

**Demonstration to Integrate Care for Dual Eligible Individuals  
(One Care)  
CY 2014 Final Rate Report, January 29, 2014**

MassHealth, in conjunction with the Centers for Medicare and Medicaid Services (CMS), is releasing the final Medicaid and Medicare components of the CY 2014 rates for the Massachusetts Demonstration to Integrate Care for Dual Eligible Individuals (One Care). Effective January 1, 2014, these rates will replace the Demonstration rates included in the CY 2013 rate report.

The general principles of the rate development process for the Demonstration have been outlined in the Memorandum of Understanding (MOU) between CMS and the Commonwealth of Massachusetts, and the three-way contract between CMS, the Commonwealth of Massachusetts, and the One Care plans (Medicare-Medicaid plans).

Included in this report are final CY 2014 Medicaid rates and Medicare county base rates and information supporting the estimation of risk adjusted Medicare components of the rate.

**I. Components of the Capitation Rate**

CMS and MassHealth will each contribute to the global capitation payment. CMS and MassHealth will each make monthly payments to One Care plans for their components of the capitated rate. One Care plans will receive three monthly payments for each enrollee: one amount from CMS reflecting coverage of Medicare Parts A/B services, one amount from CMS reflecting coverage of Medicare Part D services, and a third amount from MassHealth reflecting coverage of Medicaid services.

The Medicare Parts A/B rate component will be risk adjusted using the Medicare Advantage CMS-HCC and CMS HCC-ESRD models. The Medicare Part D payment will be risk adjusted using the Part D RxHCC model. To risk adjust the Medicaid component, MassHealth's methodology assigns each enrollee to a rating category (RC) according to the individual enrollee's clinical status and setting of care.

Section II of this report provides information on the MassHealth component of the capitation rate. Section III includes the Medicare Parts A/B and Medicare Part D components of the rate.

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**II. MassHealth Component of the Rate – CY 2014**

MassHealth county rates are included below, accompanied by supporting information pertinent to their development. This content includes historical base data production details, adjustments applied to the historical base data, and trend factors used to project historical base data forward to the contract period.

**MassHealth Component of Rate:**

MassHealth rates for CY2014 effective January 1, 2014 through March 31, 2014 are listed below, by Massachusetts county and MassHealth rating category for the Demonstration. No savings percentage (see Section IV) has been applied to the January through March 2014 rates below.

<b>MassHealth Component of County Rate Effective January 1, 2014 through March 31, 2014</b>						
<b>County</b>	<b>C1 - Community Other</b>	<b>C2A - Community High Behavioral Health</b>	<b>C2B - Community Very High Behavioral Health</b>	<b>C3A – High Community Need</b>	<b>C3B – Very High Community Need</b>	<b>F1 - Facility- based Care</b>
Essex	\$117.85	\$363.02	\$524.13	\$2,777.23	\$5,630.43	\$9,056.97
Franklin	\$107.62	\$338.94	\$489.17	\$2,538.75	\$5,145.63	\$7,695.78
Hampden	\$107.62	\$338.94	\$489.17	\$2,538.75	\$5,145.63	\$7,695.78
Hampshire	\$107.62	\$338.94	\$489.17	\$2,538.75	\$5,145.63	\$7,695.78
Middlesex	\$117.85	\$363.02	\$524.13	\$2,777.23	\$5,630.43	\$9,056.97
Norfolk	\$117.85	\$363.02	\$524.13	\$2,777.23	\$5,630.43	\$9,056.97
Plymouth	\$132.30	\$437.85	\$632.71	\$2,843.91	\$5,759.97	\$7,436.59
Suffolk	\$117.85	\$363.02	\$524.13	\$2,777.23	\$5,630.43	\$9,056.97
Worcester	\$107.62	\$338.94	\$489.17	\$2,538.75	\$5,145.63	\$7,695.78

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Effective April 1, 2014, a 1% savings percentage will apply. Rates effective from April 1, 2014 through December 31, 2014 are listed below.

<b>MassHealth Component of County Rate Effective April 1, 2014 through December 31, 2014</b>						
<b>County</b>	<b>C1 - Community Other</b>	<b>C2A - Community High Behavioral Health</b>	<b>C2B - Community Very High Behavioral Health</b>	<b>C3A – High Community Need</b>	<b>C3B – Very High Community Need</b>	<b>F1 - Facility- based Care</b>
Essex	\$116.67	\$359.39	\$518.89	\$2,749.50	\$5,574.23	\$8,972.59
Franklin	\$106.54	\$335.56	\$484.28	\$2,513.39	\$5,094.24	\$7,626.05
Hampden	\$106.54	\$335.56	\$484.28	\$2,513.39	\$5,094.24	\$7,626.05
Hampshire	\$106.54	\$335.56	\$484.28	\$2,513.39	\$5,094.24	\$7,626.05
Middlesex	\$116.67	\$359.39	\$518.89	\$2,749.50	\$5,574.23	\$8,972.59
Norfolk	\$116.67	\$359.39	\$518.89	\$2,749.50	\$5,574.23	\$8,972.59
Plymouth	\$130.98	\$433.47	\$626.38	\$2,815.52	\$5,702.43	\$7,370.42
Suffolk	\$116.67	\$359.39	\$518.89	\$2,749.50	\$5,574.23	\$8,972.59
Worcester	\$106.54	\$335.56	\$484.28	\$2,513.39	\$5,094.24	\$7,626.05

**Historical Base Data Development:**

The historical Medicaid and crossover expenditures for CY 2010 and 2011, with incurred but not reported (IBNR) completion adjustments applied, formed the historical base data used to develop the MassHealth component of the rates.

The historical base data can be created by taking Medicaid and crossover expenditures reported in the MassHealth Data Books shared with One Care plans, using the mapping provided below to map Data Book categories of service to rate development categories of service, mapping One Care counties to geographic regions (see *Counties and Regions* subsection), and applying the completion factors also included below. For convenience, per member per month (PMPM) expenditures with IBNR are provided at the end of this report in Section VI for Medicaid and crossover claims by calendar year, region, rating category and category of service.

**Rating Category Methodology:**

The methodology used to assign individuals to rating categories has been modified compared to the methodology used for the CY 2013 rate development. The methodology previously used for the C3 - High Community Need rating category in developing the CY 2013 rates assumed that a high long-term support services (LTSS) utilizer (>\$500 for three consecutive months) would continue to be a high utilizer and therefore remain in the C3 rating category throughout the base data period. After a review of additional information, it was determined that some C3 members do not remain a high utilizer of LTSS services. Based on this additional information, the methodology to assign members to the C3 rating category for development of the CY 2014 rates has been revised. For CY 2014 rate development, assignment to the C3 rating category is evaluated within each calendar year rather than over the entire base data period. This revised C3 methodology, where each calendar year is

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treated independently, aligns more closely with the rating category assignment logic used in the enrollment process.

***Rating Category Stratification:***

Effective January 1, 2014, the C2 - Community High Behavioral Health and C3 - High Community Need rating categories will each be further stratified into two subpopulations. Rates for these rating categories were developed using a process similar to CY 2013 rate development, and then a ***rate relativity factor*** was employed to produce final rates for the subpopulations.

The C2 rating category has been refined into:

- C2A: Community Tier 2 – Community High Behavioral Health
- C2B: Community Tier 2 – Community Very High Behavioral Health

The C2B rating category includes all the requirements of the 2013 C2-Community High Behavioral Health rating category, but also includes criteria related to specific co-morbid behavioral health and substance abuse conditions. The C2B rating category will include individuals with at least one mental health diagnosis (295.xx, 296.xx, 298.9x), *and* at least one substance abuse diagnosis (303.90, 303.91, 303.92, 303.93, 304.xx). Any individual that meets the overall C2 criteria, but does not meet the C2B criteria, would be classified as C2A.

