



to: William Lessard and DMAS staff **date:** July 19, 2016
cc: CCC Duals Health Plans

from: Sandra Hunt **subject:** Revised CY 2016 CCC Duals Rates
Susan Maerki and MEMA Adjustment Effective July 1, 2016

Revised CY 2016 CCC Duals Rates Effective July 1, 2016

PricewaterhouseCoopers LLP (PwC) has re-calculated capitation rates for the Medicaid portion of the Virginia Medicare-Medicaid Financial Alignment Demonstration for Calendar Year 2016 for rates effective July 1, 2016. The demonstration is called Commonwealth Coordinated Care (CCC) or the Dual Demonstration in this memo. The revised CY 2016 CCC capitation rates incorporated eight adjustment revisions, which are detailed in the sections below. These adjustments are also described in the July 2016 revised report titled Dual Demonstration Data Book and Capitation Rates: Medicaid Component for Calendar Year 2016.

Adjustments Effective July 1, 2016

Hospital inpatient adjustment

Effective FY 2017, there are updates to the unit cost and FFS rebasing for CY 2016 CCC Duals. There are no unit cost adjustments for either FY 2015 or FY 2016. The Virginia General Assembly authorized a unit cost adjustment for FY 2017 equal to half the regulatory inflation of 2.1%, a value of 1.05%. Hospital inpatient reimbursements rates are rebased for FY 2017. For inpatient medical/surgical, the FFS rebasing is a negative adjustment of 7.25%. For inpatient psychiatric in acute care hospitals, the FFS rebasing is a positive adjustment of 27.00%.

The adjustment value is calculated uniformly across CCC Duals eligible population. The calculation of the Hospital inpatient adjustment is shown in Table 1 as a revision to Exhibit 2b in the CY 2016 CCC Duals capitation rate report.

Hospital outpatient adjustment

There are three adjustments to outpatient hospital for FY 2017. DMAS used to pay outpatient hospital as a percent of cost and rate setting used the outpatient hospital trend based on the historical trend. As of January 1, 2014, DMAS FFS started reimbursing outpatient hospital using Enhanced Ambulatory Patient Groups (EAPGs). Inflation adjustments is now applied to outpatient hospital rates in the same manner as



inpatient hospital. FY 2017 is the first year that outpatient hospital inflation has been modified. Outpatient hospital rates are going to be adjusted by 50% of inflation, a 1.05% unit cost increase. The outpatient hospital adjustment is structured similarly to the inpatient hospital adjustment. There also is a FFS outpatient hospital rebasing adjustment of 0.1%.

The adjustment value is calculated uniformly across CCC Duals eligible population. The calculation of the Hospital outpatient adjustment is shown in Table 2 and as a revision to Exhibit 2c in the CY 2016 CCC Duals capitation rate report.

Nursing Facility adjustment

Effective July 1, 2016, there is a 0.9% nursing facility fee increase for FY 2017 that is applied to the full FY 2013 – FY 2014 base period for on non-capital claims.

The adjustment is calculated uniformly across all eligible Dual populations. The calculation of the Nursing Facility adjustment is shown in Table 3 and as a revision to Exhibit 2d in the CY 2016 CCC Duals capitation rate report.

Personal Care and Respite Care adjustment

The 2015 Virginia Appropriation Act increases personal care and respite care rates by 2% effective July 1, 2015. Under the contract, the plans are required to pay at least the Medicaid personal care and respite care rates. As a result, this FY 2016 effective fee change applies to relevant claims in the following service categories: consumer directed services and personal care services claims. Effective August 1, 2016, there is an additional 2% rates increase to personal care and respite care rates. This is applied as a pro-rated adjustment for the remainder of the contract year.

The adjustment value is calculated separately for Nursing Home Eligible – Institutional (NHE-I), Nursing Home Eligible – Waiver (NHE-W) and Community Well (CW). The calculation of the Personal Care and Respite Care adjustment is shown in Table 4 and as a revision to Exhibit 2f in the CY 2016 CCC Duals capitation rate report.

RBRVS rebasing adjustment

Each year DMAS adjusts physician rates consistent with the Medicare RBRVS update in a budget neutral manner based on funding. Up until recently, the update was based solely on DMAS FFS data. Plans reported that the rebasing is not cost neutral to their operations and that the impact on them varies. Therefore, the analysis was revised and the DMAS update now uses both FFS and MCO data. The FY 2017 DMAS analysis used FFS and the MCO data, as repriced to the DMAS physician fee schedule. Claims covered all professional providers, including physicians, nurse practitioners, psychologists, therapists,



opticians, and federally qualified health centers and the full range of CPT codes from 10000 to 99499. The new physician rates for FY17 result in a -0.2 percent reduction to the MCO experience and a 0.6% increase to the FFS experience. Other codes, such as J codes for drugs administered in an office setting and anesthesia-related codes that are grouped in the professional service categories, are excluded from the adjustment.

The FFS professional fee adjustment is approximately 0.6%. The adjustment value is calculated separately for Nursing Home Eligible – Institutional (NHE-I), Nursing Home Eligible – Waiver (NHE-W) and Community Well (CW). The calculation of the RBRVS adjustment is shown in Table 5 and as a revision to Exhibit 2l in the CY 2016 CCC Duals capitation rate report.

Elderly and Disabled with Consumer Direction overtime payment adjustment

Effective July 1, 2016, the Virginia General Assembly adopted language prohibiting EDCCD overtime payment. The adjustment value of 0% is shown in Table 6 and as a revision to Exhibit 2m in the CY 2016 CCC Duals capitation rate report.

Home Health and Rehab adjustment

Effective July 1, 2016, there is an increase to the fee schedule for home health care and outpatient rehabilitation agencies. The inflation adjustments are a 1.7% increase to home health care and a 2.1% increase to outpatient rehabilitative agency. DMAS provided a list of outpatient rehabilitative procedure codes and provider class subject to the fee schedule inflation adjustment. The identified claims are under the physician – other practitioner service line.

The adjustment value is calculated separately for Nursing Home Eligible – Institutional (NHE-I), Nursing Home Eligible – Waiver (NHE-W) and Community Well (CW). The calculation of the Home Health and Rehab adjustment is shown in Table 7 and as a revision to Exhibit 2n in the CY 2016 CCC Duals capitation rate report.

Non-emergency transportation adjustment

Non-emergency transportation (NET) services were contracted to a broker during the historical data period under a capitated payment methodology and services are not captured in the DMAS FFS claims. The non-emergency transportation adjustment is calculated separately for the Nursing Home Eligible (NHE) and Community Well (CW) populations. The adjustment is based on the service cost component (including the administrative cost) of the accepted bid for the ABAD nursing home population (NHE), a statewide rate at \$82.46 PMPM and for the ABAD age over 21 population (CW), a statewide rate at \$31.80 PMPM for FY 2017 effective January 2016. The per member per month value is shown in Table 8 and as a revision to Exhibit 2o in the CY 2016 CCC Duals capitation rate report.



Revised Summary Capitation Rates

The eight adjustment revisions are applied to the rate cell calculations presented in Exhibits 4a to 4b of the report in addition to the other adjustments under the column labeled “Policy and Program Adjustments.” There is no change in Historical Data (Exhibit 1a to 1c) or service-specific Trend and IBNR factors (Exhibit 3a to 3c) from the calculation of CY2016 capitation rates, effective January 1, 2016. For Exhibit 3a to 3c, there are small differences in the weighted average total trend factor due to changes in policy adjustments that modified the proportion of completed and adjusted claims across the service categories.

For comparison purposes, the CY 2016 Dual Demonstration rates effective January 1, 2016 are presented in Table 9 and the CY 2016 Dual Demonstration capitation rates effective July 1, 2016 are presented in Table 10. All weighted averages use the distribution of member months in July 2015.

The revised weighted average CY 2016 CCC Demonstration Medicaid component is \$3,750.20 PMPM for the NHE and \$268.63 for the Community Well population. The total population weighted average is \$1,586.39 PMPM.

The amended CY 2016 rates, effective July 2016 (Table 10) are compared to the CY 2016 rates, effective January 2016 (Table 9) in Table 11. Overall, the amended CY 2016 dual rates are an increase of 0.90%. Compared to the January 1, 2016 rates, NHE-I has 1.45% change and NHE-W has an increase of 0.44%. The blended NHE rate has a 1.02% increase. Community Well has a 0.12% decrease.

Compared to the CY 2015 Dual Demonstration rates effective July 1, 2015, the weighted average NHE-I increases 5.1%, NHE-W increases 6.6% and the blended NHE rate increases 5.7%. The weighted average Community Well rate decreases by 5.5%. The overall weighted average change between CY 2015 and CY 2016 revised base rates is 4.4%.



Commonwealth Coordinated Care MEMA Adjustment

As part of the rate development for the Medicaid component of Commonwealth Coordinated Care, the member enrollment mix adjustment (MEMA) provides an update of the rate to reflect the risk mix of enrollees in each Medicaid Medicare Plan (MMP). Specifically, the MEMA addresses the relative risk/cost differences of the sub-populations that make up the combined rate for Nursing Home Eligibles (NHE). The two sub-populations are the Nursing Home Eligible – Institutional (NHE-I) and Nursing Home Eligible – Waiver (NHE-W) populations. The MEMA provides more revenue to health plans that have a greater proportion of high risk/cost individuals residing in an institution at the time of their enrollment into the CCC, while health plans with greater proportion of enrollees who are Nursing Home Eligible but receive waiver services and remain in the community at the time of initial enrollment receive a lower NHE blended capitation rate. The process for further updating the MEMA is described in more detail below.

