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Dear Ms. Hunt and Ms. Lin:

I, Curtis Cunningham, Director of the Bureau of Financial Management for the Wisconsin Department of Health Service's Division of Long-Term Care, hereby affirm that the following data prepared and submitted to PricewaterhouseCoopers LLP for the purpose of developing 2014 Family Care and Family Care Partnership/PACE capitation rates were prepared under my direction, and to the best of my knowledge and belief, are accurate and complete. These data include:

1. MA Card fee-for-service claim data files for 2010 through 2012, for the nursing home, managed care, and home and community-based waiver populations;
2. MA eligibility data files for 2010 through 2012, for the nursing home and home and community-based waiver populations;
3. Functional screen information for Family Care and Family Care Partnership/PACE members, as well as for home and community-based waiver and wait list clients;
4. Eligibility information for Family Care and Family Care Partnership/PACE members;
5. MCO encounter file containing units of service and program costs for Family Care and Family Care Partnership/PACE members;
6. Potential contracting agencies and anticipated start dates in regions of the state that are served by the program or to which the program is expected to expand;
7. Projected Family Care and Family Care Partnership/PACE enrollment months for CY 2014 in light of the program's anticipated expansion and transition to an entitlement.
8. CY 2012-2013 financial reporting from the managed care organizations (MCOs) was used to develop care management rates that were used for the care management component of the Family Care and Family Care Partnership/PACE rates.

Sincerely,

Curtis Cunningham  
Bureau Director  
DLTC/BFM

Wisconsin Department  
of Health Services

Calendar Year 2014  
Program of All Inclusive  
Care for the Elderly  
(PACE) and Family Care  
Partnership Program  
(FCP) Managed Care  
Equivalent Values

Prepared by:  
PricewaterhouseCoopers

December 2013

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## I. EXECUTIVE SUMMARY

The Family Care Partnership Program (Partnership or FCP) is an integrated program of acute and long-term care (LTC) services designed to improve access and quality while achieving cost savings. Acute and long-term support services are coordinated across care settings using an inter-disciplinary team comprised of a physician, nurse practitioner and social worker or independent living coordinator. Medicare and Medicaid services are delivered in a single setting and payment rates to participating contractors are set as a single capitation rate. The Program of All-Inclusive Care for the Elderly (PACE) is a capitated program authorized by the Balanced Budget Act of 1997 (BBA) that features a comprehensive service delivery system and integrated Medicare and Medicaid financing. The program is modeled on the system of acute and LTC services developed by On Lok Senior Health Services in San Francisco, California and was tested through Health Care Financing Administration (HCFA, which is now the Centers for Medicare & Medicaid Services (CMS)) demonstration projects that began in the mid-1980s. For most participants, the comprehensive service package permits them to continue living at home while receiving services rather than be institutionalized. Capitated financing allows providers to determine the most appropriate services to be delivered to participants including some substitute services based on participant need rather than be limited to those reimbursable under the Medicare and Medicaid fee-for-service systems. Different rate setting rules apply to PACE and FCP programs. The FCP program is available to younger disabled adults, and is authorized to deliver home and community-based waiver services under s.1915(c) of the Social Security Act and health care services through a state plan amendment, while PACE is open only to frail elderly individuals and operates as a state plan service.

Under BBA regulations, PACE participants must be at least 55 years old, live in the PACE service area, and be certified as eligible for nursing home care by the appropriate State agency. The PACE program becomes the sole source of services for Medicare and Medicaid eligible enrollees participating in the program.

Regulations require that capitation payments to PACE program be less than the amount that would otherwise have been paid under the State plan if the participants were not enrolled in the PACE program. The estimated costs of providing services to PACE enrollees in the absence of the PACE program is referred to as the Upper Payment Limit (UPL) or the Fee-For-Service Equivalent (FFSE) cost.

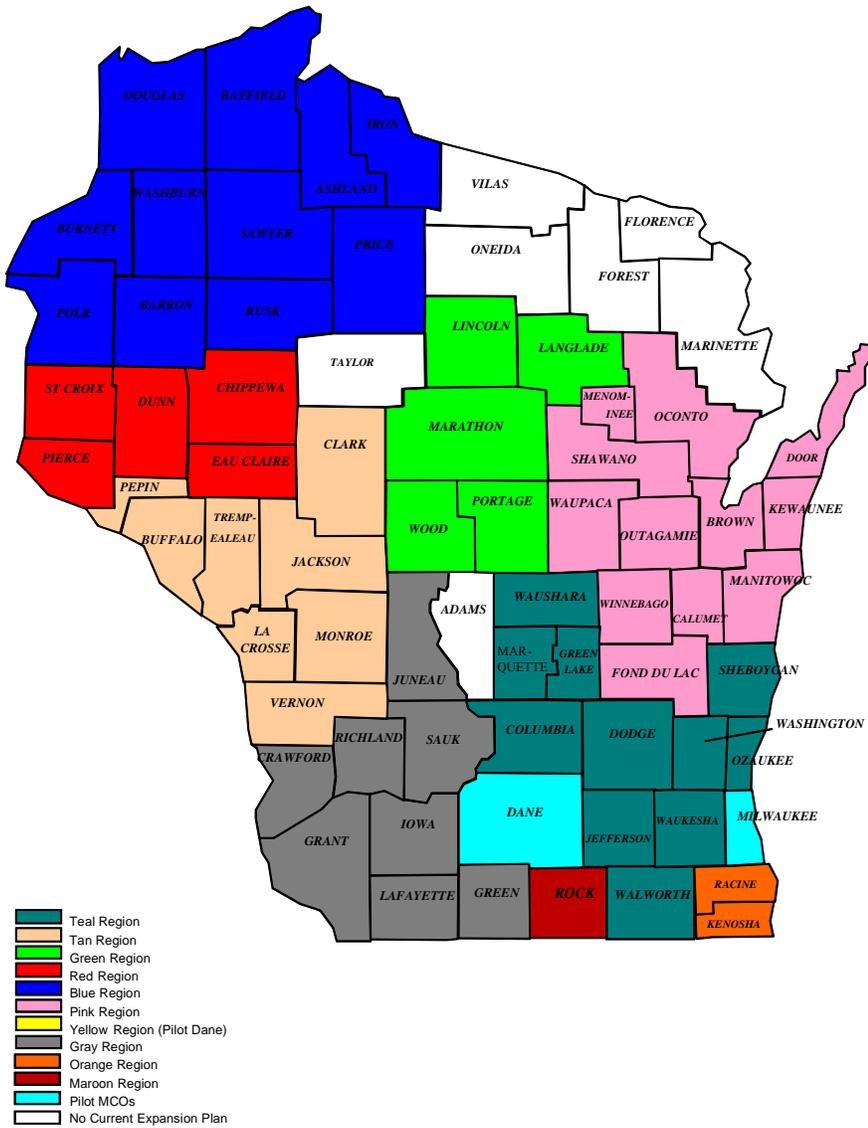
The following table shows the pilot MCOs that have been operating in the Family Care Partnership and PACE programs since the inception of the program prior to 2000.

## I. EXECUTIVE SUMMARY

Family Care Partnership / PACE Pilot MCOs		
MCO	Implementation Date	Covered Counties
Community Care Health Plan (CCHP)	PACE Pilot MCO	Milwaukee
Community Care Health Plan (CCHP)	Partnership Pilot MCO	Milwaukee and Racine
Care Wisconsin Health Plan (CWHP)	Partnership Pilot MCO	Dane

The State has been continuing the effort to expand the FCP program outside of the current service areas. The expansion plan for the Family Care and Family Care Partnership programs that DHS has provided categorizes the State into eleven regions; most being comprised of multiple counties. MCOs will initially expand to selected counties within regions, with further expansion planned as capacity is developed. The map below provides the regional configuration for the FCP program.

I. EXECUTIVE SUMMARY



## I. EXECUTIVE SUMMARY

The implementation dates for various MCOs as well as the counties to which they were expanding coverage to are detailed below.

Family Care Partnership/PACE Expansion Details		
MCO	Implementation Date in First Expansion County	Expansion Counties
FCP Community Care Health Plan	Apr. 1, 2007	Kenosha, Ozaukee, Washington, Waukesha, Calumet, Outagamie, Waupaca (Pilot MCO = Milwaukee & Racine)
PACE Community Care Health Plan	Mar. 1, 2009	Waukesha (Pilot MCO = Milwaukee)
Care Wisconsin	Mar. 1, 2008	Columbia, Dodge, Jefferson, Sauk, Ozaukee, Washington, & Waukesha (Pilot MCO = Dane)
Independent Care Health Plan	Jan. 1, 2011	Milwaukee, Kenosha, & Racine

Noted in the above table, Community Care and Care Wisconsin are currently participating in the Partnership program. As a result, the capitation rates for these two MCOs are calculated using a blend of the following two rates. The rate for Independent Care is based solely on the second: In instances where an MCO has not yet enrolled a sufficiently large number of lives in an area, they are provided a rate that is equal to that of a previously participating MCO for the corresponding service area.

1. Capitation rate for the pilot MCO effective for calendar year 2014, and
2. Capitation rate for an MCO's known expansion population in a non-pilot county

This report describes the methodology used to develop Managed Care Equivalent amounts for the Medicaid component of the payment rate for the PACE and FCP programs and their expansion regions.

## I. EXECUTIVE SUMMARY

Individuals eligible to enroll in a FCP program include:

- Those receiving Medicaid coverage in the Supplemental Security Income (SSI) categories (if income level is below 300% of SSI benefit rate.),
- Enrollees who are in Medicaid-only and Dual Medicare/Medicaid eligibility categories and who have been certified as being Nursing Home-eligible based on a functional screen administered by state certified screeners.

Participation is voluntary and the rate setting methodology considers the relative risk difference in the enrolled population compared to the population represented in the base data used for rate development.

A rate development methodology for the LTC portion of the MCE rate, calculated using calendar year 2012 Family Care cost and eligibility data, was developed to better reflect the variation in level of need for services for the enrollees in the FCP/PACE programs. The LTC methodology relies on a regression model that estimates differences in expected costs by functional screen scores. An adjustment was made to reflect the difference in levels of benefits offered between the Family Care and the FCP / PACE programs.

The acute and primary portion of the MCE rates were based on the aggregate managed care experience of the participating MCOs, adjusted for differences in health status and demographics between the populations served by each MCO. To reflect the different demographic mix between the participating plans, base cost rates for Dual enrollees were calculated by age-gender rate cells and estimated calendar year 2014 enrollment is used to develop aggregate rates for each. Due to smaller levels of enrollment, rates for Medical Assistance (MA) only enrollees were calculated in aggregate and then MCO specific rates were developed using a diagnostic-based risk adjustment tool.

The base data was trended to the midpoint of the effective contract period (Calendar Year 2014); an Incurred But Not Reported (IBNR) claims adjustment was applied to complete the data, and an allowance is made for plan administrative expense.

### Relationship of Rate Setting Methods to CMS Requirements

PricewaterhouseCoopers LLP (PwC) has calculated 2014 Managed Care Equivalence (MCE) rates for the PACE/FCP programs. Effective August 13, 2003, regulations issued by the Centers for Medicare and Medicaid Services govern the development of capitation payments for Medicaid managed care programs. A separate check list applies to the rate development for PACE programs, which must comply with the UPL and FFSE requirements. The FCP is a program that includes both PACE and additional

## I. EXECUTIVE SUMMARY

elements. To ensure compliance with CMS requirements, we have followed both checklists in developing the MCEs in this report.

The rate setting regulations for managed care programs other than PACE require that rates be “actuarially sound”, while the PACE rate setting approach requires that rates not exceed the FFSE cost of providing services to a comparable population. It is possible to blend the two requirements, provided certain characteristics of the program are in place, including a proven ability of contracting plans to operate under rates that are both actuarially sound and no higher than the FFSE.

