy	1.66	0.43	1.24	0.43	0.51	0.69	0.80	
Professional - Other	4.89	5.29	4.98	4.67	4.36	4.15	4.59	
<b>Professional Total</b>	<b>\$ 46.95</b>	<b>\$ 45.41</b>	<b>\$ 43.81</b>	<b>\$ 44.48</b>	<b>\$ 42.35</b>	<b>\$ 42.12</b>	<b>\$ 43.71</b>	
<b>All Other Services</b>	<b>\$ 1.76</b>	<b>\$ 2.31</b>	<b>\$ 1.60</b>	<b>\$ 1.63</b>	<b>\$ 1.96</b>	<b>\$ 2.33</b>	<b>\$ 2.04</b>	
<b>2007 Base PMPM</b>	<b>\$ 90.75</b>	<b>\$ 90.40</b>	<b>\$ 82.05</b>	<b>\$ 82.26</b>	<b>\$ 91.46</b>	<b>\$ 90.33</b>	<b>\$ 88.84</b>	
<b>2006 - 2007 Combined</b>								
Weighted Base PMPM	\$ 89.70	\$ 92.98	\$ 80.36	\$ 82.78	\$ 93.14	\$ 91.87	\$ 89.80	



**Wisconsin Department of Health Services**

*Exhibit 2a*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Encounter 2009 Managed Care Equivalent Estimate - BadgerCare Plus Standard Plan**

Region 1

	2006					2007				
	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total
<b>Encounter Based Implied PMPM</b>										
Age 0	\$ 130.34	\$ 18.64	\$ 69.45	\$ 2.39	\$ 220.83	\$ 115.20	\$ 20.80	\$ 73.73	\$ 4.51	\$ 214.24
Ages 1 - 5	7.97	11.28	24.89	0.47	44.61	9.61	11.67	25.02	0.52	46.82
Ages 6 - 14	6.86	7.89	24.31	1.16	40.22	6.44	7.98	23.94	1.25	39.61
Ages 15 - 20 Female	16.78	20.83	44.23	2.03	83.86	18.34	19.49	46.33	2.27	86.43
Ages 15 - 20 Male	13.31	9.76	26.68	1.28	51.03	10.94	8.47	26.59	1.20	47.21
Ages 21 - 34 Female	23.77	30.22	70.38	2.76	127.12	22.85	30.97	73.42	2.75	129.99
Ages 21 - 34 Male	17.94	17.73	41.79	1.27	78.73	19.18	16.19	41.82	1.24	78.43
Ages 35 -44 Female	46.22	28.80	86.59	2.26	163.87	42.69	28.90	89.90	2.59	164.09
Ages 35 -44 Male	33.49	16.39	59.08	1.55	110.50	39.00	22.59	63.98	1.44	127.01
Ages 45 & Over Female	80.76	36.76	111.28	4.31	233.11	81.15	34.79	117.92	3.08	236.94
<u>Ages 45 &amp; Over Male</u>	<u>49.24</u>	<u>23.71</u>	<u>80.96</u>	<u>2.58</u>	<u>156.49</u>	<u>59.82</u>	<u>17.59</u>	<u>86.54</u>	<u>2.42</u>	<u>166.37</u>
All Ages	\$ 25.18	\$ 16.69	\$ 45.12	\$ 1.59	\$ 88.58	\$ 25.07	\$ 16.97	\$ 46.95	\$ 1.76	\$ 90.75
<b>Adjustments</b>										
Remove DSH Payments	98.7%	100.0%	100.0%	100.0%	99.6%	98.3%	100.0%	100.0%	100.0%	99.5%
Provider Rate Increase	100.0%	100.0%	101.0%	101.0%	100.5%	100.0%	100.0%	101.0%	101.0%	100.5%
CAH Adjustment	101.4%	102.3%	100.0%	100.0%	100.8%	100.0%	115.5%	100.0%	100.0%	102.9%
Completion Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0357	1.0069	1.0201	1.0201	1.0219
Trend to 2007 (Data Period Trend)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Trend to 2009 (Contract Period)	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609
<b>Adjusted PEPM Medical Cost</b>										
Age 0	\$ 138.38	\$ 20.24	\$ 74.42	\$ 2.57	\$ 235.61	\$ 124.38	\$ 25.67	\$ 80.59	\$ 4.93	\$ 235.57
Ages 1 - 5	8.46	12.25	26.67	0.51	47.89	10.38	14.40	27.35	0.57	52.69
Ages 6 - 14	7.28	8.57	26.05	1.24	43.15	6.95	9.85	26.17	1.36	44.33
Ages 15 - 20 Female	17.81	22.62	47.39	2.17	89.99	19.80	24.05	50.64	2.49	96.98
Ages 15 - 20 Male	14.13	10.59	28.59	1.37	54.69	11.82	10.45	29.07	1.31	52.65
Ages 21 - 34 Female	25.24	32.81	75.41	2.95	136.41	24.67	38.22	80.25	3.01	146.14
Ages 21 - 34 Male	19.05	19.25	44.78	1.36	84.44	20.70	19.98	45.71	1.36	87.75
Ages 35 -44 Female	49.08	31.26	92.78	2.42	175.54	46.09	35.67	98.27	2.83	182.86
Ages 35 -44 Male	35.56	17.80	63.30	1.66	118.31	42.10	27.88	69.93	1.57	141.49
Ages 45 & Over Female	85.74	39.91	119.24	4.62	249.52	87.62	42.93	128.89	3.37	262.81
<u>Ages 45 &amp; Over Male</u>	<u>52.28</u>	<u>25.74</u>	<u>86.75</u>	<u>2.77</u>	<u>167.54</u>	<u>64.59</u>	<u>21.71</u>	<u>94.59</u>	<u>2.65</u>	<u>183.53</u>
All Ages	\$ 26.73	\$ 18.12	\$ 48.34	\$ 1.70	\$ 94.90	\$ 27.06	\$ 20.94	\$ 51.32	\$ 1.93	\$ 101.25

**Wisconsin Department of Health Services**

*Exhibit 2b*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Encounter 2009 Managed Care Equivalent Estimate - BadgerCare Plus Standard Plan**

Region 2

	2006					2007				
	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total
<b>Encounter Based Implied PMPM</b>										
Age 0	\$ 140.84	\$ 19.24	\$ 84.25	\$ 6.95	\$ 251.28	\$ 128.86	\$ 20.70	\$ 76.89	\$ 4.51	\$ 230.96
Ages 1 - 5	7.62	10.16	25.78	0.91	44.48	6.06	11.55	25.28	0.85	43.75
Ages 6 - 14	4.04	6.69	21.58	1.33	33.65	7.85	7.55	22.13	1.57	39.10
Ages 15 - 20 Female	8.51	23.71	43.85	3.19	79.27	11.32	27.75	43.42	3.83	86.32
Ages 15 - 20 Male	11.33	10.12	30.69	1.66	53.80	7.53	10.68	25.39	1.64	45.24
Ages 21 - 34 Female	16.61	36.10	77.73	4.56	134.99	16.02	39.42	67.71	3.62	126.77
Ages 21 - 34 Male	12.19	18.04	46.97	2.18	79.38	13.65	22.49	41.01	1.78	78.92
Ages 35 -44 Female	44.68	39.64	119.08	3.92	207.32	32.87	42.14	97.35	3.43	175.79
Ages 35 -44 Male	33.43	24.40	107.93	3.67	169.43	30.09	31.41	70.82	3.15	135.47
Ages 45 & Over Female	39.41	43.18	161.63	5.33	249.55	51.08	46.12	114.88	3.97	216.06
<u>Ages 45 &amp; Over Male</u>	<u>83.53</u>	<u>33.78</u>	<u>151.70</u>	<u>5.12</u>	<u>274.13</u>	<u>68.20</u>	<u>45.15</u>	<u>103.62</u>	<u>3.15</u>	<u>220.12</u>
All Ages	\$ 22.80	\$ 18.32	\$ 51.82	\$ 2.66	\$ 95.59	\$ 22.12	\$ 20.56	\$ 45.41	\$ 2.31	\$ 90.40
<b>Adjustments</b>										
Remove DSH Payments	97.8%	100.0%	100.0%	100.0%	99.5%	97.3%	100.0%	100.0%	100.0%	99.4%
Provider Rate Increase	100.0%	100.0%	101.0%	101.0%	100.6%	100.0%	100.0%	101.0%	101.0%	100.5%
CAH Adjustment	99.7%	101.9%	100.0%	100.0%	100.3%	100.0%	112.8%	100.0%	100.0%	102.9%
Completion Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0357	1.0069	1.0201	1.0201	1.0209
Trend to 2007 (Data Period Trend)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Trend to 2009 (Contract Period)	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609
<b>Adjusted PEPM Medical Cost</b>										
Age 0	\$ 145.63	\$ 20.80	\$ 90.27	\$ 7.45	\$ 264.15	\$ 137.84	\$ 24.93	\$ 84.05	\$ 4.93	\$ 251.75
Ages 1 - 5	7.88	10.99	27.62	0.98	47.47	6.49	13.91	27.64	0.93	48.96
Ages 6 - 14	4.18	7.24	23.12	1.43	35.97	8.40	9.10	24.18	1.71	43.40
Ages 15 - 20 Female	8.80	25.64	46.99	3.42	84.85	12.11	33.42	47.46	4.18	97.18
Ages 15 - 20 Male	11.72	10.94	32.89	1.77	57.32	8.05	12.87	27.75	1.80	50.47
Ages 21 - 34 Female	17.17	39.03	83.29	4.88	144.38	17.13	47.48	74.01	3.95	142.58
Ages 21 - 34 Male	12.60	19.51	50.33	2.34	84.78	14.60	27.09	44.82	1.94	88.45
Ages 35 -44 Female	46.20	42.86	127.60	4.20	220.86	35.16	50.76	106.41	3.75	196.08
Ages 35 -44 Male	34.56	26.39	115.65	3.93	180.53	32.19	37.83	77.41	3.45	150.88
Ages 45 & Over Female	40.75	46.69	173.18	5.72	266.34	54.64	55.55	125.57	4.34	240.11
<u>Ages 45 &amp; Over Male</u>	<u>86.37</u>	<u>36.53</u>	<u>162.54</u>	<u>5.49</u>	<u>290.94</u>	<u>72.96</u>	<u>54.38</u>	<u>113.26</u>	<u>3.44</u>	<u>244.04</u>
All Ages	\$ 23.58	\$ 19.81	\$ 55.52	\$ 2.85	\$ 101.76	\$ 23.66	\$ 24.76	\$ 49.64	\$ 2.53	\$ 100.59

**Wisconsin Department of Health Services**

*Exhibit 2c*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Encounter 2009 Managed Care Equivalent Estimate - BadgerCare Plus Standard Plan**