The C3 rating category has been refined into:

- C3A: Community Tier 3 – High Community Need
- C3B: Community Tier 3 – Very High Community Need

The C3B rating category includes all the requirements of the 2013 C3-High Community Needs rating category, but also includes criteria related to specific diagnoses. The C3B rating category will include individuals with a diagnosis of Quadriplegia (ICD-9 344.0x and 343.2x), ALS (ICD-9 335.20), Muscular Dystrophy (ICD-9 359.0x and 359.1x), and/or Respirator Dependence (ICD-9 V461x). Any individual that meets the overall C3 criteria, but does not meet the C3B criteria, would be classified as C3A.

A rate relativity process was used to develop the capitation rates for the new C2A/C2B and C3A/C3B rating categories. This process can be described at a high level as:

- Relative total costs of C2A/C2B and C3A/C3B to the overall C2 and C3 rating categories, respectively, were developed using the base data.
- Projected costs for the C2 and C3 rating categories were developed by region following the same process as was used for CY 2013 rates.
- The C2A/C2B and the C3A/C3B relativity factors were applied to the total projected medical PMPM for the C2 and C3 rating categories, respectively, to develop projected costs for the C2A/C2B and C3A/C3B rating categories.
- Adjustments for administration, seasonality, savings and enrollee contribution to care were applied to produce the final capitation rates.

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The C2A and C2B rate relativity factors applied to the C2 projected expenditures are:

	Eastern	Western	The Cape
C2A	-8.7%	-7.3%	-8.3%
C2B	32.5%	34.4%	33.0%

The C3A and C3B rate relativity factors applied to the C3 projected expenditures are:

	Eastern	Western	The Cape
C3A	-7.2%	-6.5%	-8.7%
C3B	88.2%	89.7%	85.2%

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***Category of Service Mapping:***

The following is a category of service mapping between the services reflected in the MassHealth Data Book and the service categories used in the rate development process. Descriptions of the MassHealth Data Book categories of service can be found within the MassHealth Data Book in the “Medicaid COS” tab for Medicaid claims, and in the “Crossover COS” tab for the crossover claims.

Medicaid Claims:

<b>Rate Development Category of Service</b>	<b>MassHealth DataBook Medicaid Claim Category of Service</b>
Inpatient – Non-MH/SA	IP – Non-Behavioral Health
Inpatient MH/SA	IP – Behavioral Health
Hospital Outpatient	Hospital Outpatient
Outpatient MH/SA	Outpatient BH
Professional	Professional
HCBS/Home Health	Community LTSS
LTC Facility	LTC
Pharmacy (Non-Part D)	Non-Part D Pharmacy
DME and Supplies	DME and Supplies
Transportation	Transportation
All Other	Other Services

Crossover Claims:

<b>Rate Development Category of Service</b>	<b>MassHealth DataBook Crossover Claim Category of Service</b>
Inpatient – Non-MH/SA	IP – Non-Behavioral Health
Inpatient MH/SA	IP - Mental Health IP – Substance Abuse
Hospital Outpatient	HOP – ER / Urgent Care HOP - Lab / Rad HOP – Other HOP – Pharmacy HOP – PT/OT/ST
Outpatient MH/SA	HOP - Behavioral Health Prof – Behavioral Health
Professional	Prof – HIP Visits Prof – Lab / Rad Prof – OP Visits Prof – Other
LTC Facility	SNF
DME and Supplies	DME and Supplies
Transportation	Transportation

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***Historical Base Data Completion Factors:***

The MassHealth Data Book does not reflect an estimate for IBNR expenditures. Medicaid and crossover claims processed by MassHealth through October 2012 are reported in the MassHealth Data Book. To construct the historical base data, the following completion factors have been applied to both the Medicaid data and the crossover data reported in the Data Book.

<b>Category of Service</b>	<b>Medicaid Claims Completion Factors</b>	
	<b>CY 2010</b>	<b>CY 2011</b>
Inpatient – Non-MH/SA	1.002	1.019
Inpatient MH/SA	1.002	1.019
Hospital Outpatient	1.000	1.000
Outpatient MH/SA	1.000	1.000
Professional	1.000	1.000
HCBS/Home Health	1.000	1.000
LTC Facility	1.000	1.001
Pharmacy (Non-Part D)	1.000	1.001
DME & Supplies	1.000	1.001
Transportation	1.000	1.001
All Other	1.000	1.001
All Services	1.000	1.003

<b>Category of Service</b>	<b>Crossover Claims Completion Factors</b>	
	<b>CY 2010</b>	<b>CY 2011</b>
Inpatient – Non-MH/SA	1.001	1.014
Inpatient MH/SA	1.001	1.014
Hospital Outpatient	1.003	1.024
Outpatient MH/SA	1.003	1.024
Professional	1.003	1.024
HCBS/Home Health	1.000	1.000
LTC Facility	1.000	1.006
Pharmacy (Non-Part D)	1.000	1.005
DME & Supplies	1.000	1.005
Transportation	1.000	1.005
All Other	1.000	1.005
All Services	1.002	1.018

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## ***Counties and Regions:***

Rates will be paid on a Massachusetts county and MassHealth rating category basis. Rates, however, have been developed regionally. The CY 2013 rate development process assumed the Massachusetts demonstration would cover the entire state (all 14 counties). As of the start date of the demonstration (October 1, 2013), there are five counties that are not included in any of the OneCare plan service areas. The five counties include:

- Barnstable.
- Bristol.
- Berkshire.
- Dukes.
- Nantucket.

Since the demonstration does not currently operate in these counties, any applicable claims and eligibility data for these counties has been removed from the base data. The resulting geographic classifications are as follows:

Eastern: Essex, Middlesex, Norfolk and Suffolk counties  
 Western: Franklin, Hampden, Hampshire and Worcester counties  
 The Cape: Plymouth county

Adjustment information below is provided by geographic region.

## **Adjustments to Historical Base Data:**

As outlined in Appendix 6 of the MOU for this Demonstration and further detailed in Section 4 of the three-way contract, rates have been developed based on expected costs for this population had the Demonstration not existed. The adjustments included below have been made to the historical base data to reflect the benefits and costs that will apply in CY2014 to fee-for-service dual eligible individuals. As described above, most adjustments specific to the C2 and C3 rating categories are made prior to the application of C2A/C2B and C3A/C3B relativity factors to the projected rates.

## ***Primary Care Fee Increase in the ACA:***

MassHealth has raised its payment rates for primary care in accordance with the Patient Protection and Affordable Care Act (ACA) Section 1202. While for dual eligible individuals primary care tends to be covered under Medicare, this fee increase will impact the crossover claim costs for primary care services in the fee-for-service environment. The following adjustments have therefore been made to the historical base data to account for these fee increases. The increase was computed based on crossover claims, but the final adjustments are percentages of, and have been applied to, both crossover and Medicaid only professional claims.

<b>Adjustment:</b>	ACA 1202
<b>Category of Service:</b>	Professional

<b>Region</b>	<b>C1</b>	<b>C2A and C2B</b>	<b>C3A and C3B</b>	<b>F1</b>
Eastern	62.3%	35.3%	86.7%	122.6%
Western	53.7%	44.7%	86.9%	152.8%
The Cape	79.8%	68.4%	119.3%	175.6%



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## ***Medicaid Graduate Medical Education (GME) Expenses:***

Through September 2009, MassHealth included a GME component in its hospital rate development for certain hospitals. MassHealth no longer pays for GME. These expenses were included in the CY2009 Medicaid and crossover claim expenditures reflected in the base data used for CY 2013 rate development. CY 2014 rate development base data reflects CYs 2010 and 2011. Therefore, a GME adjustment is not necessary.

