

**Wisconsin Department of
Health Services**

**Calendar Year 2012
Family Care Capitation Rates**

Prepared by:

PricewaterhouseCoopers

January 2012

January 20, 2012

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Mr. Thomas Lawless
Director
Bureau of Financial Management
Division of Long-Term Care
One West Wilson Street
Madison, WI 53701

Re: 2012 Managed Care Capitation Rate Development for Family Care

Dear Tom:

The enclosed report provides a detailed description of the methodology used to develop the 2012 managed care capitation rates for the Family Care program effective January 1, 2012 through December 31, 2012 in Wisconsin. The methods used for calculating these costs are consistent with Centers for Medicare and Medicaid Services requirements that the capitation rates be actuarially sound and appropriate for the population covered by the program.

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

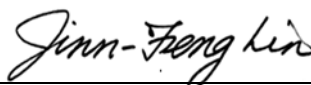
Please call Sandra Hunt at 415-498-5365 or Jinn Lin at 312-298-3792 if you have any questions regarding these rates.

Very truly yours,

PricewaterhouseCoopers LLP



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



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

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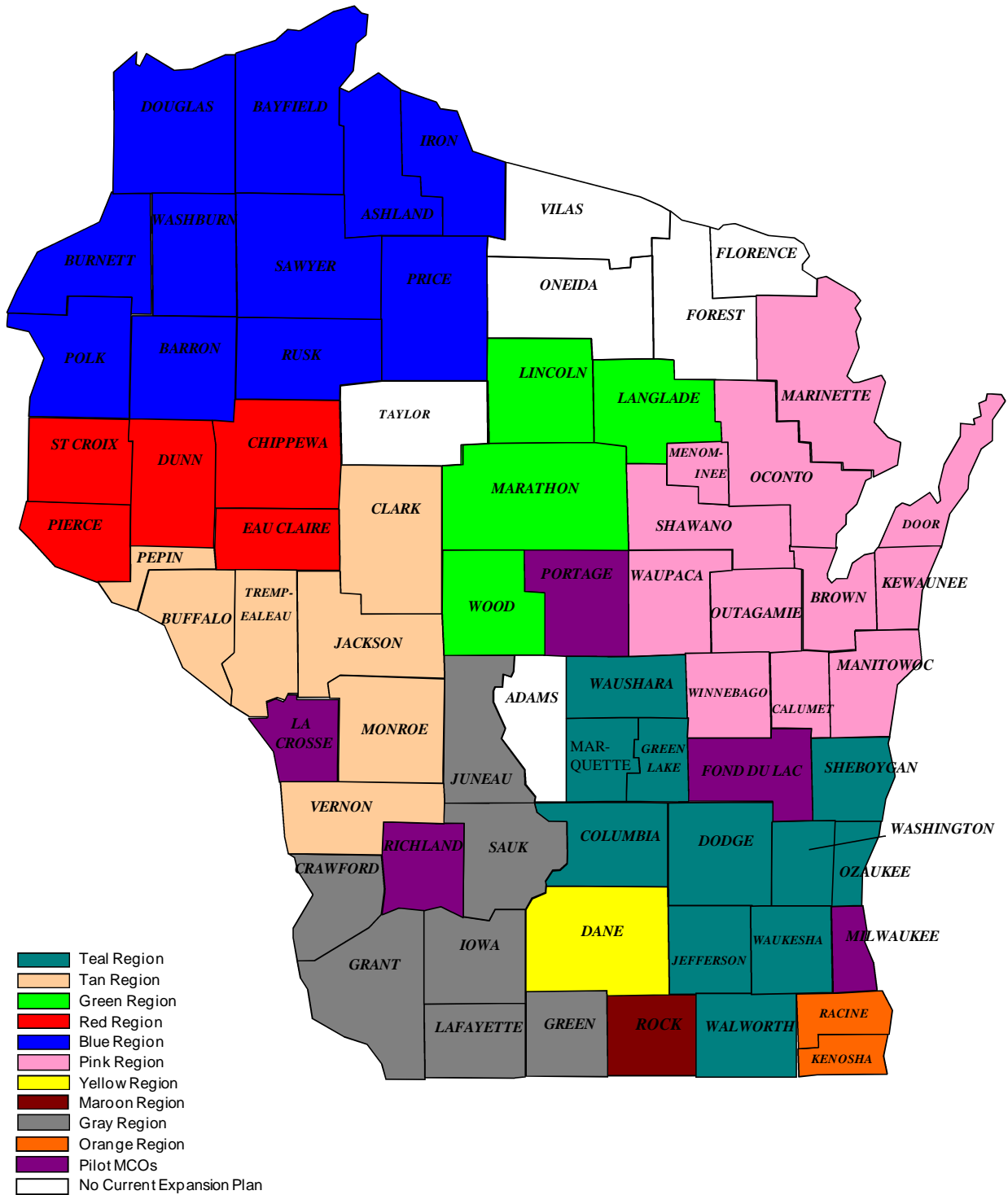
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EXECUTIVE SUMMARY

This report describes the methodology used to develop calendar year 2012 monthly capitation payments for Family Care. This program is sponsored by the State of Wisconsin Department of Health Services and covers long-term care (LTC) services previously provided through the Medicaid State Plan, the Medicaid Home and Community Based Waivers (Waiver), and the Community Options Program (COP). Primary and acute medical services are not covered by Family Care. The following table shows the five original pilot MCOs that have been operating in the Family Care program for approximately 10 years.

Family Care Original Pilot MCOs		
MCO	Implementation Date	Covered Counties
Lakeland Care District (LCD)	Pilot MCO	Fond du Lac
Western Wisconsin Cares (WWC)	Pilot MCO	La Crosse
Milwaukee County Department of Family Care (MCDFC)	Pilot MCO	Milwaukee (Elderly)
Community Care of Central Wisconsin (CCCW)	Pilot MCO	Portage
Southwest Family Care Alliance (SFCA)	Pilot MCO	Richland

The State has been continuing the effort to expand the Family Care program outside of the original, and the current, service areas. The expansion plan that DHS has provided categorizes the State into eleven regions; most being comprised of multiple counties. MCOs did not expand to all counties in their region at the same time, and multiple MCOs may provide service in the same county or region. The map below provides the regional configuration for the Family Care program.



The implementation dates for various MCOs as well as the counties to which they have expanded coverage are detailed below. Implementation dates included in this report reference the date the first county in a region was expanded to by an MCO.

Family Care Expansion Details		
MCO	Implementation Date	Expansion Counties
Community Care	Jan. 1, 2007	Calumet, Kenosha, Milwaukee, Outagamie, Ozaukee, Racine, Sheboygan, Walworth, Washington, Waukesha, & Waupaca
Care Wisconsin	Mar. 1, 2008	Columbia, Dodge, Green Lake, Jefferson, Marquette, Washington, Waukesha, & Waushara
CHP	May 1, 2008	Chippewa, Dunn, Eau Claire, Pierce, & St. Croix
SFCA	Sept. 1, 2008	Crawford, Grant, Green, Iowa, Juneau, Lafayette & Sauk
CCCW	Nov. 1, 2008	Marathon, Langlade, Lincoln, & Wood
WWC	Nov. 1, 2008	Buffalo, Clark, Jackson, Monroe, Pepin, Trempealeau & Vernon
Northern Bridges	May 1, 2009	Ashland, Barron, Bayfield, Burnett, Douglas, Iron, Polk, Price, Rusk, Sawyer, & Washburn
MCDFC	Nov. 1, 2009	Milwaukee (Disabled)
LCD	Apr. 1, 2010	Manitowoc & Winnebago

Historical rate development has relied on using the base data for the five pilot counties since there was no readily available or sufficiently credible managed care claim experience for the expansion areas. However, Community Care expanded coverage to Racine and Kenosha counties in January and February 2007, respectively. Over the course of calendar year 2010, Community Care enrolled a sufficiently stable base population to be included in the rate development. The analysis performed supported that the MCO had reasonably achieved managed care efficiencies; therefore the data for the managed care populations within these two counties was also included in the rate development for the CY 2012 rate setting process. Throughout the remainder of the report, the experience of these seven counties will be referred to as the base cohort counties. For other expansion areas, managed care claim experience was deemed unreliable and could not be used for

rate development. As a result, the capitation rates for the other expansion areas are developed based on encounter data reported from the base cohort counties for calendar year 2010.

As noted in the above table, some MCOs currently participating in the Family Care program have expanded coverage to additional counties. As a result, the capitation rates for these providers will be calculated using a blend of the following two rates:

1. Capitation rate for the base cohort MCO population
2. Capitation rate for an MCO's known expansion population in a non-base cohort county

The capitation rates are developed by MCO and by the rate regions discussed above. The rates are based on the base cohort MCOs' encounter data, with adjustments for variation in functional status as measured by each recipient's Long-Term Care Functional Screen (LTCFS) based on enrollees from the expansion regions. The encounter data is adjusted to remove costs of non-state plan services and the waiver services contained in the baseline claims experience that were not cost effective in comparison with their in-lieu-of substitute service. An adjustment is made to account for the differences in cost by geography between a region and the base cohort county experience used as the basis for the rate development. Baseline experience data is adjusted for trend, recognizing changes in utilization, cost, technology, and the different timing of an MCO's implementation date. An allowance is made for administrative costs and prospective risk margin, and the claims data is adjusted to account for incomplete claims. Additionally, a phase-in adjustment is applied to the rate to recognize that plans will need time to improve the utilization profile in new areas, and realize other efficiencies.

Nursing Home Level of Care Functional Status Model

The NH level of care rates are based on three regression models of functional status developed from MCO-reported experience for calendar year 2010. Regression is a statistical technique that produces an estimate of the effect of each factor individually on the cost for an individual. A regression model is independently developed for each of the three eligibility categories (Developmentally Disabled, Physically Disabled, and Frail Elderly) using the corresponding population's claim and eligibility data. The structure of the three regression models therefore varies based on the characteristics that are most prevalent to a population. Following are the "functional" measures that were used to develop the models:

- SNF level of care for the elderly
- Type of developmental disability for the disabled, if any
- Number of IADLs
- ADLs and their levels of help
- Interaction terms among various ADLs
- Behavioral indicators
- Medication management
- Health Related Services

- Specific Diagnoses
- Interaction terms among various specific diagnoses
- Restrictive Measures
- Dual eligibility for Medicare and Medicaid

Trend was developed separately for the Developmentally Disabled, Physically Disabled, and Elderly populations based on an analysis of managed care claims experience. An annual trend of 1.0% for the Developmentally Disabled population, 2.0% for the Physically Disabled and 3.0% for the Elderly population, was developed using managed care claim and eligibility data, which measures the annual mix, cost, and utilization trend. The current mix of participants is used to determine the two-year trend rates for each county. These rates are aggregated to develop a regional trend rate for each of the participating MCOs.

The rates include an allowance for health plan administrative expenses and reasonable risk charges and are adjusted for regional variation in costs and incomplete claims.

Non-Nursing Home Level of Care Functional Status Model

The non-NH level of care rates are based on the base cohort MCO-reported experience for calendar year 2010. The non-NH level of care rates are developed using a functional status based model that stratifies claims experience based on an individual's level of need, using their sum of ADLs and IADLs. The ADLs and IADLs are each separated into "low" and "high" levels of need. A "low" level of need corresponds to an individual that has an ADL/IADL count of two or less. A "high" level of need corresponds to an individual that has an ADL/IADL count of three or more. The rates are developed based on four distinct cohorts:

- Low IADL and low ADL level of need,
- Low IADL and high ADL level of need,
- High IADL and low ADL level of need, and
- High IADL and high ADL level of need

For example, assume an individual requires bathing assistance (ADL), dressing assistance (ADL), and medication management (IADL). This individual has an ADL count of two and an IADL count of one. Therefore the claim and eligibility experience of this individual are bucketed into the "low" ADL and "low" IADL level of need cohort.

For a Family Care provider that is expanding coverage to additional regions, the non-NH expansion capitation rate is equivalent to the current MCO non-NH capitation rate. For those providers who are not currently participating in the Family Care program, a program-wide non-NH level of care capitation rate applies to all providers.

Similar to the NH level of care rate development, the non-NH rates are adjusted for trend and an administrative allowance.

Disclaimer

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

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

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

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

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

I. DATA SOURCES

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

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

The capitation rates are developed separately for those individuals that meet a nursing home level of care criteria and those that do not. Managed care eligibility and claims experience data from the base cohort Wisconsin MCOs for calendar year 2010 is used to establish baseline costs for both populations. In addition to claims and eligibility data, functional screen data were provided by the State. To correct for missing functional screen data, missing values were assumed to have a value of "0". In other words, we assumed that the individual did not have the characteristic addressed by the question unless it was affirmatively reported.

Each recipient's cost for 2010 was matched to their corresponding eligible days. Therefore a cost PMPM was determined for each eligibility group as the total payments divided by total eligibility days times 30.41667 (the average number of days in a month).

