

CONFIDENTIAL - FOR POLICY DEVELOPMENT ONLY

As of April 28, 2006

Actuals updated through QE 12/05 (all of SFY06-08 projected)
 Cap updated through QE 12/05

Exhibit 1
Federal Budget Neutrality Summary

State Fiscal Year	Total		
	Date of Service Budget Neutrality Ceiling	CMS 64 Waiver Date of Service Expenditures	Variance
Original Waiver Period			
SFY98	\$ 2,661,927,714.23		
SFY99	\$ 2,978,161,080.22		
SFY00	\$ 3,234,025,801.63		
SFY01	\$ 3,476,419,936.11		
WY1-4	\$ 12,350,534,532.19	\$ 11,001,387,951	\$ 1,349,146,581
SFY02	\$ 3,889,589,049.55	\$ 3,804,441,868	\$ 85,147,181
Total -- Original Waiver Period	\$ 16,240,123,581.74	\$ 14,805,829,820	\$ 1,434,293,762
Waiver Extension Period			
SFY03	\$ 4,021,599,894	\$ 3,961,714,902	\$ 59,884,992
SFY04	\$ 4,444,551,893	\$ 4,534,618,927	\$ (90,067,034)
SFY05	\$ 4,790,979,457	\$ 5,406,720,376	\$ (615,740,919)
Total -- Waiver Extension	\$ 13,257,131,245	\$ 13,903,054,206	\$ (645,922,961)
Total -- Original Waiver Period Plus First Extension			
	\$ 29,497,254,826	\$ 28,708,884,026	\$ 788,370,800
Waiver Extension Period			
SFY06 Projected	\$ 5,260,850,382	\$ 5,354,574,944	\$ (93,724,562)
SFY07 Projected	\$ 5,541,968,746	\$ 5,828,975,612	\$ (287,006,866)
SFY08 Projected	\$ 5,999,674,754	\$ 6,260,664,773	\$ (260,990,019)
Total -- Waiver Extension	\$ 16,802,493,881	\$ 17,444,215,329	\$ (641,721,447)
Total -- Original Waiver Period Plus First and Second Extension			
	\$ 46,299,748,708	\$ 46,153,099,355	\$ 146,649,353
Remaining "Room" including current vetoes			\$ 146,649,353
Remaining "Room" if vetoes are overridden			\$ 11,982,833