As stated on page 15 in the final CY 2014 CCC Medicaid rate report dated November 2013:

“The NHE Age 21-64 and Age 65 and Over regional blended rates will be revised prior to the 2014 implementation. DMAS will apply the MEMA as measured closer to the Demonstration voluntary dates, in order to reflect the updated mix of NHE-Institutional and NHE-Waiver eligibles, and at the passive enrollment dates, in order to reflect those who voluntarily enroll and those who initially accept passive enrollment assignment. There will be further adjustments to NHE rate over the course of the Demonstration.”

The CCC enrollment in Central Virginia, Northern Virginia, Southwest/Roanoke, Tidewater, and Western /Charlottesville region uses the revised CY 2016 base rates to calculate the health plan specific MEMAs that will be used for MMP rates in effect from July 1, 2016 through December 31, 2016.

Future updates to the health plan regional MEMA will occur twice a year for the remainder of the Duals Demonstration and follow the policy recommendations described in a memo dated September 30, 2013, which is available on the DMAS website at http://www.dmas.virginia.gov/Content_pgs/altc-enrl.aspx.

Savings Adjustment and Quality Withhold

The region and health plan specific MEMAs for the NHE population and the regional Community Well base rates are subject to two further adjustments, the savings adjustment and the quality withhold.

DMAS submitted a request to CMS that the CY 2016 savings adjustment remain at -1% rather than increase to -2%, as in the terms of the original MOU. DMAS recently was informed that the request was approved. Therefore, the savings adjustment will remain at -1% during CY16. There is a second payment adjustment for the quality withhold. Up until the July 2015 MEMA update, the MEMA rates reported in



these memos did not include the quality withhold. The CY 2016 actual rates paid to the MMPs will equal the MEMA adjusted final rates with the -1% savings adjustment and the -2% quality withhold. Plans may earn back the “withheld” amount if they fully meet the quality criteria. Both the change to the savings adjustment and the -2% quality withhold are shown in the exhibits to reflect the monthly rates that will actually be paid to the MMPs.

January 2016 CCC Eligibles: Benchmark for NHE MEMA Adjustment

The NHE population is a combination of the NHE-Institutional and the NHE-Waiver populations. The first MEMA update, January 2014, established a baseline distribution of the NHE-I and the NHE-W eligibles, and represented a snapshot of the risk mix of eligibles at the start of the Duals Demonstration program. As auto enrollment effective dates were phased-in by region, health plan specific NHE MEMA were developed. The at-enrollment risk designation for each NHE eligible individual is held constant for the first two years of the demonstration, until December 31, 2015. Ongoing calculations adjust for NHE members who leave the program voluntarily or because of death. The risk designation of new NHE enrollees is held constant at the point when each is first identified as NHE eligible until there is an update. At the beginning of the third and fourth years, the NHE member risk designation will be updated to the NHE status at the beginning of the previous year or, for a new NHE member during the previous year, the NHE status at the point of NHE eligibility. Holding the risk designation constant for a period of time is intended to incentivize MMPs to keep members in the community (NHE-W) rather than transition them to institutions (NHE-I) and, when feasible, move members from institutions to the community.

Because it is the third year of the Dual Demonstration, the July 1, 2016 update adheres to this policy. All enrollment is categorized as NHE-I, NHE-W or CW starting with their status as of January 1, 2015. All CCC Duals members enrolled between March 1, 2014 and December 31, 2014 were reviewed to determine if each remained in the same sub-population or had moved to a different sub-population. All enrollees after January 1, 2015 are held constant in their original population category.

Throughout the base period used to develop the CCC Duals rates, there has been a decrease in the proportion of the NHE-Institutional eligible population and an increase in the proportion of the NHE-Waiver population. Over the period January 2011 to June 2014, the final month used to set the CY 2016 CCC Duals rates, the NHE-I population increased 1.0% and the NHE-Waiver population increased 24.9%. As of June 2014, the NHE-I was 44.4% and the NHE-W was 55.6% of the NHE eligibles. By July 2015, the eligible member month distribution applied to the CY 2016 rates, the NHE-I subpopulation was 42.6% and the NHE-W was 57.4% of the NHE eligibles.



The January 2016 NHE member month eligible distribution continues this trend. Overall, NHE-I is 40.2% and NHE-Waiver is 59.8% of the NHE eligibles. As of January 1, 2016, there were 76,758 CCC Dual eligibles in the five regions, with 24,527 in NHE and 52,231 in Community Well (CW).

The remainder of this memo updates the regional MEMA using CCC Duals enrollment as of June 1, 2016 and the revised CY 2016 CCC Duals rates.

Enrollment of CCC Duals Eligibles as of June 2016

Approximately 35% of the January 2016 CCC Duals eligibles are enrolled in MMPs as of January 1, 2016. Among the regions that completed auto assignment by the end of 2014, the enrollment penetration ranges from 38.6% in Central Virginia to 41.1% in Tidewater. Enrollment penetration in Northern Virginia (NOVA) is much lower, 16.9%. Full auto-assignment in that region did not occur until July 2015 and the region has continued to lose participants. If the Northern Virginia region is excluded from the percent of eligibles enrolled calculation, there is a 39.6% enrollment penetration rate.

Compared to enrollment in January, enrollment in four of the five regions is stable or has increased. NOVA is the exception. The NOVA decline is consistent with the pattern that was observed in the other regions in the months after auto-enrollment.

We observe relatively consistent enrollment patterns across the five regions:

- Enrollment declines in the months after the auto-enrollment date. The largest decrease is in the month immediately after the auto-enrollment month, usually with smaller declines in later months.
- Between January and June 2016, total CCC enrollment rose by 0.8%. The six-month measure ranges from a decrease of 3.8% in Northern Virginia to a 2.8% increase in Central Virginia.
- The percent of eligibles enrollment penetration is highest within the Community Well population, followed by the NHE-Institutional, and lowest within the NHE-Waiver population. Excluding Northern Virginia, eligibility penetration is 33.3% for NHE-I, 23.9% for NHE-W, and 45.3% for CW. The range in enrollment penetration is 31% to 39% for NHE-Institutional, substantially less, 21% to 25%, within NHE-Waiver and 44% to 48% for Community Well,
- The NOVA eligibility penetration is 26.6% for NHE-I, 8.7% for NHE-W, and 18.1% for CW.
- Because of differences in the enrollment penetration, the actual enrollment mix has a higher proportion of Community Well and a lower proportion of NHE than observed in the eligible population. For example, nearly 68% of the January 2016 eligibles are Community Well and they are over 76% of the June 2016 CCC Dual enrollees. NHE-W are 19% of the January 2016 eligibles and only 11% of the enrollees. The proportion of NHE-I is very similar for both eligibles and enrollees at 12% to 13%. Because CW enrollees are over three quarters of the enrollees and they



are the lowest cost subpopulation, the weighted average regional PMPM payments to the MMPs are lower than the payments estimated in the CY 2016 CCC Duals rate development.

Results of the July 2016 MEMA update for the five regions are in the order of the phased CCC Duals regional implementation. All PMPM payments in the regional MEMA attachments reflect the June 2016 enrollment mix applied to the revised CY 2016 CCC Duals rates that was re-calculated due to changes to the adjustments. Final MMP rates include the -1% savings adjustment and the -2% quality withhold.

Tidewater Enrollees: Rates Effective July 1, 2016

The January 2016 MEMA update identified 18,979 individuals in Tidewater as eligible for the CCC. As of June 1, 2016, there were 7,806 enrollees in CCC participating health plans in that region, about 41% of the Tidewater eligibles. This is an increase of 0.5% relative to the 7,767 enrolled in January 2016. However, this Tidewater enrollment in June 2016 is 20% lower than the first month of auto enrollment in July 2014.

June enrollment penetration varies by subpopulation category, with 28.1% of the NHE eligibles and 47.1% of the Community Well eligibles enrolled. Within the NHE, there is a similar enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. Within the CW population, there is about an 11% higher enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. This comparison is shown in Table 13.

Of the total Tidewater CCC enrollees in June 2016, approximately 21%, or 1,668, are in the NHE aid category. Within the NHE population, 51% are NHE-Institutional and 49% are NHE-Waiver. This is different from the Tidewater January 2016 distribution of eligibles. The January snapshot showed 31% as NHE, and a NHE mix that was 40% in NHE-Institutional and 60% in NHE-Waiver.

Rates paid to the Tidewater plans for the next six months are presented in the attached exhibits.

Central Virginia Enrollees: Rates Effective July 1, 2016

The January 2016 MEMA update identified 23,192 individuals in Central VA as eligible for the CCC. As of June 1, 2016, there were 8,952 enrollees in CCC participating health plans in that region, about 39% of the Central VA eligibles. This is an increase of 2.85% relative to the 8,712 enrolled in January 2016. However, this Central VA enrollment in June 2016 is 21% lower than the first month of auto enrollment in September 2014.



June enrollment penetration varies by aid category; about 28% of the NHE eligibles and 44% of the Community Well eligibles are enrolled. Within the NHE, there is a 3% lower enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. Within the CW population, there is an 8% higher enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. This comparison is shown in Table 14.

Of the total Central VA CCC enrollees in June 2016, approximately 25%, or 2,231, are in the NHE aid category. Within the NHE population, 47% are NHE-Institutional and 53% are NHE-Waiver. This is different from the Central VA January 2016 distribution of eligibles. The January snapshot showed 35% as NHE, and a NHE mix that was 40% in NHE-Institutional and 60% in NHE-Waiver.

Rates paid to the Central VA plans for the next six months are presented in the attached exhibits.

Southwest/Roanoke Enrollees: Rates Effective July 1, 2016

The January 2016 MEMA update identified 12,212 individuals in the Southwest Roanoke region as eligible for the CCC. As of June 1, 2016, there were 4,727 enrollees in CCC participating health plans in that region, about 39% of the Southwest Roanoke eligibles. This is an increase of 0.3% relative to the 4,414 enrolled in January 2016. The Southwest/Roanoke enrollment has been more stable than the other regions. The CCC Duals enrollment in June 2016 is 4.2% lower than the first month of auto enrollment in October 2014.