Region 3

	2006					2007				
	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total
<b>Encounter Based Implied PMPM</b>										
Age 0	\$ 95.45	\$ 16.15	\$ 64.85	\$ 3.57	\$ 180.02	\$ 111.95	\$ 15.17	\$ 65.71	\$ 4.20	\$ 197.03
Ages 1 - 5	5.40	9.28	23.03	0.38	38.09	6.30	9.04	24.13	0.44	39.91
Ages 6 - 14	3.99	5.80	20.70	1.05	31.55	3.98	5.68	20.75	0.99	31.40
Ages 15 - 20 Female	12.96	18.53	43.20	2.49	77.17	14.54	15.58	42.40	2.13	74.65
Ages 15 - 20 Male	13.51	7.63	26.01	1.27	48.42	11.23	8.15	25.70	1.11	46.19
Ages 21 - 34 Female	20.30	26.42	66.56	2.93	116.20	21.65	24.31	68.68	2.64	117.28
Ages 21 - 34 Male	16.60	15.28	43.33	1.13	76.34	21.97	15.54	44.57	1.26	83.35
Ages 35 -44 Female	42.95	31.66	85.60	2.69	162.91	47.62	28.60	91.04	2.22	169.48
Ages 35 -44 Male	32.30	15.09	57.45	1.60	106.44	25.58	13.28	58.80	1.31	98.97
Ages 45 & Over Female	62.87	27.78	105.61	2.73	198.99	70.46	25.94	106.86	2.54	205.81
<u>Ages 45 &amp; Over Male</u>	<u>52.02</u>	<u>17.63</u>	<u>73.31</u>	<u>2.22</u>	<u>145.18</u>	<u>75.36</u>	<u>20.56</u>	<u>87.68</u>	<u>3.44</u>	<u>187.04</u>
All Ages	\$ 20.18	\$ 14.44	\$ 42.31	\$ 1.64	\$ 78.56	\$ 23.03	\$ 13.61	\$ 43.81	\$ 1.60	\$ 82.05
<b>Adjustments</b>										
Remove DSH Payments	99.4%	100.0%	100.0%	100.0%	99.9%	99.3%	100.0%	100.0%	100.0%	99.8%
Provider Rate Increase	100.0%	100.0%	101.0%	101.0%	100.6%	100.0%	100.0%	101.0%	101.0%	100.6%
CAH Adjustment	100.7%	107.9%	100.0%	100.0%	101.6%	100.0%	108.9%	100.0%	100.0%	101.5%
Completion Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0357	1.0069	1.0201	1.0201	1.0223
Trend to 2007 (Data Period Trend)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Trend to 2009 (Contract Period)	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609
<b>Adjusted PEPM Medical Cost</b>										
Age 0	\$ 101.40	\$ 18.49	\$ 69.49	\$ 3.82	\$ 193.20	\$ 122.17	\$ 17.64	\$ 71.82	\$ 4.59	\$ 216.24
Ages 1 - 5	5.74	10.62	24.67	0.41	41.44	6.87	10.51	26.38	0.48	44.24
Ages 6 - 14	4.24	6.64	22.18	1.13	34.19	4.34	6.61	22.68	1.08	34.71
Ages 15 - 20 Female	13.77	21.21	46.29	2.66	83.93	15.86	18.13	46.35	2.33	82.66
Ages 15 - 20 Male	14.35	8.73	27.87	1.36	52.32	12.25	9.48	28.09	1.22	51.04
Ages 21 - 34 Female	21.56	30.25	71.32	3.14	126.27	23.63	28.27	75.07	2.88	129.86
Ages 21 - 34 Male	17.63	17.50	46.43	1.21	82.77	23.97	18.08	48.72	1.38	92.15
Ages 35 -44 Female	45.63	36.25	91.72	2.88	176.48	51.97	33.27	99.51	2.43	187.18
Ages 35 -44 Male	34.31	17.28	61.56	1.71	114.86	27.92	15.45	64.27	1.43	109.07
Ages 45 & Over Female	66.78	31.80	113.16	2.93	214.67	76.90	30.18	116.80	2.78	226.65
<u>Ages 45 &amp; Over Male</u>	<u>55.25</u>	<u>20.19</u>	<u>78.55</u>	<u>2.38</u>	<u>156.37</u>	<u>82.24</u>	<u>23.92</u>	<u>95.84</u>	<u>3.76</u>	<u>205.75</u>
All Ages	\$ 21.43	\$ 16.53	\$ 45.34	\$ 1.76	\$ 85.06	\$ 25.13	\$ 15.83	\$ 47.89	\$ 1.75	\$ 90.60

**Wisconsin Department of Health Services**

*Exhibit 2d*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Encounter 2009 Managed Care Equivalent Estimate - BadgerCare Plus Standard Plan**

Region 4

	2006					2007				
	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total
<b>Encounter Based Implied PMPM</b>										
Age 0	\$ 126.90	\$ 19.30	\$ 78.02	\$ 4.39	\$ 228.60	\$ 105.02	\$ 17.05	\$ 74.86	\$ 4.64	\$ 201.56
Ages 1 - 5	7.41	9.73	23.10	0.77	41.01	7.38	10.39	26.65	0.63	45.05
Ages 6 - 14	6.93	7.65	21.84	1.19	37.61	4.79	7.48	21.68	0.96	34.90
Ages 15 - 20 Female	7.51	18.59	42.30	2.72	71.12	10.65	20.85	45.51	2.18	79.19
Ages 15 - 20 Male	29.33	8.03	26.50	1.41	65.26	10.01	8.98	24.25	1.22	44.46
Ages 21 - 34 Female	15.41	30.10	65.87	3.65	115.04	20.15	29.27	71.85	3.03	124.31
Ages 21 - 34 Male	20.56	16.48	48.25	1.46	86.74	24.39	16.71	44.34	0.79	86.23
Ages 35 -44 Female	44.22	32.48	91.98	3.68	172.36	32.15	32.14	90.34	1.68	156.31
Ages 35 -44 Male	52.71	22.50	66.08	3.04	144.32	30.02	21.55	70.90	1.50	123.97
Ages 45 & Over Female	75.69	33.27	103.48	3.90	216.34	80.79	36.01	115.71	2.46	234.97
<u>Ages 45 &amp; Over Male</u>	<u>31.59</u>	<u>21.72</u>	<u>74.34</u>	<u>2.86</u>	<u>130.52</u>	<u>39.98</u>	<u>25.30</u>	<u>73.82</u>	<u>2.17</u>	<u>141.27</u>
All Ages	\$ 22.68	\$ 15.93	\$ 42.64	\$ 2.06	\$ 83.31	\$ 20.14	\$ 16.01	\$ 44.48	\$ 1.63	\$ 82.26
<b>Adjustments</b>										
Remove DSH Payments	98.8%	100.0%	100.0%	100.0%	99.7%	98.7%	100.0%	100.0%	100.0%	99.7%
Provider Rate Increase	100.0%	100.0%	101.0%	101.0%	100.5%	100.0%	100.0%	101.0%	101.0%	100.6%
CAH Adjustment	100.0%	104.1%	100.0%	100.0%	100.8%	100.0%	100.1%	100.0%	100.0%	100.0%
Completion Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0357	1.0069	1.0201	1.0201	1.0214
Trend to 2007 (Data Period Trend)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Trend to 2009 (Contract Period)	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609
<b>Adjusted PEPM Medical Cost</b>										
Age 0	\$ 133.03	\$ 21.31	\$ 83.60	\$ 4.70	\$ 242.64	\$ 113.88	\$ 18.24	\$ 81.82	\$ 5.08	\$ 219.01
Ages 1 - 5	7.76	10.75	24.75	0.83	44.10	8.00	11.11	29.13	0.69	48.94
Ages 6 - 14	7.26	8.45	23.41	1.27	40.39	5.20	8.00	23.69	1.04	37.94
Ages 15 - 20 Female	7.88	20.53	45.32	2.91	76.64	11.55	22.30	49.75	2.38	85.98
Ages 15 - 20 Male	30.74	8.86	28.39	1.51	69.51	10.85	9.61	26.51	1.33	48.30
Ages 21 - 34 Female	16.16	33.25	70.58	3.91	123.90	21.85	31.32	78.54	3.32	135.02
Ages 21 - 34 Male	21.55	18.20	51.70	1.56	93.01	26.45	17.87	48.47	0.86	93.65
Ages 35 -44 Female	46.35	35.87	98.56	3.95	184.73	34.86	34.38	98.75	1.83	169.82
Ages 35 -44 Male	55.26	24.85	70.81	3.25	154.16	32.55	23.05	77.50	1.64	134.74
Ages 45 & Over Female	79.35	36.74	110.88	4.18	231.15	87.60	38.52	126.48	2.69	255.30
<u>Ages 45 &amp; Over Male</u>	<u>33.12</u>	<u>23.99</u>	<u>79.66</u>	<u>3.07</u>	<u>139.84</u>	<u>43.36</u>	<u>27.07</u>	<u>80.69</u>	<u>2.37</u>	<u>153.48</u>
All Ages	\$ 23.78	\$ 17.59	\$ 45.69	\$ 2.21	\$ 89.27	\$ 21.84	\$ 17.13	\$ 48.61	\$ 1.78	\$ 89.37

**Wisconsin Department of Health Services**

*Exhibit 2e*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Encounter 2009 Managed Care Equivalent Estimate - BadgerCare Plus Standard Plan**

Region 5

	2006					2007				
	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total
<b>Encounter Based Implied PMPM</b>										
Age 0	\$ 107.67	\$ 28.70	\$ 79.48	\$ 4.32	\$ 220.17	\$ 116.90	\$ 27.61	\$ 73.67	\$ 3.46	\$ 221.64
Ages 1 - 5	8.19	14.64	26.39	0.61	49.84	8.30	16.30	24.95	0.65	50.20
Ages 6 - 14	6.18	10.41	21.01	1.19	38.79	5.85	10.60	21.06	1.63	39.14
Ages 15 - 20 Female	10.73	26.94	40.48	2.87	81.02	10.83	29.10	37.67	3.01	80.60
Ages 15 - 20 Male	12.90	12.14	30.55	1.47	57.05	14.16	14.27	27.59	1.76	57.78
Ages 21 - 34 Female	24.55	41.17	72.09	4.25	142.06	23.18	46.03	64.14	3.17	136.53
Ages 21 - 34 Male	23.90	23.70	52.45	1.70	101.76	21.83	24.93	41.24	1.12	89.11
Ages 35 -44 Female	49.97	44.53	101.32	3.63	199.45	42.38	48.51	94.12	2.98	187.99
Ages 35 -44 Male	33.91	33.43	73.18	2.42	142.93	39.42	32.85	71.25	1.42	144.95
Ages 45 & Over Female	63.34	53.01	115.21	5.13	236.69	52.62	58.80	97.90	3.49	212.80
<u>Ages 45 &amp; Over Male</u>	<u>66.78</u>	<u>39.98</u>	<u>100.37</u>	<u>3.64</u>	<u>210.77</u>	<u>50.43</u>	<u>38.49</u>	<u>80.24</u>	<u>2.51</u>	<u>171.67</u>
All Ages	\$ 23.13	\$ 23.02	\$ 46.35	\$ 2.17	\$ 94.68	\$ 22.46	\$ 24.69	\$ 42.35	\$ 1.96	\$ 91.46
<b>Adjustments</b>										
Remove DSH Payments	97.3%	100.0%	100.0%	100.0%	99.3%	96.5%	100.0%	100.0%	100.0%	99.1%
Provider Rate Increase	100.0%	100.0%	101.0%	101.0%	100.5%	100.0%	100.0%	101.0%	101.0%	100.5%
CAH Adjustment	100.2%	101.8%	100.0%	100.0%	100.5%	100.0%	100.3%	100.0%	100.0%	100.1%
Completion Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0357	1.0069	1.0201	1.0201	1.0204
Trend to 2007 (Data Period Trend)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Trend to 2009 (Contract Period)	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609
<b>Adjusted PEPM Medical Cost</b>										
Age 0	\$ 111.39	\$ 30.99	\$ 85.17	\$ 4.62	\$ 232.17	\$ 123.90	\$ 29.58	\$ 80.52	\$ 3.78	\$ 237.78
Ages 1 - 5	8.48	15.80	28.28	0.66	53.22	8.80	17.46	27.28	0.71	54.24
Ages 6 - 14	6.40	11.24	22.51	1.28	41.42	6.20	11.36	23.02	1.78	42.36
Ages 15 - 20 Female	11.10	29.09	43.37	3.07	86.64	11.48	31.17	41.17	3.29	87.10
Ages 15 - 20 Male	13.34	13.10	32.73	1.58	60.76	15.01	15.29	30.15	1.92	62.37
Ages 21 - 34 Female	25.40	44.45	77.24	4.56	151.64	24.57	49.31	70.11	3.46	147.45
Ages 21 - 34 Male	24.73	25.59	56.20	1.83	108.34	23.14	26.70	45.08	1.22	96.13
Ages 35 -44 Female	51.69	48.08	108.56	3.89	212.23	44.92	51.96	102.88	3.26	203.02
Ages 35 -44 Male	35.08	36.09	78.41	2.59	152.17	41.78	35.19	77.88	1.55	156.41
Ages 45 & Over Female	65.52	57.24	123.45	5.50	251.70	55.77	62.98	107.01	3.81	229.57
<u>Ages 45 &amp; Over Male</u>	<u>69.08</u>	<u>43.16</u>	<u>107.55</u>	<u>3.91</u>	<u>223.70</u>	<u>53.45</u>	<u>41.23</u>	<u>87.71</u>	<u>2.74</u>	<u>185.13</u>
All Ages	\$ 23.92	\$ 24.86	\$ 49.67	\$ 2.33	\$ 100.78	\$ 23.80	\$ 26.45	\$ 46.29	\$ 2.14	\$ 98.68