While there are no definitive criteria for determining actuarial soundness for Medicaid managed care programs, CMS has issued a checklist that provides guidance, and we have followed that checklist in developing the proposed rates shown here. The final rates will be established through signed contracts with Managed Care Organizations (MCO), which will ensure that the plans concur that the rates paid will allow for contracting with sufficient numbers of providers to ensure appropriate access to health care and that they expect to remain financially sound throughout the contract period.

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

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

## I. EXECUTIVE SUMMARY

- A range of appropriate rates could emerge from the rate-setting process.

These MCE rates were developed to be consistent with the concepts described above. For the PACE program, the rates were also structured to be below the FFSE so that compliance with PACE rate setting requirements is also met.

### 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 to develop PACE and Family Care Partnership Program capitation rates. It may not be appropriate for other uses. PricewaterhouseCoopers does not intend to benefit and assumes no duty or liability to other parties who receive this work. This report should only be reviewed in its entirety. It assumes the reader is familiar with the FCP, the Wisconsin Medicaid acute, 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.

## II. RATE CELLS

The 2014 MCE values vary based on the following criteria:

- Managed Care Organization: All participants must be Medicaid or Dually eligible and meet nursing home (NH) level of care criteria.
  - Community Care Health Plan (CCHP)
  - Care Wisconsin Health Plan, Inc (Care WI)
  - Independent Care Health Plan (I-Care)
- Aid Category:
  - Medical Assistance (MA)
  - Dually Eligible: individuals who are eligible for both Medicare and Medicaid
- Target Groups:
  - Developmentally Disabled
  - Physically Disabled
  - Frail Elderly
- Region:
  - Community Care: Milwaukee, Racine, Kenosha, Ozaukee, Washington, Waukesha, Calumet, Outagamie, & Waupaca
  - Community Care PACE: Milwaukee & Waukesha
  - Care Wisconsin: Dane, Columbia, Dodge, Jefferson, Sauk, Ozaukee, Washington, & Waukesha
  - Independent Care: Milwaukee, Kenosha, & Racine
- Age Cohorts: Age Cohorts are used to determine payment amount by rate cell for each of the programs. The age range covered by the health plans varies.
  - CCHP FCP: All Ages
  - CCHP PACE: Ages 55 & Over
  - Care WI: All Ages
  - I-Care: All Ages

### III. DATA SOURCES

A first step in developing MCE rates is identifying the data that will be used for the calculations. The CMS regulations relating to the development of actuarially sound rates 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 rate development described here relies on the most recent and credible managed care encounter data available for enrollees in the FCP and PACE programs and a comparable population.

As a starting point in our analysis, we received detailed claims and eligibility data. We then worked with the State to summarize the claims experience by year for each of the rate cells. The data were further segregated to reflect the experience of the developmentally disabled, physically disabled, and frail elderly populations. This segregation is done to accommodate the materially different cost experience of the individuals in these three target groups.

## IV. RATE SETTING METHODOLOGY

The methodology used to calculate the CY 2014 FCP/PACE program MCE estimates is described in this section.

### 1. Preliminary Acute & Primary Service Cost

Historical rate development has relied on using the fee-for-service data for individuals eligible to enroll in the Family Care Partnership and PACE programs since there was no readily available or sufficiently credible managed care claim experience for these programs. An analysis of the managed care experience was performed this year and it was determined that the data for the pilot counties was accurate, credible in size, and included an appropriate level of managed care efficiencies. For the 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 expansion areas are developed based on encounter data reported from the pilot counties.

The base data consists of calendar year 2011 encounter eligibility and claim data for the MCOs that were providing coverage in the pilot counties; an assessment of calendar year 2012 acute and primary costs was performed and the claims were determined to be under-reported and inaccurate. Per member per month costs were developed separately for the MA Only and Dual Eligible populations. The aggregate 2011 claims for the pilot counties follow:

CY 2011 Claims and Enrollment		
	Dual Eligible	MA Only
Claims	\$ 7,224,651	\$ 10,308,834
Exposure Months	38,608	6,179
Base PMPM Cost	\$ 187.13	\$ 1,668.31

Over the course of calendar year 2012, the Department made a decision to not renew the contract of one of the pilot MCOs. The MCO stopped providing FCP services beyond December 31, 2012. However, their calendar year 2011 claims and eligibility experience for their pilot counties (Chippewa, Dunn, and Eau Claire) were included in the base data used to develop the rates consistent with prior years. The MCO had been operating in these areas for 15 years and were included in the base data to increase the size and credibility of the underlying base data experience to be used in developing capitation rates.

Exhibits I-1 and I-2 shows the experience by county, target group, eligibility category, and service category. Exhibit II-1 provides the acute and primary costs by rate cell.

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## IV. RATE SETTING METHODOLOGY

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.

Total paid claims were adjusted by a completion factor, which reflects incurred but not yet paid claims. Based on an analysis of the encounter data, the completion factor for 2012 non-pharmacy claims used in the analysis was 1.004; all pharmacy claims are assumed to be complete.

### 2. Long-Term Care Service Cost

A model was developed using Family Care claim and eligibility data to appropriately develop costs for the long-term care component of the rate. Using calendar year 2012 data, an Ordinary Least Squares linear regression model is created to relate monthly costs to recipient functional characteristics. The unit of analysis is the recipient month. That is, the monthly 2012 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. Three risk assessment models were developed that measure differences in utilization of services based on functional status within each target group (developmentally disabled, physically disabled, and frail elderly). Applying the functional screen information of the FCP-PACE enrollees to the Family Care based model is done to reflect the relative needs and costs of the two programs. Please refer to Appendix A for a detailed description of the regression modeling and Exhibits III-1 and III-3 for the summary of functional characteristics by MCO. The long-term care component of the rate for both pilot and expansion areas was entirely based on the application of the regression models.

Adjustments were made to the costs developed using the regression models to account for the difference in benefits covered by Family Care versus those covered in FCP-PACE. Specifically the FCP-PACE benefit package includes nurse practitioner services whereas Family Care does not. A per member per month cost of \$78.89 for nurse practitioner services was provided as an add-on to the rate of each MCO. The costs for these services were determined based on an assessment of the MCO's claims experience.

### 3. Projected Increase from Base Period to Rate Period

Trend rates are used to project the baseline cost data beyond the base cost period to the 2014 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 rate increases
- Known policy changes that may impact utilization patterns; and

## IV. RATE SETTING METHODOLOGY

- Industry experience for other comparable Medicaid long-term care programs

Annual trend rates are calculated for the two sets of service classifications subset by service / population. The base data used to develop the acute and primary costs was calendar year 2011 and thus had three years of trend applied to move the data to the midpoint of the calendar year 2014 effective contract period, whereas the long-term care costs were developed using calendar year 2012 experience and were trended two years.

- Acute and Primary
  - MA Only Acute care non-RX: 2.0%
  - MA Only Prescription Drug: 5.0%
  - Dual all Acute care services: 2.0%
  
- Long Term Care:
  - Developmentally Disabled: 0.25%
  - Physically Disabled: 1.00%
  - Frail Elderly: 0.50%

The trend factors for the long-term care services were developed using the managed care cost and eligibility data of the Family Care program, consistent with the development of the long-term care component of the capitation rate.

### 4. Acute and Primary Cost Administrative Allowance

An administrative allowance of 4.75% was applied to the acute and primary services used in estimating the 2014 MCE. The rate is within a range of reasonable values for the administrative allowance. For the PACE program, we have considered the state's average FFS administrative expense of 4.75% in determining that this allocation will result in rates that are within the FFSE.

The administrative allowance to be provided for the long-term care component of the capitation rate was developed based on a study performed by DHS and the participating MCOs. The details and amount of funding is described further in Section V of this report.

### 5. Severity Adjustment

Separate adjustments are applied to the acute care services and long-term care components of the MCE rate.

## IV. RATE SETTING METHODOLOGY

**Acute Care Services:** To develop baseline costs for the Dual enrollees, claim and eligibility data for the pilot counties were summarized by age, gender, and target group since the costs can materially differ among these rate cells. The final rates for both the pilot and expanding MCOs, shown in Exhibit II-4, II-5, and II-6, were derived based on actual MCO enrollment as of July 2013 to reflect the population mix as of the most recent available date. Please refer to Exhibit II-2 and II-3 for a summary of the costs and enrollment, respectively.

Due to the limited number of MA enrollees in the FCP-PACE programs, costs could not be broken out by rate cell. Therefore, an aggregate cost was calculated and a diagnostic based risk adjustment was applied to determine costs by MCO. For these services, the Hierarchical Coexisting Condition (HCC) model is applied. This model was developed by DxCG, Inc., and has been adopted by the Medicare program for use in determining payment rates for Medicare enrollees in Medicare Advantage plans. The HCC is also used to determine the payment rate for the acute care component of the rate paid by Medicare. Since the baseline costs are developed using the pilot county experience, the acuity adjustment for the pilot counties is budget neutral. However, for the expansion counties the acuity adjustment is not budget neutral and the adjustment for each expansion area is determined as their risk score relative to the combined risk score of the pilot counties. The relative risk scores for the MCOs follow, the risk adjusted service costs for MA only enrollees are provided in Exhibit II-5.

HCC Adjustments		
	Pilot County	Expansion County
CCHP: Milwaukee Region	0.974	0.887
CCHP: Orange Region	0.936	1.003
CCHP: Teal Region	n/a	0.962
CCHP: Pink Region	n/a	0.925
Care Wisconsin	1.012	0.943
Independent Care	n/a	1.034
CCHP: PACE	0.984	0.943

**Long-Term Care Services:** As discussed on page 11, Family Care based regression models were used to estimate the long-term care component of the capitation rate. The FCP/PACE enrollee functional screen by MCO and target group is applied to the respective regression models to determine the estimated costs that are based on the level of functional needs of enrollees covered under this program. Appendices A & B provide further explanation of how the long-term care service costs were calculated.

## V. ADMINISTRATIVE ALLOWANCE: LONG-TERM CARE COST COMPONENT

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 related to long-term care services that are typically incurred by an MCO that participates in the Family Care Partnership and PACE programs, 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

## V. ADMINISTRATIVE ALLOWANCE: LONG-TERM CARE COST COMPONENT

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 2014 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 per capita cost projections as reported in the SWG documents were used as the basis to derive a point estimate.

Based on CY 2014 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 as well. The total administrative per capita cost for each MCO was calculated by summing the variable and the corresponding tiered fixed cost components.

## VI. PER MEMBER PER MONTH COST DEVELOPMENT

In summary, the 2014 per capita costs were developed as described below.

1. Acute & Primary Services: Use CY 2011 encounter claims and eligibility data for FCP/PACE enrollees to develop baseline costs.
2. Long-Term Care Services: The LTC methodology relies on a regression model that estimates differences in expected costs by functional screen scores that was developed for the Family Care program and applied to the functional needs of the FCP/PACE enrollees.
3. Include costs for nurse practitioner services for the portion of the rate that relies on Family Care enrollee experience.
4. Adjust costs to reflect an estimate for incurred but not reported amounts.
5. Project adjusted 2011 acute and primary costs three years and 2012 long-term care costs two years using the annualized trend rates discussed in Section IV.
6. An administrative allowance was added to reflect estimated program administrative costs as a percentage of revenue.
7. Severity adjustments: Adjustments were made separately to the long-term care and acute costs to reflect the difference in illness burden of enrollees and account for the varying demographic mix between the MCOs.
8. A managed care equivalent rate is calculated by MCO for their pilot county and expansion areas. The pilot and expansion rates are blended using estimated CY14 enrollment to develop an aggregate rate by MCO.

We did not adjust the 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.

Exhibits II-4, II-5, and II-6 show the development of the Acute & Primary service costs. Exhibit III-5 shows the development of the long-term care component of the capitation rates.