Claims Experience

The claims data covers dates of service for calendar year 2010 with run out through May 2011. These data must be adjusted to reflect claims that were Incurred But Not Reported (IBNR) in order to "complete" the starting claims database. IBNR adjustments are made by MCO across the three eligibility categories. Fond du Lac data was increased by 0.30%, La Crosse by 0.57%, Milwaukee by 0.06%, Portage by 0.09%, Richland by 0.07%, and Kenosha and Racine by 0.78%. An IBNR adjustment of 0.29% was applied to all other expansion areas. IBNR claims have been estimated using standard actuarial methods.

Functional Status Information

All recipients were given health status and functional screens annually prior to 2010 or at the point of Family Care enrollment during 2010. Such information is readily available on the State's administrative system and is expected to continue to be available while the Family Care program is in effect.

The health status and functional screens collect the following information on recipients:

- Type of living situation, level of care (e.g., skilled nursing)
- The presence of a developmental disability
- The level of assistance for each instrumental activity of daily living (i.e., IADLs)
- The level of assistance for each activity of daily living (i.e., ADLs)
- The presence of one of 64 diagnosis groups, summarized into 10 diagnostic classes
- The use of medications and the level of assistance required to correctly administer them
- The frequency of certain health related services (e.g., pain management, TPN, dialysis, etc.)
- The levels of communication, memory, and cognition
- The presence and extent of certain behaviors (wandering, self-injurious, offensive, etc.)

Legal and administrative information is also collected but not used for risk adjuster development. All screeners are trained by the State to ensure that the screens are administered consistently.

To appropriately reflect the relative risk and cost of enrollees in the Family Care program, three risk assessment models were developed that measure differences in utilization of services based on functional status within each eligibility category (Developmentally Disabled, Physically Disabled, and Frail Elderly). Family Care-specific models were developed because available risk assessment and risk adjustment models were deemed to be a poor fit for measuring differences in expected Long Term Care costs among enrollees. Commercial and other available models are largely designed to estimate the need for acute care services, and do not take into account such factors as frailty and the need for assistance with activities of daily living. A description of each risk assessment model is contained in the NH and non-NH rate development sections of the report.

II. NURSING HOME LEVEL OF CARE METHODOLOGY

This section of the report details the development and statistical validity of a risk adjustment methodology used to calculate the Nursing Home level of care baseline per capita costs.

Base Data

The base data consists of calendar year 2010 encounter eligibility and claim data for the MCOs that are providing coverage in the seven base cohort counties. Performing a detailed analysis of costs used in the rate setting process in prior years versus those costs in the base data this year, two anomalies were observed.

1. **Care Management Costs:** When comparing the care management encounter data costs with the care management costs contained in the MCOs financial statements, material variances were noted. An adjustment to the data was made by MCO to appropriately reflect the care management costs contained in the financial statements.
2. **Provider Rate Increase:** Based on conversations between DHS and the MCOs, it was determined that two plans had passed through provider rate increases starting in calendar year 2007. The impact of the provider rate increases resulted in approximately a 5% increase in costs for the two plans. The State has made a policy decision to include approximately one-half of the provider rate increases in the rate development. DHS will work collaboratively with the MCOs to assess appropriate levels of future provider rate increases to be applied on a program-wide basis.

After making these adjustments to the base data, the resulting aggregate 2010 claims for the base cohort MCOs are \$377,134,001, and the exposure months totaled 150,444, resulting in a PMPM of \$2,506.81 for the NH level of care population. Exhibit I-1 shows the experience by county, eligibility category, and category of service for the NH population, after the two adjustments described above were made. Based on discussions with DHS staff, we understand that reported costs are prior to any participant cost sharing and net of any third party liability.

Non State Plan Services Adjustment

A non-state plan service included in the calendar year 2010 data is non-covered residential care services. Non-covered residential care services are provided in-lieu-of nursing home stays for nursing home eligible enrollees. A cost effectiveness analysis was completed for the non-residential care services. A service is cost effective if the cost of providing that service is less than or equal to the cost of its in-lieu-of substitute. We have utilized the data to determine the cost of residential care and the comparable institutional care which would be utilized by a proportion of those currently using residential care. The results of our analysis show that non-covered residential care is a cost effective substitute for nursing home stays, therefore no adjustment to the data was made.

Common Carrier Transportation Services Adjustment

DHS has made a policy decision to include common carrier transportation costs in the Family Care benefit package. Since actual encounter data is not available, the cost calculation was based on the estimated portion of county common carrier expenses attributable to aged and disabled members

in Family Care counties. DHS has provided PMPM cost estimates for these services by region and MCO; the adjustment is shown in Exhibit III-1a.

Approach to NH Level of Care Rate Development

Estimated PMPM costs are determined by eligibility category for recipients based on each recipient's IADL count, specific levels of ADL assistance needed, the presence of certain behavioral problems, detail on medication assistance provided, the level of care provided, the type of developmental disability (if any), certain combinations of ADLs and of diagnoses, use of restrictive measures, dual eligibility for Medicare and Medicaid, and health related services. Monthly screen information of the cost period (calendar year 2010) is used, resulting in a concurrent risk adjustment model.¹

Ordinary Least Squares regression was used to model the effects of the above factors in predicting PMPM costs for the three eligibility categories. Generally, the overall cost estimate for a recipient is determined by summing the coefficients for the factors applicable to the recipient, and adding the regression intercept. This method essentially results in an individual rate for each recipient rather than categorizing them into mutually exclusive groups, as would be done with other approaches to rate development.

Exhibit II-1 shows the results of the regression analysis. The R-squared of the risk adjustment models is approximately 47% for the Developmentally Disabled population and 42% for the Physically Disabled and Frail Elderly populations.

When used with the 2010 functional status indices, the regression models estimate a baseline cost by MCO for the current NH population in 2010. To better assess the prospective cost in a region, we used the latest credible functional screens for the Family Care population enrolled in each region in 2011. This risk adjustment technique is discussed in further detail later in the report.

Regression Modeling Details

The calendar year 2010 NH data for the base cohort MCOs (Fond du Lac, La Crosse, Milwaukee, Portage, Richland, Kenosha and Racine) is used as the basis to develop the eligibility category specific regression models. Using this data, three ordinary least squares linear regression models are created to relate monthly costs to recipient functional characteristics; one model is developed for each of the eligibility categories. Developmentally Disabled, Physically Disabled, and Frail Elderly regression models are developed to account for the material differences in costs and functional needs between the populations. The data used to develop each of the models is based on the corresponding claim and eligibility for the population within a given eligibility category.

¹ Note: Risk adjustment models are typically termed "concurrent" or "prospective". A concurrent model measures expected costs in the current period based on claims and screening data for the current period. A prospective model measures expected costs in a subsequent period based on claims and screening data for a current period. The choice of whether to use a concurrent or prospective model depends on a number of factors, including the stability of the population. For the Family Care population, we believe a concurrent model is appropriate, although a prospective model is not expected to yield materially different results for this program, given the limited turn-over of the population.

For each model, the unit of analysis is the recipient month. That is, the monthly 2010 cost and the recipient's corresponding functional screen constitute one observation. The statistical analyses weigh experience in proportion to each recipient's days of eligibility.

Modeling proceeds in a stepwise manner, starting with variables that explain the most variation and incrementally adding variables that have a marginally decreasing effect on improving the model's R-squared value and increasing the model's overall predictive capacity. Note also that all predictor variables are coded as binary, (i.e., having a value of "0" or "1".) Thus, a recipient either has a particular characteristic or they do not. With this approach we avoid forcing a relationship upon the variables, such as doubling the expected costs for an individual with twice as many ADLs as another individual.

When considering variables to include in a model, we used the following criteria:

- Variables are included in a model if they show a 5% level of significance.
- Variables are excluded if, when included, multicollinearity is present. That is, when an additional variable is included it shows a strong linear relationship among one or more of the other variables.
- Variables are excluded to simplify the model if including them only marginally increases model fit.

With a baseline model established, the effects of interaction are considered. Interaction terms are important since the effect of, for example, a bathing ADL requiring assistance with a dressing ADL requiring assistance, may be greater or less than the sum of these effects modeled individually.

The number of variables to predict cost varies by each eligibility category. The variables are separated into the following classes: level of care, IADLs, specific ADLs, interactions, behavioral, medication use, health related services, and diagnosis groups. The estimated impact on the cost for each variable is shown along with its significance (i.e., p-value), relative contribution in explaining the variation (i.e., Incremental Partial R^2) and the proportion of the population with the characteristic.

Exhibits II-1a, II-1b, and II-1c show the final statistical models for the Developmentally Disabled, Physically Disabled, and Frail Elderly populations, respectively. Each model has a mean consistent with the aggregate base cohort MCO's calendar year 2010 baseline costs as shown in Exhibit I-1.

The average effect of each variable shows how the aggregate PMPM costs are allocated among individual characteristics in the population. For example, referring to Exhibit II-1a, the model attributes \$339.87 PMPM of the aggregate Developmentally Disabled PMPM (\$3,366.15) to IADL-5. Thus to derive the average PMPM cost for a given population, one would cross-multiply all regression parameter estimates by the proportion of the population with the respective characteristic.

Factors to Reflect Regional Economic Differences

We developed base cohort MCO factors based on the relative wage levels paid in the seven counties. We used wage data reported by the U.S. Bureau of Labor Statistics for occupations involved in providing care: registered nurses, social workers, home health aides, personal care / home care aides and personal care / service. The relative wage levels were aggregated using the relative costs for these services for all MCOs combined. This process estimates the potential costs faced by the MCOs and the expansion regions.

Additionally, we have developed factors based on the wage levels paid in the expansion regions. Since the base data consists of encounter eligibility and claim data for the base cohort MCOs, the potential costs faced by the expansion regions were calculated relative to the current base cohort MCOs. To account for the difference in wage levels, the baseline per capita costs for the expanding MCOs are adjusted by these wage factors. For example, a factor of 0.994 means that the potential costs faced by an MCO were on average 0.6% lower than the base cohort MCOs. Based on analyses performed by DHS, in collaboration with the MCOs, it was determined that the wage factor should apply to 70% of an MCO's cost on average.

The following table provides the final wage factors.

MCO	Wage Factor
Lakeland Care District	0.9943
WWC	1.0033
MCDFC	0.9980
CCCW	1.0310
SFCA	1.0659
Community Care (Kenosha/Racine)	1.0200
Community Care (Teal Region)	1.0179
Community Care (Milwaukee)	0.9980
Community Care (Pink Region)	0.9943
Care Wisconsin	1.0179
CHP	1.0364
Northern Bridges	1.0025

Application of the Model

The regression models were developed using 2010 cost and functional screen data. To determine expected costs for the contract period, we obtained updated functional screen information as of July 2011. This July 2011 data was applied to the regression coefficients to derive costs by MCO and by eligibility category for the following three distinct populations.

Base Cohort County Population

Using July 2011 functional screen data provides a snapshot of the estimated average cost for each of the base cohort MCOs at a point in time. Since this population is consistent with those individuals' claim and eligibility data used to develop the regression model, the acuity adjustment between the two periods (calendar year 2010 and July 2011) is budget neutral. As a result, using the updated functional screen data does not have a direct impact on the aggregate baseline costs. This approach quantifies a relative change in acuity between the plans, and thus shifts expected costs among counties.

Known Expansion Population

For areas where the base cohort and new MCOs have already expanded coverage (outside of the base cohort county) we obtained the latest functional screen information available, July 2011, for this population. This data was applied to the regression coefficients to derive costs by MCO and by region.

Exhibits II-2a, II-2b, and II-2c show distribution of the population by eligibility category, MCO, population type, and functional measure used to calculate the final base rates for the base cohort counties. Exhibits II-3a, II-3b, and II-3c provide similar information for the known expansion population. Using the functional screen data provides a snapshot of the estimated average cost for each of the MCOs at a point in time. The most recent functional screen information is used to better assess the relative prospective cost in a region.

III. NON-NURSING HOME LEVEL OF CARE METHODOLOGY

This section of the report details the development and statistical validity of a risk adjustment methodology used to calculate the Non-Nursing Home level of care baseline per capita costs.

Base Data

Aggregate 2010 claims are \$2,047,861, and the exposure months totaled 3,968, resulting in a PMPM of \$516.05 for the non-NH level of care population. However, an adjustment to the base data costs needs to be made to remove the costs of certain non-covered waiver services. The section below provides a complete description of the costs that were removed. Exhibit I-2 shows the experience by county, target group, and category of service for the Non-NH population after adjusting the baseline experience; the adjusted aggregate PMPM is \$507.80. Based on discussions with DHS staff, we understand that the non-nursing home level of care population is not subject to cost sharing.

Waiver Services Cost Adjustment

The non-NH population's calendar year 2010 claims data is adjusted to remove costs of non-covered waiver services that were not cost effective in comparison with their in-lieu-of substitute service.

A cost effectiveness analysis was completed for each waiver service. A service is cost effective if the cost of providing that service is less than or equal to the cost of its in-lieu-of substitute. The two significant services that waiver services are "in-lieu-of" are personal care and transportation services. PwC consulted with DHS on the appropriate measure of personal care for a majority of the waiver services including daily living skills training, day services, adult day care, supportive home care, and residential services. For example, daily living skills training is purchased by an MCO so that members can learn skills to provide their own personal care that would otherwise have to be purchased by an MCO. For those services that were cost effective no adjustment to the data was made. However, some waiver services were determined to not be cost effective; consequently we have removed the additional costs incurred as a result of providing a service that is partially cost effective.