**Wisconsin Department of Health Services**

*Exhibit 2f*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Encounter 2009 Managed Care Equivalent Estimate - BadgerCare Plus Standard Plan**

Region 6

	2006					2007				
	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total	Hospital Inpatient	Hospital Outpatient	Physician	Other	Total
<b>Encounter Based Implied PMPM</b>										
Age 0	\$ 155.23	\$ 34.24	\$ 88.72	\$ 4.96	\$ 283.15	\$ 160.95	\$ 30.56	\$ 85.15	\$ 5.16	\$ 281.82
Ages 1 - 5	10.15	18.37	30.21	0.73	59.46	10.94	17.42	29.67	1.00	59.04
Ages 6 - 14	6.47	10.49	19.68	1.13	37.76	6.16	10.06	19.11	1.55	36.88
Ages 15 - 20 Female	9.76	27.18	42.82	2.05	81.82	8.38	25.04	42.07	2.33	77.81
Ages 15 - 20 Male	17.64	11.97	25.14	1.08	55.83	9.37	10.94	21.71	1.41	43.43
Ages 21 - 34 Female	22.86	41.42	65.70	3.37	133.36	19.10	38.29	65.99	3.13	126.51
Ages 21 - 34 Male	24.47	22.57	40.91	1.57	89.53	17.49	23.52	40.11	2.49	83.61
Ages 35 -44 Female	47.50	41.55	90.06	5.08	184.20	48.24	41.25	89.76	5.10	184.35
Ages 35 -44 Male	44.82	25.91	69.77	2.48	142.98	35.06	29.90	70.60	2.15	137.71
Ages 45 & Over Female	75.58	51.80	114.01	7.34	248.72	71.34	49.05	110.28	7.49	238.15
<u>Ages 45 &amp; Over Male</u>	<u>105.57</u>	<u>38.08</u>	<u>109.50</u>	<u>9.51</u>	<u>262.66</u>	<u>83.84</u>	<u>36.99</u>	<u>103.53</u>	<u>8.85</u>	<u>233.21</u>
All Ages	\$ 25.19	\$ 23.05	\$ 43.01	\$ 2.11	\$ 93.36	\$ 24.15	\$ 21.74	\$ 42.12	\$ 2.33	\$ 90.33
<b>Adjustments</b>										
Remove DSH Payments	95.2%	100.0%	100.0%	100.0%	98.7%	94.7%	100.0%	100.0%	100.0%	98.6%
Provider Rate Increase	100.0%	100.0%	101.0%	101.0%	100.5%	100.0%	100.0%	101.0%	101.0%	100.5%
CAH Adjustment	100.0%	99.6%	100.0%	100.0%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%
Completion Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0357	1.0069	1.0201	1.0201	1.0211
Trend to 2007 (Data Period Trend)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Trend to 2009 (Contract Period)	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609	1.0609
<b>Adjusted PEPM Medical Cost</b>										
Age 0	\$ 156.74	\$ 36.18	\$ 95.07	\$ 5.32	\$ 293.30	\$ 167.47	\$ 32.64	\$ 93.07	\$ 5.64	\$ 298.81
Ages 1 - 5	10.25	19.41	32.37	0.78	62.81	11.39	18.61	32.43	1.10	63.52
Ages 6 - 14	6.53	11.08	21.09	1.21	39.91	6.41	10.74	20.89	1.69	39.74
Ages 15 - 20 Female	9.86	28.72	45.89	2.20	86.67	8.72	26.74	45.99	2.54	83.99
Ages 15 - 20 Male	17.82	12.65	26.94	1.15	58.56	9.75	11.68	23.73	1.54	46.70
Ages 21 - 34 Female	23.08	43.77	70.40	3.61	140.86	19.87	40.90	72.13	3.42	136.32
Ages 21 - 34 Male	24.71	23.85	43.84	1.69	94.08	18.19	25.12	43.84	2.72	89.88
Ages 35 -44 Female	47.96	43.90	96.50	5.45	193.82	50.20	44.05	98.11	5.57	197.93
Ages 35 -44 Male	45.26	27.37	74.76	2.66	150.05	36.48	31.93	77.17	2.35	147.93
Ages 45 & Over Female	76.31	54.73	122.16	7.87	261.07	74.22	52.38	120.54	8.18	255.32
<u>Ages 45 &amp; Over Male</u>	<u>106.60</u>	<u>40.24</u>	<u>117.33</u>	<u>10.19</u>	<u>274.36</u>	<u>87.23</u>	<u>39.51</u>	<u>113.16</u>	<u>9.68</u>	<u>249.58</u>
All Ages	\$ 25.43	\$ 24.35	\$ 46.09	\$ 2.26	\$ 98.13	\$ 25.12	\$ 23.22	\$ 46.03	\$ 2.54	\$ 96.92

**Wisconsin Department of Health Services**

*Exhibit 3*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Encounter 2009 Managed Care Equivalent Estimate - BadgerCare Plus Standard Plan**

		Region								
Age Range	Gender	1	2	3	4	5	6	Statewide		
Age 0	All	\$ 235.59	\$ 257.79	\$ 205.36	\$ 230.30	\$ 234.83	\$ 296.04	\$ 256.56		
Ages 1 - 5	All	50.35	48.22	42.88	46.55	53.70	63.16	54.21		
Ages 6 - 14	All	43.75	39.73	34.46	39.14	41.87	39.83	39.99		
Ages 15 - 20	Female	93.61	90.99	83.28	81.37	86.86	85.34	86.73		
Ages 15 - 20	Male	53.63	53.93	51.67	58.84	61.52	52.74	54.66		
Ages 21 - 34	Female	141.45	143.47	128.11	129.56	149.64	138.63	139.50		
Ages 21 - 34	Male	86.13	86.59	87.62	93.33	102.70	92.12	91.04		
Ages 35 -44	Female	179.32	208.45	181.96	177.25	207.93	195.81	193.95		
Ages 35 -44	Male	130.29	165.89	111.94	144.41	154.16	149.04	142.21		
Ages 45 & Over	Female	256.52	252.69	220.89	243.53	240.86	258.22	248.20		
Ages 45 & Over	Male	175.90	266.99	181.71	146.87	205.51	262.16	212.03		
All Ages		\$ 98.17	\$ 101.17	\$ 87.90	\$ 89.32	\$ 100.00	\$ 97.96	\$ 96.87		

**Adjustments (Weighted by 2009 Blended PEPM)**

HealthCheck Adjustment	\$ 0.18	0.87	0.32	0.26	0.79	0.05	0.35
IMD Adjustment	\$ 0.43	\$ 1.83	\$ 0.36	\$ 0.57	\$ 1.19	\$ 1.69	1.22
HIV/AIDS Adjustment	\$ 0.02	0.06	0.09	0.02	0.19	0.40	0.20
Transportation Adjustment						\$ 2.91	1.06
Copay Adjustment	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%

**2009 Blended PEPM with Adjustments**

Age Range	Gender	1	2	3	4	5	6	Statewide		
Age 0	All	\$ 236.63	\$ 264.35	\$ 206.71	\$ 232.03	\$ 239.60	\$ 311.06	\$ 264.14		
Ages 1 - 5	All	50.57	49.45	43.16	46.90	54.79	66.37	55.86		
Ages 6 - 14	All	43.95	40.74	34.68	39.43	42.72	41.85	41.13		
Ages 15 - 20	Female	94.02	93.30	83.83	81.98	88.62	89.67	89.28		
Ages 15 - 20	Male	53.87	55.31	52.01	59.28	62.77	55.42	56.19		
Ages 21 - 34	Female	142.07	147.12	128.95	130.53	152.68	145.66	143.36		
Ages 21 - 34	Male	86.51	88.80	88.20	94.03	104.79	96.79	92.96		
Ages 35 -44	Female	180.11	213.76	183.16	178.59	212.15	205.75	199.10		
Ages 35 -44	Male	130.86	170.11	112.67	145.49	157.28	156.60	145.33		
Ages 45 & Over	Female	257.65	259.13	222.35	245.36	245.74	271.32	254.65		
Ages 45 & Over	Male	176.68	273.79	182.91	147.97	209.68	275.46	217.10		
All Ages		\$ 98.61	\$ 103.74	\$ 88.48	\$ 89.99	\$ 102.03	\$ 102.93	\$ 99.56		

**Wisconsin Department of Health Services**

*Exhibit 3*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Encounter 2009 Managed Care Equivalent Estimate - BadgerCare Plus Standard Plan**

Region
--------

**Administration (16.1% of Managed Care Equivalent)**

Age Range	Gender	1	2	3	4	5	6	Statewide
Age 0	All	\$ 45.41	\$ 50.73	\$ 39.67	\$ 44.53	\$ 45.98	\$ 59.69	\$ 50.69
Ages 1 - 5	All	9.70	9.49	8.28	9.00	10.51	12.74	10.72
Ages 6 - 14	All	8.43	7.82	6.66	7.57	8.20	8.03	7.89
Ages 15 - 20	Female	18.04	17.90	16.09	15.73	17.01	17.21	17.13
Ages 15 - 20	Male	10.34	10.61	9.98	11.38	12.04	10.63	10.78
Ages 21 - 34	Female	27.26	28.23	24.75	25.05	29.30	27.95	27.51
Ages 21 - 34	Male	16.60	17.04	16.92	18.04	20.11	18.57	17.84
Ages 35 -44	Female	34.56	41.02	35.15	34.27	40.71	39.48	38.21
Ages 35 -44	Male	25.11	32.64	21.62	27.92	30.18	30.05	27.89
Ages 45 & Over	Female	49.44	49.73	42.67	47.08	47.16	52.07	48.87
Ages 45 & Over	Male	33.90	52.54	35.10	28.40	40.24	52.86	41.66
All Ages		\$ 18.92	\$ 19.91	\$ 16.98	\$ 17.27	\$ 19.58	\$ 19.75	\$ 19.11