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## VII. FINAL CAPITATION RATES

The Wisconsin Department of Health Services determined the final 2014 capitation rates for each MCO that participates in the Family Care Partnership and/or PACE programs. DHS developed the 2014 capitation rates with reference to the following:

- 2014 managed care equivalent (MCE) rates,
- 2013 capitation rates,
- Aggregate financial results as reported by the MCOs, and,
- Detailed business plan projections.

The capitation rates are effective for calendar year 2014 for all MCOs. Exhibit IV-1 provides the 2014 capitation rates.

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 where excessive levels of surplus are anticipated. Additionally, DHS has included the following policy adjustment in the development of the final calendar year 2014 capitation rates.

The 2014 per member per month costs developed in this report are within a reasonable range of rates for the Family Care Partnership and PACE programs, as defined by reasonable ranges on several important assumptions including annual trend rates and appropriate administrative loadings, among others.

## VIII. APPENDIX A

Regression 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.

The base data used to develop the regression model consists of Family Care calendar year 2012 claim, eligibility, and functional screen data. 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 target groups. 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.

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

- Variables are included in the 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 target group. 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<sup>2</sup>) and the proportion of the population with the characteristic.

Appendices B-1, B-2, and B-3 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 Family Care calendar year 2012 baseline costs.

Wisconsin Department of Health Services  
PACE and FCP Capitation Rates, CY 2014

## APPENDIX B-1

**Functional Screen Regression Model of 2012 PMPM  
Developmentally Disabled**

Variable	Estimate	p-Value	Incremental Partial R2	Proportion with Variable	Incremental Increase
<b>Intercept (Grid Component)</b>	87.95	-	-	1.0000	87.95
<b>DDNH Level of Care (Grid Component)</b>					
Vent Dependent	5,256.04	0.0001	0.01131000	0.00103859	5.45
DD1A	346.38	0.0001	0.00986000	0.03468163	12.01
DD1B	250.31	0.0001	0.17314000	0.21892889	54.80
DD2	256.94	0.0001	0.01159000	0.62319975	160.13
Restrictive Measures	1,797.98	0.0001	0.03139000	0.01407115	25.30
Dual Enrollee	311.46	0.0001	0.00257000	0.72638451	226.24
High Cost (5 Parameters)	947.33	0.0001	0.01129000	0.00975938	9.25
<b>Number of ADLs (Grid Component)</b>					
IADL_4	246.73	0.0001	0.01257000	0.17188837	42.41
IADL_5	517.05	0.0001	0.00089121	0.27470722	142.04
IADL_6	620.53	0.0001	0.10175000	0.33814870	208.83
<b>Specific ADLs / Equipment Used (Add-On)</b>					
Bathing_2	124.27	0.0001	0.01955000	0.40632099	50.49
Toileting_1	77.32	0.0004	0.00125000	0.23638444	18.28
Toileting_2	310.81	0.0001	0.01404000	0.20523367	63.79
Transfer_2	654.90	0.0001	0.00522000	0.14097616	92.32
<b>Interaction Terms (Add-On)</b>					
Bath_Equip_Eat	309.16	0.0001	0.00287000	0.30297082	93.67
Dress_Bath_Equip	256.66	0.0001	0.00080154	0.36820979	94.51
Transfer_Equip_Mobility	682.15	0.0001	0.00175000	0.04762797	32.49
Autism_Alcohol/Drug Abuse	729.01	0.0010	0.00006014	0.00108967	0.78
Autism_Depression	249.96	0.0001	0.00031309	0.02089720	5.22
Autism_Schizophrenia	321.60	0.0006	0.00027624	0.02058665	1.89
Brain Injury Pre-22_Alcohol/Drug Abuse	393.20	0.0024	0.00010574	0.00337443	1.33
Brain Injury Pre-22_Other Mental Illness	265.69	0.0008	0.00008279	0.01068569	2.84
Cerebral Palsy_Bipolar	594.37	0.0001	0.00013002	0.00401403	2.39
Mental Retardation_Anxiety Disorder	204.94	0.0001	0.00034068	0.19814296	40.61
Mental Retardation_Other Mental Illness	318.67	0.0001	0.00150000	0.14828742	47.25
Seizure Pre-22_Depression	300.32	0.0001	0.00031831	0.05056130	15.18
Seizure Post-22_Bipolar	502.70	0.0001	0.00022290	0.00341854	1.72
Trauma BI Post-22_Alcohol/Drug Abuse	334.14	0.0004	0.00025329	0.00667167	2.23
Trauma BI Post-22_Depression	725.17	0.0001	0.00056684	0.01280298	9.28
Other Federal DD_Bipolar	737.96	0.0001	0.00028459	0.00539247	3.98
Behaviors_Autism	422.63	0.0001	0.00075751	0.03902649	16.49
Injury_Mental Illness_Age Under 30	1,480.29	0.0001	0.00025328	0.00485212	7.18
Injury_Overnight	781.27	0.0001	0.00151000	0.03100946	24.23
Injury_Overnight_Mental Illness_Age Under 30	1,640.58	0.0001	0.00500000	0.00302155	4.96
Offensive_Mobility_Age 60 and Under	478.46	0.0001	0.00017131	0.00748770	3.58
Overnight_Age Under 30	347.94	0.0001	0.00030474	0.04667961	16.24
Overnight_Alzheimers_Dementia_Decision Making	186.26	0.0001	0.00030559	0.50981452	94.96
Overnight_Mental Illness	599.61	0.0001	0.00127000	0.05051719	30.29
Overnight_Mental Illness_Age Under 30	1,262.03	0.0001	0.00266000	0.00938444	11.84
Restrictive Measures_Autism	949.31	0.0001	0.00012456	0.00385012	3.47
Restrictive Measures_Behaviors	1,346.32	0.0001	0.00076093	0.00755387	10.17
<b>Behavioral Variables (Add-On)</b>					
Cognition_3	80.68	0.0005	0.00145000	0.25908118	20.90
Communication_1	403.99	0.0001	0.00013241	0.01249421	5.05
Injury_1-2	396.43	0.0001	0.00009564	0.11394764	45.17
Mental Health_2-3	238.18	0.0001	0.01111000	0.46816347	111.51
Offensive_1	496.03	0.0001	0.00376500	0.10907347	54.10
Offensive_2	629.34	0.0001	0.00610000	0.09985444	62.84
Offensive_3	1,909.07	0.0001	0.02299000	0.08474670	161.79
Wander_2	869.03	0.0001	0.00658000	0.03503452	30.45
<b>Medication Use (Add-On)</b>					
Meds_2B	252.61	0.0001	0.00479000	0.58952163	148.92
<b>Health Related Services (Add-On)</b>					
Behaviors	259.89	0.0001	0.00033135	0.26583004	69.09
Dialysis	470.96	0.0031	0.0002018	0.00213834	1.01
Exercise	291.44	0.0001	0.00216000	0.19010388	55.40
Med Admin	523.91	0.0001	0.00195000	0.68372996	358.21
Nursing	247.92	0.0237	0.00009353	0.00448821	1.11
Ostomy	716.71	0.0001	0.00027132	0.00689222	4.94
Overnight	352.14	0.0001	0.00325000	0.67709532	245.20
Reposition	225.77	0.0001	0.00010965	0.06663947	15.05
Respirate	460.69	0.0001	0.00130000	0.04222448	19.45
Tracheostomy	2,671.56	0.0001	0.00135000	0.00191879	5.13
Tube Feedings	181.43	0.0022	0.00005315	0.02274983	4.13
Ulcer Stage 3-4	414.09	0.0295	0.00001572	0.00149975	0.62
Urinary	504.37	0.0001	0.00023164	0.00733332	3.70
<b>Diagnoses (Add-On)</b>					
Brain Injury Pre-22	112.19	0.0031	0.00000010	0.05174125	5.80
Cerebral Palsy	81.26	0.0005	0.00002828	0.14296112	11.62
Mental Retardation	236.25	0.0001	0.00106000	0.79333275	187.42
Prader Willi	420.66	0.0003	0.00012178	0.00400300	1.68

Wisconsin Department of Health Services  
PACE and FCP Capitation Rates, CY 2014

## APPENDIX B-2

**Functional Screen Regression Model of 2012 PMPM  
Physically Disabled**

Variable	Estimate	p-Value	Incremental Partial R2	Proportion with Variable	Incremental Increase
<b>Intercept (Grid Component)</b>	342.77	-		1.0000	342.77
<b>DDNH Level of Care (Grid Component)</b>					
Vent Dependent	4,253.12	0.0001	0.04624000	0.0035	14.94
SNF	356.82	0.0001	0.12051000	0.2717	96.95
<b>Number of IADLs (Grid Component)</b>					
IADL_1	116.22	0.0065	0.02126000	0.0819	9.51
IADL_2	333.31	0.0001	0.02909000	0.1663	55.44
IADL_3	381.23	0.0001	0.03242000	0.1782	67.94
IADL_4-5	586.62	0.0001	0.01385000	0.5107	299.57
IADL_6	1,052.23	0.0001	0.01803000	0.0431	45.30
<b>Specific ADLs / Equipment Used (Add-On)</b>					
Bathing_1	177.18	0.0001	0.00968000	0.3316	58.76
Bathing_2	347.54	0.0001	0.02318000	0.4975	172.90
Dressing_2	54.90	0.0027	0.01397000	0.3430	18.83
Eating_2	117.24	0.0001	0.00997000	0.0828	9.71
Toileting_1	106.78	0.0001	0.00026460	0.2103	22.45
Toileting_2	283.06	0.0001	0.01917000	0.2438	69.02
Transfer_2	423.88	0.0001	0.00740000	0.2523	106.95
<b>Interaction Terms (Add-On)</b>					
Bath_Equip_Eat	37.75	0.0143	0.00023904	0.2738	10.34
Dress_Bath_Equip	134.55	0.0001	0.00007219	0.6253	84.14
Transfer_Equip_Mobility	531.96	0.0001	0.00672000	0.0736	39.14
Seizure Pre-22_Alcohol/Drug Abuse	418.94	0.0099	0.00004541	0.0011	0.46
Seizure Post-22_Bipolar	158.16	0.0105	0.00021322	0.0082	1.29
Seizure Post-22_Other Mental Illness	314.40	0.0001	0.00054296	0.0137	4.32
Trauma BI Post-22_Alcohol/Drug Abuse	304.69	0.0001	0.00084951	0.0093	2.84
Trauma BI Post-22_Depression	285.21	0.0001	0.00062933	0.0173	4.94
Trauma BI Post-22_Exercise	1,433.69	0.0001	0.00047504	0.0010	1.43
Trauma BI Post-22_Other Mental Illness	369.88	0.0001	0.00020182	0.0064	2.35
Age Under 60_Employment Assistance	241.57	0.0001	0.00194000	0.1761	42.54
At least 3 Mental Illnesses	103.85	0.0001	0.00013791	0.0806	8.37
Offensive_Mobility_Age 60 and Under	1,626.27	0.0001	0.00123000	0.0020	3.27
Overnight_Mental Illness	88.84	0.0055	0.00007139	0.0383	3.40
Spinal Injury_Alcohol/Drug Abuse	910.18	0.0001	0.00060398	0.0031	2.83
<b>Behavioral Variables (Add-On)</b>					
Cognition_2-3	53.19	0.0017	0.00254000	0.2615	13.91
Injury_1	188.69	0.0060	0.00036838	0.0064	1.20
Injury_2	413.44	0.0001	0.00074871	0.0054	2.22
Offensive_1-2	439.00	0.0001	0.00386500	0.0498	21.87
Offensive_3	1,451.42	0.0001	0.00447000	0.0083	12.11
Mental Health_2-3	140.64	0.0001	0.00499000	0.5646	79.41
Substance Abuse Current	193.13	0.0001	0.00204000	0.0768	14.83
Wander_2	277.26	0.0001	0.00010860	0.0117	3.25
<b>Medication Use (Add-On)</b>					
Meds_2A	73.56	0.0236	0.00023353	0.2478	18.23
Meds_2B	294.74	0.0001	0.00257000	0.3834	113.01
<b>Diagnoses (Add-On)</b>					
Alzheimers	129.10	0.0001	0.00002179	0.2129	27.48
Cerebral Palsy	455.68	0.0001	0.00034694	0.0061	2.78
Mental Illness	169.06	0.0001	0.00167000	0.2240	37.88
<b>Health Related Services (Add-On)</b>					
Dialysis	96.65	0.0039	0.00000174	0.0314	3.03
Exercise	68.27	0.0001	0.00106000	0.1650	11.27
Med Admin	99.56	0.0005	0.00004991	0.6085	60.58
Med Management	77.28	0.0001	0.00006085	0.3498	27.03
Nursing	150.44	0.0006	0.00025257	0.0165	2.48
Ostomy	139.03	0.0175	0.00018201	0.0091	1.27
Overnight	381.11	0.0001	0.00581000	0.4410	168.08
Reposition	538.26	0.0001	0.00470000	0.0945	50.84
Respirate	180.51	0.0001	0.00112000	0.0880	15.88
Tracheostomy	2,428.02	0.0001	0.00671000	0.0053	12.75
Ulcer Stage 2	207.59	0.0001	0.00017793	0.0174	3.62
Ulcer Stage 3-4	582.61	0.0001	0.00125000	0.0122	7.12
Urinary	622.04	0.0001	0.00170000	0.0165	10.29
Wound	206.34	0.0001	0.00040689	0.0474	9.77