Some waiver services were not explicitly included in the cost effectiveness analysis because they do not have a comparable service under Wisconsin's state plan services. For example, the waiver service supported employment may avoid occupational and physical therapy costs in the future by keeping individuals active through employment. It may also reduce the need for personal care if individuals would otherwise be home all day rather than employed. However according to CMS it does not have a comparable state plan service and cannot be included in the rate development. Consequently we have removed the entire cost for those services that do not have a comparable state plan service.

The exclusion of costs for waiver services that are not cost effective or that do not have a comparable state plan service is done on an MCO basis: Fond du Lac claims decreased by \$2,505, La Crosse by \$12,206, Milwaukee by \$548, Portage by \$12,523, Richland by \$3,201, and Kenosha / Racine by \$1,768.

The remainder of this section summarizes the methodology used to develop the proposed payment rates. The results include the regression analysis conducted on the MCO calendar year 2010 encounter data and the functional measures reported from the screens conducted by the Resource Centers and MCOs.

Approach to Non-NH Rate Development

The non-NH level of care rates are developed using a functional status based model that stratifies claims experience based on an individual's level of need, using their sum of ADLs and IADLs. The ADLs and IADLs are each separated into "low" and "high" levels of need. A "low" level of need corresponds to an individual that has an ADL/IADL count of two or less. A "high" level of need corresponds to an individual that has an ADL/IADL count of three or more. The rates are developed based on four distinct cohorts:

- Low IADL and low ADL level of need,
- Low IADL and high ADL level of need,
- High IADL and low ADL level of need, and
- High IADL and high ADL level of need

For example, assume an individual requires bathing assistance (ADL), dressing assistance (ADL), and medication management (IADL). This individual has an ADL count of two and an IADL count of one. Therefore the claim and eligibility experience of this individual are bucketed into the "low" ADL and "low" IADL level of need cohort.

Estimated costs PMPM are calculated by combining the claim and eligibility data for all individuals that correspond to a given cohort. The table below provides the cost PMPM for the four cohorts. To calculate rates for an MCO, the MCO's enrollees are bucketed into the four levels of need cohorts. The distribution of enrollees is then used to calculate a weighted average of the PMPM costs across the four cohorts. A similar methodology is used for all base cohort county MCOs. For a current Family Care provider that has expanded coverage to additional regions, the non-NH expansion capitation rate is equivalent to the current base cohort county MCO capitation rate. However, for those providers who are not currently participating in the Family Care program, a program-wide non-NH level of care capitation rate is calculated using the base cohort MCOs experience, and is applied to all expansion providers.

	Functional Based PMPM
Low IADL, Low ADL	\$ 472.82
Low IADL, High ADL	\$ 568.87
High IADL, Low ADL	\$ 646.40
High IADL, High ADL	\$ 834.49

To better assess the prospective cost in a region, we used the functional screens active in July 2011 for the Family Care population enrolled in each region in 2010.

IV. TREND DEVELOPMENT

Trend rates are used to project the 2010 baseline cost data beyond the base cost period to the 2012 contract period, to reflect changes in payment levels and utilization. To determine the annual trend rates the following information is assessed:

- ◆ Historical encounter data experience;
- ◆ Budgeted provider increases;
- ◆ Known policy changes that may impact utilization patterns; and
- ◆ Industry experience for other comparable Medicaid long-term care programs.

Trend was developed separately for the Developmentally Disabled, Physically Disabled, and Elderly. An annual trend was developed analyzing Family Care encounter claim and eligibility data from calendar years 2008 through 2010. The trend over this period includes annual mix, fee increases, and utilization trend. The following table summarizes the trend by each eligibility category.

Eligibility Category	Annual Trend
Developmentally Disabled	1.0%
Physically Disabled	2.0%
Elderly	3.0%

V. ADMINISTRATIVE ALLOWANCE

DHS has worked in collaboration with the MCOs to develop a sustainable approach to determine the administrative funding levels for the Family Care program. The administrative funding methodology was developed to address new and expanding MCOs, the size of an MCO's enrolled population, and the determination of program operational costs. As a result, DHS and the MCOs formed "small work groups" (SWG) to help assess the type and range of administrative costs.

Findings from the SWGs showed that there are nine primary administrative components that are incurred by an MCO that participates in the Family Care program, they are as follows:

- Administrative and Executive;
- Compliance;
- Human Resources;
- Marketing;
- Provider Management;
- Claims Management;
- Fiscal Management;
- Information Management, and
- Quality Management.

Within each of these administrative components, the MCOs provided their projected CY09 enrollment, the number of full-time equivalent employees (FTEs), the corresponding expense per FTE, and the administrative expenditures.

A first step to develop a PMPM cost for the administrative allowance was to determine the most appropriate classification of fixed versus variable costs for each of the components. It is important to differentiate the two types of costs since the costs associated with the fixed components will decrease on a per member per month basis as an MCO continues to expand coverage to additional members.

Fixed Costs

The fixed cost portion of the administrative allowance decreases as a percentage of total revenue as MCOs increase the number of enrolled members. For example, as MCOs continue to expand there is no need to hire an additional CEO, although the demands on the CEO will increase, perhaps leading to the need for higher compensation. Therefore executive costs as a percentage of capitation revenue will decrease as MCOs become larger; a similar argument can be applied to the other five fixed cost components, which may increase somewhat with growth in the size of the enrolled population, but not in a direct way. As a result we have structured our approach to assess a reasonable number of personnel to have on staff for each component based on MCO size. To accommodate the personnel needs of different sized

MCOs for their fixed administrative costs, we have developed three tiers within each component to account for different staffing expectations at small, medium, and large MCOs.

The enrolled members, number of full-time equivalents (FTEs), and expense per FTE as reported by each MCO were used to assess and determine appropriate assumptions. Based on the data reported by the MCOs, a three-tier structure was developed for each of the components.

Once the number of personnel and corresponding cost were determined for the tiers, MCOs were assigned to a tier based on their projected calendar year 2012 enrollment. The resulting fixed PMPM costs were calculated for each MCO as the projected number of FTEs, and their corresponding expense, divided by the projected number of member months.

Variable Costs

The variable portion of administrative costs increases roughly proportionately with the number of members enrolled by an MCO. Therefore a single PMPM cost assumption was determined for each of the variable components. The PMPM cost projections as reported in the SWG documents were used as the basis to derive a point estimate.

Based on CY 2012 projected enrollment, MCOs were classified into the small, mid-size, and large tiers. Determination of an MCO's tier classification considers participation in the FCP/PACE programs. The total administrative per capita cost for each MCO was calculated by summing the variable and the corresponding tiered fixed cost components.

An assessment was made between the level of administrative costs included in the calendar year 2011 rate development and the administrative costs contained in the MCO's most current financial statements. The level of funding included in the prior year rate development was on average sufficient to cover the expected administrative to be incurred over the calendar year 2012 contract period; as a result, a policy decision was made to hold the level of base administrative allowance constant with those assumed in the calendar year 2011 rate development.

DHS has also made several policy adjustments that impact the amount of administrative funding. Similar to last year, DHS is including a risk allowance that is provided to accommodate the adverse effects of volatility in delivery care patterns. The risk allowance is applied to the rates for all non-pilot counties. Additionally, DHS is providing a modest amount of funding (\$0.80 PMPM) to be used as a provision for the Office of the Commissioner of Insurance's (OCI's) new financial oversight function. By contract, MCOs will be required to use 100% of these funds to pay for these OCI services, as a new cost of doing business.

VI. RATE DEVELOPMENT FOR EXPANDING FAMILY CARE MCOs

Where applicable, the capitation rates for an MCO will be calculated by aggregating the rates for two distinct populations by rate region. Specifically the populations are:

- **Base Cohort Population:** The base cohort population represents the enrollees in the base cohort counties (Fond du Lac, La Crosse, Milwaukee, Portage, Richland, Kenosha, and Racine) whose data is used to develop the baseline costs and regression models.
- **Known Expansion Population:** This represents individuals in a non-base cohort county enrolled by an MCO on or before July 2011.

As discussed in Section II of the report, PMPM costs for the base cohort and known expansion populations will be calculated using the functional screen information of individuals currently enrolled by an MCO as of July 2011.

The weighted average MCO capitation rate will be calculated using projected managed care calendar year 2012 enrollment as provided by DHS for each of the populations where applicable. Some MCOs have worked with DHS to develop enrollment assumptions by county. Where applicable we have used these assumptions to blend the rates.

A region specific capitation rate is calculated for each MCO. For example, Community Care began participating in the Orange region (Kenosha and Racine counties). Subsequently they expanded coverage to the Teal, Pink, and Milwaukee Regions. Therefore, Community Care will be provided four capitation rates, one for each region where they are participating in the Family Care program. Currently, no other MCOs are providing coverage to multiple regions.

VII. PER MEMBER PER MONTH COST DEVELOPMENT

In summary, the 2012 per capita costs were developed as described below.

1. Determine functional status based costs for the NH and non-NH populations using the 2010 MCO reported experience and functional screens as outlined in Section II and III. These cost estimates are adjusted to reflect an estimate for IBNR using payments through May 2011.
2. Reduce care management costs to account for the difference between the plan financial experience and the level of costs contained in the encounter data.
3. Adjust costs to reflect the amount of provider rate increases that will be passed through to the rate setting process.
4. Exclude costs for waiver services that were not fully cost effective or did not have a comparable state plan service that were included in the 2010 encounter data for the non-NH population.
5. Include costs for common carrier transportation services.
6. Project adjusted 2010 costs two years using the annualized Developmentally Disabled, Physically Disabled, and Elderly trend rates discussed in Section IV.
7. Increase costs to include an administration / risk allowance, as discussed in Section V.
8. A blended capitation rate is calculated for the CY12 contract period, as discussed in Section VI.

We did not adjust the nursing home level of care rates for cost-sharing. The department's payment system has the functionality to pay the gross capitation rate and deduct member specific cost share amounts as directed by CMS.

Exhibit III-1a shows the development of the Nursing Home level of care capitation rates. Exhibit III-1b provides the projected member months by population used to develop aggregate capitation rates by MCO and region. Exhibit III-2 provides the development for the non-Nursing Home level of care population.

VIII. FINAL CAPITATION RATES

The Wisconsin Department of Health Services determined the final 2012 capitation rates for each MCO participating in a region that participates in the Family Care program. DHS developed the 2012 capitation rates with reference to the following: 2012 managed care equivalent (MCE) rates, 2011 capitation rates, aggregate financial results as reported by the MCOs, and detailed business plan projections. The capitation rates are effective for calendar year 2012 for all MCOs. Exhibits III-1a and III-2 provide the 2012 capitation rates.

Due to the statewide expansion initiative, DHS has worked collaboratively with the MCOs to assist with addressing projected financial shortfalls that MCOs may incur over the calendar year 2012 contract period. Since each MCO begins expansion from a different financial position and with a different implementation plan, considerations were made on an MCO specific basis. As a result, DHS has chosen to apply an expansion phase-in adjustment to the rates.

The intent of this adjustment is to recognize what, if any, significant cost variation exists between an expansion population's fee-for-service costs and the estimated costs implied using the regression models and the population's functional indices. The regression model is developed using managed care experience for the base cohort MCOs that have been operating in the Family Care program for a significant period of time. Therefore an adjustment is applied to the costs since MCOs may not be able to realize full managed care savings at the onset of expansion; however the expectation is that the MCOs will continue their efforts to better manage care.

Rate considerations were also made based on the business plans developed by the participating MCOs and reviewed by DHS. Policy adjustments were applied to several MCOs' rates as the above considerations alone would not allow certain MCOs to remain financially stable. Additionally adjustments were applied to the rates of MCOs where excessive levels of surplus are anticipated.

The 2012 per member per month costs developed in this report are within a reasonable range of rates for the Family Care population, as defined by reasonable ranges on several important assumptions including annual trend rates and appropriate administrative loadings, among others.

IX. ACTUARIAL CERTIFICATION

Following is our actuarial certification for the 2012 capitation rates.

**Actuarial Certification of
Proposed 2012 Family Care Capitated Rates
State of Wisconsin Department of Health Services**

I, Jinn-Feng Lin, am associated with the firm of PricewaterhouseCoopers. I am a member of the American Academy of Actuaries and meet its Qualification Standards to certify as to the actuarial soundness of the 2012 capitation rates developed for the Medicaid managed care programs known as Family Care. I have been retained by the Wisconsin Department of Health Services (DHS) to perform an actuarial certification of the Family Care capitation rates for calendar year 2012 for filing with the Centers for Medicare and Medicaid Services (CMS). I have reviewed the capitation rates developed by DHS and am familiar with the Code of Federal Regulations, 42 CFR 438.6(c) and the CMS "Appendix A, PAHP, PIHP and MCO Contracts Financial Review Documentation for At-risk Capitated Contracts Ratesetting."

I have examined the actuarial assumptions and actuarial methods used by DHS in setting the capitation rates for calendar year 2012.