**2007 Member Month Weight as Percentage of 2006/2007 Member Months**

Age Range	Gender	1	2	3	4	5	6	Statewide
Age 0	All	52.7%	51.3%	52.8%	52.2%	47.5%	49.7%	50.6%
Ages 1 - 5	All	51.2%	50.2%	51.2%	50.7%	47.6%	49.7%	49.9%
Ages 6 - 14	All	51.3%	50.6%	51.3%	50.9%	48.2%	49.1%	49.9%
Ages 15 - 20	Female	51.7%	49.8%	51.4%	50.7%	48.3%	49.5%	49.9%
Ages 15 - 20	Male	51.7%	49.4%	50.6%	50.3%	47.2%	49.1%	49.5%
Ages 21 - 34	Female	51.8%	50.6%	51.3%	50.9%	47.8%	49.3%	49.9%
Ages 21 - 34	Male	51.1%	49.3%	51.6%	50.0%	46.2%	46.7%	49.1%
Ages 35 -44	Female	51.6%	50.1%	51.2%	50.2%	46.7%	48.6%	49.4%
Ages 35 -44	Male	51.7%	49.4%	50.5%	50.2%	46.9%	47.8%	49.5%
Ages 45 & Over	Female	52.7%	52.0%	51.9%	51.3%	49.0%	49.6%	50.8%
Ages 45 & Over	Male	52.3%	51.1%	51.3%	51.6%	47.2%	49.2%	50.4%
All Ages		51.6%	50.4%	51.3%	50.8%	47.7%	49.3%	49.9%



**Wisconsin Department of Health Services**

*Exhibit 4a*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Managed Care Equivalents Development - BadgerCare Plus Standard Plan - Medical Only**

**2009 BadgerCare Plus Standard Plan Managed Care Equivalent Rates by Age / Gender and Rate Region**

		Region						
		1	2	3	4	5	6	Statewide
Base Eligible Months		1,132,932	1,271,785	982,443	814,951	1,419,839	3,245,939	8,867,889
Age Range	Gender	1	2	3	4	5	6	Statewide
Age 0	All	\$ 282.04	\$ 315.08	\$ 246.38	\$ 276.56	\$ 285.57	\$ 370.75	\$ 314.83
Ages 1 - 5	All	60.27	58.94	51.44	55.90	65.31	79.10	66.57
Ages 6 - 14	All	52.38	48.56	41.34	47.00	50.92	49.88	49.02
Ages 15 - 20	Female	112.06	111.21	99.92	97.71	105.63	106.88	106.41
Ages 15 - 20	Male	64.21	65.92	61.99	70.66	74.81	66.05	66.98
Ages 21 - 34	Female	169.34	175.35	153.70	155.58	181.97	173.61	170.86
Ages 21 - 34	Male	103.11	105.83	105.12	112.08	124.89	115.37	110.80
Ages 35 -44	Female	214.67	254.77	218.30	212.86	252.86	245.23	237.31
Ages 35 -44	Male	155.98	202.76	134.30	173.41	187.47	186.65	173.22
Ages 45 & Over	Female	307.09	308.85	265.02	292.45	292.90	323.39	303.52
Ages 45 & Over	Male	210.58	326.33	218.01	176.37	249.92	328.32	258.77
MCEs Weighted By:		1	2	3	4	5	6	Statewide
(1) 2006 - 2007 Eligible Months		\$ 117.53	\$ 123.65	\$ 105.46	\$ 107.26	\$ 121.61	\$ 122.68	\$ 118.67
(2) Projected 2009 Eligible Months		118.53	125.11	106.70	108.67	122.58	124.32	119.63
(3) 2008 MCE*		111.77	116.70	103.71	106.65	127.97	129.17	119.48
Difference [(2) / (3) - 1]		6.0%	7.2%	2.9%	1.9%	-4.2%	-3.8%	0.1%
Projected 2009 Eligible Months		654,682	717,723	611,746	518,151	802,978	1,707,888	5,013,170

\* Note - the 2008 MCEs are calculated under the 2009 Policy Assumptions to provide a consistent comparison with final 2009 MCEs

**Wisconsin Department of Health Services**

*Exhibit 4b*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Capitation Rate Development - BadgerCare Plus Standard Plan - Medical Only**

2009 BadgerCare Plus Standard Plan Capitation Rates by Age / Gender and Rate Region								
		Region						Statewide
		1	2	3	4	5	6	Statewide
Base Eligible Months		1,132,932	1,271,785	982,443	814,951	1,419,839	3,245,939	8,867,889
Age Range	Gender	1	2	3	4	5	6	Statewide
Age 0	All	\$ 297.55	\$ 315.08	\$ 259.93	\$ 291.77	\$ 301.28	\$ 391.14	\$ 327.79
Ages 1 - 5	All	63.58	58.94	54.27	58.97	68.90	83.45	69.35
Ages 6 - 14	All	55.26	48.56	43.61	49.59	53.72	52.62	51.22
Ages 15 - 20	Female	118.22	111.21	105.42	103.08	111.44	112.76	111.29
Ages 15 - 20	Male	67.74	65.92	65.40	74.55	78.92	69.68	70.22
Ages 21 - 34	Female	178.65	175.35	162.15	164.14	191.98	183.16	178.53
Ages 21 - 34	Male	108.78	105.83	110.90	118.24	131.76	121.72	115.61
Ages 35 -44	Female	226.48	254.77	230.31	224.57	266.77	258.72	247.49
Ages 35 -44	Male	164.56	202.76	141.69	182.95	197.78	196.92	179.82
Ages 45 & Over	Female	323.98	308.85	279.60	308.53	309.01	341.18	316.63
Ages 45 & Over	Male	222.16	326.33	230.00	186.07	263.67	346.38	267.01
Cap Rates Weighted By:		1	2	3	4	5	6	Statewide
(1) 2006 - 2007 Eligible Months		\$ 123.99	\$ 123.65	\$ 111.26	\$ 113.16	\$ 128.29	\$ 129.43	\$ 124.22
(2) Projected 2009 Eligible Months		125.05	125.11	112.57	114.65	129.33	131.16	125.23
(3) 2008 Cap Rates*		118.16	117.14	105.94	108.86	128.44	129.63	121.12
Difference [(2) / (3) - 1]		5.8%	6.8%	6.3%	5.3%	0.7%	1.2%	3.4%
Projected 2009 Eligible Months		654,682	717,723	611,746	518,151	802,978	1,707,888	5,013,170

\* Note - the 2008 capitation rates are calculated under the 2009 Policy Assumptions to provide a consistent comparison with final 2009 cap rates

**Wisconsin Department of Health Services**

**Exhibit 5a**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

***Dental Managed Care Equivalent Estimate Calculation - BadgerCare Plus Standard Plan***

Region	Description	2006 FFS Data	2006 Encounter Data	2006 PEPM	Trend to 2007	Adjusted 2007 PEPM	2007 FFS Data	2007 Encounter Data	2007 PEPM	Blended 2007 PEPM	Trend to 2009	Managed Care Adjustment	Admin	2009 Dental MCE Estimate
1	North	7.22	0.03	7.25	1.030	7.47	7.73	0.02	7.75	7.61	1.061	1.000	16.1%	9.63
2	North East	3.98	0.00	3.99	1.030	4.11	3.94	0.00	3.94	4.02	1.061	1.000	16.1%	5.09
3	West Central	6.56	0.00	6.57	1.030	6.76	6.79	0.00	6.79	6.78	1.061	1.000	16.1%	8.57
4	Madison	7.11	0.05	7.16	1.030	7.37	7.49	0.06	7.55	7.46	1.061	1.000	16.1%	9.43
5	South East	1.36	2.36	3.73	1.030	3.84	1.17	2.32	3.49	3.67	1.061	1.000	16.1%	4.65
6	Milwaukee	0.18	4.45	4.63	1.030	4.77	0.15	4.65	4.80	4.78	1.061	1.000	16.1%	6.05

**Wisconsin Department of Health Services**

**Exhibit 5b**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**Chiropractic Managed Care Equivalent Estimate Calculation - BadgerCare Plus Standard Plan**

Region	Description	2006 FFS Data	2006 Encounter Data	2006 PEPM	Trend to 2007	Adjusted 2007 PEPM	2007 FFS Data	2007 Encounter Data	2007 PEPM	Blended 2007 PEPM	Trend to 2009	Managed Care Adjustment	Admin	2009 Chiro MCE Estimate
1	North	1.92	0.26	2.18	1.030	2.25	1.96	0.33	2.29	2.27	1.061	0.890	16.1%	2.55
2	North East	0.99	0.00	0.99	1.030	1.02	1.09	0.00	1.09	1.05	1.061	0.890	16.1%	1.19
3	West Central	1.80	0.12	1.92	1.030	1.98	1.77	0.14	1.91	1.94	1.061	0.890	16.1%	2.19
4	Madison	1.42	0.02	1.43	1.030	1.48	1.53	0.02	1.54	1.51	1.061	0.890	16.1%	1.70
5	South East	0.60	0.01	0.61	1.030	0.63	0.65	0.00	0.65	0.64	1.061	0.890	16.1%	0.72
6	Milwaukee	0.10	0.00	0.11	1.030	0.11	0.11	0.00	0.12	0.11	1.061	0.890	16.1%	0.13

**Wisconsin Department of Health Services**

*Exhibit 6a*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Managed Care Equivalents Development - BadgerCare Plus Standard Plan - Dental Only**

2009 BadgerCare Plus Standard Plan Managed Care Equivalent Rates by Age / Gender and Rate Region

		Region						
		1	2	3	4	5	6	Statewide
Base Eligible Months		1,132,932	1,271,785	982,443	814,951	1,419,839	3,245,939	8,867,889
Age Range	Gender	1	2	3	4	5	6	Statewide
Age 0	All	\$ 0.08	\$ 0.02	\$ 0.07	\$ 0.13	\$ 0.01	\$ 0.09	\$ 0.07
Ages 1 - 5	All	7.30	3.09	6.53	7.08	2.95	4.14	4.67
Ages 6 - 14	All	11.67	7.92	10.62	13.05	5.34	7.08	8.39
Ages 15 - 20	Female	11.68	5.69	10.34	10.88	5.28	5.67	7.22
Ages 15 - 20	Male	10.61	6.00	9.00	10.51	4.90	4.86	6.72
Ages 21 - 34	Female	10.61	4.60	9.26	9.37	6.11	7.88	7.71
Ages 21 - 34	Male	9.75	4.27	8.61	9.81	6.10	7.11	7.50
Ages 35 -44	Female	10.63	5.86	9.50	9.61	6.09	8.55	8.24
Ages 35 -44	Male	9.99	5.54	9.75	7.95	5.37	7.79	7.84
Ages 45 & Over	Female	11.86	6.71	12.24	11.09	7.55	11.72	10.33
Ages 45 & Over	Male	13.08	7.73	10.91	10.78	7.77	12.02	10.53
MCEs Weighted By:		1	2	3	4	5	6	Statewide
(1) 2006 - 2007 Eligible Months		\$ 9.63	\$ 5.09	\$ 8.57	\$ 9.43	\$ 4.64	\$ 6.04	\$ 6.73
(2) Projected 2009 Eligible Months		9.74	5.18	8.69	9.51	4.72	6.10	6.89
(3) 2008 MCE		8.80	5.10	8.03	9.87	5.21	5.94	6.74
Difference [(2) / (3) - 1]		10.7%	1.6%	8.2%	-3.7%	-9.5%	2.7%	2.3%
Projected 2009 Eligible Months		654,682	717,723	611,746	518,151	802,978	1,707,888	5,013,170