Exhibit 2
Federal Budget Neutrality - Cap

Waiver Demonstration

	Total WY1-SFY98	Total WY02-SFY99	Total WY03-SFY00	Total WY04-SFY01	Total WY05-SFY02	Total WY06-SFY03	Total WY07-SFY04	Total WY08-SFY05	Total WY09-SFY06	Total WY10-SFY07	Total WY11-SFY08
MEMBER MONTHS											
<u>Base Populations Member Months (1)</u>											
Families	5,551,733	6,096,916	6,142,251	6,129,740	6,801,318	6,472,052	6,526,521	6,645,789	6,718,676	6,819,456	6,921,748
Disabled	1,860,393	1,884,607	1,888,228	1,968,956	2,041,862	2,054,994	2,093,164	2,096,163	2,307,198	2,341,806	2,376,933
MCB	46,340	45,378	42,798	39,932	39,167	37,831	38,318	39,115	2,778	2,819	2,862
Total Base	7,458,466	8,026,901	8,073,277	8,138,628	8,882,347	8,564,876	8,658,003	8,781,067	9,028,651	9,164,081	9,301,542
<u>1902(r)(2) Expansion Member Months (2)</u>											
Kids	20,787	352,036	685,613	651,448	559,602	588,217	543,521	447,414	845,205	857,883	870,751
Disabled	25,671	82,178	142,949	151,788	145,237	156,806	158,055	143,472	151,987	154,267	156,581
Breast and Cervical Cancer Treatment Program	-	-	-	-	-	-	531	-	3,898	3,956	4,015
Total 1902(r)(2)	46,458	434,214	828,562	803,236	704,839	745,023	703,107	593,431	1,001,089	1,016,106	1,031,347
TOTAL WAIVER MEMBER MONTHS	7,504,925	8,461,115	8,901,839	8,941,864	9,587,186	9,309,899	9,361,110	9,374,497	10,029,741	10,180,187	10,332,890
PER MEMBER PER MONTH COSTS (PMPM)											
<u>Base Population PMPM</u>											
Families	\$199.06	\$214.41	\$230.94	\$248.74	\$267.92	\$288.58	\$310.83	\$334.79	\$ 359.23	\$ 385.46	\$ 413.60
Disabled/MCB	\$491.04	\$519.67	\$549.97	\$582.03	\$615.96	\$677.56	\$745.32	\$819.85	\$ 823.83	\$ 832.35	\$ 898.57
MCB	\$438.39	\$463.95	\$491.00	\$519.62	\$549.91						
<u>1902(r)(2) Population PMPM</u>											
Kids	\$177.02	\$186.49	\$196.93	\$208.16	\$220.02	\$236.98	\$255.26	\$274.94	\$ 295.01	\$ 316.54	\$ 339.65
Disabled	\$471.87	\$497.12	\$524.96	\$554.88	\$586.51	\$645.16	\$709.67	\$780.64	\$ 729.49	\$ 683.21	\$ 746.81
Breast and Cervical Cancer Treatment Program						\$1,891.62	\$2,080.78	\$2,288.86	\$ 2,449.08	\$ 2,620.52	\$ 2,803.95
TOTAL EXPENDITURES (Member Months x PMPM)											
<u>Base Population Expenditures</u>											
Families	\$1,105,130,955	\$1,307,228,114	\$1,418,485,022	\$1,524,738,320	\$1,822,226,510	\$1,867,700,720	\$2,028,631,063	\$2,224,968,536	\$2,413,574,716	\$2,628,612,155	\$2,862,808,355
Disabled/MCB	\$913,535,491	\$979,377,812	\$1,038,467,150	\$1,145,995,826	\$1,257,715,096	\$1,418,016,564	\$1,588,630,350	\$1,750,605,640	\$1,903,016,737	\$1,951,538,127	\$2,138,422,145
MCB	\$20,314,891	\$21,052,914	\$21,013,382	\$20,749,217	\$21,538,469						
<u>1902(r)(2) Population Expenditures</u>											
Kids	\$3,679,616	\$65,650,212	\$135,017,988	\$135,602,511	\$123,123,754	\$139,397,830	\$138,736,596	\$123,010,118	\$249,340,291	\$271,555,264	\$295,749,480
Disabled	\$12,113,658	\$40,852,029	\$75,042,260	\$84,224,062	\$85,182,360	\$101,164,781	\$112,876,839	\$111,999,904	\$110,873,102	\$105,396,271	\$116,935,771
Breast and Cervical Cancer Treatment Program							\$1,105,846	\$5,824,059	\$9,545,536	\$10,366,929	\$11,259,003
Total Base + 1902 (r)(2) Expenditures	\$2,054,774,610	\$2,414,161,080	\$2,688,025,802	\$2,911,309,936	\$3,309,786,190	\$3,526,279,894	\$3,869,980,693	\$4,216,408,257	\$4,686,350,382	\$4,967,468,746	\$5,425,174,754
DSH	\$607,153,104	\$564,000,000	\$546,000,000	\$565,110,000	\$79,802,860	\$495,320,000	\$574,571,200	\$574,571,200	\$574,500,000	\$574,500,000	\$574,500,000
TOTAL EXPENDITURES WITH DSH	\$2,661,927,714	\$2,978,161,080	\$3,234,025,802	\$3,476,419,936	\$3,889,589,050	\$4,021,599,894	\$4,444,551,893	\$4,790,979,457	\$5,260,850,382	\$5,541,968,746	\$5,999,674,754

Exhibit 3

Reported on CMS-64.9W
As of Period Ended 12/31/05

Projections

OLD MEGS

CATEGORY OF SERVICE	Actual Total WY1-4	ACTUAL Total WY05-SFY02	ACTUAL Total WY06-SFY03	ACTUAL Total WY7 - SFY 2004	ACTUAL Total WY8-SFY2005	Projected Total WY9-SFY2006	Projected Total WY10-SFY2007	Projected Total WY11-SFY2008
Standard	\$ 6,863,675,850	\$ 2,205,657,203	\$ 2,269,531,682	\$ 2,423,317,977	\$ 2,553,658,659	\$ 2,341,711,959	\$ 2,368,328,927	\$ 2,531,202,477
CommonHealth	\$ 215,581,807	\$ 105,223,725	\$ 130,392,444	\$ 130,989,193	\$ 121,439,404	\$ 111,573,877	\$ 98,386,515	\$ 98,581,943
Basic	\$ 497,160,943	\$ 167,964,624	\$ 148,601,350	\$ 37,855,539	\$ 38,912,995	\$ 41,636,905	\$ 42,469,643	\$ 43,319,036
Limited	\$ 66,553,128	\$ 39,471,243	\$ 41,983,278	\$ 51,352,667	\$ 34,335,443	\$ 36,738,924	\$ 39,310,649	\$ 42,062,394
Boston Pub Hlth Comm	\$ 773,563,122	\$ 429,139,753	\$ 557,043,743	\$ 728,955,691	\$ 1,070,396,384	\$ 491,889,518	\$ 604,569,518	\$ 661,527,518
Cambridge Pub Hlth Comm	\$ 326,557,296	\$ 270,923,888	\$ 286,837,859	\$ 468,331,857	\$ 524,698,562	\$ 288,282,733	\$ 344,732,733	\$ 378,117,733
Det - MSP	\$ 43,728,403	\$ 23,636,152	\$ 42,100,676	\$ 28,549,180	\$ 13,394,689	\$ 14,332,317	\$ 15,335,579	\$ 16,409,070
MHSPY	\$ 822,069	\$ 358,953	\$ 268,202	\$ 666,171	\$ 1,667,400	\$ 1,784,118	\$ 1,909,006	\$ 2,042,637
IRP	\$ 3,716,793	\$ 15,741,648	\$ 28,794,356	\$ 34,219,382	\$ 38,951,048	\$ 42,846,153	\$ 47,130,768	\$ 51,843,845
Essential	\$ -	\$ -	\$ -	\$ 53,643,864	\$ 139,324,430	\$ 160,000,000	\$ 160,000,000	\$ 160,000,000
Breast & Cervical Cancer	\$ -	\$ -	\$ -	\$ 404,740	\$ 1,768,562	\$ 1,892,361	\$ 2,024,827	\$ 2,166,564
Subtotal of old MEGs	\$ 8,791,359,410	\$ 3,258,117,189	\$ 3,505,553,589	\$ 3,958,286,260	\$ 4,538,547,576	\$ 3,532,688,866	\$ 3,724,198,165	\$ 3,987,273,217