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

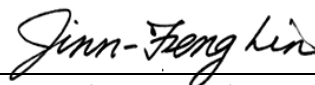
In making my opinion, I have relied upon the accuracy of the underlying enrollment, encounter, and other data and summaries prepared by DHS and the participating contracted MCOs. A copy of the reliance letter received from DHS is attached and constitutes part of this opinion. I reviewed the data for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

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

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

This Opinion assumes the reader is familiar with the Family Care program, eligibility rules, and actuarial rating techniques. The Opinion is intended for the State of Wisconsin and Centers for Medicare and Medicaid Services and should not be relied on by other parties. The reader should be

advised by actuaries or other professionals competent in the area of actuarial rate projections of the type in this Opinion, so as to properly interpret the projection results.



Jinn-Feng Lin
Member, American Academy of Actuaries

January 20, 2012

Date

Exhibits

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Summary of 2010 Actual Experience by MCO
Nursing Home Level of Care**

	Lakeland (Fond du Lac)			WWC (La Crosse)			MCDFC (Milwaukee)			CCCW (Portage)		
	DD	PD	Elderly	DD	PD	Elderly	DD	PD	Elderly	DD	PD	Elderly
Exposure Months	5,058	3,616	3,781	7,674	8,361	5,136	6,416	46,925	23,944	3,715	2,731	4,569
State Plan Services												
Adaptive Equipment	34.74	85.48	29.38	66.96	115.14	59.69	62.65	88.54	66.89	71.72	96.37	57.66
Adult Day Activities	275.01	19.73	10.47	183.28	13.76	15.68	441.85	46.35	70.09	357.39	23.13	12.68
Case Management	333.30	466.77	287.94	363.67	403.76	355.60	361.86	345.51	314.00	442.25	532.78	371.62
Habilitation / Health	10.19	44.71	3.97	28.23	54.49	13.67	31.33	46.27	21.46	17.84	34.68	9.41
Home Care	196.05	567.79	554.96	279.76	353.79	218.01	231.16	540.48	456.87	535.80	706.50	324.30
Home Health Care	17.10	30.94	11.72	50.09	68.34	27.54	37.52	84.52	43.14	51.38	22.26	7.14
Housing	-	-	-	0.95	0.96	0.08	0.73	1.81	0.92	-	0.32	-
Institutional	79.20	539.20	391.11	56.06	366.99	1,043.34	457.13	513.71	541.15	104.03	292.05	661.03
Other	-	-	-	-	-	-	-	-	-	-	-	-
Residential Care	1,401.39	353.54	747.90	1,368.03	431.55	686.73	1,806.04	486.52	670.83	1,520.77	487.28	1,080.28
Respite Care	55.58	7.64	3.96	79.31	9.30	12.41	5.10	2.09	4.28	60.77	17.63	9.53
Transportation	107.06	61.96	10.69	140.00	31.90	15.96	247.21	62.20	62.35	50.20	76.93	19.34
Vocational	242.92	2.75	-	240.00	7.36	0.00	154.69	2.51	0.38	236.85	10.23	1.52
Total State Plan Services	2,752.55	2,180.50	2,052.10	2,856.34	1,857.35	2,448.70	3,837.26	2,220.52	2,252.35	3,449.01	2,300.17	2,554.50
Room and Board												
Room and Board - Collections	(219.38)	(108.19)	(222.79)	(270.86)	(64.82)	(138.19)	(351.94)	(123.03)	(185.29)	(200.16)	(103.93)	(293.63)
Room and Board - Costs	233.01	122.62	272.49	279.00	75.28	152.76	345.72	106.46	156.00	208.61	118.18	352.46
Total Room and Board	13.62	14.43	49.70	8.14	10.47	14.57	(6.23)	(16.57)	(29.29)	8.45	14.25	58.82
Grand Total	2,766.17	2,194.93	2,101.80	2,864.48	1,867.82	2,463.27	3,831.03	2,203.95	2,223.06	3,457.46	2,314.41	2,613.32
Composite PMPM		2,398.64			2,373.53			2,344.94			2,823.91	

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Summary of 2010 Actual Experience by MCO
Nursing Home Level of Care**

	SFCA (Richland)			Original 5 Pilots			CCI (Kenosha/Racine)			Grand Total		
	DD	PD	Elderly	DD	PD	Elderly	DD	PD	Elderly	DD	PD	Elderly
Exposure Months	1,607	1,124	1,522	24,469	62,757	38,951	12,382	7,069	4,815	36,851	69,826	43,766
State Plan Services												
Adaptive Equipment	25.76	94.80	41.54	57.19	92.36	60.22	56.42	103.44	55.83	56.93	93.48	59.74
Adult Day Activities	133.11	-	-	293.17	38.63	47.65	283.52	12.65	19.42	289.93	36.00	44.55
Case Management	388.08	432.81	353.05	370.45	369.97	325.24	321.12	332.63	270.40	353.88	366.19	319.21
Habilitation / Health	12.43	50.76	20.54	22.70	46.85	17.29	24.38	57.19	1.78	23.26	47.90	15.58
Home Care	302.72	526.96	401.30	290.09	524.17	417.17	356.37	592.81	268.36	312.36	531.12	400.80
Home Health Care	22.36	34.54	7.74	38.35	75.67	32.42	123.90	127.27	49.35	67.10	80.90	34.29
Housing	-	-	-	0.49	1.50	0.57	0.02	0.06	-	0.33	1.35	0.51
Institutional	71.19	597.77	1,139.06	174.28	487.49	630.23	71.10	262.41	489.18	139.61	464.70	614.71
Other	-	0.95	-	-	0.02	-	-	-	-	-	0.02	-
Residential Care	1,140.28	441.56	724.92	1,498.00	470.76	730.55	2,076.38	641.69	1,193.61	1,692.34	488.07	781.50
Respite Care	21.15	1.44	1.50	48.31	4.04	5.83	43.30	20.95	7.74	46.63	5.75	6.04
Transportation	9.27	20.66	7.00	139.08	58.04	44.01	167.02	41.31	20.12	148.47	56.35	41.38
Vocational	309.78	51.27	0.76	222.34	4.38	0.44	240.75	15.32	2.05	228.53	5.49	0.62
Total State Plan Services	2,436.14	2,253.53	2,697.41	3,154.46	2,173.89	2,311.63	3,764.29	2,207.72	2,377.83	3,359.37	2,177.31	2,318.92
Room and Board												
Room and Board - Collections	(176.16)	(89.10)	(157.13)	(264.52)	(112.98)	(194.33)	(350.08)	(143.53)	(334.51)	(293.27)	(116.07)	(209.75)
Room and Board - Costs	183.06	91.86	180.58	270.00	103.49	190.88	359.46	155.10	378.43	300.06	108.71	211.52
Total Room and Board	6.90	2.77	23.45	5.47	(9.49)	(3.45)	9.38	11.57	43.92	6.79	(7.36)	1.77
Grand Total	2,443.04	2,256.29	2,720.87	3,159.93	2,164.39	2,308.19	3,773.67	2,219.30	2,421.75	3,366.15	2,169.95	2,320.68
Composite PMPM		2,493.10			2,401.84			3,052.59			2,506.81	

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Summary of 2010 Actual Experience by MCO
Non-Nursing Home Level of Care**

	Lakeland (Fond du Lac)			WWC (La Crosse)			MCDFC (Milwaukee)			CCCW (Portage)		
	DD	PD	Elderly	DD	PD	Elderly	DD	PD	Elderly	DD	PD	Elderly
Exposure Months	63	377	72	137	1,300	156	4	328	140	50	662	131
State Plan Services												
Adaptive Equipment	8.56	53.85	2.80	1.40	37.87	24.11	10.10	10.99	18.09	8.20	31.77	19.87
Adult Day Activities	-	-	-	-	8.80	-	-	0.78	1.10	-	-	-
Case Management	243.47	373.18	235.46	231.68	302.00	279.26	274.48	232.87	286.93	399.14	350.92	275.15
Habilitation / Health	-	12.04	-	41.41	38.50	0.71	-	14.70	6.26	36.80	23.97	0.39
Home Care	70.27	150.10	334.72	33.29	104.55	114.86	-	44.01	13.18	58.74	87.42	115.72
Home Health Care	-	11.68	-	-	4.17	32.84	-	0.10	-	-	0.52	6.51
Housing	-	-	-	-	-	-	-	-	-	-	-	-
Institutional	-	-	-	-	-	-	-	-	-	-	-	-
Residential Care	-	-	-	-	20.56	29.75	-	-	37.89	-	8.18	3.03
Respite Care	-	-	-	-	1.73	-	-	-	-	-	0.15	-
Transportation	66.47	87.81	11.35	7.35	15.64	5.19	-	17.48	48.28	32.34	31.63	17.54
Vocational	-	-	-	0.52	0.22	-	-	-	-	12.44	12.11	-
Total State Plan Services	388.77	688.66	584.33	315.65	534.04	486.71	284.58	320.94	411.74	547.66	546.67	438.22
Room and Board												
Room and Board - Collections	-	-	-	-	(4.73)	-	-	-	-	-	(6.14)	(0.75)
Room and Board - Costs	-	-	-	-	5.68	-	-	-	-	-	6.93	5.02
Total Room and Board	-	-	-	-	0.95	-	-	-	-	-	0.79	4.27
Grand Total	388.77	688.66	584.33	315.65	534.99	486.71	284.58	320.94	411.74	547.66	547.46	442.49
Composite PMPM		637.06			511.36			347.57			531.11	

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Summary of 2010 Actual Experience by MCO
Non-Nursing Home Level of Care**

	SFCA (Richland)			Original 5 Pilots			CCI (Kenosha/Racine)			Grand Total		
	DD	PD	Elderly	DD	PD	Elderly	DD	PD	Elderly	DD	PD	Elderly
Exposure Months	26	237	81	281	2,904	581	44	146	13	325	3,050	594
State Plan Services												
Adaptive Equipment	-	23.65	42.59	4.23	34.35	21.61	-	16.89	24.79	3.66	33.52	21.68
Adult Day Activities	-	-	-	-	4.03	0.27	22.57	-	-	3.05	3.84	0.26
Case Management	471.50	229.29	218.08	287.17	308.63	266.24	429.63	225.92	232.85	306.43	304.68	265.51
Habilitation / Health	-	1.73	2.58	26.84	26.06	2.15	-	4.68	-	23.21	25.04	2.10
Home Care	-	129.81	150.15	42.56	101.79	122.74	436.95	82.88	23.95	95.91	100.88	120.58
Home Health Care	-	-	-	-	3.51	10.31	15.64	10.83	3.27	2.12	3.86	10.15
Housing	-	-	-	-	-	-	-	-	-	-	-	-
Institutional	-	-	-	-	-	-	-	-	-	-	-	-
Residential Care	-	0.80	-	-	11.13	17.84	27.10	-	-	3.66	10.60	17.45
Respite Care	-	-	-	-	0.81	-	74.32	-	-	10.05	0.77	-
Transportation	13.85	11.07	10.15	25.58	28.49	19.85	202.67	37.22	-	49.53	28.91	19.41
Vocational	-	-	-	2.48	2.86	-	195.50	-	-	28.59	2.72	-
Total State Plan Services	485.34	396.35	423.55	388.86	521.66	461.00	1,404.37	378.41	284.85	526.21	514.82	457.15
Room and Board												
Room and Board - Collections	-	(0.33)	-	-	(3.54)	(0.17)	-	-	-	-	(3.37)	(0.17)
Room and Board - Costs	-	0.43	-	-	4.16	1.13	7.86	-	-	1.06	3.96	1.11
Total Room and Board	-	0.09	-	-	0.61	0.97	7.86	-	-	1.06	0.58	0.94
Grand Total	485.34	396.45	423.55	388.86	522.28	461.97	1,412.23	378.41	284.85	527.28	515.40	458.09
Composite PMPM		409.52			503.02			596.52			507.80	