**Wisconsin Department of Health Services**

*Exhibit 6b*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Managed Care Equivalent Rates Development - BadgerCare Plus Standard Plan - Chiropractic Only**

2009 BadgerCare Plus Standard Plan Managed Care Equivalent Rates by Age / Gender and Rate Region

		Region						Statewide
		1	2	3	4	5	6	Statewide
Base Eligible Months		1,132,932	1,271,785	982,443	814,951	1,419,839	3,245,939	8,867,889
Age Range	Gender	1	2	3	4	5	6	Statewide
Age 0	All	\$ 0.92	\$ 0.31	\$ 0.86	\$ 0.72	\$ 0.22	\$ 0.04	\$ 0.37
Ages 1 - 5	All	0.81	0.29	0.62	0.46	0.20	0.03	0.29
Ages 6 - 14	All	1.29	0.59	1.08	0.84	0.40	0.05	0.50
Ages 15 - 20	Female	2.69	1.24	2.35	1.44	0.70	0.10	0.97
Ages 15 - 20	Male	1.65	0.88	1.47	1.21	0.54	0.07	0.70
Ages 21 - 34	Female	4.88	2.27	4.12	3.47	1.33	0.29	2.02
Ages 21 - 34	Male	3.43	1.81	2.89	3.02	1.34	0.48	2.07
Ages 35 -44	Female	6.18	3.36	5.69	4.58	2.00	0.38	2.94
Ages 35 -44	Male	4.89	2.51	4.26	4.06	1.57	0.46	2.87
Ages 45 & Over	Female	5.54	4.06	5.68	4.96	2.12	0.56	3.13
Ages 45 & Over	Male	4.65	2.85	4.15	3.82	1.63	0.46	2.81
MCEs Weighted By:		1	2	3	4	5	6	Statewide
(1) 2006 - 2007 Eligible Months		\$ 2.55	\$ 1.19	\$ 2.19	\$ 1.70	\$ 0.72	\$ 0.13	\$ 1.06
(2) Projected 2009 Eligible Months		2.64	1.23	2.27	1.76	0.74	0.13	1.14
(3) 2008 MCE		2.56	1.18	2.32	1.78	0.76	0.12	1.13
Difference [(2) / (3) - 1]		3.0%	4.3%	-2.2%	-0.9%	-1.9%	8.7%	0.9%
Projected 2009 Eligible Months		654,682	717,723	611,746	518,151	802,978	1,707,888	5,013,170

**Wisconsin Department of Health Services**

**Exhibit 7**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Managed Care Equivalents Development - BadgerCare Plus Standard Plan**

All Service MCE rate by Age/Gender and Rate Region							
Age Range	Gender	Region					
		1	2	3	4	5	6
Age 0	All	\$ 283.04	\$ 315.41	\$ 247.31	\$ 277.41	\$ 285.81	\$ 370.88
Ages 1 - 5	All	68.37	62.32	58.59	63.44	68.46	83.26
Ages 6 - 14	All	65.33	57.07	53.04	60.88	56.65	57.01
Ages 15 - 20	Female	126.42	118.14	112.61	110.03	111.60	112.65
Ages 15 - 20	Male	76.47	72.80	72.46	82.38	80.25	70.97
Ages 21 - 34	Female	184.83	182.22	167.07	168.42	189.41	181.78
Ages 21 - 34	Male	116.29	111.91	116.62	124.91	132.33	122.96
Ages 35 -44	Female	231.48	263.99	233.49	227.05	260.95	254.16
Ages 35 -44	Male	170.87	210.81	148.31	185.42	194.41	194.90
Ages 45 & Over	Female	324.49	319.62	282.94	308.51	302.57	335.66
Ages 45 & Over	Male	228.31	336.91	233.08	190.97	259.32	340.80

Medical & Dental Service MCE Rate by Age/Gender and Rate Region							
Age Range	Gender	Region					
		1	2	3	4	5	6
Age 0	All	\$ 282.12	\$ 315.10	\$ 246.45	\$ 276.69	\$ 285.58	\$ 370.84
Ages 1 - 5	All	67.57	62.03	57.97	62.98	68.26	83.24
Ages 6 - 14	All	64.05	56.48	51.96	60.05	56.26	56.96
Ages 15 - 20	Female	123.74	116.90	110.26	108.59	110.91	112.55
Ages 15 - 20	Male	74.82	71.92	70.99	81.17	79.71	70.91
Ages 21 - 34	Female	179.95	179.95	162.96	164.95	188.08	181.49
Ages 21 - 34	Male	112.86	110.10	113.73	121.89	130.99	122.48
Ages 35 -44	Female	225.30	260.63	227.80	222.47	258.95	253.78
Ages 35 -44	Male	165.97	208.30	144.05	181.36	192.84	194.44
Ages 45 & Over	Female	318.95	315.56	277.26	303.54	300.45	335.11
Ages 45 & Over	Male	223.66	334.06	228.92	187.15	257.69	340.34

Medical & Chiropractic Service MCE rate by Age/Gender and Rate Region							
Age Range	Gender	Region					
		1	2	3	4	5	6
Age 0	All	\$ 282.96	\$ 315.39	\$ 247.24	\$ 277.28	\$ 285.79	\$ 370.79
Ages 1 - 5	All	61.08	59.23	52.06	56.36	65.51	79.13
Ages 6 - 14	All	53.67	49.15	42.42	47.84	51.32	49.93
Ages 15 - 20	Female	114.75	112.45	102.27	99.15	106.33	106.98
Ages 15 - 20	Male	65.86	66.80	63.46	71.87	75.35	66.12
Ages 21 - 34	Female	174.22	177.62	157.82	159.05	183.30	173.90
Ages 21 - 34	Male	106.54	107.64	108.01	115.10	126.23	115.85
Ages 35 -44	Female	220.85	258.13	223.99	217.44	254.86	245.61
Ages 35 -44	Male	160.87	205.27	138.56	177.47	189.04	187.11
Ages 45 & Over	Female	312.63	312.91	270.70	297.41	295.02	323.95
Ages 45 & Over	Male	215.23	329.18	222.16	180.19	251.55	328.78

Medical Only Service MCE Rate by Age/Gender and Rate Region							
Age Range	Gender	Region					
		1	2	3	4	5	6
Age 0	All	\$ 282.04	\$ 315.08	\$ 246.38	\$ 276.56	\$ 285.57	\$ 370.75
Ages 1 - 5	All	60.27	58.94	51.44	55.90	65.31	79.10
Ages 6 - 14	All	52.38	48.56	41.34	47.00	50.92	49.88
Ages 15 - 20	Female	112.06	111.21	99.92	97.71	105.63	106.88
Ages 15 - 20	Male	64.21	65.92	61.99	70.66	74.81	66.05
Ages 21 - 34	Female	169.34	175.35	153.70	155.58	181.97	173.61
Ages 21 - 34	Male	103.11	105.83	105.12	112.08	124.89	115.37
Ages 35 -44	Female	214.67	254.77	218.30	212.86	252.86	245.23
Ages 35 -44	Male	155.98	202.76	134.30	173.41	187.47	186.65
Ages 45 & Over	Female	307.09	308.85	265.02	292.45	292.90	323.39
Ages 45 & Over	Male	210.58	326.33	218.01	176.37	249.92	328.32

**Wisconsin Department of Health Services**

**Exhibit 8**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Capitation Rates - BadgerCare Plus Standard Plan**

All Service Capitation Rate by Age/Gender and Rate Region								
Age Range	Gender	Region						
		1	2	3	4	5	6	
Age 0	All	\$ 298.61	\$ 315.41	\$ 260.91	\$ 292.67	\$ 301.53	\$ 391.27	
Ages 1 - 5	All	72.14	62.32	61.82	66.93	72.23	87.84	
Ages 6 - 14	All	68.92	57.07	55.95	64.23	59.77	60.15	
Ages 15 - 20	Female	133.38	118.14	118.80	116.08	117.74	118.84	
Ages 15 - 20	Male	80.68	72.80	76.45	86.91	84.67	74.88	
Ages 21 - 34	Female	195.00	182.22	176.26	177.68	199.82	191.77	
Ages 21 - 34	Male	122.69	111.91	123.03	131.79	139.61	129.72	
Ages 35 -44	Female	244.21	263.99	246.33	239.54	275.31	268.14	
Ages 35 -44	Male	180.26	210.81	156.46	195.62	205.10	205.62	
Ages 45 & Over	Female	342.34	319.62	298.50	325.47	319.21	354.13	
Ages 45 & Over	Male	240.87	336.91	245.90	201.48	273.58	359.54	

Medical & Dental Service Capitation Rate by Age/Gender and Rate Region								
Age Range	Gender	Region						
		1	2	3	4	5	6	
Age 0	All	\$ 297.64	\$ 315.10	\$ 260.00	\$ 291.91	\$ 301.29	\$ 391.23	
Ages 1 - 5	All	71.28	62.03	61.16	66.45	72.01	87.81	
Ages 6 - 14	All	67.57	56.48	54.81	63.35	59.35	60.09	
Ages 15 - 20	Female	130.54	116.90	116.33	114.56	117.01	118.74	
Ages 15 - 20	Male	78.93	71.92	74.89	85.64	84.09	74.81	
Ages 21 - 34	Female	189.85	179.95	171.92	174.02	198.42	191.47	
Ages 21 - 34	Male	119.07	110.10	119.99	128.60	138.20	129.21	
Ages 35 -44	Female	237.69	260.63	240.33	234.70	273.19	267.74	
Ages 35 -44	Male	175.10	208.30	151.97	191.34	203.44	205.13	
Ages 45 & Over	Female	336.49	315.56	292.51	320.24	316.98	353.54	
Ages 45 & Over	Male	235.96	334.06	241.51	197.44	271.86	359.06	

Medical & Chiropractic Service Capitation Rate by Age/Gender and Rate Region								
Age Range	Gender	Region						
		1	2	3	4	5	6	
Age 0	All	\$ 298.52	\$ 315.39	\$ 260.84	\$ 292.53	\$ 301.51	\$ 391.18	
Ages 1 - 5	All	64.44	59.23	54.93	59.46	69.12	83.48	
Ages 6 - 14	All	56.62	49.15	44.75	50.47	54.14	52.68	
Ages 15 - 20	Female	121.06	112.45	107.89	104.60	112.17	112.86	
Ages 15 - 20	Male	69.49	66.80	66.95	75.82	79.50	69.75	
Ages 21 - 34	Female	183.80	177.62	166.50	167.80	193.38	183.46	
Ages 21 - 34	Male	112.40	107.64	113.95	121.43	133.17	122.22	
Ages 35 -44	Female	233.00	258.13	236.31	229.40	268.88	259.12	
Ages 35 -44	Male	169.72	205.27	146.18	187.23	199.44	197.40	
Ages 45 & Over	Female	329.83	312.91	285.59	313.77	311.25	341.76	
Ages 45 & Over	Male	227.07	329.18	234.38	190.10	265.39	346.86	