January enrollment penetration varies by aid category with about 27% of the NHE eligibles and 45% of the Community Well eligibles enrolled. Within the NHE, there is less than a 1% higher enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. Within the CW population, there is about a 7% higher enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. This comparison is shown in Table 15.

Of the total Southwest Roanoke CCC enrollees in June 2016, approximately 23.1%, or 1,093, are in the NHE aid category. Within the NHE population, 58% are NHE-Institutional and 42% are NHE-Waiver. This is different from the Western Roanoke January 2016 distribution of eligibles. The January snapshot showed 34% as NHE, and a NHE mix that was 50% in NHE-Institutional and 50% in NHE-Waiver.

Rates paid to the Southwest Roanoke plans for the next six months are presented in the attached exhibits.



Western/Charlottesville Enrollees: Rates Effective July 1, 2016

The January 2016 MEMA update identified 6,472 individuals in the Western Charlottesville region as eligible for the CCC. As of June 1, 2016, there were 2,529 enrollees in CCC participating health plans in that region, about 39% of the Western Charlottesville eligibles. This is an increase of 1.3% relative to the 2,496 enrolled in January 2016. However, the Western/Charlottesville CCC Duals June 2016 enrollment is 13.7% lower than the first month of auto enrollment in October 2014.

June enrollment penetration varies by aid category with about 30% of the NHE eligibles and 44% of the Community Well eligibles enrolled. Within the NHE, there is a 1% lower enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. Within the CW population, there is a 4% higher enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. This comparison is shown in Table 16.

Of the total Western Charlottesville CCC enrollees in June 2016, approximately 28%, or 704, are in the NHE aid category. Within the NHE enrollee population, 50% are NHE-Institutional and 50% are NHE-Waiver. This is different from the Western Charlottesville January 2016 distribution of eligibles. The January snapshot showed 36% as NHE, and a NHE mix that was 44% in NHE-Institutional and 56% in NHE-Waiver.

Rates paid to the Western Charlottesville plans for the next six months are presented in the attached exhibits.

Northern Virginia Enrollees: Rates Effective July 1, 2016

The January 2016 MEMA update identified 17,351 individuals in the NOVA region eligible for the CCC. As of June 1, 2016, there were 2,940 enrollees in CCC participating health plans in that region, about 17% of the NOVA eligibles. This is a decrease of 3.8% relative to the 3,055 enrolled in January 2016.

CCC NOVA enrollment more than doubled in July 2015 with auto assignment of Duals in the previously ineligible cities and counties that included four of the more populous localities in the region. However, enrollment has declined nearly 12% from the peak in July 2015.

June 2016 enrollment penetration varies by aid subpopulation with about 14% of the NHE eligibles and 18% of the Community Well eligibles enrolled. Within the NHE, there is about an 8% higher enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. Within the CW population, there is approximately a 14% higher enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles. This comparison is shown in Table 17.



Of the total Northern Virginia CCC enrollees in June 2016, approximately 23%, or 670, are in the NHE aid category. Within the NHE population, 55% are NHE-Institutional and 45% are NHE-Waiver.

Rates paid to the Northern Virginia plans for the next six months will reflect the enrollment as of June 1, 2016 are presented in the attached exhibits.



Attachments for MEMA Adjustment Effective July 1, 2016

There are five MEMA regional exhibits included with this memo, one for each of the regions with a MEMA updated for June 1, 2016 enrollment. Each set of exhibits uses the same layout and replaces capitation rates in the CY 2016 CCC Duals report Exhibits 5-6, revised and updated for rates effective July 1, 2016 to December 31, 2016. The worksheets in the regional exhibits are:

- Exhibit 5a presents the regional NHE blending using the June 2016 enrollment distribution. The PMPM values used for the weighting are those in Exhibit 5a in the CY 2016 CCC Duals Demonstration rates effective July 1, 2016.
- Exhibit 5b summarizes the NHE blended rates by health plan and adds the CY 2016 rates for Community Well. The weighted average uses the June 2016 enrollment mix.
- The second year 1% savings percentage adjustment in Exhibit 5c is applied to the revised base rates and the adjusted results are presented in Exhibit 5d. These are the maximum rates that plans could eventually be paid if they meet all quality requirements.
- Exhibit 5e is the quality withhold to be applied to the final rates in Exhibit 5d. The final adjusted results presented in Exhibit 5f will be paid to the MMPs in the monthly capitation payments.
- Exhibit 5g in each regional exhibit shows the June 2016 CCC Duals enrollment member month distribution.



Table 1 – Exhibit 2b
Virginia Medicaid
CY 2016 Commonwealth Coordinated Care Capitation Rate Development
Historical Fee-for-Service Claims
Hospital Inpatient Adjustment Effective July 1, 2016

	Inpatient Medical/Surgical	Inpatient - Psych	Source
1a. FY13 Claims in IP Service Categories	\$13,312,367	\$163,761	DMAS FY13 FFS Invoices
1b. FY14 Claims in IP Service Categories	\$13,052,631	\$793,015	DMAS FY14 FFS Invoices
2. FY13-FY14 Hospital Capital Percentage	10.2%	10.2%	Provided by DMAS
3a. FY16 Capital Reimbursement Decrease	-16.8%	-16.8%	= ((4a.) - (2.)) / (2.)
3b. FY17 Capital Reimbursement Decrease	0.0%	0.0%	= ((4b.) - (4a.)) / (4a.)
4a. FY16 Hospital Capital Percentage	8.5%	8.5%	Provided by DMAS
4b. FY17 Hospital Capital Percentage	8.5%	8.5%	Provided by DMAS
5a. FY14 Hospital Rate Change	4.7%	-7.4%	Provided by DMAS
5b. Dollar Change	\$568,702	(\$11,039)	= (1a.) * (1 - (4b.)) * (5a.)
6a. FY17 Hospital Rate Change - Unit Cost	1.05%	1.05%	Provided by DMAS
6b. Dollar Change	\$265,128	\$8,515	= ((1a.) + (1b.)) * (1-(4b.)) * (1 + (5a.)) * (6a.)
7a. FY17 Hospital Rate Change - Rebasing	-7.25%	27.00%	Provided by DMAS
7b. Dollar Change	(\$1,830,645)	\$218,958	= ((1a.) + (1b.)) * (1-(4b.)) * (1 + (5a.)) * (7a.)
8. Hospital Inpatient Adjustment	-3.8%	22.6%	= ((5b.) + (6b.) + (7b.)) / ((1a.) + (1b.))



Table 2 – Exhibit 2c
Virginia Medicaid
CY 2016 Commonwealth Coordinated Care Capitation Rate Development
Historical Fee-for-Service Claims
Hospital Outpatient Adjustment Effective July 1, 2016

	Adjustment Value	Source
1. Total Claims in Outpatient Service Category	\$981,755	DMAS FY13-FY14 FFS Invoices
2a. FY17 Hospital Rate Change - Unit Cost	1.05%	Provided by DMAS
2b. Dollar Change	\$10,308	= (1.) * (2a.)
3a. FY17 Hospital Rate Change - Rebasing	0.1%	Provided by DMAS
3b. Dollar Change	\$982	= (1.) * (3a.)
4. Outpatient Adjustment	1.2%	= ((2b.) + (3b.)) / (1.)



Table 3 – Exhibit 2d
Virginia Medicaid
CY 2016 Commonwealth Coordinated Care Capitation Rate Development
Historical Fee-for-Service Claims
Nursing Facility Adjustment Effective July 1, 2016

	Adjustment Value	Source
1. Total Claims in Nursing Facility Service Category	\$1,299,176,087	DMAS FY13-FY14 FFS Invoices
2a. FY15 Prospective Payment Change	10.5%	Provided by DMAS
2b. Dollar Change	\$135,931,148	= ((1.) * (2a.))
3. FY17 Nursing Facility Capital Percentage	9.5%	Provided by DMAS
4a. FY17 Nursing Facility Rate Increase	0.9%	Provided by DMAS
4b. Dollar Change	\$11,688,948	= (((1.) + (2b.)) * (1 - (3.))) * (1 - (4a.))
5. Nursing Facility Adjustment	11.4%	= ((2b.) + (4b.)) / (1.)



Table 4 – Exhibit 2f
Virginia Medicaid
CY 2016 Commonwealth Coordinated Care Capitation Rate Development
Historical Fee-for-Service Claims
Personal Care and Respite Care Adjustment Effective July 1, 2016

		NHE - Institutional	NHE - Waiver	Community Well	Source
1. Total Claims in Service Categories	a. Consumer Directed Services	\$381,483	\$151,640,508	\$1,796,997	DMAS FY13-FY14 FFS Invoices
	b. Personal Care Services	\$484,862	\$401,216,402	\$734,250	DMAS FY13-FY14 FFS Invoices
2a. FY16 Fee Change		2.0%	2.0%	2.0%	Provided by DMAS, Effective July 1, 2015
2b. FY17 Fee Change		2.0%	2.0%	2.0%	Provided by DMAS, Effective August 1, 2016
3. Claims associated with FY16 Fee Change HCBS Procedure Codes	a. Consumer Directed Services	\$310,122	\$150,465,442	\$1,792,698	DMAS FY13-FY14 FFS Invoices
	b. Personal Care Services	\$480,346	\$398,361,569	\$732,270	DMAS FY13-FY14 FFS Invoices
4. Personal Care and Respite Care Adjustment	a. Consumer Directed Services	3.01%	3.67%	3.69%	$= (3a.) * ((1 + (2a.)) * ((1 + (2b.)) ^ (10/12)) - 1) / (1a.)$ $= (3b.) * ((1 + (2a.)) * ((1 + (2b.)) ^ (10/12)) - 1) / (1b.)$
	b. Personal Care Services	3.66%	3.67%	3.69%	



Table 5 – Exhibit 21
Virginia Medicaid
CY 2016 Commonwealth Coordinated Care Capitation Rate Development
Historical Fee-for-Service Claims
Resource Based Relative Value Scale Adjustment Effective July 1, 2016

	Nursing Home Eligible - Institutional	Nursing Home Eligible - Waiver	Community Well	Source
1. Professional Fee Adjustment - Effective FY17	0.6%	0.6%	0.6%	Provided by DMAS
2. Proportion of claims subject to fee adjustment	99.2%	99.9%	99.9%	FY13-14 FFS Invoices
3. Final Professional Fee Adjustment	0.6%	0.6%	0.6%	= (1.) * (2.)