## ***Home Health MassHealth Appeals:***

The MassHealth Data Book and historical base data include some home health service payments that have been subsequently appealed by MassHealth and billed to Medicare. Successful appeals are not adjusted in the MassHealth claims system due to the mechanism by which MassHealth processes such recoupments. Estimates of the annual recoveries achieved for these services result in the following adjustment factors which have been applied to both the Medicaid only and the crossover claims.

<b>Adjustment:</b>	Home Health
<b>Category of Service:</b>	HCBS/Home Health

Region	C1	C2A and C2B	C3A and C3B	F1
Eastern	-0.4%	-0.4%	-0.4%	-0.4%
Western	-0.4%	-0.4%	-0.4%	-0.4%
The Cape	-0.4%	-0.4%	-0.4%	-0.4%

## ***Pharmacy Rebates:***

The MassHealth Data Book and historical base data do not reflect potential Federal Omnibus Budget Reconciliation Act (OBRA) rebates and rebates on diabetic test strips. The following adjustments have been applied to the historical Medicaid base data to reflect this rebate potential.

<b>Adjustment:</b>	Rx Rebates
<b>Category of Service:</b>	Pharmacy (Non-Part D)

Region	C1	C2A and C2B	C3A and C3B	F1
Eastern	-8.1%	-8.1%	-8.1%	-8.1%
Western	-8.1%	-8.1%	-8.1%	-8.1%
The Cape	-8.1%	-8.1%	-8.1%	-8.1%

## ***Dental Benefit Changes:***

The MassHealth dental benefit for adults was reduced effective July 2010. The MassHealth Data Book and historical base data include costs associated with the full adult dental benefit in place during the first half of CY2010. Effective January 1, 2013, MassHealth restored composite fillings for front teeth to the adult dental benefit. Effective March 1, 2014, MassHealth will further restore its adult dental benefit to include additional benefits. The following adjustments have been applied to the historical base data to reflect the net effect of these benefit changes.

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<b>Adjustment:</b>	Dental
<b>Category of Service:</b>	All Other

Region	C1	C2A and C2B	C3A and C3B	F1
Eastern	-7.8%	-6.8%	-1.8%	-2.2%
Western	-6.2%	-4.5%	-1.4%	-5.4%
The Cape	-6.1%	-10.6%	-2.7%	-6.5%

***Enrollee Contributions to Care:***

The MassHealth Data Book and historical base data reflect costs net of contributions to care or patient-paid amounts (PPA) paid by individuals in facilities. These costs have been included in rates through the adjustments displayed below, and enrollee contributions to care will be deducted from capitation payments on an individual enrollee basis. These adjustments are based on, and have been applied to, both Medicaid only and crossover claims.

<b>Adjustment:</b>	Share of Cost
<b>Category of Service:</b>	LTC Facility

Region	C1	C2A	C2B	C3A	C3B	F1
Eastern	2.4%	0.1%	0.0%	4.9%	6.1%	15.7%
Western	2.9%	1.1%	0.0%	4.8%	5.7%	14.3%
The Cape	1.3%	0.0%	0.0%	5.1%	3.3%	14.4%

***Seasonality Adjustment for CY2014:***

Due to the anticipated continued phase-in of enrollees during CY 2014, the population will not be evenly distributed across the four quarters; rather, a larger proportion of the enrollees will be covered in the latter part of the year. The seasonality adjustment takes into account the cost variances across the different quarters and the expected enrollment distribution. The following table summarizes the seasonality adjustments applied to all service categories.

<b>Adjustment:</b>	Seasonality
<b>Category of Service:</b>	All COS

Region	C1	C2A and C2B	C3A and C3B	F1
Eastern	-0.7%	-1.4%	0.7%	-0.5%
Western	-0.7%	-1.4%	0.7%	-0.5%
The Cape	-0.7%	-1.4%	0.7%	-0.5%

***Medicaid Administrative Expenses:***

An adjustment of \$5.76 has been applied to the MassHealth component of the rate for CY 2014 to reflect the transfer of administrative costs from MassHealth to the One Care plans. The amount has been added to each county rate for each rating category.

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**Trend Factors Applied to Adjusted Historical Base Data:**

The trend factors remained the same as the CY 2013 factors for all components, except for the HCBS/Home Health trend in C3 (A and B), which increased by 0.25%. The following trend factors have been applied to the adjusted historical base data through a contract year enrollment weighted midpoint of July 15, 2014 for the C1 rating category, and August 15, 2014 for all other rating categories. Trend factors do not vary geographically.

	C1		C2A and C2B		C3A and C3B		F1	
Category of Service	Crossover	Medicaid	Crossover	Medicaid	Crossover	Medicaid	Crossover	Medicaid
Inpatient - Non-MHSA	2.60%	3.25%	2.60%	3.25%	2.80%	2.50%	2.80%	4.00%
Inpatient MH/SA	2.60%	4.75%	2.60%	4.75%	2.80%	4.00%	2.80%	5.50%
Hospital Outpatient	2.60%	4.25%	2.60%	4.25%	2.80%	3.75%	2.80%	3.75%
Outpatient MH/SA	2.60%	4.00%	2.60%	4.00%	2.80%	3.50%	2.80%	4.50%
Professional	2.60%	5.50%	2.60%	5.50%	2.80%	4.50%	2.80%	4.50%
HCBS/Home Health	2.60%	3.25%	2.60%	3.25%	2.80%	3.25%	2.80%	2.25%
LTC Facility	2.60%	2.25%	2.60%	2.25%	2.80%	2.25%	2.80%	2.25%
Pharmacy (Non-Part D)	2.60%	6.00%	2.60%	6.00%	2.80%	6.00%	2.80%	5.00%
DME & Supplies	2.60%	3.00%	2.60%	3.00%	2.80%	3.00%	2.80%	2.00%
Transportation	2.60%	4.00%	2.60%	4.00%	2.80%	5.00%	2.80%	3.00%
All Other	2.60%	4.00%	2.60%	4.00%	2.80%	4.00%	2.80%	3.00%

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**III. Medicare Components of the Rate – CY 2014**

***Medicare A/B Services***

CMS has developed baseline spending (costs absent the Demonstration) for Medicare Parts A and B services using estimates of what Medicare would have spent on behalf of the enrollees absent the Demonstration. With the exception of specific subsets of enrollees as noted below, the Medicare baseline for A/B services is a blend of the Medicare Fee-for-Service (FFS) Standardized County Rates and the Medicare Advantage projected payment rates for each year, weighted by the proportion of the target population that would otherwise be enrolled in each program in the absence of the Demonstration. The Medicare Advantage baseline spending includes costs that would have occurred absent the Demonstration, such as quality bonus payments for applicable Medicare Advantage plans.

Both baseline spending and payment rates under the Demonstration for Medicare A/B services are calculated as PMPM standardized amounts for each Demonstration county. Except as otherwise noted, the Medicare A/B portion of the baseline will be updated annually consistent with the annual FFS estimates and benchmarks released each year with the annual Medicare Advantage and Part D rate announcement.

*Medicare A/B Component Payments:* CY 2014 Medicare A/B Baseline County rates are provided below. The rates represent the weighted average of the CY 2014 FFS Standardized County Rates, updated to incorporate the adjustments noted below, and the Medicare Advantage projected payment rates for CY 2014 based on the expected enrollment of beneficiaries from Medicare FFS and Medicare Advantage in CY 2014 at the county level. The rates weight the FFS and Medicare Advantage components based on the CY 2013 distribution of potential Demonstration enrollees.