## APPENDIX B-3

**Functional Screen Regression Model of 2012 PMPM  
Frail Elderly**

Variable	Estimate	p-Value	Incremental Partial R2	Proportion with Variable	Incremental Increase
<b>Intercept (Grid Component)</b>	316.54	-		1.0000	316.54
<b>DD/NH Level of Care (Grid Component)</b>					
SNF	382.95	0.0001	0.11640	0.2713	103.90
<b>Number of IADLs (Grid Component)</b>					
IADL_1	210.98	0.0019	0.02338	0.0357	7.54
IADL_2	432.50	0.0001	0.04332	0.0915	39.58
IADL_3	555.41	0.0001	0.04150	0.1306	72.53
IADL_4-5-6	645.96	0.0001	0.00768	0.7371	476.11
<b>Specific ADLs / Equipment Used (Add-On)</b>					
Bathing_1	164.98	0.0001	0.01441	0.2570	42.40
Bathing_2	320.83	0.0001	0.02904	0.6224	199.69
Toileting_1	176.53	0.0001	0.00251	0.2214	39.09
Toileting_2	580.57	0.0001	0.05334	0.2952	171.39
Transfer_1-2	77.77	0.0001	0.00079	0.4317	33.58
<b>Interaction Terms (Add-On)</b>					
Bath_Equip_Eat	32.36	0.0076	0.00158	0.3403	11.01
Dress_Bath_Equip	169.59	0.0001	0.00083	0.6733	114.19
Transfer_Equip_Mobility	412.86	0.0001	0.00923	0.0560	23.12
Seizure Pre-22_Anxiety Disorder	512.61	0.0002	0.00013	0.0011	0.58
Seizure Post-22_Anxiety Disorder	97.34	0.0211	0.00016	0.0128	1.25
Seizure Post-22_Bipolar	278.24	0.0063	0.00007	0.0021	0.57
Seizure Post-22_Schizophrenia	408.06	0.0001	0.00032	0.0052	2.12
At least 3 Mental Illnesses	60.93	0.0232	0.00004	0.0348	2.12
<b>Behavioral Variables (Add-On)</b>					
Cognition_2	106.17	0.0001	0.00141	0.2657	28.20
Cognition_3	159.32	0.0001	0.00538	0.1939	30.89
Injury_1-2	144.09	0.0174	0.00014	0.0058	0.84
Mental Health_2-3	157.72	0.0001	0.00561	0.5039	79.48
Offensive_1-2-3	151.40	0.0001	0.00056	0.0668	10.12
Substance Abuse Current	254.93	0.0001	0.00084	0.0215	5.47
<b>Medication Use (Add-On)</b>					
Meds_2B	211.40	0.0001	0.00464	0.6205	131.18
<b>Diagnoses (Add-On)</b>					
Alzheimers	85.77	0.0001	0.00032	0.5108	43.82
Mental Illness	245.85	0.0001	0.00252	0.0947	23.28
<b>Health Related Services (Add-On)</b>					
Med Admin	182.13	0.0001	0.00079	0.7737	140.92
Med Management	118.28	0.0001	0.00115	0.3587	42.43
Overnight	247.84	0.0001	0.00305	0.6202	153.71
Reposition	500.96	0.0001	0.00611	0.0787	39.42
Tube Feedings	556.66	0.0001	0.00081	0.0061	3.40
Ulcer Stage 2	313.53	0.0001	0.00053	0.0128	4.03
Ulcer Stage 3-4	556.91	0.0001	0.00040	0.0033	1.85
Urinary	168.18	0.0239	0.00005	0.0039	0.66

## IX. ACTUARIAL CERTIFICATION

Following is our actuarial certification for the 2014 capitation rates.

## IX. ACTUARIAL CERTIFICATION

### Actuarial Certification of Proposed 2014 PACE/FCP Capitation 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 2014 capitation rates developed for the Medicaid managed care programs known as the Family Care Partnership and PACE Programs. I have been retained by the Wisconsin Department of Health Services (DHS) to perform an actuarial certification of the Family Care Partnership and PACE Programs capitation rates for calendar year 2014 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 Rate setting."

I have examined the actuarial assumptions and actuarial methods used by DHS in setting the capitation rates for calendar year 2014.

To the best of my information, knowledge and belief, for the period from January 1, 2014 to December 31, 2014, 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.

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## IX. ACTUARIAL CERTIFICATION

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



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Jinn-Feng Lin  
Member, American Academy of Actuaries

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December 19, 2013  
Date

# X. CMS CHECKLIST

*Wisconsin Department of Health Services*

*Crosswalk from CMS Rate Setting Checklist to 2014 PACE and*

<b>Item</b>		<b>Location</b>
AA.1.0	Overview of Rate setting Methodology	Entire Report
<b>AA.1.1</b>	<b>Actuarial Certification</b>	<b>Pages 22-24</b>
AA.1.2	Projection of Expenditures	NA
<b>AA.1.3</b>	<b>Procurement, Prior Approval and Rate setting</b>	<b>NA</b>
AA.1.5	Risk contracts	NA
<b>AA.1.6</b>	<b>Limit on Payment to other providers</b>	<b>NA</b>
AA.1.7	Rate Modifications	NA
<b>AA.2.0</b>	<b>Base Year Utilization and Cost Data</b>	<b>Page 9; Exh I-</b>
AA.2.1	Medical Reimbursement Data Contract	Page 5

# X. CMS CHECKLIST

*Wisconsin Department of Health Services*

*Crosswalk from CMS Rate Setting Checklist to 2014 PACE and*

<b>Item</b>		<b>Location</b>
<b>AA.3.8</b>	<b>Graduate Medical Education</b>	<b>NA</b>
AA.3.9	FQHC and RHC Reimbursement	NA
<b>AA.3.10</b>	<b>Medical Cost / Trend Inflation</b>	<b>Pages 11-12</b>
AA.3.11	Utilization Adjustments	NA
<b>AA.3.12</b>	<b>Utilization and Cost Assumptions</b>	<b>NA</b>
AA.3.13	Post-Eligibility Treatment of Income	NA
<b>AA.3.14</b>	<b>Incomplete Data Adjustment</b>	<b>Page 5</b>
AA.4.0	Establish Rate Category Groupings	Page 8
<b>AA.4.1</b>	<b>Age</b>	<b>Page 8</b>
AA.4.2	Gender	Page 8

# Rate Developm

**Wisconsin Department of Health Services**  
**CY 2014 PACE/Partnership Capitation Rate Development**

**Summary of 2011 Actual Experience by MCO**  
**Dual Eligible: Acute & Primary Service Costs**

	Care WI (Dane)			CCHP FCP (Milwaukee)			CCHP (Racine)		
	DD	PD	FE	DD	PD	FE	DD	PD	FE
Exposure Months	461	5,021	4,778	76	514	623	258	411	860
<b>Acute &amp; Primary Services</b>									
AP Other, Waiver, or LTC HH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ambulance	\$ 15.70	\$ 18.49	\$ 13.84	\$ 3.98	\$ 12.71	\$ 16.33	\$ 7.04	\$ 20.01	\$ 10.24
Ambulance, SMV, or Common Carr	\$ 0.00	\$ 0.03	\$ 0.05	\$ -	\$ 0.04	\$ 0.06	\$ 0.16	\$ 0.24	\$ 0.40
Dental	\$ 13.72	\$ 28.79	\$ 14.60	\$ 22.18	\$ 31.06	\$ 18.24	\$ 25.59	\$ 37.82	\$ 20.88
DMEPOS	\$ 2.77	\$ 4.80	\$ 4.86	\$ 5.69	\$ 8.82	\$ 7.01	\$ 1.28	\$ 8.90	\$ 5.49
Drugs	\$ 18.37	\$ 18.59	\$ 12.12	\$ 0.00	\$ 49.78	\$ 0.05	\$ -	\$ 5.32	\$ 5.61
Hospice	\$ -	\$ -	\$ -	\$ -	\$ 0.54	\$ 0.27	\$ -	\$ -	\$ 0.12
Hospital Inpatient	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab, Rad, Testing	\$ 4.88	\$ 4.83	\$ 4.31	\$ 2.13	\$ 5.07	\$ 3.76	\$ 3.24	\$ 7.10	\$ 4.95
O/P Facility/Clinic	\$ 3.73	\$ 7.19	\$ 8.06	\$ -	\$ 2.80	\$ 21.86	\$ 0.03	\$ 30.66	\$ 0.07
Other	\$ -	\$ -	\$ 0.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Practitioner	\$ 0.16	\$ 6.93	\$ 0.14	\$ -	\$ 2.23	\$ 1.83	\$ 0.64	\$ 0.79	\$ 0.71
Physician	\$ 8.00	\$ 12.07	\$ 6.62	\$ 5.83	\$ 13.36	\$ 12.95	\$ 11.05	\$ 23.21	\$ 13.75
Therapies	\$ 0.04	\$ 5.10	\$ (0.00)	\$ -	\$ (0.01)	\$ -	\$ -	\$ 0.01	\$ 0.01
Vision	\$ 0.19	\$ 0.55	\$ 0.20	\$ 0.38	\$ 0.22	\$ 0.27	\$ 0.11	\$ 0.21	\$ 0.42
Primary & Acute Subtotal	\$ 67.57	\$ 107.39	\$ 64.83	\$ 40.18	\$ 126.63	\$ 82.62	\$ 49.13	\$ 134.27	\$ 62.66
<b>Deductible / Coinsurance</b>									
Part_A_Ded	\$ 29.46	\$ 64.26	\$ 51.89	\$ -	\$ 52.82	\$ 49.05	\$ 43.87	\$ 52.29	\$ 30.28
Part_B_Ded	\$ 14.40	\$ 15.81	\$ 15.83	\$ 12.79	\$ 16.06	\$ 14.04	\$ 14.44	\$ 14.57	\$ 14.70
Part A Coins	\$ 27.21	\$ 9.60	\$ 20.98	\$ -	\$ 2.86	\$ 10.07	\$ 16.56	\$ 4.87	\$ 97.04
Ded / Coin Subtotal	\$ 71.08	\$ 89.67	\$ 88.71	\$ 12.79	\$ 71.74	\$ 73.16	\$ 74.87	\$ 71.74	\$ 142.02
Grand Total All Services	\$ 138.65	\$ 197.05	\$ 153.53	\$ 52.97	\$ 198.37	\$ 155.77	\$ 124.00	\$ 206.01	\$ 204.68
Composite PMPM		174.16			167.39			191.42	

**Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development**

**Summary of 2011 Actual Experience by MCO  
Dual Eligible: Acute & Primary Service Costs**

	CCHP PACE (Milwaukee)			PHP (Chippewa/Dunn/Eau Claire)			Total		
	DD	PD	FE	DD	PD	FE	DD	PD	Elderly
Exposure Months	413	3,848	3,988	3,485	5,886	7,986	4,694	15,680	18,235
<b>Acute &amp; Primary Services</b>									
AP Other, Waiver, or LTC HH	\$ -	\$ -	\$ -	\$ -	\$ 0.01	\$ -	\$ -	\$ 0.00	\$ -
Ambulance	\$ 4.02	\$ 20.79	\$ 9.30	\$ 14.40	\$ 12.50	\$ 7.78	\$ 13.04	\$ 16.66	\$ 10.11
Ambulance, SMV, or Common Carr	\$ -	\$ 0.09	\$ 0.08	\$ -	\$ -	\$ 0.00	\$ 0.01	\$ 0.04	\$ 0.05
Dental	\$ 16.09	\$ 29.34	\$ 31.61	\$ 37.86	\$ 33.65	\$ 23.77	\$ 32.64	\$ 31.06	\$ 22.75
DMEPOS	\$ 5.44	\$ 10.77	\$ 9.13	\$ 0.79	\$ 1.78	\$ 3.64	\$ 1.50	\$ 5.37	\$ 5.36
Drugs	\$ 2.71	\$ 5.83	\$ 1.87	\$ 27.53	\$ 49.80	\$ 25.26	\$ 22.49	\$ 27.85	\$ 14.91
Hospice	\$ -	\$ 4.15	\$ 0.93	\$ -	\$ 1.36	\$ 19.95	\$ -	\$ 1.55	\$ 8.95
Hospital Inpatient	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab, Rad, Testing	\$ 2.82	\$ 4.82	\$ 3.75	\$ 3.44	\$ 8.36	\$ 4.42	\$ 3.50	\$ 6.22	\$ 4.25
O/P Facility/Clinic	\$ 0.02	\$ 25.89	\$ 5.28	\$ 0.02	\$ 2.43	\$ 0.79	\$ 0.38	\$ 10.46	\$ 4.36
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01
Other Practitioner	\$ 0.71	\$ 3.05	\$ 1.44	\$ 1.35	\$ 2.83	\$ 2.01	\$ 1.12	\$ 4.12	\$ 1.33
Physician	\$ 10.08	\$ 19.42	\$ 12.47	\$ 6.10	\$ 12.04	\$ 8.09	\$ 6.90	\$ 14.20	\$ 9.10
Therapies	\$ -	\$ 0.03	\$ 0.00	\$ 0.01	\$ 0.05	\$ 0.03	\$ 0.01	\$ 1.66	\$ 0.01
Vision	\$ -	\$ 0.12	\$ 0.34	\$ -	\$ -	\$ -	\$ 0.03	\$ 0.22	\$ 0.16
Primary & Acute Subtotal	\$ 41.89	\$ 124.30	\$ 76.20	\$ 91.50	\$ 124.79	\$ 95.72	\$ 81.62	\$ 119.41	\$ 81.35
<b>Deductible / Coinsurance</b>									
Part_A_Ded	\$ 16.45	\$ 42.07	\$ 34.34	\$ 22.73	\$ 70.00	\$ 55.00	\$ 23.64	\$ 60.28	\$ 48.30
Part_B_Ded	\$ 14.12	\$ 16.08	\$ 14.66	\$ 14.27	\$ 15.99	\$ 15.97	\$ 14.25	\$ 15.92	\$ 15.52
Part A Coins	\$ -	\$ 17.07	\$ 14.16	\$ 5.59	\$ 11.73	\$ 60.15	\$ 7.74	\$ 11.89	\$ 39.86
Ded / Coin Subtotal	\$ 30.57	\$ 75.23	\$ 63.17	\$ 42.60	\$ 97.72	\$ 131.12	\$ 45.63	\$ 88.09	\$ 103.68
Grand Total All Services	\$ 72.46	\$ 199.52	\$ 139.37	\$ 134.09	\$ 222.52	\$ 226.84	\$ 127.25	\$ 207.50	\$ 185.03
Composite PMPM		164.08			206.75			187.13	

**Wisconsin Department of Health Services**  
**CY 2014 PACE/Partnership Capitation Rate Development**

**Summary of 2011 Actual Experience by MCO**  
**MA Only: Acute & Primary Service Costs**

	Care WI (Dane)			CCHP FCP (Milwaukee)			CCHP (Racine)		
	DD	PD	FE	DD	PD	FE	DD	PD	FE
Exposure Months	201	1,466	112	36	175	24	78	87	-
<b>Acute &amp; Primary Services</b>									
AP Other, Waiver, or LTC HH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ambulance	\$ 16.23	\$ 18.37	\$ 9.90	\$ 13.47	\$ 52.83	\$ 2.88	\$ 9.16	\$ 16.19	\$ -
Ambulance, SMV, or Common Carr	\$ -	\$ 0.01	\$ 0.14	\$ -	\$ 0.07	\$ -	\$ -	\$ 0.10	\$ -
Dental	\$ 20.04	\$ 37.62	\$ 5.17	\$ 13.61	\$ 23.29	\$ -	\$ 29.75	\$ 35.04	\$ -
DMEPOS	\$ 3.92	\$ 7.89	\$ 2.66	\$ 10.11	\$ 14.88	\$ 15.39	\$ 0.69	\$ 7.48	\$ -
Drugs	\$ 768.83	\$ 956.26	\$ 224.97	\$ 584.04	\$ 619.38	\$ 380.77	\$ 519.28	\$ 516.55	\$ -
Hospice	\$ -	\$ 4.60	\$ 70.47	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hospital Inpatient	\$ 143.94	\$ 587.28	\$ 288.16	\$ 436.91	\$ 1,328.31	\$ -	\$ -	\$ 978.55	\$ -
Lab, Rad, Testing	\$ 67.09	\$ 87.75	\$ 35.46	\$ 15.63	\$ 74.79	\$ 13.87	\$ 22.37	\$ 50.69	\$ -
O/P Facility Clinic	\$ 33.45	\$ 151.99	\$ 23.60	\$ -	\$ 165.05	\$ -	\$ 0.79	\$ 148.24	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Practitioner	\$ 2.33	\$ 1.40	\$ -	\$ -	\$ 4.23	\$ -	\$ -	\$ 0.94	\$ -
Physician	\$ 89.80	\$ 172.87	\$ 60.92	\$ 46.76	\$ 265.60	\$ 114.05	\$ 124.28	\$ 201.21	\$ -
Therapies	\$ 1.04	\$ 1.47	\$ 0.14	\$ -	\$ 0.22	\$ -	\$ -	\$ -	\$ -
Vision	\$ 0.64	\$ 0.40	\$ 0.07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary & Acute Subtotal	\$ 1,147.31	\$ 2,027.91	\$ 721.67	\$ 1,120.53	\$ 2,548.66	\$ 526.95	\$ 706.32	\$ 1,955.00	\$ -
<b>Deductible / Coinsurance</b>									
Part_A_Ded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Part_B_Ded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Part A Coins	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ded / Coin Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total All Services	\$ 1,147.31	\$ 2,027.91	\$ 721.67	\$ 1,120.53	\$ 2,548.66	\$ 526.95	\$ 706.32	\$ 1,955.00	\$ -
Composite PMPM		1,846.30			2,123.46			1,364.10	

**Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development**

**Summary of 2011 Actual Experience by MCO  
MA Only: Acute & Primary Service Costs**

	CCHP PACE (Milwaukee)			PHP (Chippewa/Dunn/Eau Claire)			Total		
	DD	PD	FE	DD	PD	FE	DD	PD	Elderly
Exposure Months	121	1,019	186	1,345	1,307	22	1,782	4,053	344
<b>Acute &amp; Primary Services</b>									
AP Other, Waiver, or LTC HH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ambulance	\$ 14.25	\$ 25.52	\$ 12.18	\$ 17.28	\$ 14.94	\$ 27.12	\$ 16.52	\$ 20.51	\$ 11.75
Ambulance, SMV, or Common Carr	\$ -	\$ 0.15	\$ -	\$ -	\$ 0.58	\$ -	\$ -	\$ 0.23	\$ 0.05
Dental	\$ 32.00	\$ 32.95	\$ 42.80	\$ 48.54	\$ 51.59	\$ 6.54	\$ 42.66	\$ 40.27	\$ 25.28
DMEPOS	\$ 13.59	\$ 10.32	\$ 10.61	\$ 0.44	\$ 5.53	\$ 3.79	\$ 1.93	\$ 8.03	\$ 7.93
Drugs	\$ 567.59	\$ 570.31	\$ 492.63	\$ 422.53	\$ 1,319.01	\$ 181.60	\$ 479.05	\$ 952.17	\$ 378.05
Hospice	\$ -	\$ 2.54	\$ -	\$ -	\$ 14.70	\$ -	\$ -	\$ 7.04	\$ 22.84
Hospital Inpatient	\$ 221.12	\$ 518.39	\$ 565.76	\$ 341.62	\$ 643.77	\$ 521.25	\$ 298.04	\$ 628.55	\$ 433.47
Lab, Rad, Testing	\$ 42.62	\$ 77.62	\$ 57.42	\$ 27.09	\$ 70.84	\$ 47.10	\$ 32.23	\$ 78.40	\$ 46.60
O/P Facility/Clinic	\$ 0.26	\$ 73.09	\$ 3.67	\$ 4.85	\$ 13.06	\$ 27.74	\$ 7.50	\$ 87.85	\$ 11.42
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Practitioner	\$ -	\$ 2.71	\$ -	\$ 2.57	\$ 3.21	\$ -	\$ 2.20	\$ 2.42	\$ -
Physician	\$ 86.46	\$ 229.43	\$ 149.74	\$ 95.53	\$ 192.70	\$ 233.42	\$ 94.54	\$ 198.09	\$ 123.86
Therapies	\$ -	\$ 0.24	\$ -	\$ -	\$ 0.83	\$ -	\$ 0.12	\$ 0.87	\$ 0.04
Vision	\$ -	\$ 0.13	\$ -	\$ -	\$ -	\$ -	\$ 0.07	\$ 0.18	\$ 0.02
Primary & Acute Subtotal	\$ 977.88	\$ 1,543.38	\$ 1,334.80	\$ 960.46	\$ 2,330.76	\$ 1,048.55	\$ 974.87	\$ 2,024.62	\$ 1,061.31
<b>Deductible / Coinsurance</b>									
Part_A_Ded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Part_B_Ded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Part A Coins	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ded / Coin Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total All Services	\$ 977.88	\$ 1,543.38	\$ 1,334.80	\$ 960.46	\$ 2,330.76	\$ 1,048.55	\$ 974.87	\$ 2,024.62	\$ 1,061.31
Composite PMPM		1,462.49			1,630.76			1,668.31	

**Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development**

**Summary of 2011 Acute & Primary Service Costs by Rate Cell  
Pilot Counties Only**

Service Category	Age	Developmentally Disabled				Physically Disabled				Frail Elderly			
		Dual		MA		Dual		MA		Dual		MA	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Inpatient Hospital	0-44	11.12	21.44	522.58	522.58	60.09	59.55	522.58	522.58	-	-	-	-
	45-54	41.75	25.23	522.58	522.58	59.70	78.86	522.58	522.58	-	-	-	-
	55-64	46.55	38.16	522.58	522.58	77.95	81.16	522.58	522.58	-	-	-	-
	65-74	18.24	36.22	522.58	522.58	63.66	61.66	522.58	522.58	122.38	100.26	522.58	522.58
	75-84	78.72	39.16	522.58	522.58	91.21	57.72	522.58	522.58	85.82	108.19	522.58	522.58
	85+	-	70.75	522.58	522.58	129.21	83.71	522.58	522.58	66.13	70.14	522.58	522.58
Physician	0-44	19.89	20.78	164.16	164.16	25.07	26.04	164.16	164.16	-	-	-	-
	45-54	20.56	22.21	164.16	164.16	28.85	34.95	164.16	164.16	-	-	-	-
	55-64	19.50	26.24	164.16	164.16	29.13	36.04	164.16	164.16	-	-	-	-
	65-74	19.96	17.60	164.16	164.16	31.39	27.37	164.16	164.16	32.13	26.92	164.16	164.16
	75-84	26.46	22.28	164.16	164.16	28.86	27.60	164.16	164.16	27.26	26.22	164.16	164.16
	85+	17.61	18.42	164.16	164.16	23.60	23.06	164.16	164.16	22.17	21.59	164.16	164.16
Drugs	0-44	18.69	21.72	784.06	784.06	32.25	48.25	784.06	784.06	-	-	-	-
	45-54	23.84	20.68	784.06	784.06	23.39	48.12	784.06	784.06	-	-	-	-
	55-64	26.26	15.65	784.06	784.06	22.14	29.38	784.06	784.06	-	-	-	-
	65-74	15.05	35.68	784.06	784.06	28.26	28.89	784.06	784.06	20.30	19.81	784.06	784.06
	75-84	42.41	29.22	784.06	784.06	17.70	14.96	784.06	784.06	16.08	16.12	784.06	784.06
	85+	12.39	12.19	784.06	784.06	36.29	15.37	784.06	784.06	11.09	12.48	784.06	784.06
Other	0-44	43.56	73.70	198.10	198.10	43.14	70.90	198.10	198.10	-	-	-	-
	45-54	44.84	92.03	198.10	198.10	77.78	115.81	198.10	198.10	-	-	-	-
	55-64	45.94	53.52	198.10	198.10	101.06	88.44	198.10	198.10	-	-	-	-
	65-74	45.91	30.79	198.10	198.10	65.45	64.04	198.10	198.10	65.73	46.58	198.10	198.10
	75-84	37.09	13.90	198.10	198.10	58.26	60.58	198.10	198.10	68.89	54.08	198.10	198.10
	85+	17.94	35.55	198.10	198.10	50.96	46.07	198.10	198.10	54.01	58.90	198.10	198.10
<b>Trend to CY14 Contract Period</b>													
Inpatient		1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061
Physician		1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061
Drugs		1.061	1.061	1.158	1.158	1.061	1.061	1.158	1.158	1.061	1.061	1.158	1.158
Other		1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061	1.061
<b>IBNR (Non-Rx)</b>		1.022	1.022	1.022	1.022	1.022	1.022	1.022	1.022	1.022	1.022	1.022	1.022

**Wisconsin Department of Health Services**  
**CY 2014 PACE/Partnership Capitation Rate Development**

**Trended and Completed CY2014 Acute & Primary Service Costs by Rate Cell**  
**Pilot Counties Only**

Service Category	Age	Developmentally Disabled				Physically Disabled				Frail Elderly			
		Dual		MA		Dual		MA		Dual		MA	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Inpatient Hospital	0-44	12.06	23.26	566.76	566.76	65.17	64.58	566.76	566.76	-	-	-	-
	45-54	45.29	27.37	566.76	566.76	64.75	85.52	566.76	566.76	-	-	-	-
	55-64	50.49	41.39	566.76	566.76	84.54	88.03	566.76	566.76	-	-	-	-
	65-74	19.78	39.29	566.76	566.76	69.05	66.88	566.76	566.76	132.72	108.74	566.76	566.76
	75-84	85.38	42.47	566.76	566.76	98.92	62.60	566.76	566.76	93.08	117.34	566.76	566.76
	85+	-	76.73	566.76	566.76	140.14	90.79	566.76	566.76	71.72	76.07	566.76	566.76
Physician	0-44	21.58	22.54	178.04	178.04	27.19	28.24	178.04	178.04	-	-	-	-
	45-54	22.29	24.08	178.04	178.04	31.29	37.91	178.04	178.04	-	-	-	-
	55-64	21.15	28.46	178.04	178.04	31.59	39.09	178.04	178.04	-	-	-	-
	65-74	21.65	19.09	178.04	178.04	34.04	29.69	178.04	178.04	34.84	29.20	178.04	178.04
	75-84	28.70	24.16	178.04	178.04	31.31	29.94	178.04	178.04	29.57	28.43	178.04	178.04
	85+	19.10	19.97	178.04	178.04	25.59	25.01	178.04	178.04	24.04	23.42	178.04	178.04
Drugs	0-44	19.83	23.05	907.65	907.65	34.22	51.20	907.65	907.65	-	-	-	-
	45-54	25.30	21.95	907.65	907.65	24.82	51.07	907.65	907.65	-	-	-	-
	55-64	27.87	16.60	907.65	907.65	23.50	31.18	907.65	907.65	-	-	-	-
	65-74	15.97	37.86	907.65	907.65	29.99	30.66	907.65	907.65	21.54	21.02	907.65	907.65
	75-84	45.01	31.01	907.65	907.65	18.79	15.88	907.65	907.65	17.06	17.11	907.65	907.65
	85+	13.15	12.94	907.65	907.65	38.51	16.31	907.65	907.65	11.77	13.24	907.65	907.65
Other	0-44	47.24	79.93	214.85	214.85	46.78	76.89	214.85	214.85	-	-	-	-
	45-54	48.63	99.81	214.85	214.85	84.36	125.60	214.85	214.85	-	-	-	-
	55-64	49.82	58.05	214.85	214.85	109.61	95.92	214.85	214.85	-	-	-	-
	65-74	49.79	33.39	214.85	214.85	70.98	69.46	214.85	214.85	71.29	50.52	214.85	214.85
	75-84	40.23	15.07	214.85	214.85	63.19	65.71	214.85	214.85	74.71	58.65	214.85	214.85
	85+	19.46	38.56	214.85	214.85	55.27	49.97	214.85	214.85	58.58	63.88	214.85	214.85
Total	0-44	100.71	148.77	1,867.30	1,867.30	173.37	220.91	1,867.30	1,867.30	-	-	-	-
	45-54	141.51	173.21	1,867.30	1,867.30	205.22	300.10	1,867.30	1,867.30	-	-	-	-
	55-64	149.32	144.50	1,867.30	1,867.30	249.23	254.21	1,867.30	1,867.30	-	-	-	-
	65-74	107.20	129.64	1,867.30	1,867.30	204.06	196.68	1,867.30	1,867.30	260.39	209.48	1,867.30	1,867.30
	75-84	199.32	112.71	1,867.30	1,867.30	212.20	174.12	1,867.30	1,867.30	214.42	221.54	1,867.30	1,867.30
	85+	51.71	148.20	1,867.30	1,867.30	259.51	182.08	1,867.30	1,867.30	166.11	176.61	1,867.30	1,867.30

**Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development**

**Projected CY2014 Enrollment**

Service Category	Age	Developmentally Disabled				Physically Disabled				Frail Elderly			
		Dual		MA		Dual		MA		Dual		MA	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Care Wisconsin - DANE (Pilot)	0-44	70	59	47	70	132	360	180	216	-	-	-	-
	45-54	94	59	23	47	528	624	156	336	-	-	-	-
	55-64	35	176	12	47	708	1,105	252	504	-	-	-	-
	65-74	129	117	-	12	492	1,165	-	36	229	615	-	12
	75-84	35	23	-	-	132	372	-	-	422	1,554	-	12
	85+	-	47	-	-	24	132	-	-	289	1,747	12	24
Care Wisconsin - CDJ (Exp)	0-44	25	25	74	49	53	40	-	13	-	-	-	-
	45-54	61	12	-	12	53	53	-	40	-	-	-	-
	55-64	61	25	-	25	66	79	26	66	-	-	-	-
	65-74	61	37	-	-	40	105	-	-	38	139	-	-
	75-84	12	12	-	-	66	53	-	-	101	266	-	-
	85+	25	-	-	-	13	26	-	-	63	279	-	-
Care Wisconsin (Exp-Sauk)	0-44	48	24	24	12	39	26	-	-	-	-	-	-
	45-54	12	12	-	-	-	-	13	-	-	-	-	-
	55-64	36	-	-	-	13	26	-	-	-	-	-	-
	65-74	-	-	-	-	-	52	-	-	-	27	-	-
	75-84	12	-	-	-	-	-	-	-	13	161	-	-
	85+	-	-	-	-	-	26	-	-	13	134	-	-
Comm. Care: PACE - Mil. (Pilot)	0-44	-	-	-	-	-	-	-	-	-	-	-	-
	45-54	-	-	-	-	-	-	-	-	-	-	-	-
	55-64	148	74	49	62	601	626	250	413	-	-	-	-
	65-74	87	87	-	-	450	1,014	-	-	107	178	-	-
	75-84	-	-	-	-	100	138	-	-	379	995	-	-
	85+	-	-	-	-	88	188	-	-	142	1,966	-	-
Comm. Care: PACE - Waukesha (Exp)	0-44	-	-	-	-	-	-	-	-	-	-	-	-
	45-54	-	-	-	-	-	-	-	-	-	-	-	-
	55-64	-	13	13	-	54	11	-	22	-	-	-	-
	65-74	-	-	-	-	11	65	-	-	10	21	-	-
	75-84	13	-	-	-	11	11	-	-	10	176	-	-
	85+	-	-	-	-	-	65	-	-	10	425	-	-
Comm. Care: FCP - Mil. (Pilot)	0-44	-	-	-	-	-	-	-	-	-	-	-	-
	45-54	-	-	-	-	-	-	-	-	-	-	-	-
	55-64	31	53	-	8	86	160	74	98	-	-	-	-
	65-74	8	8	-	-	86	209	-	12	-	24	-	-
	75-84	-	8	-	-	12	12	-	-	154	248	-	-
	85+	-	-	-	-	-	-	-	-	47	95	-	-

Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development

Projected CY2014 Enrollment

Service Category	Age	Developmentally Disabled				Physically Disabled				Frail Elderly			
		Dual		MA		Dual		MA		Dual		MA	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Comm. Care: FCP - Mil. (Exp)	0-44	163	104	193	148	47	63	63	32	-	-	-	-
	45-54	30	15	44	44	95	127	79	127	-	-	-	-
	55-64	-	-	-	-	-	-	-	-	-	-	-	-
	65-74	-	-	-	-	-	-	-	-	-	-	-	-
	75-84	-	-	-	-	-	-	-	-	-	-	-	-
	85+	-	-	-	-	-	-	-	-	-	-	-	-
Comm. Care: FCP - Racine (Pilot)	0-44	25	25	-	12	-	11	-	22	-	-	-	-
	45-54	25	12	-	-	22	33	11	22	-	-	-	-
	55-64	75	75	25	12	56	44	33	44	-	-	-	-
	65-74	12	62	-	-	56	133	-	-	47	71	-	-
	75-84	25	-	-	-	22	44	-	-	95	178	-	-
	85+	-	-	-	-	-	-	-	-	59	225	-	-
Comm. Care: FCP - Kenosha (Exp)	0-44	-	12	12	-	14	-	-	-	-	-	-	-
	45-54	-	12	12	12	27	-	27	14	-	-	-	-
	55-64	25	12	-	12	14	95	14	14	-	-	-	-
	65-74	12	-	-	-	14	54	-	-	26	39	-	-
	75-84	-	-	-	-	14	14	-	-	52	26	-	-
	85+	-	-	-	-	-	14	-	-	39	65	-	-
Comm. Care: FCP - COW (Exp)	0-44	27	14	41	68	43	14	14	14	-	-	-	-
	45-54	54	14	-	-	29	14	-	43	-	-	-	-
	55-64	41	41	-	-	101	101	14	43	-	-	-	-
	65-74	54	-	-	-	87	87	-	-	31	108	-	-
	75-84	14	-	14	-	43	29	-	-	31	278	-	-
	85+	-	14	-	-	-	14	-	-	31	247	-	-
Comm. Care: FCP - Teal (Exp)	0-44	50	112	37	12	14	14	-	14	-	-	-	-
	45-54	25	37	-	-	27	41	-	27	-	-	-	-
	55-64	12	50	-	-	96	178	14	68	-	-	-	-
	65-74	25	-	-	-	41	41	-	-	30	152	-	-
	75-84	-	-	-	-	-	14	-	-	46	198	-	-
	85+	-	-	-	-	-	-	-	-	46	152	-	-
iCare (Milwaukee)	0-44	182	280	518	294	176	88	126	265	-	-	-	-
	45-54	140	56	28	70	327	516	365	819	-	-	-	-
	55-64	42	84	-	56	542	982	365	1,045	-	-	-	-
	65-74	28	-	-	-	214	642	-	38	16	125	-	-
	75-84	-	14	-	-	76	202	-	-	47	187	-	-
	85+	-	-	-	-	-	25	-	-	-	62	-	-