Table 6 – Exhibit 2m
Virginia Medicaid
CY 2016 Commonwealth Coordinated Care Capitation Rate Development
Historical Fee-for-Service Claims
Elderly and Disabled with Consumer Direction Overtime Payment Adjustment Effective July 1, 2016

	Adjustment Values	Source
1. Elderly and Disabled with Consumer Direction Overtime Payment Adjustment	0.0%	Provided by DMAS - No longer in effect starting July 1, 2016



Table 7 – Exhibit 2n
Virginia Medicaid
CY 2016 Commonwealth Coordinated Care Capitation Rate Development
Historical Fee-for-Service Claims
Home Health and Rehab Adjustment Effective July 1, 2016

		Nursing Home Eligible - Institutional	Nursing Home Eligible - Waiver	Community Well	Source
1.	FY13-14 Claims in Service Categories				
	a. Home Health Services	\$230	\$140,701	\$72,928	FY13-14 FFS Invoices
	b. Physician - Other Practitioner	\$166,838	\$5,435,638	\$856,432	FY13-14 FFS Invoices
2.	FY13-14 Claims Associated with Fee Change				
	a. Home Health	\$0	\$70,466	\$35,087	FY13-14 FFS Invoices
	b. Physician - Other Practitioner	\$1,800	\$14,820	\$11,966	FY13-14 FFS Invoices
3.	FY17 Fee Change				
	a. Home Health Inflation	1.7%	1.7%	1.7%	Provided by DMAS
	b. OP Rehab Inflation	2.1%	2.1%	2.1%	Provided by DMAS
4.	Dollar Change				
	a. Home Health Services	\$0	\$1,198	\$596	= ((2a.) * (3a.))
	b. Physician - Other Practitioner	\$38	\$311	\$251	= ((2b.) * (3b.))
5.	Home Health and Rehab Adjustment				
	a. Home Health Services	0.0%	0.9%	0.8%	= (4a.) / (1a.)
	b. Physician - Other Practitioner	0.02%	0.01%	0.03%	= (4b.) / (1b.)



Table 8 – Exhibit 2o
Virginia Medicaid
CY 2016 Commonwealth Coordinated Care Capitation Rate Development
Historical Fee-for-Service Claims
Non-Emergency Transportation Adjustment Effective July 1, 2016

	Nursing Home Eligible	Community Well	Source
Non-ER Transportation Rate	\$82.46	\$31.80	From DMAS - Rates Effective January 1, 2016 - June 30, 2017



Table 9
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Duals Base Rates Effective January 1, 2016 – June 30, 2016

MEG	Age Group	Region					CY 2016 Average
		Central Virginia	Northern Virginia	Southwest/ Roanoke	Tidewater	Western/ Charlottesville	
Nursing Home Eligible Institutional	Age 21-64	\$5,050.82	\$6,276.29	\$5,178.56	\$5,087.59	\$4,594.88	\$5,268.67
	Age 65 and Over	\$5,117.34	\$6,152.11	\$4,928.38	\$4,934.45	\$4,959.16	\$5,182.28
	Average	\$5,108.82	\$6,170.20	\$4,954.80	\$4,956.53	\$4,920.82	\$5,193.23
Nursing Home Eligible Waiver	Age 21-64	\$2,627.25	\$3,379.44	\$2,489.91	\$2,612.05	\$2,571.45	\$2,678.65
	Age 65 and Over	\$2,456.17	\$3,395.46	\$2,272.07	\$2,419.01	\$2,202.09	\$2,677.78
	Average	\$2,509.68	\$3,393.27	\$2,355.42	\$2,479.68	\$2,321.83	\$2,678.03
Nursing Home Eligible	Age 21-64	\$3,180.00	\$4,333.02	\$3,102.04	\$3,158.90	\$3,020.47	\$3,297.81
	Age 65 and Over	\$3,727.80	\$4,257.52	\$3,885.56	\$3,514.40	\$3,684.50	\$3,827.94
	Average	\$3,598.85	\$4,268.05	\$3,697.86	\$3,425.77	\$3,537.22	\$3,712.32
Community Well	Age 21-64	\$403.77	\$331.51	\$418.09	\$337.58	\$262.27	\$367.07
	Age 65 and Over	\$232.27	\$148.72	\$285.27	\$215.21	\$230.06	\$197.29
	Average	\$321.27	\$181.66	\$364.14	\$277.47	\$246.98	\$268.96
Weighted Average		\$1,714.42	\$1,356.06	\$1,807.34	\$1,465.19	\$1,647.65	\$1,572.25

Note:

Weighted Averages are based on July 2015 Member Month Distribution

NHE rates will be adjusted by MEMA calculations over the time period of the demonstration.



Table 10
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Duals Base Rates Effective July 1, 2016 – December 31, 2016

MEG	Age Group	Region					CY 2016 Average
		Central Virginia	Northern Virginia	Southwest/ Roanoke	Tidewater	Western/ Charlottesville	
Nursing Home Eligible Institutional	Age 21-64	\$5,123.77	\$6,358.51	\$5,250.62	\$5,161.67	\$4,663.92	\$5,343.08
	Age 65 and Over	\$5,192.63	\$6,233.98	\$5,002.17	\$5,008.34	\$5,033.46	\$5,257.87
	Average	\$5,183.81	\$6,252.13	\$5,028.41	\$5,030.44	\$4,994.57	\$5,268.67
Nursing Home Eligible Waiver	Age 21-64	\$2,620.26	\$3,374.11	\$2,450.51	\$2,643.74	\$2,520.74	\$2,671.17
	Age 65 and Over	\$2,465.40	\$3,433.85	\$2,252.18	\$2,461.89	\$2,183.18	\$2,696.94
	Average	\$2,513.84	\$3,425.69	\$2,328.06	\$2,519.04	\$2,292.61	\$2,689.68
Nursing Home Eligible	Age 21-64	\$3,191.24	\$4,356.52	\$3,088.02	\$3,199.96	\$2,996.33	\$3,309.90
	Age 65 and Over	\$3,768.60	\$4,309.51	\$3,922.58	\$3,570.78	\$3,715.71	\$3,873.02
	Average	\$3,632.69	\$4,316.06	\$3,722.65	\$3,478.33	\$3,556.16	\$3,750.20
Community Well	Age 21-64	\$404.46	\$331.69	\$418.29	\$337.62	\$262.73	\$367.40
	Age 65 and Over	\$232.20	\$147.02	\$285.27	\$215.03	\$230.11	\$196.49
	Average	\$321.59	\$180.30	\$364.26	\$277.41	\$247.25	\$268.63
Weighted Average		\$1,728.98	\$1,368.89	\$1,818.14	\$1,484.99	\$1,655.87	\$1,586.39

Note:

Weighted Averages are based on July 2015 Member Month Distribution

NHE rates will be adjusted by MEMA calculations over the time period of the demonstration.



Table 11
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Comparison of Duals Base Rates – Rates effective January 1, 2016 – June 30, 2016 vs July 1, 2016 – December 31, 2016

MEG	Age Group	Region					CY 2016 Average
		Central Virginia	Northern Virginia	Southwest/ Roanoke	Tidewater with Accomack and Northampton	Western/ Charlottesville	
Nursing Home Eligible Institutional	Age 21-64	1.44%	1.31%	1.39%	1.46%	1.50%	1.41%
	Age 65 and Over	1.47%	1.33%	1.50%	1.50%	1.50%	1.46%
	Average	1.47%	1.33%	1.49%	1.49%	1.50%	1.45%
Nursing Home Eligible Waiver	Age 21-64	-0.27%	-0.16%	-1.58%	1.21%	-1.97%	-0.28%
	Age 65 and Over	0.38%	1.13%	-0.88%	1.77%	-0.86%	0.72%
	Average	0.17%	0.96%	-1.16%	1.59%	-1.26%	0.44%
Nursing Home Eligible	Age 21-64	0.35%	0.54%	-0.45%	1.30%	-0.80%	0.37%
	Age 65 and Over	1.09%	1.22%	0.95%	1.60%	0.85%	1.18%
	Average	0.94%	1.12%	0.67%	1.53%	0.54%	1.02%
Community Well	Age 21-64	0.17%	0.05%	0.05%	0.01%	0.18%	0.09%
	Age 65 and Over	-0.03%	-1.15%	0.00%	-0.08%	0.02%	-0.41%
	Average	0.10%	-0.75%	0.03%	-0.02%	0.11%	-0.12%
Weighted Average		0.85%	0.95%	0.60%	1.35%	0.50%	0.90%

Note:

Weighted Averages are based on July 2015 Member Month Distribution

NHE rates will be adjusted by MEMA calculations over the time period of the demonstration.