The Medicare A/B component of the rate includes the following adjustments:

- The FFS component of the CY 2014 Medicare A/B baseline rates has been updated to fully incorporate the most current hospital wage index and physician geographic practice cost index. This adjustment is applied only to the FFS component of the Medicare A/B baseline and the rate update factor for this change varies by county (see following tables for additional information). The adjustment is applied within the Medicare Advantage component of the Medicare A/B baseline through the phase-in process detailed in the 2014 Medicare Advantage Rate Announcement.
- In addition, the FFS component of the CY 2014 Medicare A/B baseline rate has also been updated to reflect a 1.89% upward adjustment to account for the disproportionate share of bad debt attributable to Medicare-Medicaid enrollees in Medicare FFS (in the absence of the Demonstration). This 1.89% adjustment applies for CY 2014 and will be updated for subsequent years of the Demonstration.

*Coding Intensity Adjustment:* CMS annually applies a coding intensity factor to Medicare Advantage risk scores to account for differences in diagnosis coding patterns between the Medicare Advantage and the Original Fee-for-Service Medicare programs. The adjustment for CY 2014 is 4.91%. The vast majority of new Demonstration enrollees will come from Medicare FFS and/or will have limited Demonstration experience in CY 2013. Therefore, for CY 2014 CMS will establish the FFS component of the Medicare A/B baseline in a manner that does not lead to lower amounts due to

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this coding intensity adjustment. Operationally, due to systems limitations, CMS will still apply the coding intensity adjustment factor to the risk scores but will increase the FFS component of the Medicare A/B baseline for non-ESRD beneficiaries and the Medicare A/B baseline for beneficiaries with an ESRD status of functioning graft to offset this (by increasing these amounts by a corresponding percentage). The coding intensity factor will not be applied to risk scores for enrollees with an ESRD status of dialysis or transplant during the Demonstration, consistent with Medicare Advantage policy.

In CY 2015, CMS will apply the prevailing Medicare Advantage coding intensity adjustment unless there is a change in the planned enrollment phase-in. Additional information will be included in the CY 2015 Rate Report.

*Impact of Sequestration:* Under sequestration, for services beginning April 1, 2013, Medicare payments to providers for individual services under Medicare Parts A and B, and non-exempt portions of capitated payments to Part C Medicare Advantage Plans and Part D Medicare Prescription Drug Plans are reduced by 2%. These reductions are also applied to the Medicare components of the integrated rate. Therefore, under the Demonstration, CMS will reduce non-exempt portions of the Medicare components by 2%, as noted in the sections below.

*Default Rate:* The default rate will be paid when a beneficiary's address on record is outside of the service area. The default rate is specific to each One Care Plan and is calculated using an enrollment-weighted average of the rates for each county in which the One Care Plan participates.

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CY 2014 Medicare A/B Baseline PMPM, Non-ESRD Beneficiaries, Standardized 1.0 Risk Score, by Demonstration County <sup>1</sup>					
County	CY 2014 Medicare A/B Baseline PMPM  (after application of repricing <sup>2</sup> , bad debt and coding intensity adjustments)	January 1 through March 31, 2014		April 1 through December 31, 2014	
		CY 2014 Medicare A/B Baseline, No Savings Percentage Applied	CY 2014 Medicare A/B PMPM Payment  (after application of 2% sequestration reduction and prior to quality withhold)	CY 2014 Medicare A/B Baseline, Savings Percentage Applied  (after application of 1% savings percentage)	CY 2014 Medicare A/B PMPM Payment  (after application of 2% sequestration reduction and prior to quality withhold)
Essex	912.34	912.34	894.09	903.21	885.15
Franklin	783.82	783.82	768.14	775.99	760.47
Hampden	817.97	817.97	801.61	809.79	793.59
Hampshire	799.60	799.60	783.61	791.61	775.78
Middlesex	916.11	916.11	897.79	906.94	888.80
Norfolk	932.30	932.30	913.65	922.98	904.52
Plymouth	963.72	963.72	944.45	954.09	935.01
Suffolk	972.25	972.25	952.81	962.53	943.28
Worcester	894.03	894.03	876.15	885.08	867.38

Note: See subsequent table for additional detail.

<sup>1</sup>Rates do not apply to beneficiaries with End-Stage Renal Disease (ESRD) or those electing the Medicare hospice benefit. See Section IV for information on savings percentages.

<sup>2</sup>Repricing to reflect most recent current hospital wage index and physician geographic practice cost index.

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<b>CY 2014 Medicare A/B Baseline PMPM, Non-ESRD Beneficiaries, Standardized 1.0 Risk Score, by Demonstration County (Additional Detail)<sup>1</sup>, January through March 2014</b>								
<b>County</b>	CY 2014 Published FFS Standardized County Rate	CY 2014 Percentage Update for Re-pricing  (county- specific)	CY 2014 Medicare A/B FFS Re-Priced Baseline  (updated to incorporate repricing)	CY 2014 Medicare FFS A/B Baseline  (updated by 1.89% bad debt adjustment)	CY 2014 Medicare FFS Final A/B Baseline  (increased to offset application of coding intensity adjustment factor in CY 2014) <sup>2</sup>	CY 2014 Updated Medicare A/B Baseline  (incorporating Final Medicare A/B FFS baseline and Medicare Advantage component)	CY 2014 Medicare A/B Baseline, No Savings Percentage Applied  January to March 2014	CY 2014 Medicare A/B PMPM Payment  (2% sequestration reduction applied and prior to quality withhold)  January to March 2014
Essex	839.57	1.45%	851.72	867.82	912.63	912.34	912.34	894.09
Franklin	713.21	2.53%	731.24	745.07	783.54	783.82	783.82	768.14
Hampden	743.18	2.72%	763.36	777.79	817.95	817.97	817.97	801.61
Hampshire	726.99	2.64%	746.20	760.31	799.56	799.60	799.60	783.61
Middlesex	842.37	1.56%	855.47	871.64	916.65	916.11	916.11	897.79
Norfolk	860.99	1.10%	870.42	886.87	932.66	932.30	932.30	913.65
Plymouth	888.90	1.23%	899.83	916.84	964.18	963.72	963.72	944.45
Suffolk	895.51	1.35%	907.56	924.71	972.46	972.25	972.25	952.81
Worcester	818.64	1.98%	834.86	850.63	894.56	894.03	894.03	876.15

1 Rates do not apply to beneficiaries with End-Stage Renal Disease (ESRD) or those electing the Medicare hospice benefit. See Section IV for information on savings percentages. The figures included here represent the Medicare A/B baseline PMPM with no savings percentage applied for the period of January 1 through March 31, 2014. As detailed in the prior table, for the period of April 1 through December 31, 2014, a 1% savings percentage will be applied to the Medicare A/B baseline PMPM.

2 For CY 2014 CMS will establish rates in a manner that does not lead to lower amounts for this coding intensity adjustment. Operationally, due to systems limitations, CMS will still apply the coding intensity adjustment factor to the risk scores but has increased the FFS component of the Medicare A/B baseline for non-ESRD beneficiaries to offset this. Specifically, CMS has increased the Medicare A/B baseline by a corresponding percentage; (as above, the CY 2014 Medicare FFS A/B Baseline is divided by (1-the CY 2014 coding intensity adjustment factor of 4.91%) to determine the CY 2014 Final Medicare FFS A/B Baseline.

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The Medicare A/B PMPMs above will be risk adjusted at the beneficiary level using the existing CMS-HCC risk adjustment model.