**Wisconsin Department of Health Services**  
**CY 2014 PACE/Partnership Capitation Rate Development**

**CY2014 Acute and Primary Services Rate Development: Dual Eligible**

	CCHP: PACE (Milwaukee)	CCHP: PACE (Expansion)	CCHP: FCP (Milwaukee)	CCHP: FCP (Milwaukee Expansion)	CCHP: FCP (Racine)	CCHP: FCP (Kenosha Expansion)
Inpatient Services	\$ 83.29	\$ 86.33	\$ 84.18	\$ 47.04	\$ 77.04	\$ 79.64
Physician Services	\$ 28.47	\$ 26.42	\$ 29.97	\$ 27.53	\$ 27.72	\$ 29.54
Pharmacy Services	\$ 21.17	\$ 17.39	\$ 22.56	\$ 31.67	\$ 22.46	\$ 22.21
Other Services	\$ 69.77	\$ 64.87	\$ 71.29	\$ 77.55	\$ 65.91	\$ 71.06
Subtotal Acute & Primary Services	\$ 202.70	\$ 195.02	\$ 208.00	\$ 183.79	\$ 193.13	\$ 202.46
Admin: Acute & Primary	\$ 10.11	\$ 9.73	\$ 10.37	\$ 9.17	\$ 9.63	\$ 10.10
Total Acute & Primary Component	\$ 212.81	\$ 204.74	\$ 218.37	\$ 192.96	\$ 202.76	\$ 212.56
Projected CY 2014 Enrollment	7,366	907	1,239	644	1,434	580

	CCHP: FCP (Teal Expansion)	CCHP: FCP (Pink Expansion)	Care Wisconsin (Dane)	Care Wisconsin (Col., Dodge, & Jeff. Expansion)	Care Wisconsin (Sauk Expansion)	I-Care (Milwaukee Expansion)
Inpatient Services	\$ 77.65	\$ 80.97	\$ 82.31	\$ 78.99	\$ 77.88	\$ 72.22
Physician Services	\$ 28.99	\$ 28.30	\$ 29.64	\$ 27.74	\$ 26.49	\$ 31.52
Pharmacy Services	\$ 22.57	\$ 21.68	\$ 24.30	\$ 22.43	\$ 22.07	\$ 28.81
Other Services	\$ 72.59	\$ 66.73	\$ 73.19	\$ 65.07	\$ 62.32	\$ 82.72
Subtotal Acute & Primary Services	\$ 201.80	\$ 197.68	\$ 209.44	\$ 194.23	\$ 188.76	\$ 215.27
Admin: Acute & Primary	\$ 10.06	\$ 9.86	\$ 10.44	\$ 9.69	\$ 9.41	\$ 10.74
Total Acute & Primary Component	\$ 211.87	\$ 207.53	\$ 219.89	\$ 203.91	\$ 198.18	\$ 226.01
Projected CY 2014 Enrollment	1,400	1,560	11,478	1,889	675	5,054

**Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development**

**CY2014 Acute and Primary Services Rate Development: MA Only**

	CCHP: PACE (Milwaukee)	CCHP: PACE (Expansion)	CCHP: FCP (Milwaukee)	CCHP: FCP (Milwaukee Expansion)	CCHP: FCP (Racine)	CCHP: FCP (Kenosha Expansion)
Inpatient Services	\$ 557.29	\$ 534.36	\$ 552.22	\$ 502.56	\$ 530.33	\$ 566.93
Physician Services	\$ 175.06	\$ 167.86	\$ 173.47	\$ 157.87	\$ 166.60	\$ 178.09
Pharmacy Services	\$ 892.48	\$ 855.76	\$ 884.36	\$ 804.83	\$ 849.31	\$ 907.92
Other Services	\$ 211.26	\$ 202.56	\$ 209.33	\$ 190.51	\$ 201.04	\$ 214.91
Subtotal Acute & Primary Services	\$ 1,836.08	\$ 1,760.54	\$ 1,819.38	\$ 1,655.77	\$ 1,747.28	\$ 1,867.86
Admin: Acute & Primary	\$ 91.56	\$ 87.80	\$ 90.73	\$ 82.57	\$ 87.13	\$ 93.15
Total Acute & Primary Component	\$ 1,927.65	\$ 1,848.33	\$ 1,910.11	\$ 1,738.34	\$ 1,834.42	\$ 1,961.00
Projected CY 2014 Enrollment	774	35	192	731	183	117

	CCHP: FCP (Teal Expansion)	CCHP: FCP (Pink Expansion)	Care Wisconsin (Dane)	Care Wisconsin (Col., Dodge, & Jeff. Expansion)	Care Wisconsin (Sauk Expansion)	I-Care (Milwaukee Expansion)
Inpatient Services	\$ 545.17	\$ 524.44	\$ 573.61	\$ 534.48	\$ 534.48	\$ 586.06
Physician Services	\$ 171.26	\$ 164.74	\$ 180.19	\$ 167.90	\$ 167.90	\$ 184.10
Pharmacy Services	\$ 873.06	\$ 839.87	\$ 918.62	\$ 855.95	\$ 855.95	\$ 938.55
Other Services	\$ 206.66	\$ 198.80	\$ 217.44	\$ 202.61	\$ 202.61	\$ 222.16
Subtotal Acute & Primary Services	\$ 1,796.15	\$ 1,727.86	\$ 1,889.86	\$ 1,760.94	\$ 1,760.94	\$ 1,930.87
Admin: Acute & Primary	\$ 89.57	\$ 86.17	\$ 94.24	\$ 87.82	\$ 87.82	\$ 96.29
Total Acute & Primary Component	\$ 1,885.72	\$ 1,814.02	\$ 1,984.10	\$ 1,848.76	\$ 1,848.76	\$ 2,027.16
Projected CY 2014 Enrollment	173	252	2,000	305	49	3,988

**Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development**

**CY2014 Acute and Primary Services Rate Development: Total Population**

	CCHP: PACE (Milwaukee)	CCHP: PACE (Expansion)	CCHP: FCP (Milwaukee)	CCHP: FCP (Milwaukee Expansion)	CCHP: FCP (Racine)	CCHP: FCP (Kenosha Expansion)
Inpatient Services	\$ 128.39	\$ 102.94	\$ 146.91	\$ 289.22	\$ 128.35	\$ 161.63
Physician Services	\$ 42.41	\$ 31.66	\$ 49.20	\$ 96.83	\$ 43.44	\$ 54.54
Pharmacy Services	\$ 104.07	\$ 48.46	\$ 138.07	\$ 442.73	\$ 116.06	\$ 171.23
Other Services	\$ 83.23	\$ 69.98	\$ 89.79	\$ 137.61	\$ 81.20	\$ 95.26
Subtotal Acute & Primary Services	\$ 358.10	\$ 253.03	\$ 423.98	\$ 966.39	\$ 369.07	\$ 482.66
Admin: Acute & Primary	\$ 17.86	\$ 12.62	\$ 21.14	\$ 48.19	\$ 18.40	\$ 24.07
Total Acute & Primary Component	\$ 375.96	\$ 265.65	\$ 445.12	\$ 1,014.58	\$ 387.47	\$ 506.73
Projected CY 2014 Enrollment	8,140	942	1,431	1,374	1,617	698

	CCHP: FCP (Teal Expansion)	CCHP: FCP (Pink Expansion)	Care Wisconsin (Dane)	Care Wisconsin (Col., Dodge, & Jeff. Expansion)	Care Wisconsin (Sauk Expansion)	I-Care (Milwaukee Expansion)
Inpatient Services	\$ 129.03	\$ 142.65	\$ 155.21	\$ 142.28	\$ 108.72	\$ 298.86
Physician Services	\$ 44.63	\$ 47.28	\$ 51.98	\$ 47.21	\$ 36.04	\$ 98.82
Pharmacy Services	\$ 116.05	\$ 135.48	\$ 157.00	\$ 138.24	\$ 78.39	\$ 430.07
Other Services	\$ 87.32	\$ 85.10	\$ 94.59	\$ 84.18	\$ 71.80	\$ 144.22
Subtotal Acute & Primary Services	\$ 377.03	\$ 410.51	\$ 458.78	\$ 411.90	\$ 294.94	\$ 971.98
Admin: Acute & Primary	\$ 18.80	\$ 20.47	\$ 22.88	\$ 20.54	\$ 14.71	\$ 48.47
Total Acute & Primary Component	\$ 395.83	\$ 430.98	\$ 481.66	\$ 432.44	\$ 309.65	\$ 1,020.45
Projected CY 2014 Enrollment	1,573	1,813	13,477	2,194	724	9,042

Wisconsin Department of Health Services  
 CY 2014 PACE/Partnership Capitation Rate Development  
 Developmentally Disabled - by MCO