Table 12
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
MEMA: NHE-Institutional and NHE-Waiver Eligibles
Schedule for Healthplan MEMA Updates

Region	Auto Enrollment	Effective Dates		
		Three Month Actual	CY16 1 st MEMA Reset	CY16 Mid-Year MEMA Reset
Phase I				
Tidewater	July 2014			
	August 2014	October 2014	January 2016	July 2016
Central VA	September 2014	December 2014	January 2016	July 2016
Phase II				
SW/Roanoke	October 2014	January 2015	January 2016	July 2016
W/Charlottesville	October 2014	January 2015	January 2016	July 2016
NOVA	November 2014	February 2015	January 2016	July 2016



Table 13
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Tidewater MEMA: Benchmark and Voluntary and Auto Enrollment
Member Months: January 2016 Eligibles Compared to June 2016 Enrollees

		Tidewater				
		January 2016		June 2016		
MEG	Age Group	Eligibles	% Distribution	Enrolled	% Distribution	% Jan Eligibles
Nursing Home Eligible	Age 21 - 64	1,623	8.6%	448	5.7%	27.6%
	Age 65 and Over	4,323	22.8%	1,220	15.6%	28.2%
Nursing Home Eligible Total		5,947	31.3%	1,668	21.4%	28.1%
Community Well	Age 21-64	7,434	39.2%	3,858	49.4%	51.9%
	Age 65 and Over	5,599	29.5%	2,280	29.2%	40.7%
Community Well Total		13,033	68.7%	6,138	78.6%	47.1%
Total		18,979	100.0%	7,806	100.0%	41.1%



Table 14
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Central VA MEMA: Benchmark and Voluntary and Auto Enrollment
Member Months: January 2016 Eligibles Compared to June 2016 Enrollees

		Central Virginia				
		January 2016		June 2016		
MEG	Age Group	Eligibles	% Distribution	Enrolled	% Distribution	% Jan Eligibles
Nursing Home Eligible	Age 21 - 64	2,048	8.8%	521	5.8%	25.4%
	Age 65 and Over	5,976	25.8%	1,710	19.1%	28.6%
Nursing Home Eligible Total		8,024	34.6%	2,231	24.9%	27.8%
Community Well	Age 21-64	8,451	36.4%	4,047	45.2%	47.9%
	Age 65 and Over	6,717	29.0%	2,674	29.9%	39.8%
Community Well Total		15,168	65.4%	6,721	75.1%	44.3%
Total		23,192	100.0%	8,952	100.0%	38.6%



Table 15
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Southwest/Roanoke MEMA: Benchmark and Voluntary and Auto Enrollment
Member Months: January 2016 Eligibles Compared to June 2016 Enrollees

		Southwest / Roanoke				
		January 2016		June 2016		
MEG	Age Group	Eligibles	% Distribution	Enrolled	% Distribution	% Jan Eligibles
Nursing Home Eligible	Age 21 - 64	1,175	9.6%	318	6.7%	27.1%
	Age 65 and Over	2,918	23.9%	775	16.4%	26.6%
Nursing Home Eligible Total		4,093	33.5%	1,093	23.1%	26.7%
Community Well	Age 21-64	5,126	42.0%	2,428	51.4%	47.4%
	Age 65 and Over	2,993	24.5%	1,206	25.5%	40.3%
Community Well Total		8,119	66.5%	3,634	76.9%	44.8%
Total		12,212	100.0%	4,727	100.0%	38.7%



Table 16
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Western/Charlottesville MEMA: Benchmark and Voluntary and Auto Enrollment
Member Months: January 2016 Eligibles Compared to June 2016 Enrollees

		Western / Charlottesville				
		January 2016		June 2016		
MEG	Age Group	Eligibles	% Distribution	Enrolled	% Distribution	% Jan Eligibles
Nursing Home Eligible	Age 21 - 64	629	9.7%	183	7.2%	29.1%
	Age 65 and Over	1,713	26.5%	521	20.6%	30.4%
Nursing Home Eligible Total		2,342	36.2%	704	27.8%	30.0%
Community Well	Age 21-64	2,356	36.4%	1,085	42.9%	46.1%
	Age 65 and Over	1,774	27.4%	740	29.3%	41.7%
Community Well Total		4,130	63.8%	1,825	72.2%	44.2%
Total		6,472	100.0%	2,529	100.0%	39.1%



Table 17
Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Northern Virginia MEMA: Benchmark and Voluntary and Auto Enrollment
Member Months: January 2016 Eligibles Compared to June 2016 Enrollees

		Northern Virginia				
		January 2016		June 2016		
MEG	Age Group	Eligibles	% Distribution	Enrolled	% Distribution	% Jan Eligibles
Nursing Home Eligible	Age 21 - 64	729	4.2%	153	5.2%	21.0%
	Age 65 and Over	4,112	23.7%	517	17.6%	12.6%
Nursing Home Eligible Total		4,841	27.9%	670	22.8%	13.8%
Community Well	Age 21-64	2,601	15.0%	760	25.9%	29.2%
	Age 65 and Over	9,910	57.1%	1,510	51.4%	15.2%
Community Well Total		12,511	72.1%	2,270	77.2%	18.1%
Total		17,351	100.0%	2,940	100.0%	16.9%

Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Blending of Nursing Home Eligible - Institutional and Nursing Home Eligible - Waiver
Tidewater Base Rates Effective July 1, 2016 - December 31, 2016

Exhibit 5a

		Tidewater			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
CY 2016 Base Capitation Rates					
Nursing Home Eligible Institutional	Age 21 - 64	\$5,161.67	\$5,161.67	\$5,161.67	\$5,161.67
	Age 65 and Over	\$5,008.34	\$5,008.34	\$5,008.34	\$5,008.34
	Average	\$5,040.94	\$5,036.98	\$5,035.94	\$5,038.52
Nursing Home Eligible Waiver	Age 21 - 64	\$2,643.74	\$2,643.74	\$2,643.74	\$2,643.74
	Age 65 and Over	\$2,461.89	\$2,461.89	\$2,461.89	\$2,461.89
	Average	\$2,528.89	\$2,518.79	\$2,522.51	\$2,524.05

		Tidewater June 2016 Enrollment Distribution			
Nursing Home Eligible Institutional	Age 21 - 64	78	61	27	166
	Age 65 and Over	289	266	123	677
	Total	367	327	150	843
Nursing Home Eligible Waiver	Age 21 - 64	147	107	28	282
	Age 65 and Over	252	235	56	543
	Total	399	342	84	825

		Blended CY 2016 Base Capitation Rates			
Nursing Home Eligible	Age 21 - 64	\$3,516.62	\$3,557.99	\$3,879.04	\$3,576.60
	Age 65 and Over	\$3,821.83	\$3,812.71	\$4,210.94	\$3,875.12
	Average	\$3,732.16	\$3,748.69	\$4,132.91	\$3,794.95

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Historical Fee-For-Service Data
 Summary of Tidewater Base Capitation Rates Effective July 1, 2016 - December 31, 2016**

Exhibit 5b

MEG	Age Group	Tidewater			
		HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,516.62	\$3,557.99	\$3,879.04	\$3,576.60
	Age 65 and Over	\$3,821.83	\$3,812.71	\$4,210.94	\$3,875.12
	Average	\$3,732.16	\$3,748.69	\$4,132.91	\$3,794.95
Community Well	Age 21-64	\$337.62	\$337.62	\$337.62	\$337.62
	Age 65 and Over	\$215.03	\$215.03	\$215.03	\$215.03
	Average	\$292.80	\$286.54	\$301.54	\$292.09
Weighted Average		\$1,006.62	\$1,103.79	\$999.18	\$1,040.65

Note:
 Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Second Year Savings Percentage Adjustment**

Exhibit 5c

	Adjustment Value	Source
Second Year Savings Percentage	1.0%	Provided by DMAS

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Historical Fee-For-Service Data
 Summary of Tidewater Base Capitation Rates Effective July 1, 2016 - December 31, 2016
 With 1% Savings Percentage**

Exhibit 5d

MEG	Age Group	Tidewater			
		HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,481.45	\$3,522.41	\$3,840.24	\$3,540.84
	Age 65 and Over	\$3,783.61	\$3,774.58	\$4,168.83	\$3,836.37
	Average	\$3,694.84	\$3,711.21	\$4,091.58	\$3,757.00
Community Well	Age 21-64	\$334.25	\$334.25	\$334.25	\$334.25
	Age 65 and Over	\$212.88	\$212.88	\$212.88	\$212.88
	Average	\$289.87	\$283.68	\$298.52	\$289.17
Weighted Average		\$996.55	\$1,092.75	\$989.19	\$1,030.24

Note:
 Weighted Averages are based on June 2016 Enrollment Distribution

Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Quality Withhold Percentage Adjustment

Exhibit 5e

	Adjustment Value		Source
Quality Withhold	2.0%	Provided by DMAS	

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Historical Fee-For-Service Data
 Summary of Tidewater Base Capitation Rates Effective July 1, 2016 - December 31, 2016
 With 1% Savings Percentage & Net 2% Quality Withhold**

Exhibit 5f

MEG	Age Group	Tidewater			
		HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,411.83	\$3,451.96	\$3,763.44	\$3,470.02
	Age 65 and Over	\$3,707.94	\$3,699.09	\$4,085.46	\$3,759.64
	Average	\$3,620.94	\$3,636.98	\$4,009.75	\$3,681.86
Community Well	Age 21-64	\$327.56	\$327.56	\$327.56	\$327.56
	Age 65 and Over	\$208.63	\$208.63	\$208.63	\$208.63
	Average	\$284.08	\$278.00	\$292.55	\$283.39
Weighted Average		\$976.62	\$1,070.90	\$969.40	\$1,009.64

Note:
 Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Member Months of Enrollees
 June 2016 Member Month Distribution**

Exhibit 5g

		Tidewater			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Total
Nursing Home Eligible	Age 21 - 64	225	168	55	448
	Age 65 and Over	541	501	179	1,220
Nursing Home Eligible Total		766	669	234	1,668
Community Well	Age 21 - 64	1,855	1,262	741	3,858
	Age 65 and Over	1,069	902	309	2,280
Community Well Total		2,924	2,164	1,050	6,138
Total		3,690	2,832	1,284	7,806