*Beneficiaries with End-Stage Renal Disease (ESRD):* Separate Medicare A/B baselines and risk adjustment will apply to enrollees with ESRD. The Medicare A/B baselines for beneficiaries with ESRD will vary by the enrollee's ESRD status: dialysis, transplant, and functioning graft, as follows:

- **Dialysis:** For enrollees in the dialysis status phase, the Medicare A/B baseline will be the CY 2014 Massachusetts ESRD dialysis state rate, updated to incorporate the impact of sequestration-related rate reductions. The CY 2014 ESRD dialysis state rate for Massachusetts is \$7,966.63 PMPM; the updated CY 2014 ESRD dialysis state rate incorporating a 2% sequestration reduction and prior to the application of the quality withhold is \$7,807.30 PMPM. This will apply to applicable enrollees in all Demonstration counties and will be risk adjusted using the existing HCC-ESRD risk adjustment model.
- **Transplant:** For enrollees in the transplant status phase (inclusive of the 3-months post-transplant), the Medicare A/B baseline will be the CY 2014 Massachusetts ESRD dialysis state rate updated to incorporate the impact of sequestration-related rate reductions. The CY 2014 ESRD dialysis state rate for Massachusetts is \$7,966.63 PMPM; the updated CY 2014 ESRD dialysis state rate incorporating a 2% sequestration reduction and prior to the application of the quality withhold is \$7,807.30 PMPM. This will apply to applicable enrollees in all Demonstration counties and will be risk adjusted using the existing HCC-ESRD risk adjustment model.
- **Functioning Graft:** For enrollees in the functioning graft status phase (beginning at 4 months post-transplant) the Medicare A/B baseline will be the Medicare Advantage 3-star county rate/benchmark (see table below). This Medicare A/B component will be risk adjusted using the existing HCC-ESRD risk adjustment model.



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A savings percentage will not be applied to the Medicare A/B baseline for enrollees with ESRD (inclusive of those enrollees in the dialysis, transplant and functioning graft status phases).

<b>CY 2014 Medicare A/B Baseline PMPM, ESRD Beneficiaries in Functioning Graft Status, Standardized 1.0 Risk Score, by Demonstration County</b>			
<b>County</b>	<b>CY 2014 3-Star County Rate (Benchmark)</b>	<b>CY 2014 Final Medicare A/B PMPM Baseline  (increased to offset application of coding intensity adjustment factor in CY 2014)*</b>	<b>CY 2014 Sequestration Adjusted Rate  (after application of 2% sequestration reduction and prior to quality withhold)</b>
Essex	878.65	924.02	905.54
Franklin	871.18	916.16	897.84
Hampden	832.59	875.58	858.07
Hampshire	820.93	863.32	846.05
Middlesex	892.32	938.39	919.62
Norfolk	905.31	952.05	933.01
Plymouth	911.89	958.98	939.80
Suffolk	965.41	1,015.26	994.95
Worcester	848.48	892.29	874.44

\*For CY 2014 CMS will establish rates in a manner that does not lead to lower amounts for this coding intensity adjustment. Operationally, due to systems limitations, CMS will still apply the coding intensity adjustment factor to the risk scores but has increased the Medicare A/B baseline for beneficiaries with an ESRD status of functioning graft to offset this. Specifically, CMS has increased the Medicare A/B baseline by a corresponding percentage; as above, the CY 2014 Updated Medicare A/B Baseline is divided by (1-the CY 2014 coding intensity adjustment factor of 4.91%) to determine the CY 2014 Final Medicare A/B Baseline. For beneficiaries with an ESRD status of functioning graft status, the prospective payment will not include the adjustment to offset the application of coding intensity adjustment factor; this payment adjustment will be made on a retrospective basis.

**Beneficiaries Electing the Medicare Hospice Benefit:** If an enrollee elects to receive the Medicare hospice benefit, the enrollee will remain in the Demonstration but will obtain the hospice services through the Medicare FFS benefit. The One Care plan will no longer receive the Medicare A/B payment for that enrollee. Medicare hospice services and all other Original Medicare services will be paid under Medicare FFS. One Care plans and providers of hospice services will be required to coordinate these services with the rest of the enrollee's care, including with Medicaid and Part D benefits and any additional benefits offered by the One Care plans. One Care plans will continue to receive the Medicare Part D and Medicaid payments, for which no changes would occur.

#### **Medicare Part D Services**

The Part D plan payment will be the risk adjusted Part D national average monthly bid amount (NAMBA) for the payment year, adjusted for payment reductions resulting from sequestration applied to the non-

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premium portion of the NAMBA. The non-premium portion is determined by subtracting the applicable regional Low-Income Premium Subsidy Amount from the risk adjusted NAMBA. To illustrate, the NAMBA for CY 2014 is \$75.88 and the CY 2014 Low-Income Premium Subsidy Amount for Massachusetts is \$27.99. Thus, the updated Massachusetts Part D monthly per member per month payment for a beneficiary with a 1.0 RxHCC risk score applicable for CY 2014 is \$74.92. This amount incorporates a 2% sequestration reduction to the non-premium portion of the NAMBA.

CMS will pay an average monthly prospective payment amount for the low income cost-sharing subsidy and Federal reinsurance amounts; these payments will be 100% cost reconciled after the payment year has ended. These prospective payments will be the same for all counties, and are shown below:

- Massachusetts low income cost-sharing: \$135.60 PMPM
- Massachusetts reinsurance: \$78.35 PMPM

The low-income cost sharing and reinsurance subsidy amounts are exempt from mandatory payment reductions under sequestration.

A savings percentage will not be applied to the Part D component of the rate. Part D payments will not be subject to a quality withhold.

**Additional Information:** More information on the Medicare components of the rate under the Demonstration may be found online at:

<http://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Downloads/JointRateSettingProcess.pdf>

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**IV. Savings Percentages and Quality Withholds**

***Savings Percentages***

One of the components of the capitated financial alignment model is the application of aggregate savings percentages to reflect savings achievable through the coordination of services across Medicare and Medicaid. This is reflected in the rates through the application of aggregate savings percentages to both the Medicaid and Medicare A/B components of the rates.

CMS and MassHealth established composite savings percentages for each year of the Demonstration, as shown in the table below. The savings percentage will be applied to the Medicaid and Medicare A/B components of the rates, uniformly to all population groups, unless otherwise noted in this report. The savings percentage will not be applied to the Part D component of the joint rate.

<b>Year</b>	<b>Calendar dates</b>	<b>Savings percentage</b>
Demonstration Year 1	October 1, 2013 through March 31, 2014	0%
	April 1, 2014 through Dec 31, 2014	1%
Demonstration Year 2	Jan 1, 2015 through Dec 31, 2015	1.5%
Demonstration Year 3	Jan 1, 2016 through Dec 31, 2016	>4%*

\* In Demonstration Year 3, the 4% will be increased to make up for the amount of foregone savings from applying no savings factor in the first six months following the first effective enrollment date – in both CY 2013 and CY 2014 (in comparison to 1%). Because of the enrollment phase-in, there will be a disproportionately small number of member months in 2013 and the first 3 months of CY 2014. We estimate that the adjusted savings factor for Demonstration Year 3 will be approximately 4.2%, but the final percentage will be calculated based on actual enrollment experience in 2013 and 2014.

***Quality Withhold***

In Demonstration Year 1, a 1% quality withhold will be applied to the Medicaid and Medicare A/B components of the rate. The quality withhold will increase to 2% in Demonstration Year 2 and 3% in Demonstration Year 3.

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**V. Risk Mitigation**

The MOU established two additional mechanisms, High Cost Risk Pools (HCRP) and Risk Corridors, to mitigate risk in the event of disproportionate enrollment of high need individuals in some One Care plans or adverse enrollment selection across the Demonstration as a whole.

***High Cost Risk Pools (HCRPs)***

MassHealth will establish HCRPs to offset the impact of disproportionate enrollment of high-cost enrollees across One Care plans. High-cost enrollees will be defined based on spending for select Medicaid long-term services and supports above a defined per enrollee threshold within MassHealth rating categories C3A (High Community Need), C3B (Very High Community Need), and F1 (Facility-based Care). For each of those rating categories, a portion of the MassHealth component of the rate will be withheld from capitations MassHealth pays to all One Care plans and held in a risk pool. The risk pool will be distributed among One Care plans in proportion to the amount of applicable spending above the per enrollee threshold that is attributed to each One Care plan for their high cost enrollees. In the event that the HCRP exceeds the amount of applicable spending that is over the threshold, any excess funds will be distributed to all One Care plans in proportion to their contributions to the pool.