NEW MEGS

CATEGORY OF SERVICE	Actual Total WY1-4	ACTUAL Total WY05-SFY02	ACTUAL Total WY06-SFY03	ACTUAL Total WY7 - SFY 2004	ACTUAL Total WY8-SFY2005	Projected Total WY9-SFY2006	Projected Total WY10-SFY2007	Projected Total WY11-SFY2008
1902 (r) (2) Children	\$ -	\$ (215)	\$ (951)	\$ 5,313	\$ 1,090,118	\$ 5,595,151	\$ 40,251,995	\$ 67,966,324
1902 (r) (2) Disabled	\$ -	\$ (1,807)	\$ 9,871	\$ 95,340	\$ 5,287,036	\$ 7,705,190	\$ 9,985,761	\$ 11,855,544
Base Disabled	\$ -	\$ 554,042	\$ 54,197	\$ 1,098,749	\$ 177,898,144	\$ 232,403,918	\$ 284,424,448	\$ 328,373,796
Base Families	\$ -	\$ (6,228)	\$ (4,219)	\$ 399,141	\$ 77,575,208	\$ 165,935,881	\$ 248,056,609	\$ 312,827,924
Base MCB	\$ -	\$ -	\$ -	\$ 7,413	\$ 214,568	\$ 286,297	\$ 354,551	\$ 411,787
E - Family Assistance	\$ -	\$ -	\$ -	\$ -	\$ 6,001	\$ 1,488,378	\$ 2,852,485	\$ 3,899,323
E - HIV/FA	\$ -	\$ -	\$ -	\$ (8,330)	\$ 795,177	\$ 1,225,457	\$ 1,629,730	\$ 1,957,962
Basic	\$ -	\$ 11,666	\$ 27,477	\$ 7,683	\$ 4,857,372	\$ 7,324,283	\$ 9,560,243	\$ 11,301,215
BCCTP	\$ -	\$ -	\$ -	\$ 530	\$ 306,864	\$ 411,782	\$ 511,542	\$ 595,047
CommonHealth	\$ -	\$ (16,115)	\$ 9,522	\$ 116,681	\$ 9,907,797	\$ 13,692,756	\$ 17,106,167	\$ 19,776,908
Essential	\$ -	\$ -	\$ -	\$ 38,947	\$ 15,663,315	\$ 41,316,984	\$ 145,543,917	\$ 169,925,725
IRP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MHSPY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal of new MEGs	\$ -	\$ 541,343	\$ 95,897	\$ 1,761,467	\$ 293,601,600	\$ 477,386,078	\$ 760,277,447	\$ 928,891,556
Subtotal of old and new MEGs	\$ 8,791,359,410	\$ 3,258,658,532	\$ 3,505,649,486	\$ 3,960,047,727	\$ 4,832,149,176	\$ 4,010,074,944	\$ 4,484,475,612	\$ 4,916,164,773
DSH	\$ 2,210,028,541	\$ 545,783,336	\$ 456,065,416	\$ 574,571,200	\$ 574,571,200	\$ 574,500,000	\$ -	\$ -
SNCP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 770,000,000	\$ 1,344,500,000	\$ 1,344,500,000
Total	\$ 11,001,387,951	\$ 3,804,441,868	\$ 3,961,714,902	\$ 4,534,618,927	\$ 5,406,720,376	\$ 5,354,574,944	\$ 5,828,975,612	\$ 6,260,664,773