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
County Listing by Region**

Exhibit 6

Central Virginia	Northern Virginia	Southwest/ Roanoke	Tidewater	Western/ Charlottesville	
Amelia County	Lunenburg County	Alexandria City	Alleghany County	Chesapeake City	Albemarle County
Brunswick County	Mecklenburg County	Arlington County	Bath County	Gloucester County	Augusta County
Caroline County	Middlesex County	Culpeper County	Bedford City	Hampton City	Buckingham County
Charles City County	New Kent County	Fairfax City	Bedford County	Isle of Wight County	Charlottesville City
Chesterfield County	Northumberland County	Fairfax County	Botetourt County	James City County	Fluvanna County
Colonial Heights City	Nottoway County	Falls Church City	Buena Vista City	Mathews County	Greene County
Cumberland County	Petersburg City	Fauquier County	Covington City	Newport News City	Harrisonburg City
Dinwiddie County	Powhatan County	Loudoun County	Craig County	Norfolk City	Louisa County
Emporia City	Prince Edward County	Manassas City	Floyd County	Northampton County	Madison County
Essex County	Prince George County	Manassas Park City	Franklin County	Poquoson City	Nelson County
Franklin City	Richmond City	Prince William County	Giles County	Portsmouth City	Orange County
Fredericksburg City	Richmond County		Henry County	Suffolk City	Rockingham County
Goochland County	Southampton County		Highland County	Virginia Beach City	Staunton City
Greensville County	Spotsylvania County		Lexington City	Williamsburg City	Waynesboro City
Hanover County	Stafford County		Martinsville City	York County	
Henrico County	Surry County		Montgomery County		
Hopewell City	Sussex County		Patrick County		
King George County	Westmoreland County		Pulaski County		
King William County			Radford City		
King and Queen County			Roanoke City		
Lancaster County			Roanoke County		
			Rockbridge County		
			Salem City		
			Wythe County		

Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Blending of Nursing Home Eligible - Institutional and Nursing Home Eligible - Waiver
Central Virginia Base Rates Effective July 1, 2016 - December 31, 2016

Exhibit 5a

		Central Virginia			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
CY 2016 Base Capitation Rates					
Nursing Home Eligible Institutional	Age 21 - 64	\$5,123.77	\$5,123.77	\$5,123.77	\$5,123.77
	Age 65 and Over	\$5,192.63	\$5,192.63	\$5,192.63	\$5,192.63
	Average	\$5,183.26	\$5,182.37	\$5,181.18	\$5,182.45
Nursing Home Eligible Waiver	Age 21 - 64	\$2,620.26	\$2,620.26	\$2,620.26	\$2,620.26
	Age 65 and Over	\$2,465.40	\$2,465.40	\$2,465.40	\$2,465.40
	Average	\$2,519.44	\$2,504.49	\$2,516.75	\$2,513.35

		Central Virginia June 2016 Enrollment Distribution			
Nursing Home Eligible Institutional	Age 21 - 64	57	59	39	155
	Age 65 and Over	360	337	197	894
	Total	417	396	236	1,049
Nursing Home Eligible Waiver	Age 21 - 64	134	104	128	366
	Age 65 and Over	250	308	258	816
	Total	384	412	386	1,182

		Blended CY 2016 Base Capitation Rates			
Nursing Home Eligible	Age 21 - 64	\$3,364.92	\$3,526.44	\$3,208.73	\$3,365.29
	Age 65 and Over	\$4,074.49	\$3,889.72	\$3,646.57	\$3,890.89
	Average	\$3,905.42	\$3,816.41	\$3,528.88	\$3,768.11

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development**

Exhibit 5b

Historical Fee-For-Service Data

Summary of Central Virginia Base Capitation Rates Effective July 1, 2016 - December 31, 2016

MEG	Age Group	Central Virginia			
		HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,364.92	\$3,526.44	\$3,208.73	\$3,365.29
	Age 65 and Over	\$4,074.49	\$3,889.72	\$3,646.57	\$3,890.89
	Average	\$3,905.42	\$3,816.41	\$3,528.88	\$3,768.11
Community Well	Age 21-64	\$404.46	\$404.46	\$404.46	\$404.46
	Age 65 and Over	\$232.20	\$232.20	\$232.20	\$232.20
	Average	\$341.78	\$330.28	\$334.29	\$335.91
Weighted Average		\$1,175.17	\$1,274.53	\$1,115.06	\$1,191.16

Note:
Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Second Year Savings Percentage Adjustment**

Exhibit 5c

	Adjustment Value		Source
Second Year Savings Percentage	1.0%	Provided by DMAS	

Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Summary of Central Virginia Base Capitation Rates Effective July 1, 2016 - December 31, 2016
With 1% Savings Percentage

Exhibit 5d

		Central Virginia			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,331.28	\$3,491.17	\$3,176.65	\$3,331.64
	Age 65 and Over	\$4,033.74	\$3,850.82	\$3,610.10	\$3,851.98
	Average	\$3,866.37	\$3,778.24	\$3,493.59	\$3,730.43
Community Well	Age 21-64	\$400.41	\$400.41	\$400.41	\$400.41
	Age 65 and Over	\$229.87	\$229.87	\$229.87	\$229.87
	Average	\$338.36	\$326.97	\$330.95	\$332.55
Weighted Average		\$1,163.42	\$1,261.78	\$1,103.91	\$1,179.25

Note:
 Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Quality Withhold Percentage Adjustment**

Exhibit 5e

	Adjustment Value		Source
Quality Withhold	2.0%	Provided by DMAS	

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development**

Exhibit 5f

Historical Fee-For-Service Data

Summary of Central Virginia Base Capitation Rates Effective July 1, 2016 - December 31, 2016

With 1% Savings Percentage & Net 2% Quality Withhold

MEG	Age Group	Central Virginia			Regional Average
		HealthKeepers	Humana	Virginia Premier	
Nursing Home Eligible	Age 21-64	\$3,264.65	\$3,421.35	\$3,113.11	\$3,265.00
	Age 65 and Over	\$3,953.07	\$3,773.81	\$3,537.90	\$3,774.94
	Average	\$3,789.04	\$3,702.68	\$3,423.71	\$3,655.82
Community Well	Age 21-64	\$392.40	\$392.40	\$392.40	\$392.40
	Age 65 and Over	\$225.28	\$225.28	\$225.28	\$225.28
	Average	\$331.59	\$320.43	\$324.33	\$325.90
Weighted Average		\$1,140.15	\$1,236.54	\$1,081.83	\$1,155.66

Note:
Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Member Months of Enrollees
 June 2016 Member Month Distribution**

Exhibit 5g

		Central Virginia			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Total
Nursing Home Eligible	Age 21 - 64	191	163	167	521
	Age 65 and Over	610	645	455	1,710
Nursing Home Eligible Total		801	808	623	2,231
Community Well	Age 21 - 64	1,668	1,238	1,141	4,047
	Age 65 and Over	954	936	784	2,674
Community Well Total		2,623	2,174	1,925	6,721
Total		3,423	2,982	2,547	8,952

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
County Listing by Region**

Exhibit 6

Central Virginia	Northern Virginia	Southwest/ Roanoke	Tidewater	Western/ Charlottesville	
Amelia County	Lunenburg County	Alexandria City	Alleghany County	Chesapeake City	Albemarle County
Brunswick County	Mecklenburg County	Arlington County	Bath County	Gloucester County	Augusta County
Caroline County	Middlesex County	Culpeper County	Bedford City	Hampton City	Buckingham County
Charles City County	New Kent County	Fairfax City	Bedford County	Isle of Wight County	Charlottesville City
Chesterfield County	Northumberland County	Fairfax County	Botetourt County	James City County	Fluvanna County
Colonial Heights City	Nottoway County	Falls Church City	Buena Vista City	Mathews County	Greene County
Cumberland County	Petersburg City	Fauquier County	Covington City	Newport News City	Harrisonburg City
Dinwiddie County	Powhatan County	Loudoun County	Craig County	Norfolk City	Louisa County
Emporia City	Prince Edward County	Manassas City	Floyd County	Northampton County	Madison County
Essex County	Prince George County	Manassas Park City	Franklin County	Poquoson City	Nelson County
Franklin City	Richmond City	Prince William County	Giles County	Portsmouth City	Orange County
Fredericksburg City	Richmond County		Henry County	Suffolk City	Rockingham County
Goochland County	Southampton County		Highland County	Virginia Beach City	Staunton City
Greensville County	Spotsylvania County		Lexington City	Williamsburg City	Waynesboro City
Hanover County	Stafford County		Martinsville City	York County	
Henrico County	Surry County		Montgomery County		
Hopewell City	Sussex County		Patrick County		
King George County	Westmoreland County		Pulaski County		
King William County			Radford City		
King and Queen County			Roanoke City		
Lancaster County			Roanoke County		
			Rockbridge County		
			Salem City		
			Wythe County		

Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Blending of Nursing Home Eligible - Institutional and Nursing Home Eligible - Waiver
Southwest/Roanoke Base Rates Effective July 1, 2016 - December 31, 2016

Exhibit 5a

		Southwest/Roanoke			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
CY 2016 Base Capitation Rates					
Nursing Home Eligible Institutional	Age 21 - 64	\$5,250.62	\$5,250.62	\$5,250.62	\$5,250.62
	Age 65 and Over	\$5,002.17	\$5,002.17	\$5,002.17	\$5,002.17
	Average	\$5,053.38	\$5,054.39	\$5,041.39	\$5,051.71
Nursing Home Eligible Waiver	Age 21 - 64	\$2,450.51	\$2,450.51	\$2,450.51	\$2,450.51
	Age 65 and Over	\$2,252.18	\$2,252.18	\$2,252.18	\$2,252.18
	Average	\$2,351.92	\$2,323.58	\$2,325.89	\$2,334.78

		Southwest/Roanoke June 2016 Enrollment Distribution			
Nursing Home Eligible Institutional	Age 21 - 64	44	64	18	126
	Age 65 and Over	169	241	96	506
	Total	213	305	114	632
Nursing Home Eligible Waiver	Age 21 - 64	87	63	42	192
	Age 65 and Over	86	112	71	269
	Total	173	175	113	461