Medical Only Service Capitation Rate by Age/Gender and Rate Region								
Age Range	Gender	Region						
		1	2	3	4	5	6	
Age 0	All	\$ 297.55	\$ 315.08	\$ 259.93	\$ 291.77	\$ 301.28	\$ 391.14	
Ages 1 - 5	All	63.58	58.94	54.27	58.97	68.90	83.45	
Ages 6 - 14	All	55.26	48.56	43.61	49.59	53.72	52.62	
Ages 15 - 20	Female	118.22	111.21	105.42	103.08	111.44	112.76	
Ages 15 - 20	Male	67.74	65.92	65.40	74.55	78.92	69.68	
Ages 21 - 34	Female	178.65	175.35	162.15	164.14	191.98	183.16	
Ages 21 - 34	Male	108.78	105.83	110.90	118.24	131.76	121.72	
Ages 35 -44	Female	226.48	254.77	230.31	224.57	266.77	258.72	
Ages 35 -44	Male	164.56	202.76	141.69	182.95	197.78	196.92	
Ages 45 & Over	Female	323.98	308.85	279.60	308.53	309.01	341.18	
Ages 45 & Over	Male	222.16	326.33	230.00	186.07	263.67	346.38	



**Wisconsin Department of Health Services**

*Exhibit 9*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Maternity Case Rate Development - BadgerCare Plus Standard Plan**

**Base Case Rate Development - Complete Pregnancy Costs for Deliveries in 2007**

	Region						
	1	2	3	4	5	6	Statewide
Number of Deliveries - 2007	2,455	2,883	2,197	1,518	2,815	6,469	18,337
2006-07 Maternity Related Costs	\$9,882,881	\$9,954,627	\$7,326,440	\$5,429,120	\$10,128,824	\$29,002,476	\$71,724,368
Base Case Rate	\$4,025.61	\$3,452.87	\$3,334.75	\$3,576.50	\$3,598.16	\$4,483.30	\$3,911.46
<b>Adjustments</b>							
Provider Rate Increase							1.005
Completion Factor							1.0217
Administration							16.1%
2009 Maternity MCE	\$4,926.51	\$4,225.59	\$4,081.03	\$4,376.88	\$4,403.40	\$5,486.62	
MCE to Cap Adjustment	5.5%	0.0%	5.5%	5.5%	5.5%	5.5%	
<b>2009 Maternity Kick Payment</b>	\$5,197.47	\$4,225.59	\$4,305.49	\$4,617.61	\$4,645.58	\$5,788.39	
2008 Final HSPW Cap Rate	\$820.89	\$755.89	\$636.04	\$777.96	\$861.99	\$1,042.84	
2008 to 2009 Budged Increase	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	
<b>2009 Final HSPW Cap Rate</b>	\$848.74	\$781.53	\$657.62	\$804.35	\$891.23	\$1,078.22	

**Wisconsin Department of Health Services**

*Exhibit 10*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

***2009 Managed Care Equivalents Development - Benchmark Plan***

Projected Enrollment - Benchmark Plan								
Age Range	Gender	Region						Statewide
		1	2	3	4	5	6	
Age 0	All	840	552	756	408	564	240	3,360
Ages 1 - 5	All	4,860	4,032	4,836	3,384	3,888	1,932	22,932
Ages 6 - 14	All	8,244	5,136	7,344	4,440	6,576	2,520	34,260
Ages 15 - 20	Female	2,220	1,836	1,824	1,776	1,920	1,404	10,980
Ages 15 - 20	Male	1,920	1,140	1,428	1,068	1,284	588	7,428
Ages 21 - 34	Female	5,052	3,840	5,448	2,988	3,480	3,312	24,120
Ages 21 - 34	Male	204	36	192	60	48	12	552
Ages 35 -44	Female	1,032	444	684	360	372	372	3,264
Ages 35 -44	Male	600	132	408	204	84	12	1,440
Ages 45 & Over	Female	408	48	240	96	48	36	876
Ages 45 & Over	Male	<u>636</u>	<u>72</u>	<u>336</u>	<u>108</u>	<u>72</u>	<u>24</u>	<u>1,248</u>
Composite		26,016	17,268	23,496	14,892	18,336	10,452	110,460

**Wisconsin Department of Health Services**

*Exhibit 11a*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Managed Care Equivalents Development - Benchmark Plan - Medical Only**

BadgerCare Plus Standard Plan Managed Care Equivalents										
Age Range	Gender	Region							Benefit Ratio	Unit Cost Factor
		1	2	3	4	5	6	Statewide		
Age 0	All	\$ 282.04	\$ 315.08	\$ 246.38	\$ 276.56	\$ 285.57	\$ 370.75	\$ 285.71	83.7%	100%
Ages 1 - 5	All	60.27	58.94	51.44	55.90	65.31	79.10	59.97	83.7%	100%
Ages 6 - 14	All	52.38	48.56	41.34	47.00	50.92	49.88	48.28	83.7%	100%
Ages 15 - 20	Female	112.06	111.21	99.92	97.71	105.63	106.88	105.79	83.7%	100%
Ages 15 - 20	Male	64.21	65.92	61.99	70.66	74.81	66.05	66.95	83.7%	100%
Ages 21 - 34	Female	169.34	175.35	153.70	155.58	181.97	173.61	167.47	88.0%	100%
Ages 21 - 34	Male	103.11	105.83	105.12	112.08	124.89	115.37	107.12	88.0%	100%
Ages 35 -44	Female	214.67	254.77	218.30	212.86	252.86	245.23	228.52	88.0%	100%
Ages 35 -44	Male	155.98	202.76	134.30	173.41	187.47	186.65	158.69	88.0%	100%
Ages 45 & Over	Female	307.09	308.85	265.02	292.45	292.90	323.39	293.95	88.0%	100%
Ages 45 & Over	Male	210.58	326.33	218.01	176.37	249.92	328.32	220.83	88.0%	100%
Composite		107.03	103.99	93.97	93.37	99.79	119.19	101.88	85.9%	100%

Enrollee Industry Adjustment									
Age Range	Gender	Region							Statewide
		1	2	3	4	5	6		
Age 0	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 1 - 5	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 6 - 14	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 15 - 20	Female	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 15 - 20	Male	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 21 - 34	Female	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 21 - 34	Male	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 35 -44	Female	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 35 -44	Male	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 45 & Over	Female	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 45 & Over	Male	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Composite		103.0%	102.6%	103.1%	102.6%	102.2%	103.6%	102.9%	

Benchmark Plan Managed Care Equivalents										
Age Range	Gender	Region							Statewide	
		1	2	3	4	5	6			
Age 0	All	\$ 236.15	\$ 263.82	\$ 206.30	\$ 231.57	\$ 239.11	\$ 310.43	\$ 239.23		
Ages 1 - 5	All	50.46	49.35	43.07	46.81	54.68	66.23	50.21		
Ages 6 - 14	All	43.86	40.66	34.61	39.35	42.64	41.76	40.42		
Ages 15 - 20	Female	93.83	93.12	83.66	81.81	88.44	89.49	88.58		
Ages 15 - 20	Male	53.76	55.20	51.90	59.16	62.64	55.30	56.06		
Ages 21 - 34	Female	163.97	169.78	148.82	150.64	176.19	168.10	162.15		
Ages 21 - 34	Male	99.84	102.47	101.78	108.52	120.93	111.71	103.72		
Ages 35 -44	Female	207.86	246.68	211.37	206.10	244.83	237.45	221.27		
Ages 35 -44	Male	151.03	196.32	130.04	167.91	181.52	180.73	153.65		
Ages 45 & Over	Female	297.34	299.05	256.61	283.17	283.60	313.13	284.62		
Ages 45 & Over	Male	203.90	315.97	211.09	170.77	241.99	317.90	213.82		
Composite		96.92	93.56	85.36	83.72	89.14	108.44	91.95		

**Wisconsin Department of Health Services**

*Exhibit 11b*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Managed Care Equivalents Development - Benchmark Plan - Dental Only**

BadgerCare Plus Standard Plan Managed Care Equivalents											
Age Range	Gender	Region								Benefit Ratio	Unit Cost Factor
		1	2	3	4	5	6	Statewide			
Age 0	All	\$ 0.08	\$ 0.02	\$ 0.07	\$ 0.13	\$ 0.01	\$ 0.09	\$ 0.06		37.4%	235%
Ages 1 - 5	All	7.30	3.09	6.53	7.08	2.95	4.14	5.36		37.4%	235%
Ages 6 - 14	All	11.67	7.92	10.62	13.05	5.34	7.08	9.51		37.4%	235%
Ages 15 - 20	Female	11.68	5.69	10.34	10.88	5.28	5.67	8.44		37.4%	235%
Ages 15 - 20	Male	10.61	6.00	9.00	10.51	4.90	4.86	8.14		37.4%	235%
Ages 21 - 34	Female	10.61	4.60	9.26	9.37	6.11	7.88	8.17		37.4%	235%
Ages 21 - 34	Male	n/a	n/a	n/a	n/a	n/a	n/a	n/a		37.4%	235%
Ages 35 -44	Female	10.63	5.86	9.50	9.61	6.09	8.55	8.88		37.4%	235%
Ages 35 -44	Male	n/a	n/a	n/a	n/a	n/a	n/a	n/a		37.4%	235%
Ages 45 & Over	Female	11.86	6.71	12.24	11.09	7.55	11.72	11.36		37.4%	235%
Ages 45 & Over	Male	n/a	n/a	n/a	n/a	n/a	n/a	n/a		37.4%	235%
Composite		9.84	5.55	8.73	10.16	4.43	5.49	7.62		37.4%	235%

Enrollee Industry Adjustment									
Age Range	Gender	Region							
		1	2	3	4	5	6	Statewide	
Age 0	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 1 - 5	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 6 - 14	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 15 - 20	Female	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 15 - 20	Male	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 21 - 34	Female	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 21 - 34	Male	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 35 -44	Female	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 35 -44	Male	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 45 & Over	Female	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 45 & Over	Male	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Composite		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Benchmark Plan Managed Care Equivalents											
Age Range	Gender	Region									
		1	2	3	4	5	6	Statewide			
Age 0	All	\$ 0.07	\$ 0.02	\$ 0.06	\$ 0.11	\$ 0.01	\$ 0.08	\$ 0.06			
Ages 1 - 5	All	6.41	2.71	5.73	6.22	2.59	3.63	4.71			
Ages 6 - 14	All	10.24	6.96	9.32	11.46	4.69	6.22	8.35			
Ages 15 - 20	Female	10.25	4.99	9.08	9.55	4.63	4.98	7.41			
Ages 15 - 20	Male	9.31	5.27	7.90	9.23	4.30	4.27	7.14			
Ages 21 - 34	Female	9.31	4.04	8.13	8.23	5.36	6.92	7.17			
Ages 21 - 34	Male	n/a	n/a	n/a	n/a	n/a	n/a	n/a			
Ages 35 -44	Female	9.33	5.14	8.34	8.44	5.35	7.51	7.79			
Ages 35 -44	Male	n/a	n/a	n/a	n/a	n/a	n/a	n/a			
Ages 45 & Over	Female	10.41	5.89	10.75	9.74	6.63	10.29	9.97			
Ages 45 & Over	Male	n/a	n/a	n/a	n/a	n/a	n/a	n/a			
Composite		8.64	4.87	7.66	8.92	3.89	4.82	6.69			

**Wisconsin Department of Health Services**

*Exhibit 11c*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Managed Care Equivalents Development - Benchmark Plan - Chiropractic Only**