Thresholds for CY 2014 are on a PMPM basis, to account for the continued phase-in enrollment that will occur in CY 2014. In order to balance cash flow concerns with meaningful threshold amounts, the following threshold amounts and withhold rates have been selected for CY 2014:

Rating Category	Threshold	Withhold Rate
C3A	\$4,000	1.7%
C3B	\$7,000	1.4%
F1	\$27,500	1.3%

Services applicable towards the high cost threshold:

- State Plan LTSS excluding home health services
- Cost-effective, non-State Plan services provided by One Care plans in place of State Plan LTSS (subject to MassHealth approval)
- IL-LTSS coordinator expenses
- LTC Facility expenses beyond 100 days (F1 HCRP only)
- Behavioral Health Diversionary Services
- Dental benefits offered to One Care plan enrollees

Applicable expense must be net of any enrollee Contribution to Care amounts.

***Risk Corridors***

Risk corridors have been established for Demonstration Year 1 (October 1, 2013 – December 31, 2014). Risk corridors will not be applied for Demonstration Years 2 and 3 (Calendar Years 2015 and 2016, respectively). The Demonstration will utilize a tiered One Care plan-level symmetrical risk corridor to

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include all Medicare A/B and Medicaid eligible service and non-service expenditures, rounded to the nearest one tenth of a percent. The risk corridors will be reconciled after application of any HCRP or risk adjustment methodologies (e.g. CMS-HCC), and as if One Care plans had received the full quality withhold payment.

For gains and/or losses of less than or equal to 1%, or greater than 20%, the One Care plan bears 100% of the risk. For the portion of gains and/or losses from 1.1% through 3.0%, the One Care plan bears 10% of the risk and MassHealth and CMS share in the other 90%. For the portion of gains and/or losses of 3.1% through 20%, MassHealth and CMS will share 50% of the risk with the One Care plan.

The Medicare and Medicaid contributions to risk corridor payments or recoupments will be in proportion to their contributions to the Medicare A/B and MassHealth components of the capitation rate. Medicare will participate in risk corridor payments or recoupments from 1.1% through 8.9% of individual One Care plan gains or losses. All remaining payments or recoveries once Medicare has reached its maximum will be treated as Medicaid expenditures eligible for FMAP.

**VI. MassHealth Data Book Summaries**

Summary PMPMs for Medicaid and crossover claims from the MassHealth Data Book are included below. IBNR completion adjustments have been applied to the Medicaid expenditures. Expenditures are reported by calendar year, geographic region, rating category, and rate development category of service. Combined across calendar years, the Medicaid and crossover data represents the historical base data used to develop the MassHealth component of the rates.

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**MassHealth Data Book Summaries with IBNR**

**Region: Eastern**

**Period: Calendar Year 2010**

	C1: Community Other		C2: Community High Behavioral Health		C3: High Community Need		F1: Facility-Based Care	
Category of Service	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM
Member Months	369,039	369,039	128,690	128,690	51,724	51,724	12,166	12,166
Inpatient - Acute	\$ 6.83	\$ 2.51	\$ 14.62	\$ 10.28	\$ 17.35	\$ 75.95	\$ 23.71	\$ 2,079.53
Inpatient MH/SA	\$ 0.15	\$ 0.01	\$ 21.37	\$ 25.99	\$ 18.38	\$ 120.38	\$ 19.25	\$ 1,488.11
Hospital Outpatient	\$ 17.71	\$ 1.36	\$ 18.72	\$ 1.75	\$ 27.96	\$ 2.86	\$ 53.44	\$ 1.41
Outpatient MH/SA	\$ 11.43	\$ 5.43	\$ 23.62	\$ 137.73	\$ 16.99	\$ 70.98	\$ 20.69	\$ 26.16
Professional	\$ 9.31	\$ 3.54	\$ 11.06	\$ 12.58	\$ 11.69	\$ 6.62	\$ 13.62	\$ 5.03
HCBS/Home Health	\$ -	\$ 5.00	\$ -	\$ 9.38	\$ -	\$ 1,994.90	\$ -	\$ 87.43
LTC Facility	\$ 1.10	\$ 0.36	\$ 2.05	\$ 0.66	\$ 43.43	\$ 43.30	\$ 112.84	\$ 3,619.49
Pharmacy (Non-Part D)	\$ -	\$ 6.48	\$ -	\$ 6.23	\$ -	\$ 8.96	\$ -	\$ 9.41
DME & Supplies	\$ 2.67	\$ 2.62	\$ 1.74	\$ 1.79	\$ 19.20	\$ 32.87	\$ 9.70	\$ 34.68
Transportation	\$ 0.05	\$ 4.21	\$ 0.17	\$ 26.41	\$ 0.19	\$ 115.84	\$ 1.00	\$ 68.36
All Other	\$ -	\$ 22.48	\$ -	\$ 28.49	\$ -	\$ 42.12	\$ -	\$ 52.64
<b>Total Medical</b>	<b>\$ 49.24</b>	<b>\$ 54.00</b>	<b>\$ 93.35</b>	<b>\$ 261.31</b>	<b>\$ 155.19</b>	<b>\$ 2,514.79</b>	<b>\$ 254.27</b>	<b>\$ 7,472.25</b>

**Region: Eastern**

**Period: Calendar Year 2011**

	C1: Community Other		C2: Community High Behavioral Health		C3: High Community Need		F1: Facility-Based Care	
Category of Service	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM
Member Months	377,696	377,696	126,899	126,899	61,696	61,696	13,302	13,302
Inpatient - Acute	\$ 6.66	\$ 1.29	\$ 13.45	\$ 8.67	\$ 19.83	\$ 51.84	\$ 24.38	\$ 1,834.88
Inpatient MH/SA	\$ 0.10	\$ 0.08	\$ 20.70	\$ 25.00	\$ 20.27	\$ 90.86	\$ 12.07	\$ 1,458.12
Hospital Outpatient	\$ 17.43	\$ 0.93	\$ 19.69	\$ 1.24	\$ 26.73	\$ 2.47	\$ 54.69	\$ 1.35
Outpatient MH/SA	\$ 12.05	\$ 5.14	\$ 22.43	\$ 135.33	\$ 17.49	\$ 75.25	\$ 18.24	\$ 31.62
Professional	\$ 8.81	\$ 3.33	\$ 10.33	\$ 15.01	\$ 11.99	\$ 8.15	\$ 14.46	\$ 6.12
HCBS/Home Health	\$ -	\$ 3.59	\$ -	\$ 7.77	\$ -	\$ 1,994.79	\$ -	\$ 94.39
LTC Facility	\$ 0.70	\$ 0.25	\$ 1.66	\$ 0.43	\$ 44.33	\$ 34.16	\$ 122.80	\$ 3,440.41
Pharmacy (Non-Part D)	\$ -	\$ 5.84	\$ -	\$ 5.32	\$ -	\$ 8.52	\$ -	\$ 11.00
DME & Supplies	\$ 2.28	\$ 2.77	\$ 1.58	\$ 1.72	\$ 16.85	\$ 29.80	\$ 9.66	\$ 24.57
Transportation	\$ 0.06	\$ 3.92	\$ 0.23	\$ 23.34	\$ 0.27	\$ 102.45	\$ 1.04	\$ 57.91
All Other	\$ -	\$ 10.37	\$ -	\$ 12.46	\$ -	\$ 27.31	\$ -	\$ 43.72
<b>Total Medical</b>	<b>\$ 48.09</b>	<b>\$ 37.51</b>	<b>\$ 90.07</b>	<b>\$ 236.29</b>	<b>\$ 157.76</b>	<b>\$ 2,425.60</b>	<b>\$ 257.34</b>	<b>\$ 7,004.07</b>