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Developmentally Disabled**

Variable	Estimate	p-Value	Incremental Partial R2	Proportion with Variable	Incremental Increase
Intercept (Grid Component)	38.03	0.6229		1.0000	38.03
DD/NH Level of Care (Grid Component)					
Vent Dependent	8,961.83	0.0001	0.02189000	0.0013	11.88
DD1A	257.31	0.0001	0.01789000	0.0516	13.27
DD1B	966.29	0.0001	0.14963000	0.1742	168.30
DD2	214.43	0.0001	0.01907000	0.6439	138.07
Restrictive Measures	3,499.06	0.0001	0.00710000	0.0049	17.02
Dual Enrollee	255.93	0.0001	0.00159000	0.7183	183.85
Number of IADLs (Grid Component)					
IADL_2	254.69	0.0019	0.02602000	0.0838	21.35
IADL_3	538.28	0.0001	0.03704000	0.1168	62.87
IADL_4	796.13	0.0001	0.03217000	0.1896	150.96
IADL_5	1,046.03	0.0001	0.00456000	0.3249	339.87
IADL_6	1,474.47	0.0001	0.02900000	0.2626	387.19
Specific ADLs / Equipment Used (Add-On)					
Bathing_2	287.15	0.0001	0.03295000	0.4052	116.34
Eating_1	71.14	0.0233	0.00091348	0.2496	17.76
Eating_2	457.33	0.0001	0.01346000	0.1714	78.37
Toileting_2	592.15	0.0001	0.01283000	0.2126	125.92
Transfer	251.09	0.0001	0.00410000	0.2203	55.31
Interaction Terms (Add-On)					
Dress_Bath_Equip	235.21	0.0001	0.00345000	0.3494	82.18
Mental Retardation_Anxiety Disorder	279.81	0.0001	0.00071770	0.1582	44.26
Mental Retardation_Bipolar	258.96	0.0001	0.00030852	0.0354	9.18
Mental Retardation_Other Mental Illness	355.83	0.0001	0.00221000	0.1472	52.39
Autism_Anxiety Disorder	296.86	0.0002	0.00015412	0.0258	7.65
Brain Injury Pre-22_Schizophrenia	750.33	0.0005	0.00036325	0.0026	1.99
Brain Injury Pre-22_Alcohol/Drug Abuse	1,152.15	0.0001	0.00047154	0.0030	3.49
Cerebral Palsy_Depression	406.74	0.0001	0.00054921	0.0293	11.93
Prader Willi_Other Mental Illness	2,890.26	0.0001	0.00093217	0.0010	2.81
Seizure Pre-22_Bipolar	321.40	0.0094	0.00014804	0.0096	3.08
Seizure Pre-22_Other Mental Illness	299.73	0.0001	0.00026047	0.0448	13.42
Trauma BI Post-22_Anxiety Disorder	1,435.91	0.0001	0.00169000	0.0042	6.09
Trauma BI Post-22_Bipolar	775.30	0.0144	0.00020222	0.0014	1.07
Trauma BI Post-22_Alcohol/Drug Abuse	402.77	0.0107	0.00016463	0.0055	2.20
Seizure Post-22_Depression	557.72	0.0001	0.00071384	0.0166	9.27
Seizure Post-22_Other Mental Illness	310.54	0.0069	0.00010527	0.0100	3.10
Behavioral Variables (Add-On)					
Communication_1	311.55	0.0005	0.00009376	0.0149	4.66
Cognition_2-3	69.12	0.0180	0.00125000	0.5486	37.92
Offensive_1-2	506.78	0.0001	0.00082218	0.2083	105.55
Offensive_3	1,898.20	0.0001	0.01710000	0.0446	84.73
Mental Health	228.09	0.0001	0.00677000	0.4134	94.29
Medication Use (Add-On)					
Meds_2A	432.68	0.0001	0.00001190	0.1317	56.99
Meds_2B	751.26	0.0001	0.01094000	0.5539	416.14
Health Related Services (Add-On)					
Overnight	396.72	0.0001	0.00387000	0.5565	220.76
Exercise	340.90	0.0001	0.00222000	0.1792	61.10
Reposition	567.64	0.0001	0.00227000	0.0630	35.76
Ostomy	990.80	0.0001	0.00131000	0.0093	9.19
Tube Feedings	530.52	0.0001	0.00057491	0.0240	12.71
Diagnoses (Add-On)					
Cerebral Palsy	83.48	0.0204	0.00049540	0.1564	13.05
Autism	171.92	0.0001	0.00006560	0.1030	17.70
Seizure	65.61	0.0295	0.00056629	0.2307	15.13

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Physically Disabled**

Variable	Estimate	p-Value	Incremental Partial R2	Proportion with Variable	Incremental Increase
Intercept (Grid Component)	375.63	0.0001		1.0000	375.63
DD/NH Level of Care (Grid Component)					
Vent Dependent	2,024.80	0.0001	0.01784000	0.0023	4.59
SNF	385.19	0.0001	0.13685000	0.2834	109.17
Number of IADLs (Grid Component)					
IADL_1	178.85	0.0001	0.01864000	0.0706	12.63
IADL_2	306.05	0.0001	0.03578000	0.1659	50.79
IADL_3	419.52	0.0001	0.03183000	0.1852	77.70
IADL_4-5	574.33	0.0001	0.00015602	0.5454	313.25
IADL_6	2,019.62	0.0001	0.03256000	0.0141	28.38
Specific ADLs / Equipment Used (Add-On)					
Bathing_1	144.44	0.0001	0.01084000	0.3034	43.83
Bathing_2	343.47	0.0001	0.02657000	0.5122	175.92
Dressing_2	119.59	0.0001	0.01742000	0.3464	41.43
Eating_2	64.96	0.0052	0.00918000	0.0809	5.26
Transfer_2	567.83	0.0001	0.02485000	0.2254	127.98
Interaction Terms (Add-On)					
Dress_Bath_Equip	143.65	0.0001	0.00051140	0.5631	80.89
Transfer_Equip_Mobility	200.64	0.0001	0.00275000	0.1048	21.03
Autism_Depression	1,710.38	0.0001	0.00025385	0.0003	0.46
Brain Injury Pre-22_Bipolar	1,092.49	0.0001	0.00018153	0.0004	0.42
Brain Injury Pre-22_Alcohol/Drug Abuse	589.63	0.0121	0.00004834	0.0005	0.31
Cerebral Palsy_Depression	1,571.84	0.0001	0.00108000	0.0013	2.05
Prader Willi_Anxiety Disorder	1,174.50	0.0035	0.00007062	0.0002	0.20
Seizure Pre-22_Bipolar	434.63	0.0107	0.00009162	0.0011	0.47
Seizure Pre-22_Other Mental Illness	338.95	0.0021	0.00009180	0.0024	0.82
Trauma BI Post-22_Alcohol/Drug Abuse	435.64	0.0001	0.00040515	0.0068	2.96
Seizure Post-22_Schizophrenia	214.57	0.0006	0.00015829	0.0077	1.65
Seizure Post-22_Other Mental Illness	247.50	0.0001	0.00019799	0.0115	2.86
Behavioral Variables (Add-On)					
Cognition_2	67.22	0.0001	0.00280000	0.1599	10.75
Injury_1-2	333.76	0.0001	0.00175000	0.0131	4.37
Offensive_1	441.62	0.0001	0.00363000	0.0337	14.89
Offensive_2-3	616.57	0.0001	0.00409000	0.0204	12.57
Mental Health	176.92	0.0001	0.00214000	0.4932	87.26
Substance Abuse	175.92	0.0001	0.00071940	0.0673	11.84
Medication Use (Add-On)					
Meds_2A	156.54	0.0001	0.00286000	0.2704	42.33
Meds_2B	470.65	0.0001	0.00623000	0.3752	176.57
Diagnoses (Add-On)					
Alzheimers	189.04	0.0001	0.00132000	0.2206	41.71
Mental Illness	195.87	0.0001	0.00376000	0.1891	37.04
Health Related Services (Add-On)					
Overnight	349.58	0.0001	0.00660000	0.3789	132.44
Nursing	311.85	0.0001	0.00253000	0.0865	26.97
Exercise	167.21	0.0001	0.00166000	0.1444	24.15
Reposition	564.14	0.0001	0.00530000	0.0867	48.89
Urinary	600.35	0.0001	0.00166000	0.0122	7.30
Tracheostomy	2,488.97	0.0001	0.00470000	0.0032	8.02
Ulcer Stage 2	141.46	0.0013	0.00007958	0.0154	2.18

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Elderly**

Variable	Estimate	p-Value	Incremental Partial R2	Proportion with Variable	Incremental Increase
Intercept (Grid Component)	194.48	0.0001		1.0000	194.48
DD/NH Level of Care (Grid Component)					
SNF	318.25	0.0001	0.14747000	0.3129	99.59
Dual Enrollee	342.57	0.0001	0.00124000	0.9743	333.78
Number of IADLs (Grid Component)					
IADL_2	239.38	0.0001	0.03108000	0.0976	23.36
IADL_3	362.44	0.0001	0.03957000	0.1506	54.59
IADL_4-5-6	629.01	0.0001	0.04599000	0.7064	444.35
Specific ADLs / Equipment Used (Add-On)					
Bathing_1	130.36	0.0001	0.01746000	0.2576	33.58
Bathing_2	367.10	0.0001	0.03167000	0.5969	219.11
Dressing	125.90	0.0001	0.00697000	0.6920	87.13
Toileting_1	198.79	0.0001	0.00314000	0.2006	39.89
Toileting_2	554.35	0.0001	0.04691000	0.2649	146.82
Transfer_2	220.56	0.0001	0.00396000	0.2437	53.74
Interaction Terms (Add-On)					
Transfer_Equip_Mobility	220.33	0.0001	0.00314000	0.0903	19.90
Autism_Depression	1,839.84	0.0001	0.00044481	0.0003	0.58
Brain Injury Pre-22_Anxiety Disorder	1,622.81	0.0001	0.00044692	0.0004	0.66
Seizure Pre-22_Depression	882.33	0.0001	0.00031983	0.0010	0.90
Seizure Post-22_Anxiety Disorder	268.45	0.0001	0.00032789	0.0112	3.02
Behavioral Variables (Add-On)					
Resistive	146.22	0.0001	0.00242000	0.0527	7.71
Offensive	235.45	0.0001	0.00223000	0.0719	16.92
Mental Health	136.72	0.0001	0.00208000	0.4395	60.10
Substance Abuse	233.48	0.0001	0.00051743	0.0239	5.58
Medication Use (Add-On)					
Meds_2A	64.89	0.0102	0.00539000	0.1956	12.70
Meds_2B	367.08	0.0001	0.00440000	0.5706	209.44
Diagnoses (Add-On)					
Alzheimers	94.37	0.0001	0.00086366	0.4684	44.20
Mental Illness	353.01	0.0001	0.00599000	0.0907	32.02
Health Related Services (Add-On)					
Overnight	208.12	0.0001	0.00269000	0.5028	104.65
Nursing	206.07	0.0001	0.00177000	0.1001	20.62
Reposition	285.64	0.0001	0.00226000	0.0770	21.99
Exercise	180.17	0.0001	0.00134000	0.1451	26.15
Tracheostomy	1,030.95	0.0002	0.00018521	0.0005	0.47
Ulcer Stage 2	231.61	0.0001	0.00026036	0.0116	2.69

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Developmentally Disabled - by MCO**

Variable	Proportion with Variable - Base Cohort Population					
	Lakeland (Fond du Lac)	WWC (La Crosse)	MCDFC (Milwaukee)	CCCW (Portage)	SFCA (Richland)	CCI (Ken/Racine)
Intercept (Grid Component)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
DD/NH Level of Care (Grid Component)						
Vent Dependent	0.0025	-	-	0.0033	-	0.0028
DD1A	0.0319	0.0492	0.0771	0.0363	0.0397	0.0331
DD1B	0.1103	0.1556	0.0539	0.1848	0.1508	0.2606
DD2	0.7255	0.6381	0.7688	0.5677	0.6270	0.5864
Restrictive Measures	-	0.0095	0.0058	-	0.0079	0.0038
Dual Enrollee	0.7108	0.6889	0.9480	0.6997	0.6746	0.6553
Number of IADLs (Grid Component)						
IADL_2	0.0907	0.1190	0.0405	0.1518	0.1667	0.0359
IADL_3	0.1176	0.1476	0.0539	0.1584	0.1508	0.1095
IADL_4	0.1838	0.1841	0.2524	0.1188	0.1587	0.1766
IADL_5	0.2721	0.3016	0.5337	0.1716	0.3095	0.2663
IADL_6	0.3113	0.2159	0.1175	0.3531	0.1667	0.4032
Specific ADLs / Equipment Used (Add-On)						
Bathing_2	0.3284	0.3000	0.5800	0.3465	0.2778	0.4183
Eating_1	0.2672	0.2429	0.2755	0.2244	0.1587	0.3003
Eating_2	0.1324	0.1317	0.1541	0.2343	0.1270	0.1671
Toileting_2	0.1667	0.1635	0.3083	0.2112	0.1349	0.2021
Transfer_1-2	0.1348	0.2032	0.3642	0.2211	0.1349	0.1879
Interaction Terms (Add-On)						
Dress_Bath_Equip	0.3088	0.2794	0.5992	0.3465	0.2619	0.3362
Mental Retardation_Anxiety Disorder	0.0809	0.0683	0.0424	0.0297	0.0794	0.0246
Mental Retardation_Bipolar	0.0074	0.0143	0.0096	0.0132	0.0238	0.0057
Mental Retardation_Other Mental Illnes	0.0539	0.0508	0.0328	0.0198	0.0714	0.0349
Autism_Anxiety Disorder	0.0196	0.0159	-	0.0165	0.0238	0.0076
Brain Injury Pre-22_Schizophrenia	0.0098	0.0016	0.0039	-	-	0.0009
Brain Injury Pre-22_Alcohol/Drug Abus	0.0025	0.0032	0.0019	-	0.0159	-
Cerebral Palsy_Depression	0.0123	0.0127	-	0.0033	0.0238	0.0047
Prader Willi_Other Mental Illness	0.0025	-	-	-	-	0.0009
Seizure Pre-22_Bipolar	-	0.0016	-	0.0033	0.0079	0.0038
Seizure Pre-22_Other Mental Illness	0.0147	0.0127	0.0135	0.0033	0.0238	0.0132
Trauma BI Post-22_Anxiety Disorder	-	-	-	0.0033	-	0.0019
Trauma BI Post-22_Bipolar	-	-	-	-	-	-
Trauma BI Post-22_Alcohol/Drug Abus	0.0049	0.0016	0.0039	-	-	0.0009
Seizure Post-22_Depression	0.0025	0.0016	0.0058	0.0066	-	0.0047
Seizure Post-22_Other Mental Illness	0.0025	0.0032	0.0058	-	0.0079	0.0028
Behavioral Variables (Add-On)						
Communication_1	0.0123	0.0190	0.0173	0.0132	0.0079	0.0132
Cognition_2-3	0.4216	0.4683	0.6204	0.4851	0.5159	0.6062
Offensive_1-2	0.2108	0.1873	0.1272	0.1914	0.1746	0.1596
Offensive_3	0.0221	0.0476	0.0058	0.0627	0.0556	0.1067
Mental Health	0.4265	0.3857	0.5318	0.4125	0.5556	0.3900
Medication Use (Add-On)						
Meds_2A	0.1078	0.1698	0.1079	0.0660	0.1746	0.1076
Meds_2B	0.4951	0.4159	0.7592	0.4983	0.3810	0.6421
Health Related Services (Add-On)						
Overnight	0.6814	0.5587	0.7380	0.6271	0.4762	0.4693
Exercise	0.0956	0.3714	0.1407	0.2871	0.1349	0.0812
Reposition	0.0221	0.0508	0.0906	0.1023	0.0238	0.0633
Ostomy	0.0025	0.0143	0.0116	0.0132	-	0.0057
Tube Feedings	0.0074	0.0206	0.0308	0.0297	0.0079	0.0312
Diagnoses (Add-On)						
Cerebral Palsy	0.1520	0.1905	0.1503	0.1848	0.1190	0.1407
Autism	0.1005	0.1333	0.0173	0.1353	0.1111	0.1445
Seizure	0.2426	0.1937	0.2100	0.2178	0.2222	0.2540