		Blended CY 2016 Base Capitation Rates			
Nursing Home Eligible	Age 21 - 64	\$3,391.01	\$3,861.59	\$3,290.54	\$3,559.99
	Age 65 and Over	\$4,076.42	\$4,128.42	\$3,833.25	\$4,047.66
	Average	\$3,844.09	\$4,057.74	\$3,689.82	\$3,905.77

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data**

Exhibit 5b

Summary of Southwest/Roanoke Base Capitation Rates Effective July 1, 2016 - December 31, 2016

MEG	Age Group	Southwest/Roanoke			
		HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,391.01	\$3,861.59	\$3,290.54	\$3,559.99
	Age 65 and Over	\$4,076.42	\$4,128.42	\$3,833.25	\$4,047.66
	Average	\$3,844.09	\$4,057.74	\$3,689.82	\$3,905.77
Community Well	Age 21-64	\$418.29	\$418.29	\$418.29	\$418.29
	Age 65 and Over	\$285.27	\$285.27	\$285.27	\$285.27
	Average	\$375.74	\$370.94	\$376.68	\$374.15
Weighted Average		\$1,152.33	\$1,319.85	\$1,037.66	\$1,190.75

Note:
Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Second Year Savings Percentage Adjustment**

Exhibit 5c

	Adjustment Value	Source
Second Year Savings Percentage	1.0%	Provided by DMAS

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development**

Exhibit 5d

Historical Fee-For-Service Data

Summary of Southwest/Roanoke Base Capitation Rates Effective July 1, 2016 - December 31, 2016

With 1% Savings Percentage

MEG	Age Group	Southwest/Roanoke			
		HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,357.10	\$3,822.97	\$3,257.64	\$3,524.39
	Age 65 and Over	\$4,035.65	\$4,087.13	\$3,794.91	\$4,007.18
	Average	\$3,805.64	\$4,017.17	\$3,652.92	\$3,866.72
Community Well	Age 21-64	\$414.11	\$414.11	\$414.11	\$414.11
	Age 65 and Over	\$282.42	\$282.42	\$282.42	\$282.42
	Average	\$371.98	\$367.23	\$372.91	\$370.40
Weighted Average		\$1,140.81	\$1,306.65	\$1,027.28	\$1,178.84

Note:

Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Quality Withhold Percentage Adjustment**

Exhibit 5e

	Adjustment Value		Source
Quality Withhold	2.0%	Provided by DMAS	

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development**

Exhibit 5f

Historical Fee-For-Service Data

Summary of Southwest/Roanoke Base Capitation Rates Effective July 1, 2016 - December 31, 2016

With 1% Savings Percentage & Net 2% Quality Withhold

		Southwest/Roanoke			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,289.95	\$3,746.51	\$3,192.49	\$3,453.90
	Age 65 and Over	\$3,954.94	\$4,005.39	\$3,719.02	\$3,927.04
	Average	\$3,729.53	\$3,936.82	\$3,579.87	\$3,789.38
Community Well	Age 21-64	\$405.82	\$405.82	\$405.82	\$405.82
	Age 65 and Over	\$276.77	\$276.77	\$276.77	\$276.77
	Average	\$364.54	\$359.88	\$365.45	\$363.00
Weighted Average		\$1,117.99	\$1,280.52	\$1,006.74	\$1,155.26

Note:
Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Member Months of Enrollees
 June 2016 Member Month Distribution**

Exhibit 5g

		Southwest/Roanoke			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Total
Nursing Home Eligible	Age 21 - 64	131	127	60	318
	Age 65 and Over	255	353	167	775
Nursing Home Eligible Total		386	480	227	1,093
Community Well	Age 21 - 64	911	891	626	2,428
	Age 65 and Over	429	493	285	1,206
Community Well Total		1,340	1,384	911	3,634
Total		1,726	1,863	1,138	4,727

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
County Listing by Region**

Exhibit 6

Central Virginia	Northern Virginia	Southwest/ Roanoke	Tidewater	Western/ Charlottesville	
Amelia County	Lunenburg County	Alexandria City	Alleghany County	Chesapeake City	Albemarle County
Brunswick County	Mecklenburg County	Arlington County	Bath County	Gloucester County	Augusta County
Caroline County	Middlesex County	Culpeper County	Bedford City	Hampton City	Buckingham County
Charles City County	New Kent County	Fairfax City	Bedford County	Isle of Wight County	Charlottesville City
Chesterfield County	Northumberland County	Fairfax County	Botetourt County	James City County	Fluvanna County
Colonial Heights City	Nottoway County	Falls Church City	Buena Vista City	Mathews County	Greene County
Cumberland County	Petersburg City	Fauquier County	Covington City	Newport News City	Harrisonburg City
Dinwiddie County	Powhatan County	Loudoun County	Craig County	Norfolk City	Louisa County
Emporia City	Prince Edward County	Manassas City	Floyd County	Northampton County	Madison County
Essex County	Prince George County	Manassas Park City	Franklin County	Poquoson City	Nelson County
Franklin City	Richmond City	Prince William County	Giles County	Portsmouth City	Orange County
Fredericksburg City	Richmond County		Henry County	Suffolk City	Rockingham County
Goochland County	Southampton County		Highland County	Virginia Beach City	Staunton City
Greensville County	Spotsylvania County		Lexington City	Williamsburg City	Waynesboro City
Hanover County	Stafford County		Martinsville City	York County	
Henrico County	Surry County		Montgomery County		
Hopewell City	Sussex County		Patrick County		
King George County	Westmoreland County		Pulaski County		
King William County			Radford City		
King and Queen County			Roanoke City		
Lancaster County			Roanoke County		
			Rockbridge County		
			Salem City		
			Wythe County		

Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Blending of Nursing Home Eligible - Institutional and Nursing Home Eligible - Waiver
Western/Charlottesville Base Rates Effective July 1, 2016 - December 31, 2016

Exhibit 5a

		Western/Charlottesville			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
CY 2016 Base Capitation Rates					
Nursing Home Eligible Institutional	Age 21 - 64	\$4,663.92	\$4,663.92	\$4,663.92	\$4,663.92
	Age 65 and Over	\$5,033.46	\$5,033.46	\$5,033.46	\$5,033.46
	Average	\$4,973.75	\$4,968.94	\$4,975.39	\$4,971.98
Nursing Home Eligible Waiver	Age 21 - 64	\$2,520.74	\$2,520.74	\$2,520.74	\$2,520.74
	Age 65 and Over	\$2,183.18	\$2,183.18	\$2,183.18	\$2,183.18
	Average	\$2,311.45	\$2,271.41	\$2,316.99	\$2,303.12

		Western/Charlottesville June 2016 Enrollment Distribution			
Nursing Home Eligible Institutional	Age 21 - 64	21	27	11	59
	Age 65 and Over	109	128	59	296
	Total	130	155	70	355
Nursing Home Eligible Waiver	Age 21 - 64	57	23	44	124
	Age 65 and Over	93	65	67	225
	Total	150	88	111	349

		Blended CY 2016 Base Capitation Rates			
Nursing Home Eligible	Age 21 - 64	\$3,097.75	\$3,678.06	\$2,949.38	\$3,211.71
	Age 65 and Over	\$3,720.99	\$4,071.70	\$3,517.84	\$3,801.59
	Average	\$3,547.35	\$3,990.58	\$3,345.10	\$3,648.17

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data**

Exhibit 5b

Summary of Western/Charlottesville Base Capitation Rates Effective July 1, 2016 - December 31, 2016

		Western/Charlottesville			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,097.75	\$3,678.06	\$2,949.38	\$3,211.71
	Age 65 and Over	\$3,720.99	\$4,071.70	\$3,517.84	\$3,801.59
	Average	\$3,547.35	\$3,990.58	\$3,345.10	\$3,648.17
Community Well	Age 21-64	\$262.73	\$262.73	\$262.73	\$262.73
	Age 65 and Over	\$230.11	\$230.11	\$230.11	\$230.11
	Average	\$250.48	\$247.94	\$249.24	\$249.50
Weighted Average		\$1,038.04	\$1,502.44	\$1,134.47	\$1,195.10

Note:
Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Second Year Savings Percentage Adjustment**

Exhibit 5c

	Adjustment Value		Source
Second Year Savings Percentage	1.0%	Provided by DMAS	

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Historical Fee-For-Service Data
 Summary of Western/Charlottesville Base Capitation Rates Effective July 1, 2016 - December 31, 2016
 With 1% Savings Percentage**

Exhibit 5d

		Western/Charlottesville			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,066.77	\$3,641.28	\$2,919.88	\$3,179.59
	Age 65 and Over	\$3,683.78	\$4,030.98	\$3,482.66	\$3,763.57
	Average	\$3,511.88	\$3,950.67	\$3,311.65	\$3,611.69
Community Well	Age 21-64	\$260.10	\$260.10	\$260.10	\$260.10
	Age 65 and Over	\$227.81	\$227.81	\$227.81	\$227.81
	Average	\$247.98	\$245.46	\$246.74	\$247.01
Weighted Average		\$1,027.66	\$1,487.41	\$1,123.12	\$1,183.15

Note:
 Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Quality Withhold Percentage Adjustment**

Exhibit 5e

	Adjustment Value		Source
Quality Withhold	2.0%	Provided by DMAS	

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development**

Exhibit 5f

Historical Fee-For-Service Data

Summary of Western/Charlottesville Base Capitation Rates Effective July 1, 2016 - December 31, 2016