# Demonstration to Integrate Care for Dual Eligible Individuals (One Care)

**CY 2014 Final Rate Report, January 29, 2014**

**MassHealth Data Book Summaries with IBNR**

**Region: Western**

**Period: Calendar Year 2010**

	C1: Community Other		C2: Community High Behavioral Health		C3: High Community Need		F1: Facility-Based Care	
Category of Service	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM
Member Months	215,689	215,689	77,053	77,053	38,276	38,276	5,372	5,372
Inpatient - Acute	\$ 5.88	\$ 1.69	\$ 12.19	\$ 3.46	\$ 15.05	\$ 24.34	\$ 11.80	\$ 1,080.34
Inpatient MH/SA	\$ 0.14	\$ 0.02	\$ 27.42	\$ 15.51	\$ 17.84	\$ 23.61	\$ 15.15	\$ 178.70
Hospital Outpatient	\$ 13.02	\$ 1.06	\$ 16.23	\$ 1.22	\$ 24.66	\$ 1.26	\$ 53.97	\$ 0.54
Outpatient MH/SA	\$ 8.16	\$ 7.39	\$ 18.34	\$ 139.07	\$ 10.76	\$ 59.28	\$ 20.59	\$ 41.35
Professional	\$ 11.86	\$ 2.02	\$ 12.86	\$ 3.52	\$ 14.90	\$ 2.76	\$ 14.57	\$ 0.87
HCBS/Home Health	\$ -	\$ 3.66	\$ -	\$ 9.57	\$ -	\$ 1,975.48	\$ -	\$ 79.39
LTC Facility	\$ 0.74	\$ 0.31	\$ 1.70	\$ 0.77	\$ 31.54	\$ 37.50	\$ 123.52	\$ 4,545.96
Pharmacy (Non-Part D)	\$ -	\$ 5.27	\$ -	\$ 6.86	\$ -	\$ 8.34	\$ -	\$ 9.42
DME & Supplies	\$ 2.58	\$ 3.05	\$ 2.27	\$ 2.48	\$ 16.18	\$ 30.06	\$ 3.02	\$ 54.17
Transportation	\$ 0.08	\$ 3.30	\$ 0.24	\$ 17.94	\$ 0.31	\$ 74.62	\$ 0.51	\$ 67.98
All Other	\$ -	\$ 24.21	\$ -	\$ 37.92	\$ -	\$ 55.56	\$ -	\$ 29.82
<b>Total Medical</b>	<b>\$ 42.46</b>	<b>\$ 51.98</b>	<b>\$ 91.25</b>	<b>\$ 238.31</b>	<b>\$ 131.26</b>	<b>\$ 2,292.81</b>	<b>\$ 243.15</b>	<b>\$ 6,088.53</b>

**Region: Western**

**Period: Calendar Year 2011**

	C1: Community Other		C2: Community High Behavioral Health		C3: High Community Need		F1: Facility-Based Care	
Category of Service	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM
Member Months	223,389	223,389	78,906	78,906	43,731	43,731	5,450	5,450
Inpatient - Acute	\$ 5.79	\$ 0.70	\$ 11.07	\$ 0.84	\$ 15.49	\$ 19.71	\$ 19.85	\$ 1,113.75
Inpatient MH/SA	\$ 0.20	\$ 0.04	\$ 25.81	\$ 11.44	\$ 14.65	\$ 17.20	\$ 10.65	\$ 124.18
Hospital Outpatient	\$ 12.28	\$ 0.56	\$ 15.65	\$ 0.60	\$ 19.04	\$ 0.79	\$ 57.23	\$ 4.31
Outpatient MH/SA	\$ 8.59	\$ 7.49	\$ 17.58	\$ 139.78	\$ 11.29	\$ 61.17	\$ 14.95	\$ 43.26
Professional	\$ 10.10	\$ 1.56	\$ 10.77	\$ 3.79	\$ 12.55	\$ 1.90	\$ 15.44	\$ 0.97
HCBS/Home Health	\$ -	\$ 2.70	\$ -	\$ 6.61	\$ -	\$ 1,946.63	\$ -	\$ 51.68
LTC Facility	\$ 0.67	\$ 0.36	\$ 1.03	\$ 0.33	\$ 26.09	\$ 25.79	\$ 126.86	\$ 4,585.94
Pharmacy (Non-Part D)	\$ -	\$ 4.95	\$ -	\$ 6.96	\$ -	\$ 9.04	\$ -	\$ 9.82
DME & Supplies	\$ 2.30	\$ 2.96	\$ 1.85	\$ 2.83	\$ 15.98	\$ 31.91	\$ 4.70	\$ 67.24
Transportation	\$ 0.08	\$ 3.40	\$ 0.25	\$ 19.30	\$ 0.39	\$ 69.86	\$ 1.67	\$ 53.41
All Other	\$ -	\$ 12.96	\$ -	\$ 24.61	\$ -	\$ 47.69	\$ -	\$ 39.97
<b>Total Medical</b>	<b>\$ 40.00</b>	<b>\$ 37.69</b>	<b>\$ 84.02</b>	<b>\$ 217.09</b>	<b>\$ 115.49</b>	<b>\$ 2,231.69</b>	<b>\$ 251.34</b>	<b>\$ 6,094.53</b>

# Demonstration to Integrate Care for Dual Eligible Individuals (One Care)

## CY 2014 Final Rate Report, January 29, 2014 MassHealth Data Book Summaries with IBNR

Region: The Cape

Period: Calendar Year 2010

	C1: Community Other		C2: Community High Behavioral Health		C3: High Community Need		F1: Facility-Based Care	
Category of Service	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM
Member Months	43,669	43,669	18,997	18,997	7,783	7,783	1,783	1,783
Inpatient - Acute	\$ 7.61	\$ 0.34	\$ 16.32	\$ 1.68	\$ 30.12	\$ 18.77	\$ 12.48	\$ 192.38
Inpatient MH/SA	\$ 0.10	\$ -	\$ 13.59	\$ 28.51	\$ 15.82	\$ 57.72	\$ 13.73	\$ 41.70
Hospital Outpatient	\$ 12.85	\$ 0.68	\$ 15.61	\$ 1.39	\$ 18.67	\$ 4.30	\$ 50.98	\$ 0.10
Outpatient MH/SA	\$ 7.38	\$ 12.15	\$ 19.76	\$ 131.72	\$ 13.44	\$ 60.55	\$ 25.78	\$ 30.60
Professional	\$ 12.15	\$ 2.18	\$ 13.89	\$ 2.79	\$ 12.98	\$ 2.48	\$ 15.38	\$ 0.17
HCBS/Home Health	\$ -	\$ 2.97	\$ -	\$ 5.12	\$ -	\$ 2,142.36	\$ -	\$ 123.03
LTC Facility	\$ 1.47	\$ 0.38	\$ 1.56	\$ 0.20	\$ 42.53	\$ 46.09	\$ 139.21	\$ 5,145.82
Pharmacy (Non-Part D)	\$ -	\$ 32.46	\$ -	\$ 6.05	\$ -	\$ 8.37	\$ -	\$ 19.67
DME & Supplies	\$ 2.75	\$ 3.16	\$ 2.13	\$ 2.43	\$ 26.63	\$ 40.76	\$ 9.16	\$ 46.82
Transportation	\$ 0.15	\$ 7.30	\$ 0.54	\$ 36.02	\$ 0.21	\$ 131.37	\$ 0.22	\$ 91.90
All Other	\$ -	\$ 23.68	\$ -	\$ 29.41	\$ -	\$ 65.33	\$ -	\$ 42.80
<b>Total Medical</b>	<b>\$ 44.46</b>	<b>\$ 85.31</b>	<b>\$ 83.40</b>	<b>\$ 245.33</b>	<b>\$ 160.40</b>	<b>\$ 2,578.10</b>	<b>\$ 266.93</b>	<b>\$ 5,734.98</b>