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Physically Disabled - by MCO**

Variable	Proportion with Variable - Base Cohort Population					
	Lakeland (Fond du Lac)	WWC (La Crosse)	MCDFC (Milwaukee)	CCCW (Portage)	SFCA (Richland)	CCI (Ken/Racine)
Intercept (Grid Component)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
DD/NH Level of Care (Grid Component)						
Vent Dependent	-	-	0.0033	0.0135	-	0.0046
SNF	0.2607	0.2504	0.2996	0.2207	0.2887	0.2362
Number of IADLs (Grid Component)						
IADL_1	0.0363	0.1298	0.0515	0.0901	0.1546	0.0905
IADL_2	0.1419	0.2473	0.1517	0.1847	0.1959	0.1534
IADL_3	0.2145	0.2153	0.1810	0.1712	0.1340	0.1856
IADL_4-5	0.5611	0.3237	0.6027	0.4009	0.4021	0.4632
IADL_6	0.0330	0.0290	0.0066	0.1306	0.0619	0.0752
Specific ADLs / Equipment Used (Add-On)						
Bathing_1	0.3498	0.3710	0.3056	0.3784	0.3608	0.4218
Bathing_2	0.4488	0.2901	0.5602	0.3694	0.3918	0.4479
Dressing_2	0.2541	0.1679	0.4066	0.2568	0.3299	0.3313
Eating_2	0.0693	0.0275	0.0835	0.0766	0.1031	0.0813
Transfer_2	0.2541	0.1557	0.2380	0.2568	0.2268	0.2408
Interaction Terms (Add-On)						
Dress_Bath_Equip	0.5446	0.4641	0.6243	0.5360	0.4433	0.6426
Transfer_Equip_Mobility	0.1188	0.1069	0.0726	0.0901	0.1134	0.0660
Autism_Depression	-	-	-	-	-	-
Brain Injury Pre-22_Bipolar	-	-	-	-	-	-
Brain Injury Pre-22_Alcohol/Drug Abus	-	0.0015	-	-	-	-
Cerebral Palsy_Depression	0.0033	-	0.0003	-	-	-
Prader Willi_Anxiety Disorder	-	-	0.0003	-	-	-
Seizure Pre-22_Bipolar	-	0.0015	-	-	-	-
Seizure Pre-22_Other Mental Illness	-	0.0015	-	-	0.0103	-
Trauma BI Post-22_Alcohol/Drug Abus	0.0066	0.0061	0.0011	-	-	0.0031
Seizure Post-22_Schizophrenia	-	0.0015	0.0014	0.0045	0.0103	-
Seizure Post-22_Other Mental Illness	0.0066	0.0107	0.0014	-	-	0.0015
Behavioral Variables (Add-On)						
Cognition_2	0.1188	0.0947	0.1840	0.1351	0.0722	0.1580
Injury_1-2	0.0264	0.0198	0.0074	-	0.0103	0.0123
Offensive_1	0.0099	0.0183	0.0315	0.0270	0.0309	0.0245
Offensive_2-3	0.0165	0.0229	0.0181	0.0315	0.0206	0.0276
Mental Health	0.6733	0.6046	0.4688	0.7252	0.5876	0.5107
Substance Abuse	0.0693	0.1405	0.0408	0.1126	0.1443	0.0598
Medication Use (Add-On)						
Meds_2A	0.3531	0.2702	0.2582	0.3243	0.4124	0.2101
Meds_2B	0.2937	0.1786	0.4417	0.2477	0.1959	0.3574
Mental Illness (Add-On)						
Alzheimers	0.1320	0.0977	0.2875	0.0991	0.1237	0.1288
Mental Illness	0.2508	0.3344	0.1689	0.2432	0.2268	0.2377
Health Related Services (Add-On)						
Overnight	0.5446	0.3206	0.3828	0.4955	0.4330	0.3298
Nursing	0.0165	0.0290	0.0389	-	0.0309	0.0046
Exercise	0.1584	0.1695	0.1177	0.2207	0.2165	0.1334
Reposition	0.0627	0.0702	0.0879	0.1171	0.1031	0.0982
Urinary	0.0066	0.0183	0.0071	0.0315	0.0206	0.0199
Tracheostomy	0.0033	0.0031	0.0030	0.0180	-	0.0061
Ulcer Stage 2	0.0165	0.0168	0.0153	0.0180	0.0309	0.0123

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Elderly - by MCO**

Variable	Proportion with Variable - Base Cohort Population					
	Lakeland (Fond du Lac)	WWC (La Crosse)	MCDFC (Milwaukee)	CCCW (Portage)	SFCA (Richland)	CCI (Ken/Racine)
Intercept (Grid Component)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
DD/NH Level of Care (Grid Component)						
SNF	0.2570	0.3096	0.2934	0.2779	0.2857	0.2302
Dual Enrollee	0.9474	0.9788	0.9775	0.9685	1.0000	0.9729
Number of IADLs (Grid Component)						
IADL_2	0.0464	0.1385	0.1074	0.0573	0.0504	0.0774
IADL_3	0.1269	0.1481	0.1534	0.1117	0.1176	0.1044
IADL_4-5-6	0.8142	0.6481	0.6912	0.7994	0.7395	0.7795
Specific ADLs / Equipment Used (Add-On)						
Bathing_1	0.3375	0.2173	0.2759	0.1920	0.3025	0.3269
Bathing_2	0.5573	0.5712	0.5902	0.6991	0.6050	0.5880
Dressing_1-2	0.6656	0.6481	0.7126	0.7421	0.7059	0.7640
Toileting_1	0.2508	0.1500	0.2139	0.2149	0.3193	0.2611
Toileting_2	0.2570	0.2962	0.2684	0.3725	0.2605	0.2534
Transfer_2	0.2601	0.2558	0.2289	0.3639	0.2689	0.2495
Interaction Terms (Add-On)						
Transfer_Equip_Mobility	0.1022	0.1173	0.0485	0.1490	0.1261	0.0251
Autism_Depression	-	-	-	-	-	-
Brain Injury Pre-22_Anxiety Disorder	-	-	-	-	-	0.0019
Seizure Pre-22_Depression	-	-	-	-	-	-
Seizure Post-22_Anxiety Disorder	0.0062	-	0.0025	0.0029	-	0.0039
Behavioral Variables (Add-On)						
Resistive	0.0495	0.0673	0.0385	0.1347	0.0924	0.0309
Offensive_1-2-3	0.0433	0.0673	0.0505	0.1003	0.1092	0.0387
Mental Health	0.4458	0.4692	0.4588	0.5444	0.5378	0.4333
Substance Abuse	0.0217	0.0385	0.0245	0.0172	0.0168	0.0116
Medication Use (Add-On)						
Meds_2A	0.1889	0.1769	0.2139	0.1060	0.2857	0.1238
Meds_2B	0.6347	0.5038	0.5592	0.6963	0.5294	0.6983
Mental Illness (Add-On)						
Alzheimers	0.4861	0.4231	0.5087	0.5702	0.4454	0.5493
Mental Illness	0.0712	0.0596	0.1099	0.0688	0.0840	0.0890
Health Related Services (Add-On)						
Overnight	0.8390	0.4712	0.4273	0.7822	0.6134	0.5029
Nursing	0.0310	0.0192	0.0330	0.0029	0.0504	0.0039
Reposition	0.0898	0.1077	0.0745	0.1404	0.1092	0.0503
Exercise	0.1269	0.2115	0.1014	0.3123	0.1597	0.0619
Tracheostomy	-	0.0019	0.0005	-	-	0.0019
Ulcer Stage 2	0.0124	0.0115	0.0130	0.0201	-	0.0058

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Developmentally Disabled - by MCO**

Variable	Proportion with Variable - Known Expansion Population					
	Care Wisconsin	CCI: Teal Region	CCI: Pink Region	CCI: Milwaukee	CHP	Lakeland
Intercept (Grid Component)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
DD/NH Level of Care (Grid Component)						
Vent Dependent	0.0005	0.0014	-	-	-	-
DD1A	0.0320	0.0233	0.0242	0.0346	0.0285	0.0369
DD1B	0.1958	0.2360	0.2019	0.1501	0.1978	0.1776
DD2	0.6725	0.6297	0.6999	0.6753	0.6707	0.7088
Restrictive Measures	0.0136	0.0049	0.0027	0.0043	0.0108	0.0028
Dual Enrollee	0.7023	0.7074	0.7106	0.6494	0.7331	0.7287
Number of IADLs (Grid Component)						
IADL_2	0.0678	0.0643	0.0821	0.0476	0.0556	0.0511
IADL_3	0.1139	0.1314	0.1696	0.1227	0.1355	0.1065
IADL_4	0.1887	0.1936	0.1655	0.1573	0.1680	0.1761
IADL_5	0.3145	0.2516	0.2423	0.2381	0.3171	0.2955
IADL_6	0.3026	0.3420	0.3324	0.4300	0.3049	0.3636
Specific ADLs / Equipment Used (Add-On)						
Bathing_2	0.4306	0.3583	0.3647	0.4098	0.3496	0.4659
Eating_1	0.2451	0.2134	0.2692	0.3117	0.3022	0.2500
Eating_2	0.2104	0.1654	0.1803	0.1558	0.1504	0.2244
Toileting_2	0.1871	0.1724	0.1736	0.2468	0.1978	0.2401
Transfer_1-2	0.1524	0.1583	0.1696	0.1818	0.1734	0.1932
Interaction Terms (Add-On)						
Dress_Bath_Equip	0.3823	0.3053	0.3149	0.3016	0.3333	0.3395
Mental Retardation_Anxiety Disorder	0.0634	0.0304	0.0740	0.0404	0.0908	0.0724
Mental Retardation_Bipolar	0.0146	0.0064	0.0162	0.0072	0.0190	0.0156
Mental Retardation_Other Mental Illness	0.0428	0.0240	0.0431	0.0274	0.0745	0.0483
Autism_Anxiety Disorder	0.0174	0.0071	0.0108	0.0087	0.0122	0.0170
Brain Injury Pre-22_Schizophrenia	-	-	-	-	0.0041	-
Brain Injury Pre-22_Alcohol/Drug Abuse	0.0005	0.0007	0.0013	0.0014	0.0014	-
Cerebral Palsy_Depression	0.0098	0.0042	0.0121	0.0072	0.0068	0.0057
Prader Willi_Other Mental Illness	-	-	-	-	-	-
Seizure Pre-22_Bipolar	0.0060	0.0014	0.0013	0.0014	0.0068	0.0043
Seizure Pre-22_Other Mental Illness	0.0141	0.0099	0.0135	0.0058	0.0203	0.0099
Trauma BI Post-22_Anxiety Disorder	0.0022	-	0.0013	-	0.0027	0.0014
Trauma BI Post-22_Bipolar	-	-	-	-	-	-
Trauma BI Post-22_Alcohol/Drug Abuse	0.0011	0.0007	0.0040	0.0029	-	-
Seizure Post-22_Depression	0.0038	0.0007	0.0054	0.0014	0.0054	0.0057
Seizure Post-22_Other Mental Illness	0.0027	0.0014	0.0027	-	0.0041	0.0014
Behavioral Variables (Add-On)						
Communication_1	0.0119	0.0127	0.0162	0.0115	0.0257	0.0170
Cognition_2-3	0.5927	0.5724	0.5814	0.6349	0.6084	0.5952
Offensive_1-2	0.3080	0.1936	0.2328	0.1876	0.2940	0.2727
Offensive_3	0.0374	0.0919	0.0821	0.0649	0.0312	0.0185
Mental Health	0.4599	0.4134	0.4199	0.3810	0.4201	0.4332
Medication Use (Add-On)						
Meds_2A	0.1470	0.0869	0.1063	0.0548	0.1274	0.1378
Meds_2B	0.5597	0.5774	0.5612	0.6898	0.5366	0.5881
Health Related Services (Add-On)						
Overnight	0.7223	0.5781	0.5276	0.6566	0.6206	0.7301
Exercise	0.1334	0.1011	0.1077	0.0823	0.1220	0.1293
Reposition	0.0510	0.0544	0.0525	0.0823	0.0515	0.0625
Ostomy	0.0038	0.0042	0.0040	0.0043	0.0081	0.0071
Tube Feedings	0.0206	0.0219	0.0229	0.0317	0.0203	0.0256
Diagnoses (Add-On)						
Cerebral Palsy	0.1307	0.1314	0.1561	0.1732	0.1206	0.1619
Autism	0.1329	0.1350	0.1090	0.1501	0.1179	0.1108
Seizure	0.2554	0.2572	0.2396	0.2843	0.2358	0.2926