BadgerCare Plus Standard Plan Managed Care Equivalents											
Age Range	Gender	Region								Benefit Ratio	Unit Cost Factor
		1	2	3	4	5	6	Statewide			
Age 0	All	\$ 0.92	\$ 0.31	\$ 0.86	\$ 0.72	\$ 0.22	\$ 0.04	\$ 0.60		22.4%	100%
Ages 1 - 5	All	0.81	0.29	0.62	0.46	0.20	0.03	0.46		22.4%	100%
Ages 6 - 14	All	1.29	0.59	1.08	0.84	0.40	0.05	0.82		22.4%	100%
Ages 15 - 20	Female	2.69	1.24	2.35	1.44	0.70	0.10	1.51		22.4%	100%
Ages 15 - 20	Male	1.65	0.88	1.47	1.21	0.54	0.07	1.12		22.4%	100%
Ages 21 - 34	Female	4.88	2.27	4.12	3.47	1.33	0.29	2.97		22.4%	100%
Ages 21 - 34	Male	3.43	1.81	2.89	3.02	1.34	0.48	2.85		22.4%	100%
Ages 35 -44	Female	6.18	3.36	5.69	4.58	2.00	0.38	4.38		22.4%	100%
Ages 35 -44	Male	4.89	2.51	4.26	4.06	1.57	0.46	4.15		22.4%	100%
Ages 45 & Over	Female	5.54	4.06	5.68	4.96	2.12	0.56	5.04		22.4%	100%
Ages 45 & Over	Male	4.65	2.85	4.15	3.82	1.63	0.46	4.09		22.4%	100%
Composite		2.47	1.08	2.10	1.57	0.62	0.14	1.53		22.4%	100%

Enrollee Industry Adjustment									
Age Range	Gender	Region							
		1	2	3	4	5	6	Statewide	
Age 0	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 1 - 5	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 6 - 14	All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 15 - 20	Female	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 15 - 20	Male	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ages 21 - 34	Female	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 21 - 34	Male	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 35 -44	Female	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 35 -44	Male	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 45 & Over	Female	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Ages 45 & Over	Male	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Composite		103.0%	102.6%	103.1%	102.6%	102.2%	103.6%	102.9%	

Benchmark Plan Managed Care Equivalents									
Age Range	Gender	Region							
		1	2	3	4	5	6	Statewide	
Age 0	All	\$ 0.21	\$ 0.07	\$ 0.19	\$ 0.16	\$ 0.05	\$ 0.01	\$ 0.13	
Ages 1 - 5	All	0.18	0.06	0.14	0.10	0.05	0.01	0.10	
Ages 6 - 14	All	0.29	0.13	0.24	0.19	0.09	0.01	0.18	
Ages 15 - 20	Female	0.60	0.28	0.53	0.32	0.16	0.02	0.34	
Ages 15 - 20	Male	0.37	0.20	0.33	0.27	0.12	0.01	0.25	
Ages 21 - 34	Female	1.20	0.56	1.01	0.85	0.33	0.07	0.73	
Ages 21 - 34	Male	0.84	0.45	0.71	0.74	0.33	0.12	0.70	
Ages 35 -44	Female	1.52	0.83	1.40	1.13	0.49	0.09	1.08	
Ages 35 -44	Male	1.20	0.62	1.05	1.00	0.39	0.11	1.02	
Ages 45 & Over	Female	1.36	1.00	1.40	1.22	0.52	0.14	1.24	
Ages 45 & Over	Male	1.14	0.70	1.02	0.94	0.40	0.11	1.01	
Composite		0.59	0.26	0.50	0.37	0.15	0.03	0.36	

**Wisconsin Department of Health Services**

**Exhibit 12**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Capitation Rate Development - Benchmark Plan**

**All Service Capitation Rates by Age/Gender and Rate Region**

Age Range	Gender	Region					
		1	2	3	4	5	6
Age 0	All	\$ 236.43	\$ 263.91	\$ 206.55	\$ 231.84	\$ 239.17	\$ 310.52
Ages 1 - 5	All	57.05	52.13	48.94	53.13	57.32	69.87
Ages 6 - 14	All	54.39	47.75	44.18	51.00	47.41	47.99
Ages 15 - 20	Female	104.68	98.39	93.27	91.68	93.23	94.49
Ages 15 - 20	Male	63.45	60.66	60.14	68.66	67.06	59.58
Ages 21 - 34	Female	174.48	174.38	157.96	159.72	181.88	175.09
Ages 21 - 34	Male	n/a	n/a	n/a	n/a	n/a	n/a
Ages 35 -44	Female	218.71	252.65	221.11	215.67	250.68	245.05
Ages 35 -44	Male	n/a	n/a	n/a	n/a	n/a	n/a
Ages 45 & Over	Female	309.12	305.94	268.75	294.13	290.76	323.55
Ages 45 & Over	Male	n/a	n/a	n/a	n/a	n/a	n/a

**Medical & Dental Service Capitation Rates by Age/Gender and Rate Region**

Age Range	Gender	Region					
		1	2	3	4	5	6
Age 0	All	\$ 236.23	\$ 263.84	\$ 206.36	\$ 231.68	\$ 239.12	\$ 310.51
Ages 1 - 5	All	56.87	52.07	48.80	53.02	57.27	69.86
Ages 6 - 14	All	54.10	47.62	43.93	50.81	47.32	47.98
Ages 15 - 20	Female	104.08	98.11	92.74	91.36	93.08	94.47
Ages 15 - 20	Male	63.08	60.47	59.81	68.39	66.94	59.57
Ages 21 - 34	Female	173.28	173.82	156.95	158.87	181.56	175.02
Ages 21 - 34	Male	n/a	n/a	n/a	n/a	n/a	n/a
Ages 35 -44	Female	217.19	251.83	219.71	214.54	250.18	244.95
Ages 35 -44	Male	n/a	n/a	n/a	n/a	n/a	n/a
Ages 45 & Over	Female	307.76	304.94	267.35	292.91	290.24	323.41
Ages 45 & Over	Male	n/a	n/a	n/a	n/a	n/a	n/a

**Medical & Chiro Service Capitation Rates by Age/Gender and Rate Region**

Age Range	Gender	Region					
		1	2	3	4	5	6
Age 0	All	\$ 236.36	\$ 263.89	\$ 206.49	\$ 231.73	\$ 239.16	\$ 310.44
Ages 1 - 5	All	50.65	49.42	43.21	46.91	54.73	66.24
Ages 6 - 14	All	44.15	40.79	34.86	39.54	42.72	41.78
Ages 15 - 20	Female	94.43	93.39	84.19	82.14	88.60	89.51
Ages 15 - 20	Male	54.13	55.39	52.23	59.43	62.76	55.32
Ages 21 - 34	Female	165.17	170.34	149.83	151.50	176.52	168.17
Ages 21 - 34	Male	100.68	102.92	102.49	109.27	121.26	111.83
Ages 35 -44	Female	209.38	247.51	212.77	207.23	245.33	237.54
Ages 35 -44	Male	152.23	196.94	131.09	168.90	181.91	180.84
Ages 45 & Over	Female	298.71	300.05	258.01	284.39	284.13	313.26
Ages 45 & Over	Male	205.04	316.68	212.11	171.71	242.39	318.01

**Wisconsin Department of Health Services**

*Exhibit 12*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Capitation Rate Development - Benchmark Plan**

Medical Only Service Capitation Rates by Age/Gender and Rate Region							
Age Range	Gender	Region					
		1	2	3	4	5	6
Age 0	All	\$ 236.15	\$ 263.82	\$ 206.30	\$ 231.57	\$ 239.11	\$ 310.43
Ages 1 - 5	All	50.46	49.35	43.07	46.81	54.68	66.23
Ages 6 - 14	All	43.86	40.66	34.61	39.35	42.64	41.76
Ages 15 - 20	Female	93.83	93.12	83.66	81.81	88.44	89.49
Ages 15 - 20	Male	53.76	55.20	51.90	59.16	62.64	55.30
Ages 21 - 34	Female	163.97	169.78	148.82	150.64	176.19	168.10
Ages 21 - 34	Male	99.84	102.47	101.78	108.52	120.93	111.71
Ages 35 -44	Female	207.86	246.68	211.37	206.10	244.83	237.45
Ages 35 -44	Male	151.03	196.32	130.04	167.91	181.52	180.73
Ages 45 & Over	Female	297.34	299.05	256.61	283.17	283.60	313.13
Ages 45 & Over	Male	203.90	315.97	211.09	170.77	241.99	317.90

**Wisconsin Department of Health Services**

**Exhibit 13**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Capitation Rate Development - Childless Adults**

**Projected Enrollment - Childless Adults - GAMP**

Age Range	Gender	Region						Statewide
		1	2	3	4	5	6	
Ages 21 - 34	Female	-	-	-	-	-	12,914	12,914
Ages 21 - 34	Male	-	-	-	-	-	17,527	17,527
Ages 35 -44	Female	-	-	-	-	-	7,861	7,861
Ages 35 -44	Male	-	-	-	-	-	10,668	10,668
Ages 45 & Over	Female	-	-	-	-	-	16,283	16,283
Ages 45 & Over	Male	-	-	-	-	-	22,099	22,099
Composite		-	-	-	-	-	87,353	87,353

**Projected Enrollment - Childless Adults - Other Under 100% FPL**

Age Range	Gender	Region						Statewide
		1	2	3	4	5	6	
Ages 21 - 34	Female	878	515	515	478	442	806	3,634
Ages 21 - 34	Male	1,192	699	699	649	600	1,094	4,932
Ages 35 -44	Female	535	313	313	291	269	491	2,212
Ages 35 -44	Male	725	425	425	395	365	666	3,002
Ages 45 & Over	Female	1,107	649	649	603	557	1,016	4,582
Ages 45 & Over	Male	1,503	881	881	819	756	1,379	6,218
Composite		5,940	3,481	3,481	3,236	2,990	5,451	24,579

**Projected Enrollment - Childless Adults - Other Over 100% FPL**

Age Range	Gender	Region						Statewide
		1	2	3	4	5	6	
Ages 21 - 34	Female	1,561	915	915	850	786	1,433	6,460
Ages 21 - 34	Male	2,119	1,242	1,242	1,154	1,066	1,944	8,767
Ages 35 -44	Female	950	557	557	518	478	872	3,932
Ages 35 -44	Male	1,290	756	756	702	649	1,183	5,337
Ages 45 & Over	Female	1,968	1,154	1,154	1,072	991	1,806	8,145
Ages 45 & Over	Male	2,671	1,566	1,566	1,455	1,345	2,451	11,054
Composite		10,560	6,189	6,189	5,752	5,315	9,690	43,695

**Projected Enrollment - Childless Adults - Total**

Age Range	Gender	Region						Statewide
		1	2	3	4	5	6	
Ages 21 - 34	Female	2,439	1,430	1,430	1,329	1,228	15,153	23,008
Ages 21 - 34	Male	3,311	1,940	1,940	1,803	1,666	20,565	31,225
Ages 35 -44	Female	1,485	870	870	809	747	9,223	14,005
Ages 35 -44	Male	2,015	1,181	1,181	1,098	1,014	12,518	19,007
Ages 45 & Over	Female	3,076	1,803	1,803	1,675	1,548	19,106	29,010
Ages 45 & Over	Male	4,174	2,446	2,446	2,274	2,101	25,929	39,371
Composite		16,500	9,670	9,670	8,988	8,305	102,494	155,627