Region: The Cape

Period: Calendar Year 2011

	C1: Community Other		C2: Community High Behavioral Health		C3: High Community Need		F1: Facility-Based Care	
Category of Service	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM
Member Months	45,345	45,345	18,869	18,869	8,474	8,474	1,853	1,853
Inpatient - Acute	\$ 7.22	\$ 3.68	\$ 17.17	\$ 3.36	\$ 22.05	\$ 15.66	\$ 15.31	\$ 405.02
Inpatient MH/SA	\$ 0.15	\$ -	\$ 11.20	\$ 15.67	\$ 11.07	\$ 64.76	\$ 2.90	\$ 58.00
Hospital Outpatient	\$ 11.12	\$ 0.52	\$ 15.30	\$ 0.73	\$ 16.68	\$ 5.22	\$ 51.36	\$ 1.95
Outpatient MH/SA	\$ 7.78	\$ 6.67	\$ 20.77	\$ 138.56	\$ 12.47	\$ 69.04	\$ 18.71	\$ 31.59
Professional	\$ 10.22	\$ 1.36	\$ 12.63	\$ 2.16	\$ 13.48	\$ 1.38	\$ 17.24	\$ 0.39
HCBS/Home Health	\$ -	\$ 1.88	\$ -	\$ 5.18	\$ -	\$ 2,152.49	\$ -	\$ 76.28
LTC Facility	\$ 1.32	\$ 0.50	\$ 1.80	\$ 0.16	\$ 58.96	\$ 36.60	\$ 134.50	\$ 5,123.13
Pharmacy (Non-Part D)	\$ -	\$ 4.19	\$ -	\$ 191.82	\$ -	\$ 7.20	\$ -	\$ 22.41
DME & Supplies	\$ 2.61	\$ 2.49	\$ 2.17	\$ 2.75	\$ 23.04	\$ 32.78	\$ 5.80	\$ 53.07
Transportation	\$ 0.14	\$ 5.15	\$ 0.34	\$ 41.03	\$ 0.26	\$ 130.39	\$ 0.21	\$ 86.99
All Other	\$ -	\$ 13.07	\$ -	\$ 11.71	\$ -	\$ 45.92	\$ -	\$ 24.48
<b>Total Medical</b>	<b>\$ 40.56</b>	<b>\$ 39.52</b>	<b>\$ 81.38</b>	<b>\$ 413.12</b>	<b>\$ 158.01</b>	<b>\$ 2,561.45</b>	<b>\$ 246.01</b>	<b>\$ 5,883.32</b>



# Demonstration to Integrate Care for Dual Eligible Individuals (One Care)

## CY 2014 Final Rate Report, January 29, 2014 MassHealth Data Book Summaries with IBNR

Region: Statewide

Period: Calendar Year 2010

	C1: Community Other		C2: Community High Behavioral Health		C3: High Community Need		F1: Facility-Based Care	
Category of Service	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM
Member Months	628,397	628,397	224,740	224,740	97,783	97,783	19,321	19,321
Inpatient - Acute	\$ 6.56	\$ 2.07	\$ 13.93	\$ 7.22	\$ 17.46	\$ 51.20	\$ 19.36	\$ 1,627.57
Inpatient MH/SA	\$ 0.14	\$ 0.01	\$ 22.79	\$ 22.61	\$ 17.97	\$ 77.51	\$ 17.60	\$ 990.56
Hospital Outpatient	\$ 15.76	\$ 1.21	\$ 17.60	\$ 1.54	\$ 25.93	\$ 2.35	\$ 53.36	\$ 1.05
Outpatient MH/SA	\$ 10.03	\$ 6.57	\$ 21.48	\$ 137.68	\$ 14.27	\$ 65.57	\$ 21.13	\$ 30.80
Professional	\$ 10.38	\$ 2.93	\$ 11.91	\$ 8.65	\$ 13.05	\$ 4.78	\$ 14.05	\$ 3.42
HCBS/Home Health	\$ -	\$ 4.40	\$ -	\$ 9.08	\$ -	\$ 1,999.03	\$ -	\$ 88.48
LTC Facility	\$ 1.00	\$ 0.35	\$ 1.89	\$ 0.66	\$ 38.70	\$ 41.26	\$ 118.24	\$ 4,017.94
Pharmacy (Non-Part D)	\$ -	\$ 7.87	\$ -	\$ 6.43	\$ -	\$ 8.67	\$ -	\$ 10.36
DME & Supplies	\$ 2.64	\$ 2.81	\$ 1.95	\$ 2.08	\$ 18.61	\$ 32.40	\$ 7.80	\$ 41.22
Transportation	\$ 0.07	\$ 4.12	\$ 0.23	\$ 24.32	\$ 0.24	\$ 100.94	\$ 0.80	\$ 70.43
All Other	\$ -	\$ 23.16	\$ -	\$ 31.80	\$ -	\$ 49.23	\$ -	\$ 45.39
<b>Total Medical</b>	<b>\$ 46.58</b>	<b>\$ 55.49</b>	<b>\$ 91.79</b>	<b>\$ 252.07</b>	<b>\$ 146.23</b>	<b>\$ 2,432.94</b>	<b>\$ 252.34</b>	<b>\$ 6,927.21</b>

Region: Statewide

Period: Calendar Year 2011

	C1: Community Other		C2: Community High Behavioral Health		C3: High Community Need		F1: Facility-Based Care	
Category of Service	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM	Crossover PMPM	Medicaid PMPM
Member Months	646,430	646,430	224,674	224,674	113,901	113,901	20,605	20,605
Inpatient - Acute	\$ 6.40	\$ 1.26	\$ 12.93	\$ 5.48	\$ 18.33	\$ 36.81	\$ 22.37	\$ 1,515.55
Inpatient MH/SA	\$ 0.14	\$ 0.06	\$ 21.70	\$ 19.45	\$ 17.43	\$ 60.64	\$ 10.87	\$ 979.38
Hospital Outpatient	\$ 15.21	\$ 0.77	\$ 17.90	\$ 0.97	\$ 23.03	\$ 2.03	\$ 55.06	\$ 2.19
Outpatient MH/SA	\$ 10.55	\$ 6.06	\$ 20.58	\$ 137.16	\$ 14.74	\$ 69.38	\$ 17.41	\$ 34.69
Professional	\$ 9.36	\$ 2.58	\$ 10.67	\$ 9.99	\$ 12.32	\$ 5.25	\$ 14.97	\$ 4.24
HCBS/Home Health	\$ -	\$ 3.16	\$ -	\$ 7.15	\$ -	\$ 1,988.03	\$ -	\$ 81.46
LTC Facility	\$ 0.73	\$ 0.31	\$ 1.45	\$ 0.37	\$ 38.42	\$ 31.13	\$ 124.93	\$ 3,894.73
Pharmacy (Non-Part D)	\$ -	\$ 5.42	\$ -	\$ 21.56	\$ -	\$ 8.62	\$ -	\$ 11.71
DME & Supplies	\$ 2.31	\$ 2.82	\$ 1.72	\$ 2.19	\$ 16.98	\$ 30.83	\$ 8.00	\$ 38.42
Transportation	\$ 0.07	\$ 3.83	\$ 0.25	\$ 23.41	\$ 0.32	\$ 92.01	\$ 1.13	\$ 59.33
All Other	\$ -	\$ 11.46	\$ -	\$ 16.67	\$ -	\$ 36.52	\$ -	\$ 41.00
<b>Total Medical</b>	<b>\$ 44.77</b>	<b>\$ 37.71</b>	<b>\$ 87.21</b>	<b>\$ 244.40</b>	<b>\$ 141.55</b>	<b>\$ 2,361.26</b>	<b>\$ 254.73</b>	<b>\$ 6,662.71</b>