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Developmentally Disabled - by MCO**

Variable	Proportion with Variable - Known Expansion Population				
	WWC	MCDFC Disabled	Northern Bridges	CCCW	SFCA
Intercept (Grid Component)	1.0000	1.0000	1.0000	1.0000	1.0000
DDNH Level of Care (Grid Component)					
Vent Dependent	-	0.0009	-	-	-
DD1A	0.0440	0.0511	0.0250	0.0333	0.0308
DD1B	0.2596	0.1488	0.1303	0.1719	0.1611
DD2	0.5975	0.7174	0.7275	0.6688	0.6737
Restrictive Measures	0.0206	0.0097	0.0098	0.0054	0.0056
Dual Enrollee	0.7170	0.6329	0.7307	0.7003	0.7563
Number of IADLs (Grid Component)					
IADL_2	0.0646	0.0493	0.0738	0.0855	0.0700
IADL_3	0.1030	0.0775	0.1618	0.1359	0.1485
IADL_4	0.1497	0.1778	0.1857	0.1602	0.1639
IADL_5	0.3091	0.3759	0.3333	0.2142	0.2717
IADL_6	0.3544	0.3169	0.2389	0.3816	0.3319
Specific ADLs / Equipment Used (Add-On)					
Bathing_2	0.4354	0.4234	0.4017	0.3807	0.3768
Eating_1	0.2679	0.2403	0.2248	0.2574	0.2073
Eating_2	0.2129	0.1690	0.1705	0.2079	0.1849
Toileting_2	0.2102	0.2289	0.2193	0.1935	0.1961
Transfer_1-2	0.1937	0.1945	0.1889	0.1818	0.1779
Interaction Terms (Add-On)					
Dress_Bath_Equip	0.3571	0.2870	0.3073	0.3393	0.2717
Mental Retardation_Anxiety Disorder	0.0934	0.0238	0.0282	0.0441	0.0686
Mental Retardation_Bipolar	0.0247	0.0088	0.0087	0.0108	0.0154
Mental Retardation_Other Mental Illness	0.0742	0.0299	0.0141	0.0360	0.0476
Autism_Anxiety Disorder	0.0165	0.0070	0.0033	0.0162	0.0126
Brain Injury Pre-22_Schizophrenia	0.0027	0.0009	-	0.0009	-
Brain Injury Pre-22_Alcohol/Drug Abuse	0.0014	0.0009	-	-	0.0028
Cerebral Palsy_Depression	0.0124	0.0062	0.0033	0.0063	0.0056
Prader Willi_Other Mental Illness	-	0.0009	-	0.0009	-
Seizure Pre-22_Bipolar	0.0055	0.0018	-	0.0009	0.0070
Seizure Pre-22_Other Mental Illness	0.0234	0.0097	0.0054	0.0144	0.0084
Trauma BI Post-22_Anxiety Disorder	-	0.0009	0.0011	0.0009	-
Trauma BI Post-22_Bipolar	-	0.0009	-	-	-
Trauma BI Post-22_Alcohol/Drug Abuse	0.0027	-	0.0011	0.0009	-
Seizure Post-22_Depression	0.0055	0.0026	0.0011	0.0018	0.0056
Seizure Post-22_Other Mental Illness	0.0027	0.0044	0.0022	0.0027	0.0042
Behavioral Variables (Add-On)					
Communication_1	0.0096	0.0123	0.0109	0.0198	0.0112
Cognition_2-3	0.6181	0.6523	0.5700	0.5536	0.5602
Offensive_1-2	0.3695	0.2755	0.2758	0.2223	0.2969
Offensive_3	0.0522	0.0158	0.0185	0.0459	0.0406
Mental Health	0.3146	0.3592	0.3746	0.4428	0.4202
Medication Use (Add-On)					
Meds_2A	0.1525	0.1496	0.1509	0.1098	0.1218
Meds_2B	0.5495	0.6215	0.5016	0.5185	0.5378
Health Related Services (Add-On)					
Overnight	0.6676	0.6857	0.6156	0.6220	0.6499
Exercise	0.1456	0.0977	0.0999	0.1638	0.0868
Reposition	0.0755	0.0915	0.0478	0.0828	0.0434
Ostomy	0.0027	0.0053	0.0043	0.0081	0.0042
Tube Feedings	0.0302	0.0396	0.0152	0.0180	0.0154
Diagnoses (Add-On)					
Cerebral Palsy	0.1374	0.1514	0.1346	0.1413	0.1359
Autism	0.1071	0.1338	0.1075	0.1269	0.1036
Seizure	0.2280	0.2729	0.2410	0.2511	0.2437

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Physically Disabled - by MCO**

Variable	Proportion with Variable - Known Expansion Population					
	Care Wisconsin	CCI: Teal Region	CCI: Pink Region	CCI: Milwaukee	CHP	Lakeland
Intercept (Grid Component)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
DD/NH Level of Care (Grid Component)						
Vent Dependent	0.0108	0.0080	-	0.0022	-	0.0023
SNF	0.2550	0.2615	0.2291	0.2993	0.2781	0.3677
Number of IADLs (Grid Component)						
IADL_1	0.1229	0.1038	0.1508	0.1106	0.1711	0.0679
IADL_2	0.1459	0.1497	0.1899	0.1931	0.1604	0.1874
IADL_3	0.1567	0.1557	0.1620	0.1627	0.1230	0.1944
IADL_4-5	0.4808	0.4850	0.3743	0.4382	0.4492	0.5012
IADL_6	0.0553	0.0758	0.0950	0.0824	0.0321	0.0398
Specific ADLs / Equipment Used (Add-On)						
Bathing_1	0.2780	0.3194	0.3855	0.3926	0.3316	0.2412
Bathing_2	0.5131	0.5150	0.4413	0.4360	0.4385	0.6042
Dressing_2	0.3333	0.3533	0.3073	0.3189	0.2834	0.4052
Eating_2	0.0983	0.0858	0.0838	0.0889	0.0963	0.1148
Transfer_2	0.2980	0.3114	0.2291	0.2733	0.1979	0.2927
Interaction Terms (Add-On)						
Dress_Bath_Equip	0.5684	0.5968	0.5866	0.5488	0.5615	0.6183
Transfer_Equip_Mobility	0.0768	0.0798	0.1173	0.0672	0.0963	0.0656
Autism_Depression	-	-	-	-	-	-
Brain Injury Pre-22_Bipolar	-	-	-	-	-	-
Brain Injury Pre-22_Alcohol/Drug Abuse	-	-	-	-	-	-
Cerebral Palsy_Depression	-	-	-	0.0022	0.0107	0.0070
Prader Willi_Anxiety Disorder	-	-	-	-	-	-
Seizure Pre-22_Bipolar	0.0015	-	-	-	-	0.0023
Seizure Pre-22_Other Mental Illness	-	0.0020	-	-	0.0053	0.0047
Trauma BI Post-22_Alcohol/Drug Abuse	-	0.0020	-	-	-	0.0023
Seizure Post-22_Schizophrenia	-	0.0020	-	0.0022	0.0053	0.0023
Seizure Post-22_Other Mental Illness	0.0061	0.0100	0.0056	0.0022	0.0053	0.0094
Behavioral Variables (Add-On)						
Cognition_2	0.1705	0.1876	0.1508	0.1887	0.2246	0.1780
Injury_1-2	0.0230	0.0160	0.0335	0.0108	0.0160	0.0164
Offensive_1	0.0599	0.0279	0.0503	0.0369	0.0856	0.0632
Offensive_2-3	0.0415	0.0419	0.0335	0.0174	0.0481	0.0304
Mental Health	0.5791	0.5469	0.6089	0.3948	0.4920	0.5738
Substance Abuse	0.1091	0.0699	0.1285	0.0846	0.1016	0.1358
Medication Use (Add-On)						
Meds_2A	0.2596	0.2176	0.2682	0.2256	0.2460	0.3255
Meds_2B	0.3287	0.3972	0.3352	0.3579	0.3209	0.3279
Mental Illness (Add-On)						
Alzheimers	0.1582	0.1477	0.1620	0.1193	0.0802	0.1780
Mental Illness	0.2074	0.1796	0.1229	0.2256	0.2139	0.2014
Health Related Services (Add-On)						
Overnight	0.6083	0.4651	0.4413	0.4013	0.4278	0.5667
Nursing	0.0230	0.0100	0.0279	0.0239	-	0.0375
Exercise	0.2120	0.1836	0.1788	0.1367	0.1604	0.1475
Reposition	0.1152	0.1178	0.0782	0.1106	0.1016	0.0867
Urinary	0.0369	0.0419	0.0391	0.0239	0.0053	0.0422
Tracheostomy	0.0123	0.0120	0.0112	0.0065	-	0.0047
Ulcer Stage 2	0.0246	0.0319	0.0168	0.0108	0.0214	0.0258

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Physically Disabled - by MCO**

Variable	Proportion with Variable - Known Expansion Population				
	WWC	MCDFC Disabled	Northern Bridges	CCCW	SFCA
Intercept (Grid Component)	1.0000	1.0000	1.0000	1.0000	1.0000
DD/NH Level of Care (Grid Component)					
Vent Dependent	-	0.0034	0.0059	0.0077	-
SNF	0.2714	0.3231	0.2071	0.2088	0.2896
Number of IADLs (Grid Component)					
IADL_1	0.1298	0.0578	0.1223	0.0876	0.1254
IADL_2	0.1563	0.1633	0.2327	0.1907	0.1940
IADL_3	0.2006	0.2041	0.2071	0.1649	0.1821
IADL_4-5	0.3894	0.4898	0.3846	0.3892	0.3881
IADL_6	0.0649	0.0714	0.0335	0.1546	0.0567
Specific ADLs / Equipment Used (Add-On)					
Bathing_1	0.3009	0.3741	0.2623	0.3067	0.2985
Bathing_2	0.4454	0.4422	0.5799	0.4820	0.5642
Dressing_2	0.2566	0.3878	0.3550	0.3144	0.3851
Eating_2	0.0531	0.0952	0.0907	0.0979	0.1015
Transfer_2	0.2124	0.2551	0.2485	0.2680	0.2836
Interaction Terms (Add-On)					
Dress_Bath_Equip	0.4897	0.5204	0.5996	0.5979	0.6000
Transfer_Equip_Mobility	0.1150	0.0510	0.0868	0.0541	0.1045
Autism_Depression	-	-	-	-	-
Brain Injury Pre-22_Bipolar	-	-	-	-	-
Brain Injury Pre-22_Alcohol/Drug Abuse	-	-	-	-	-
Cerebral Palsy_Depression	-	-	0.0039	-	0.0030
Prader Willi_Anxiety Disorder	-	-	-	-	-
Seizure Pre-22_Bipolar	-	-	-	-	-
Seizure Pre-22_Other Mental Illness	-	-	-	-	0.0030
Trauma BI Post-22_Alcohol/Drug Abuse	0.0088	0.0034	0.0039	0.0026	0.0030
Seizure Post-22_Schizophrenia	0.0059	-	-	0.0026	-
Seizure Post-22_Other Mental Illness	0.0059	-	-	0.0052	0.0030
Behavioral Variables (Add-On)					
Cognition_2	0.1327	0.1293	0.1598	0.1598	0.1284
Injury_1-2	0.0206	0.0238	0.0256	0.0284	0.0269
Offensive_1	0.0442	0.0476	0.0473	0.0412	0.0507
Offensive_2-3	0.0413	0.0374	0.0138	0.0232	0.0299
Mental Health	0.5162	0.4558	0.5306	0.6649	0.4537
Substance Abuse	0.1150	0.0986	0.0750	0.0979	0.0985
Medication Use (Add-On)					
Meds_2A	0.2655	0.3469	0.2367	0.2242	0.2448
Meds_2B	0.2478	0.2959	0.2544	0.3144	0.2866
Mental Illness (Add-On)					
Alzheimers	0.1150	0.0680	0.1045	0.1031	0.1104
Mental Illness	0.2065	0.2347	0.1657	0.1985	0.1522
Health Related Services (Add-On)					
Overnight	0.3510	0.3810	0.4122	0.5129	0.4328
Nursing	0.0295	0.0476	0.0237	-	0.0209
Exercise	0.1799	0.1293	0.1538	0.1933	0.1821
Reposition	0.1091	0.1361	0.1006	0.1134	0.0836
Urinary	0.0236	0.0408	0.0237	0.0438	0.0478
Tracheostomy	0.0029	0.0034	0.0079	0.0077	0.0030
Ulcer Stage 2	0.0206	0.0340	0.0118	0.0052	0.0507