**Wisconsin Department of Health Services**

**Exhibit 14a**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Capitation Rate Development - GAMP - Medical Only**

BadgerCare Plus Standard Plan Managed Care Equivalents										Benefit Ratio	Unit Cost Factor
Age Range	Gender	Region						Statewide			
		1	2	3	4	5	6				
Ages 21 - 34	Female	-	-	-	-	-	206.92	206.92	100.0%	100%	
Ages 21 - 34	Male	-	-	-	-	-	137.51	137.51	100.0%	100%	
Ages 35 -44	Female	-	-	-	-	-	292.29	292.29	100.0%	100%	
Ages 35 -44	Male	-	-	-	-	-	222.47	222.47	100.0%	100%	
Ages 45 & Over	Female	-	-	-	-	-	385.45	385.45	100.0%	100%	
Ages 45 & Over	Male	-	-	-	-	-	391.32	391.32	100.0%	100%	
Composite		-	-	-	-	-	282.51	282.51	100.0%	100%	

Health Status Adjustment									
Age Range	Gender	Region						Statewide	
		1	2	3	4	5	6		
Ages 21 - 34	Female						115.0%	115.0%	
Ages 21 - 34	Male						115.0%	115.0%	
Ages 35 -44	Female						115.0%	115.0%	
Ages 35 -44	Male						115.0%	115.0%	
Ages 45 & Over	Female						115.0%	115.0%	
Ages 45 & Over	Male						115.0%	115.0%	
Composite							115.0%	115.0%	

Benefit Adjustment: Mandatory Physical									
Age Range	Gender	Region						Statewide	
		1	2	3	4	5	6		
Ages 21 - 34	Female	-	-	-	-	-	2.00	2.00	
Ages 21 - 34	Male	-	-	-	-	-	2.00	2.00	
Ages 35 -44	Female	-	-	-	-	-	2.00	2.00	
Ages 35 -44	Male	-	-	-	-	-	2.00	2.00	
Ages 45 & Over	Female	-	-	-	-	-	2.00	2.00	
Ages 45 & Over	Male	-	-	-	-	-	2.00	2.00	
Composite		-	-	-	-	-	2.00	2.00	

Childless Adults GAMP Capitation Rates									
Age Range	Gender	Region						Statewide	
		1	2	3	4	5	6		
Ages 21 - 34	Female	-	-	-	-	-	239.96	239.96	
Ages 21 - 34	Male	-	-	-	-	-	160.14	160.14	
Ages 35 -44	Female	-	-	-	-	-	338.13	338.13	
Ages 35 -44	Male	-	-	-	-	-	257.84	257.84	
Ages 45 & Over	Female	-	-	-	-	-	445.26	445.26	
Ages 45 & Over	Male	-	-	-	-	-	452.02	452.02	
Composite		-	-	-	-	-	326.88	326.88	

**Wisconsin Department of Health Services**

*Exhibit 14b*

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Capitation Rate Development - Childless Adults < 100% of the FPL - Medical Only**

BadgerCare Plus Standard Plan Managed Care Equivalents										
Age Range	Gender	Region							Benefit Ratio	Unit Cost Factor
		1	2	3	4	5	6	Statewide		
Ages 21 - 34	Female	169.34	175.35	153.70	155.58	181.97	173.61	168.65	96.3%	100%
Ages 21 - 34	Male	103.11	105.83	105.12	112.08	124.89	115.37	110.33	96.3%	100%
Ages 35 -44	Female	214.67	254.77	218.30	212.86	252.86	245.23	232.05	96.3%	100%
Ages 35 -44	Male	155.98	202.76	134.30	173.41	187.47	186.65	172.46	96.3%	100%
Ages 45 & Over	Female	307.09	308.85	265.02	292.45	292.90	323.39	301.34	96.3%	100%
Ages 45 & Over	Male	<u>210.58</u>	<u>326.33</u>	<u>218.01</u>	<u>176.37</u>	<u>249.92</u>	<u>328.32</u>	<u>254.42</u>	<u>96.3%</u>	<u>100%</u>
Composite		194.61	234.98	184.42	184.96	215.44	237.02	209.55	96.3%	100%

Benefit Adjustment: Mandatory Physical									
Age Range	Gender	Region							
		1	2	3	4	5	6	Statewide	
Ages 21 - 34	Female	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 21 - 34	Male	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 35 -44	Female	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 35 -44	Male	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 45 & Over	Female	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 45 & Over	Male	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Composite		2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00

Other Childless Adults<= 100% FPL Capitation Rates										
Age Range	Gender	Region								
		1	2	3	4	5	6	Statewide		
Ages 21 - 34	Female	165.16	170.95	150.09	151.90	177.33	169.27	164.49		
Ages 21 - 34	Male	101.35	103.97	103.28	109.99	122.33	113.16	108.30		
Ages 35 -44	Female	208.83	247.47	212.33	207.09	245.63	238.28	225.58		
Ages 35 -44	Male	152.29	197.36	131.40	169.08	182.63	181.84	168.17		
Ages 45 & Over	Female	297.88	299.58	257.35	283.78	284.21	313.59	292.34		
Ages 45 & Over	Male	<u>204.89</u>	<u>316.42</u>	<u>212.05</u>	<u>171.93</u>	<u>242.80</u>	<u>318.34</u>	<u>247.13</u>		
Composite		189.51	228.40	179.69	180.21	209.57	230.37	203.90		

**Wisconsin Department of Health Services**

**Exhibit 14c**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**2009 Capitation Rate Development - Childless Adults > 100% of the FPL - Medical Only**

BadgerCare Plus Standard Plan Managed Care Equivalents										
Age Range	Gender	Region							Benefit Ratio	Unit Cost Factor
		1	2	3	4	5	6	Statewide		
Ages 21 - 34	Female	169.34	175.35	153.70	155.58	181.97	173.61	168.65	92.5%	100%
Ages 21 - 34	Male	103.11	105.83	105.12	112.08	124.89	115.37	110.33	92.5%	100%
Ages 35 -44	Female	214.67	254.77	218.30	212.86	252.86	245.23	232.05	92.5%	100%
Ages 35 -44	Male	155.98	202.76	134.30	173.41	187.47	186.65	172.46	92.5%	100%
Ages 45 & Over	Female	307.09	308.85	265.02	292.45	292.90	323.39	301.34	92.5%	100%
Ages 45 & Over	Male	<u>210.58</u>	<u>326.33</u>	<u>218.01</u>	<u>176.37</u>	<u>249.92</u>	<u>328.32</u>	<u>254.42</u>	92.5%	100%
Composite		194.61	234.98	184.42	184.96	215.44	237.02	209.55	92.5%	100%

Benefit Adjustment: Mandatory Physical									
Age Range	Gender	Region							
		1	2	3	4	5	6	Statewide	
Ages 21 - 34	Female	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 21 - 34	Male	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 35 -44	Female	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 35 -44	Male	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 45 & Over	Female	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Ages 45 & Over	Male	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Composite		2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00

Other Childless Adults > 100% FPL Capitation Rates										
Age Range	Gender	Region								
		1	2	3	4	5	6	Statewide		
Ages 21 - 34	Female	158.56	164.12	144.10	145.84	170.24	162.51	157.92		
Ages 21 - 34	Male	97.33	99.85	99.19	105.62	117.47	108.67	104.01		
Ages 35 -44	Female	200.47	237.55	203.83	198.80	235.78	228.73	216.54		
Ages 35 -44	Male	146.21	189.46	126.17	162.33	175.33	174.57	161.45		
Ages 45 & Over	Female	285.92	287.55	247.03	272.39	272.80	300.99	280.61		
Ages 45 & Over	Male	<u>196.69</u>	<u>303.71</u>	<u>203.56</u>	<u>165.06</u>	<u>233.07</u>	<u>305.55</u>	<u>237.23</u>		
Composite		181.93	219.25	172.50	173.00	201.18	221.14	195.74		

**Wisconsin Department of Health Services**

**Exhibit 15**

**2009 MCE and Capitation Rate Development for BadgerCare Plus Standard, Benchmark, and Childless Adults Programs**

**CY 2009 Supplemental Payment Amount Estimates for BadgerCare Plus Standard Plan**

Plan Name	Projected CY 2009 Enrollment*	2009 Composite Cap Rate		CDPS Adjustment		Projected Revenue Impact		
		14 Region Configuration	6 Regions Configuration	CY 2009 CDPS Score	CDPS Adjusted Cap	Region Realignment	CDPS Adjustment	Total Impact
Abri	139,214	131.48	134.20	0.926	124.28	379,075	(1,381,682)	(1,002,607)
CCHP	174,427	137.26	137.29	1.001	137.41	5,691	21,509	27,199
CompCare	414,965	115.56	118.23	0.977	115.46	1,110,602	(1,152,173)	(41,571)
Dean	98,088	115.82	119.92	1.006	120.62	401,526	69,201	470,727
Dean Southeast	60,168	136.80	137.90	1.001	138.03	66,262	7,452	73,715
GHC-SCW	44,978	103.83	109.04	0.986	107.55	234,144	(67,025)	167,120
GHC-EC	249,346	118.92	122.38	0.972	118.89	861,935	(869,384)	(7,450)
Health Tradition	81,986	104.90	113.39	0.959	108.75	695,714	(379,796)	315,918
MercyCare	118,678	116.60	117.20	1.045	122.43	70,581	620,634	691,215
MHS	900,768	123.80	122.15	0.980	119.76	(1,486,215)	(2,153,303)	(3,639,519)
NHP	499,070	125.05	124.50	0.961	119.71	(273,481)	(2,392,660)	(2,666,141)
Security	322,668	122.75	119.19	1.069	127.42	(1,147,810)	2,653,553	1,505,743
UHC	1,751,277	130.87	130.67	1.022	133.50	(355,979)	4,964,196	4,608,217
Unity	<u>41,873</u>	<u>107.83</u>	<u>113.22</u>	<u>1.013</u>	<u>114.64</u>	<u>225,759</u>	<u>59,479</u>	<u>285,238</u>
All Plans	4,897,505	125.33	125.49	1.000	125.49	787,804	-	787,804

Plan Name	Gain / Loss Redistribution	Revenue Impact After Offset	Additional Offset	Total Capitation Rate Adjustment	2009 Cap Rate with Adjustments	CDPS Adjusted MCE	Cap to Adjusted MCE
Abri	501,303	(501,303)	250,652	751,955	129.68	117.80	10.1%
CCHP	(13,600)	13,600	-	(13,600)	137.33	130.25	5.4%
CompCare	20,785	(20,785)	10,393	31,178	115.53	109.44	5.6%
Dean	(235,363)	235,363	-	(235,363)	118.22	114.33	3.4%
Dean Southeast	(36,857)	36,857	-	(36,857)	137.41	130.83	5.0%
GHC-SCW	(83,560)	83,560	-	(83,560)	105.69	101.94	3.7%
GHC-EC	3,725	(3,725)	1,862	5,587	118.91	112.69	5.5%
Health Tradition	(157,959)	157,959	-	(157,959)	106.83	103.08	3.6%
MercyCare	(345,608)	345,608	-	(345,608)	119.51	116.04	3.0%
MHS	1,819,759	(1,819,759)	909,880	2,729,639	122.79	114.44	7.3%
NHP	1,333,070	(1,333,070)	666,535	1,999,606	123.71	115.95	6.7%
Security	(752,871)	752,871	-	(752,871)	125.08	120.82	3.5%
UHC	(2,304,108)	2,304,108	-	(2,304,108)	132.19	128.01	3.3%
Unity	<u>(142,619)</u>	<u>142,619</u>	<u>-</u>	<u>(142,619)</u>	<u>111.24</u>	<u>108.67</u>	<u>2.4%</u>
All Plans	(393,902)	393,902	1,839,322	1,445,420	125.78	119.90	4.9%

\* Excludes Expansion Population