With 1% Savings Percentage & Net 2% Quality Withhold

		Western/Charlottesville			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,005.44	\$3,568.45	\$2,861.49	\$3,116.00
	Age 65 and Over	\$3,610.10	\$3,950.36	\$3,413.01	\$3,688.30
	Average	\$3,441.64	\$3,871.66	\$3,245.42	\$3,539.45
Community Well	Age 21-64	\$254.90	\$254.90	\$254.90	\$254.90
	Age 65 and Over	\$223.26	\$223.26	\$223.26	\$223.26
	Average	\$243.02	\$240.55	\$241.81	\$242.07
Weighted Average		\$1,007.10	\$1,457.66	\$1,100.66	\$1,159.49

Note:
Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Member Months of Enrollees
 June 2016 Member Month Distribution**

Exhibit 5g

		Western/Charlottesville			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Total
Nursing Home Eligible	Age 21 - 64	78	50	55	183
	Age 65 and Over	202	193	126	521
Nursing Home Eligible Total		280	243	181	704
Community Well	Age 21 - 64	557	263	265	1,085
	Age 65 and Over	335	218	187	740
Community Well Total		892	481	452	1,825
Total		1,172	724	633	2,529

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
County Listing by Region**

Exhibit 6

Central Virginia	Northern Virginia	Southwest/ Roanoke	Tidewater	Western/ Charlottesville	
Amelia County	Lunenburg County	Alexandria City	Alleghany County	Chesapeake City	Albemarle County
Brunswick County	Mecklenburg County	Arlington County	Bath County	Gloucester County	Augusta County
Caroline County	Middlesex County	Culpeper County	Bedford City	Hampton City	Buckingham County
Charles City County	New Kent County	Fairfax City	Bedford County	Isle of Wight County	Charlottesville City
Chesterfield County	Northumberland County	Fairfax County	Botetourt County	James City County	Fluvanna County
Colonial Heights City	Nottoway County	Falls Church City	Buena Vista City	Mathews County	Greene County
Cumberland County	Petersburg City	Fauquier County	Covington City	Newport News City	Harrisonburg City
Dinwiddie County	Powhatan County	Loudoun County	Craig County	Norfolk City	Louisa County
Emporia City	Prince Edward County	Manassas City	Floyd County	Northampton County	Madison County
Essex County	Prince George County	Manassas Park City	Franklin County	Poquoson City	Nelson County
Franklin City	Richmond City	Prince William County	Giles County	Portsmouth City	Orange County
Fredericksburg City	Richmond County		Henry County	Suffolk City	Rockingham County
Goochland County	Southampton County		Highland County	Virginia Beach City	Staunton City
Greensville County	Spotsylvania County		Lexington City	Williamsburg City	Waynesboro City
Hanover County	Stafford County		Martinsville City	York County	
Henrico County	Surry County		Montgomery County		
Hopewell City	Sussex County		Patrick County		
King George County	Westmoreland County		Pulaski County		
King William County			Radford City		
King and Queen County			Roanoke City		
Lancaster County			Roanoke County		
			Rockbridge County		
			Salem City		
			Wythe County		

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Historical Fee-For-Service Data
 Blending of Nursing Home Eligible - Institutional and Nursing Home Eligible - Waiver
 Northern Virginia Base Rates Effective July 1, 2016 - December 31, 2016**

Exhibit 5a

		Northern Virginia			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
CY 2016 Base Capitation Rates					
Nursing Home Eligible Institutional	Age 21 - 64	\$6,358.51	\$6,358.51	\$6,358.51	\$6,358.51
	Age 65 and Over	\$6,233.98	\$6,233.98	\$6,233.98	\$6,233.98
	Average	\$6,254.31	\$6,254.14	\$6,256.62	\$6,254.31
Nursing Home Eligible Waiver	Age 21 - 64	\$3,374.11	\$3,374.11	\$3,374.11	\$3,374.11
	Age 65 and Over	\$3,433.85	\$3,433.85	\$3,433.85	\$3,433.85
	Average	\$3,415.30	\$3,415.26	\$3,423.89	\$3,415.45

		Northern Virginia June 2016 Enrollment Distribution			
Nursing Home Eligible Institutional	Age 21 - 64	32	26	2	60
	Age 65 and Over	164	135	9	308
	Total	196	161	11	368
Nursing Home Eligible Waiver	Age 21 - 64	50	42	1	93
	Age 65 and Over	111	93	5	209
	Total	161	135	6	302

		Blended CY 2016 Base Capitation Rates			
Nursing Home Eligible	Age 21 - 64	\$4,538.76	\$4,515.21	\$5,363.71	\$4,544.47
	Age 65 and Over	\$5,103.75	\$5,089.98	\$5,233.93	\$5,101.21
	Average	\$4,973.97	\$4,957.77	\$5,256.84	\$4,974.00

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development**

Exhibit 5b

Historical Fee-For-Service Data

Summary of Northern Virginia Base Capitation Rates Effective July 1, 2016 - December 31, 2016

		Northern Virginia			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$4,538.76	\$4,515.21	\$5,363.71	\$4,544.47
	Age 65 and Over	\$5,103.75	\$5,089.98	\$5,233.93	\$5,101.21
	Average	\$4,973.97	\$4,957.77	\$5,256.84	\$4,974.00
Community Well	Age 21-64	\$331.69	\$331.69	\$331.69	\$331.69
	Age 65 and Over	\$147.02	\$147.02	\$147.02	\$147.02
	Average	\$208.06	\$209.62	\$212.19	\$208.84
Weighted Average		\$1,304.34	\$1,259.51	\$1,893.74	\$1,294.18

Note:
Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Second Year Savings Percentage Adjustment**

Exhibit 5c

	Adjustment Value		Source
Second Year Savings Percentage	1.0%	Provided by DMAS	

Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Summary of Northern Virginia Base Capitation Rates Effective July 1, 2016 - December 31, 2016
With 1% Savings Percentage

Exhibit 5d

		Northern Virginia			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$4,493.37	\$4,470.05	\$5,310.07	\$4,499.02
	Age 65 and Over	\$5,052.71	\$5,039.08	\$5,181.59	\$5,050.20
	Average	\$4,924.23	\$4,908.20	\$5,204.27	\$4,924.26
Community Well	Age 21-64	\$328.37	\$328.37	\$328.37	\$328.37
	Age 65 and Over	\$145.55	\$145.55	\$145.55	\$145.55
	Average	\$205.98	\$207.52	\$210.07	\$206.75
Weighted Average		\$1,291.30	\$1,246.92	\$1,874.80	\$1,281.24

Note:
 Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
Dual Demonstration Program Quality Withhold Percentage Adjustment**

Exhibit 5e

	Adjustment Value		Source
Quality Withhold	2.0%	Provided by DMAS	

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development**

Exhibit 5f

Historical Fee-For-Service Data

Summary of Northern Virginia Base Capitation Rates Effective July 1, 2016 - December 31, 2016

With 1% Savings Percentage & Net 2% Quality Withhold

		Northern Virginia			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$4,403.50	\$4,380.65	\$5,203.87	\$4,409.04
	Age 65 and Over	\$4,951.65	\$4,938.30	\$5,077.96	\$4,949.19
	Average	\$4,825.75	\$4,810.03	\$5,100.18	\$4,825.78
Community Well	Age 21-64	\$321.80	\$321.80	\$321.80	\$321.80
	Age 65 and Over	\$142.64	\$142.64	\$142.64	\$142.64
	Average	\$201.86	\$203.37	\$205.87	\$202.61
Weighted Average		\$1,265.47	\$1,221.98	\$1,837.31	\$1,255.61

Note:
Weighted Averages are based on June 2016 Enrollment Distribution

**Virginia Medicaid
 CY 2016 Dual Demonstration Capitation Rate Development
 Member Months of Enrollees
 June 2016 Member Month Distribution**

Exhibit 5g

		Northern Virginia			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Total
Nursing Home Eligible	Age 21 - 64	82	68	3	153
	Age 65 and Over	275	228	14	517
Nursing Home Eligible Total		357	296	17	670
Community Well	Age 21 - 64	395	353	12	760
	Age 65 and Over	800	688	22	1,510
Community Well Total		1,195	1,041	34	2,270
Total		1,552	1,337	51	2,940

**Virginia Medicaid
CY 2016 Dual Demonstration Capitation Rate Development
County Listing by Region**

Exhibit 6

Central Virginia	Northern Virginia	Southwest/ Roanoke	Tidewater	Western/ Charlottesville	
Amelia County	Lunenburg County	Alexandria City	Alleghany County	Chesapeake City	Albemarle County
Brunswick County	Mecklenburg County	Arlington County	Bath County	Gloucester County	Augusta County
Caroline County	Middlesex County	Culpeper County	Bedford City	Hampton City	Buckingham County
Charles City County	New Kent County	Fairfax City	Bedford County	Isle of Wight County	Charlottesville City
Chesterfield County	Northumberland County	Fairfax County	Botetourt County	James City County	Fluvanna County
Colonial Heights City	Nottoway County	Falls Church City	Buena Vista City	Mathews County	Greene County
Cumberland County	Petersburg City	Fauquier County	Covington City	Newport News City	Harrisonburg City
Dinwiddie County	Powhatan County	Loudoun County	Craig County	Norfolk City	Louisa County
Emporia City	Prince Edward County	Manassas City	Floyd County	Northampton County	Madison County
Essex County	Prince George County	Manassas Park City	Franklin County	Poquoson City	Nelson County
Franklin City	Richmond City	Prince William County	Giles County	Portsmouth City	Orange County
Fredericksburg City	Richmond County		Henry County	Suffolk City	Rockingham County
Goochland County	Southampton County		Highland County	Virginia Beach City	Staunton City
Greensville County	Spotsylvania County		Lexington City	Williamsburg City	Waynesboro City
Hanover County	Stafford County		Martinsville City	York County	
Henrico County	Surry County		Montgomery County		
Hopewell City	Sussex County		Patrick County		
King George County	Westmoreland County		Pulaski County		
King William County			Radford City		
King and Queen County			Roanoke City		
Lancaster County			Roanoke County		
			Rockbridge County		
			Salem City		
			Wythe County		