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Elderly - by MCO**

Variable	Proportion with Variable - Known Expansion Population					
	Care Wisconsin	CCI: Teal Region	CCI: Pink Region	CCI: Milwaukee	CHP	Lakeland
Intercept (Grid Component)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
DD/NH Level of Care (Grid Component)						
SNF	0.2687	0.2071	0.2271	0.2403	0.3214	0.2402
Dual Enrollee	0.9857	0.9817	0.9963	0.9612	0.9881	0.9877
Number of IADLs (Grid Component)						
IADL_2	0.0785	0.0550	0.0659	0.1318	0.1131	0.0980
IADL_3	0.1308	0.1193	0.1392	0.1240	0.1250	0.1176
IADL_4-5-6	0.7420	0.7982	0.7326	0.6822	0.7143	0.7525
Specific ADLs / Equipment Used (Add-On)						
Bathing_1	0.1950	0.2202	0.2271	0.3643	0.2500	0.1667
Bathing_2	0.6730	0.6802	0.6593	0.4961	0.6131	0.7108
Dressing_1-2	0.6754	0.6972	0.7216	0.6977	0.6607	0.7010
Toileting_1	0.1974	0.2333	0.2161	0.2248	0.1786	0.1936
Toileting_2	0.2925	0.2569	0.2711	0.1860	0.2798	0.2966
Transfer_2	0.2533	0.2333	0.2601	0.1628	0.1905	0.2525
Interaction Terms (Add-On)						
Transfer_Equip_Mobility	0.0583	0.0472	0.0806	0.0233	0.0476	0.0392
Autism_Depression	-	-	-	-	-	-
Brain Injury Pre-22_Anxiety Disorder	-	-	-	-	-	-
Seizure Pre-22_Depression	-	-	-	-	-	-
Seizure Post-22_Anxiety Disorder	0.0012	-	0.0037	-	-	-
Behavioral Variables (Add-On)						
Resistive	0.0654	0.0367	0.0403	0.0310	0.0833	0.0686
Offensive_1-2-3	0.0797	0.0498	0.0659	0.0388	0.1369	0.0809
Mental Health	0.4899	0.4613	0.5201	0.2946	0.3810	0.4681
Substance Abuse	0.0226	0.0157	0.0183	0.0155	0.0119	0.0245
Medication Use (Add-On)						
Meds_2A	0.1677	0.1350	0.1612	0.1008	0.2024	0.2230
Meds_2B	0.6207	0.7156	0.6227	0.6357	0.5774	0.5588
Mental Illness (Add-On)						
Alzheimers	0.5172	0.4915	0.4066	0.4884	0.4405	0.4951
Mental Illness	0.1011	0.0813	0.0623	0.0465	0.0893	0.1005
Health Related Services (Add-On)						
Overnight	0.7776	0.6317	0.5897	0.5039	0.5655	0.6176
Nursing	0.0345	0.0144	0.0073	0.0388	0.0060	0.0221
Reposition	0.0488	0.0511	0.0806	0.0388	0.0774	0.0564
Exercise	0.1415	0.0682	0.1209	0.0620	0.1488	0.0858
Tracheostomy	0.0012	-	-	-	-	-
Ulcer Stage 2	0.0119	0.0105	0.0147	0.0078	0.0119	0.0319

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

**Functional Screen Regression Model of 2010 PMPM
Elderly - by MCO**

Variable	Proportion with Variable - Known Expansion Population				
	WWC	MCDFC Disabled	Northern Bridges	CCCW	SFCA
Intercept (Grid Component)	1.0000	-	1.0000	1.0000	1.0000
DD/NH Level of Care (Grid Component)					
SNF	0.2555	-	0.1780	0.2380	0.2830
Dual Enrollee	0.9854	-	0.9847	0.9907	0.9753
Number of IADLs (Grid Component)					
IADL_2	0.1509	-	0.1424	0.0989	0.1154
IADL_3	0.2117	-	0.1864	0.1175	0.1401
IADL_4-5-6	0.5669	-	0.5983	0.7342	0.6813
Specific ADLs / Equipment Used (Add-On)					
Bathing_1	0.2628	-	0.2203	0.2767	0.2775
Bathing_2	0.6010	-	0.6678	0.5904	0.6071
Dressing_1-2	0.5547	-	0.6441	0.7079	0.6896
Toileting_1	0.1898	-	0.1864	0.2334	0.2418
Toileting_2	0.1655	-	0.2305	0.2643	0.2308
Transfer_2	0.1703	-	0.2119	0.2349	0.1951
Interaction Terms (Add-On)					
Transfer_Equip_Mobility	0.0730	-	0.0407	0.0402	0.0495
Autism_Depression	-	-	-	-	-
Brain Injury Pre-22_Anxiety Disorder	-	-	-	-	-
Seizure Pre-22_Depression	-	-	-	-	-
Seizure Post-22_Anxiety Disorder	0.0049	-	0.0034	0.0046	0.0082
Behavioral Variables (Add-On)					
Resistive	0.0341	-	0.0407	0.0665	0.0577
Offensive_1-2-3	0.0511	-	0.0661	0.0742	0.0797
Mental Health	0.3990	-	0.3797	0.5224	0.3791
Substance Abuse	0.0268	-	0.0186	0.0170	0.0247
Medication Use (Add-On)					
Meds_2A	0.2165	-	0.1763	0.1437	0.2198
Meds_2B	0.3990	-	0.4814	0.6291	0.5027
Mental Illness (Add-On)					
Alzheimers	0.2749	-	0.3593	0.4621	0.4368
Mental Illness	0.0608	-	0.0576	0.0618	0.0797
Health Related Services (Add-On)					
Overnight	0.4307	-	0.4780	0.6244	0.5549
Nursing	0.0195	-	0.0186	-	0.0247
Reposition	0.0365	-	0.0305	0.0433	0.0302
Exercise	0.1168	-	0.0983	0.1577	0.0824
Tracheostomy	-	-	-	-	-
Ulcer Stage 2	0.0219	-	0.0085	0.0108	0.0110

**Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development**

Development of the 2012 Final Nursing Home Rates; With Capped Enrollment

Pilot Population	Total Statistical Model 2010 PMPM Inc IBNR	Two-Year Trend	2012 Gross Nursing Home Rates	Admin/Risk PMPM	Common Carrier Costs	Preliminary 2012 MCE Rates	MCE Rates Including Phase-In
CCCW (Portage)	\$2,794.48	4.0%	\$2,905.94	\$159.98	\$4.47	\$3,070.39	\$3,070.39
LCD (Fond du Lac)	\$2,611.83	3.6%	\$2,706.76	\$160.37	\$7.47	\$2,874.60	\$2,874.60
MCDFC (Milwaukee)	\$2,336.09	4.4%	\$2,438.10	\$123.33	\$6.43	\$2,567.86	\$2,567.86
SFCA (Richland)	\$2,601.24	4.1%	\$2,707.60	\$162.20	\$6.34	\$2,876.15	\$2,876.15
WWC (La Crosse)	\$2,421.81	3.7%	\$2,510.64	\$147.23	\$9.43	\$2,667.30	\$2,667.30
CCI (Kenosha/Racine)	\$2,968.68	3.1%	\$3,060.18	\$133.76	\$11.42	\$3,205.36	\$3,205.36

Expansion Population	Total Statistical Model 2010 PMPM Inc IBNR	Two-Year Trend	2012 Gross Nursing Home Rates	Admin/Risk PMPM	Common Carrier Costs	Preliminary 2012 MCE Rates	MCE Rates Including Phase-In
Care Wisconsin	\$3,019.95	3.2%	\$3,115.46	\$153.29	\$3.81	\$3,272.55	\$3,297.37
CCCW	\$2,897.38	3.3%	\$2,993.87	\$159.98	\$4.47	\$3,158.31	\$3,158.31
CCI - Pink Region	\$2,905.53	3.0%	\$2,992.52	\$133.59	\$7.47	\$3,133.58	\$3,133.58
CCI - Milwaukee	\$2,864.92	2.9%	\$2,947.43	\$133.48	\$6.43	\$3,087.34	\$3,591.27
CCI - Teal Region	\$2,909.02	3.3%	\$3,004.59	\$133.62	\$3.81	\$3,142.02	\$3,142.02
Lakeland Care District	\$2,879.42	3.4%	\$2,976.39	\$160.37	\$7.47	\$3,144.23	\$3,144.23
CHP	\$3,035.00	2.7%	\$3,118.35	\$168.66	\$5.04	\$3,292.05	\$3,370.63
MCDFC (Milwaukee)	\$3,157.19	2.3%	\$3,230.11	\$123.33	\$6.43	\$3,359.87	\$3,908.29
Northern Bridges	\$2,565.14	3.4%	\$2,652.61	\$190.99	\$10.89	\$2,854.49	\$2,916.39
SFCA	\$2,863.95	3.2%	\$2,956.95	\$162.20	\$6.34	\$3,125.50	\$3,125.50
WWC	\$2,828.16	3.2%	\$2,917.65	\$147.23	\$9.43	\$3,074.32	\$3,098.65

MCO	2012 Gross MCE Rates	2012 Gross Capitation Rates
Care Wisconsin	\$3,297.37	\$3,394.98
CCCW	\$3,132.85	\$3,132.85
CCI - Kenosha/Racine	\$3,205.36	\$3,205.36
CCI - Pink Region	\$3,133.58	\$3,133.58
CCI - Milwaukee	\$3,591.27	\$3,453.93
CCI - Teal Region	\$3,142.02	\$3,142.02
Lakeland Care District	\$3,035.87	\$3,035.87
CHP	\$3,370.63	\$3,729.25
MCDFC (Milwaukee)	\$2,819.47	\$2,747.96
Northern Bridges	\$2,916.39	\$2,933.88
SFCA	\$3,076.90	\$2,954.78
WWC	\$2,861.49	\$2,850.54
Aggregate Rate	\$3,056.05	\$3,049.20

**Wisconsin Department of Health Services
Projected CY12 Member Months by Eligibility Category**

Nursing Home Level of Care

MCO	Pilot Population				Expansion Population			
	DD	PD	FE	Total	DD	PD	FE	Total
Care Wisconsin	-	-	-	-	22,122	7,810	10,088	40,020
CCCW	3,636	2,664	4,188	10,488	13,321	4,652	7,758	25,731
CCI - Kenosha/Racine	12,708	7,824	6,204	26,736	-	-	-	-
CCI - Pink Region	-	-	-	-	8,916	2,148	3,276	14,340
CCI - Milwaukee	-	-	-	-	8,310	5,528	1,547	15,385
CCI - Teal Region	-	-	-	-	16,980	6,012	9,156	32,148
Lakeland Care District	4,896	3,636	3,876	12,408	8,448	5,124	4,896	18,467
CHP	-	-	-	-	8,847	2,242	2,014	13,103
MCDFC (Milwaukee)	6,228	43,823	24,011	74,062	13,596	3,519	-	17,115
Northern Bridges	-	-	-	-	10,647	5,861	6,820	23,328
SFCA	1,512	1,164	1,428	4,104	8,568	4,020	4,368	16,956
WWC	7,560	7,860	6,240	21,660	8,736	4,068	4,932	17,736

Wisconsin Department of Health Services
CY 2012 Family Care Capitation Rate Development
Development of the 2012 Final Non-Nursing Home Rates

MCO	2010 Gross Nursing Home Rates	Admin/Risk Rate	Two-Year Trend	2012 Gross Capitation Rates
CCCW (Portage)	\$514.64	5.1%	4.0%	\$564.19
Lakeland (Fond du Lac)	\$526.19	6.1%	3.6%	\$580.62
MCDFC (Milwaukee)	\$493.76	5.2%	4.4%	\$543.70
SFCA (Richland)	\$490.12	5.7%	4.1%	\$540.96
WWC (La Crosse)	\$506.02	5.8%	3.7%	\$557.13
Community Care (Kenosha/Racine)	\$538.22	4.1%	3.1%	\$578.35
Community Care (Milwaukee)				\$578.35
Community Care (Teal Region)				\$578.35
Community Care (Pink Region)				\$578.35
Care Wisconsin				\$559.74
CHP				\$559.74
Northern Bridges				\$559.74