Variable	Proportion with Variable					
	CCHP: PACE (Milwaukee)	CCHP: PACE (Expansion)	CCHP: FCP (Milwaukee)	CCHP: FCP (Milwaukee Expansion)	CCHP: FCP (Racine)	CCHP: FCP (Kenosha Expansion)
<b>Intercept (Grid Component)</b>	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
<b>DDNH Level of Care (Grid Component)</b>						
Vent Dependent	-	-	-	-	-	-
DD1A	0.0244	-	-	-	0.0323	-
DD1B	0.1951	-	0.3333	0.3200	0.2903	0.3000
DD2	0.4146	0.3333	0.6000	0.5000	0.3871	0.5000
Restrictive Measures	-	-	-	-	-	0.1000
Dual Enrollee	0.7805	0.6667	0.9333	0.4200	0.8710	0.6000
High Cost (5 Parameters)	-	-	-	0.0600	0.0323	0.1000
<b>Number of IADLs (Grid Component)</b>						
IADL_4	0.1463	-	0.1333	0.2000	0.1935	-
IADL_5	0.3171	0.6667	0.4000	0.4200	0.2581	0.2000
IADL_6	0.2439	0.3333	0.3333	0.2200	0.3871	0.5000
<b>Specific ADLs / Equipment Used (Add-On)</b>						
Bathing_2	0.4390	1.0000	0.4000	0.2200	0.3871	0.4000
Toileting_1	0.2683	-	0.2000	0.2000	0.2581	0.1000
Toileting_2	0.1463	1.0000	0.2667	0.1400	0.2581	0.3000
Transfer_2	0.1707	0.6667	0.1333	0.1200	0.1613	0.2000
<b>Interaction Terms (Add-On)</b>						
Bath_Equip_Eat	0.1707	1.0000	0.2667	0.1200	0.2903	0.2000
Dress_Bath_Equip	0.6341	1.0000	0.6667	0.2000	0.5484	0.2000
Transfer_Equip_Mobility	0.0732	-	0.1333	0.0200	-	0.1000
Autism_Alcohol/Drug Abuse	-	-	-	-	-	-
Autism_Depression	0.0244	-	-	0.0200	0.0323	-
Autism_Schizophrenia	0.0244	-	-	0.0400	0.0323	-
Brain Injury Pre-22_Alcohol/Drug Abuse	-	-	-	0.0200	-	-
Brain Injury Pre-22_Other Mental Illness	0.0244	-	-	0.0400	0.0323	-
Cerebral Palsy_Bipolar	-	-	-	-	-	-
Mental Retardation_Anxiety Disorder	0.2439	-	0.2000	0.3200	0.2903	0.3000
Mental Retardation_Other Mental Illness	0.2683	-	0.2000	0.2400	0.1935	0.2000
Seizure Pre-22_Depression	0.0976	-	0.1333	-	0.0645	-
Seizure Post-22_Bipolar	-	0.3333	-	-	0.0323	-
Trauma BI Post-22_Alcohol/Drug Abuse	0.0732	-	-	0.0200	0.0968	0.1000
Trauma BI Post-22_Depression	0.0976	0.3333	-	0.0200	0.1290	0.1000
Other Federal DD_Bipolar	0.0488	-	-	0.0400	-	-
Behaviors_Autism	-	-	-	0.1200	0.0323	-
Injury_Mental Illness_Age Under 30	-	-	-	0.0400	0.0323	0.1000
Injury_Overnight	-	-	0.1333	0.1000	-	0.1000
Injury_Overnight_Mental Illness_Age Under 30	-	-	-	0.0400	-	-
Offensive_Mobility_Age 60 and Under	-	-	-	0.0200	-	-
Overnight_Age Under 30	-	-	-	0.1200	0.0323	-
Overnight_Alzheimers_Dementia_Decision Making	0.4534	1.0000	0.6667	0.4800	0.5484	0.6000
Overnight_Mental Illness	0.2195	0.6667	0.1333	0.2000	0.1613	0.2000
Overnight_Mental Illness_Age Under 30	-	-	-	0.0800	-	-
Restrictive Measures_Autism	-	-	-	-	-	-
Restrictive Measures_Behaviors	-	-	-	-	-	0.1000
<b>Behavioral Variables (Add-On)</b>						
Cognition_3	0.1951	0.3333	0.2000	0.2800	0.1613	0.2000
Communication_1	-	-	-	0.0400	-	-
Injury_1-2	-	-	0.0667	0.0400	0.0323	-
Mental Health_2-3	0.7317	0.6667	0.6000	0.6600	0.7419	0.8000
Offensive_1	0.0244	-	-	0.1000	0.0323	-
Offensive_2	0.1707	-	0.0667	0.1400	0.0645	-
Offensive_3	0.1220	0.3333	0.2000	0.1600	0.1613	0.3000
Wander_2	0.0488	-	-	0.0200	0.0323	0.1000
<b>Medication Use (Add-On)</b>						
Meds_2B	0.7317	1.0000	0.8667	0.6400	0.8387	0.9000
<b>Health Related Services (Add-On)</b>						
Behaviors	0.3415	0.3333	0.3333	0.3800	0.3548	0.4000
Dialysis	0.0244	-	-	-	-	-
Exercise	0.0488	-	0.1333	0.0200	0.0645	-
Med Admin	0.7805	1.0000	0.8667	0.7000	0.8065	0.9000
Nursing	-	-	-	-	-	-
Ostomy	-	-	-	-	0.0323	-
Overnight	0.5122	1.0000	0.6667	0.5800	0.8065	0.8000
Reposition	0.0732	0.6667	0.1333	0.1000	0.0323	-
Respirate	0.0488	-	-	-	0.0968	-
Tracheostomy	-	-	-	-	-	-
Tube Feedings	0.0244	-	-	-	-	-
Ulcer Stage 3-4	-	-	-	-	0.0323	-
Urinary	0.0244	-	-	0.0200	0.0323	-
<b>Diagnoses (Add-On)</b>						
Brain Injury Pre-22	0.0976	-	-	0.0600	0.0968	-
Cerebral Palsy	0.0488	-	0.1333	0.0600	0.1290	0.1000
Mental Retardation	0.6098	0.3333	0.8000	0.7600	0.7742	0.8000
Prader Willi	-	-	-	-	-	-

Exhibit III-1 (continued)

Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development

Developmentally Disabled - by MCO

Variable	Proportion with Variable					
	CCHP: FCP (Teal Expansion)	CCHP: FCP (Pink Expansion)	Care Wisconsin (Dane)	Care Wisconsin (Col., Dodge, & Jeff. Expansion)	Care Wisconsin (Sauk Expansion)	FCare (Milwaukee Expansion)
<b>Intercept (Grid Component)</b>	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
<b>DDNH Level of Care (Grid Component)</b>						
Vent Dependent	-	-	-	-	-	-
DD1A	0.0345	-	0.0638	0.0476	0.0667	0.0156
DD1B	0.2069	0.2069	0.0745	0.2857	0.2000	0.0859
DD2	0.5862	0.6207	0.2979	0.4762	0.6667	0.7109
Restrictive Measures	-	-	-	0.0714	-	-
Dual Enrollee	0.8621	0.6897	0.7660	0.6905	0.8000	0.4609
High Cost (5 Parameters)	0.0345	0.0345	-	0.0476	0.0667	-
<b>Number of IADLs (Grid Component)</b>						
IADL_4	0.2414	0.1724	0.2447	0.1995	0.4000	0.2188
IADL_5	0.3103	0.2414	0.4468	0.2391	-	0.3203
IADL_6	0.2759	0.2759	0.1170	0.4286	0.6000	0.2266
<b>Specific ADLs / Equipment Used (Add-On)</b>						
Bathing_2	0.3793	0.4483	0.6170	0.5238	0.4667	0.2266
Toileting_1	0.1034	0.2759	0.2234	0.2619	0.3333	0.1641
Toileting_2	0.2069	0.2069	0.2979	0.3333	0.3333	0.1250
Transfer_2	0.1724	0.2414	0.2553	0.2857	0.2667	0.0547
<b>Interaction Terms (Add-On)</b>						
Bath_Equip_Eat	0.2414	0.4138	0.3298	0.4048	0.4000	0.0781
Dress_Bath_Equip	0.3103	0.5172	0.6383	0.5952	0.4667	0.1406
Transfer_Equip_Mobility	0.0690	0.1379	0.0745	0.1190	0.1333	0.0078
Autism_Alcohol/Drug Abuse	-	-	-	-	-	0.0078
Autism_Depression	0.0690	0.0345	0.0213	-	-	-
Autism_Schizophrenia	-	-	-	-	-	0.0078
Brain Injury Pre-22_Alcohol/Drug Abuse	-	-	0.0426	0.0238	-	0.0078
Brain Injury Pre-22_Other Mental Illness	0.0345	-	0.0106	-	-	0.0078
Cerebral Palsy_Bipolar	-	0.0345	-	-	-	-
Mental Retardation_Anxiety Disorder	0.3448	0.1379	0.1809	0.2619	-	0.1953
Mental Retardation_Other Mental Illness	0.2414	0.0690	0.0745	0.1190	0.0667	0.1406
Seizure Pre-22_Depression	0.0690	0.0345	0.1064	0.0714	-	0.0547
Seizure Post-22_Bipolar	-	0.0345	0.0213	0.0238	-	0.0078
Trauma BI Post-22_Alcohol/Drug Abuse	-	-	0.0213	0.0952	-	-
Trauma BI Post-22_Depression	-	0.0345	0.0638	0.0952	-	-
Other Federal DD_Bipolar	-	-	0.0319	0.0476	0.0667	0.0391
Behaviors_Autism	0.0345	0.1034	0.0106	0.0714	0.0667	-
Injury_Mental Illness_Age Under 30	-	-	-	-	0.0667	-
Injury_Overtime	0.1034	0.0345	-	0.0238	0.0667	-
Injury_Overtime_Mental Illness_Age Under 30	-	-	-	-	0.0667	-
Offensive_Mobility_Age 60 and Under	-	-	0.0213	-	0.0667	0.0078
Overnight_Age Under 30	0.1379	0.0690	0.0319	0.0476	0.0667	0.0469
Overnight_Alzheimers_Dementia_Decision Making	0.4138	0.4828	0.4255	0.6905	0.7333	0.3750
Overnight_Mental Illness	0.2069	0.0690	0.0851	0.1667	0.0667	0.0234
Overnight_Mental Illness_Age Under 30	0.0345	-	-	0.0238	0.0667	0.0078
Restrictive Measures_Autism	-	-	-	0.0238	-	-
Restrictive Measures_Behaviors	-	-	-	-	-	-
<b>Behavioral Variables (Add-On)</b>						
Cognition_3	0.3103	0.2414	0.0532	0.4048	0.4000	0.2891
Communication_1	-	-	-	-	-	0.0078
Injury_1-2	0.0690	0.0345	0.0319	0.1429	0.0667	0.0859
Mental Health_2-3	0.7586	0.5172	0.6064	0.5714	0.4000	0.4297
Offensive_1	0.0345	-	0.0319	0.0714	0.2000	0.0859
Offensive_2	-	0.1034	0.0957	0.1667	0.1333	0.0859
Offensive_3	0.2069	0.1034	0.0319	0.0952	0.0667	-
Wander_2	0.1034	0.0345	0.0106	0.0238	0.1333	0.0547
<b>Medication Use (Add-On)</b>						
Meds_2B	0.7586	0.7241	0.5851	0.6905	0.5333	0.4297
<b>Health Related Services (Add-On)</b>						
Behaviors	0.2414	0.2069	0.1489	0.3810	0.4000	0.0938
Dialysis	-	-	0.0213	-	-	-
Exercise	0.0345	0.1724	0.3936	0.3095	0.3333	0.0313
Med Admin	0.7931	0.7241	0.7553	0.7857	0.6000	0.5547
Nursing	-	-	0.0532	0.0238	-	0.0078
Ostomy	-	-	-	-	-	-
Overnight	0.4828	0.6207	0.7234	0.7619	0.8000	0.5000
Reposition	0.1034	0.1724	0.1064	0.1667	0.1333	0.0156
Respirate	-	0.0345	0.0957	0.1190	0.0667	0.0078
Tracheostomy	-	-	-	-	-	-
Tube Feedings	0.0345	0.0345	0.0106	0.0714	-	-
Ulcer Stage 3-4	-	-	0.0106	-	-	0.0078
Urinary	0.0345	-	0.0106	-	0.0667	-
<b>Diagnoses (Add-On)</b>						
Brain Injury Pre-22	0.1034	0.0690	0.1277	0.0714	0.0667	0.0938
Cerebral Palsy	0.1034	0.1724	0.1489	0.0476	0.2000	0.0625
Mental Retardation	0.6552	0.5862	0.3617	0.6667	0.5333	0.6797
Prader Willi	0.0345	-	-	-	-	-

Wisconsin Department of Health Services  
 CY 2014 PACE/Partnership Capitation Rate Development  
 Physically Disabled - by MCO

Variable	Proportion with Variable					
	CCHP: PACE (Milwaukee)	CCHP: PACE (Expansion)	CCHP: FCP (Milwaukee)	CCHP: FCP (Milwaukee Expansion)	CCHP: FCP (Racine)	CCHP: FCP (Kenosha Expansion)
<b>Intercept (Grid Component)</b>	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
<b>DD/NH Level of Care (Grid Component)</b>						
Vent Dependent	-	-	-	-	-	-
SNF	0.2557	0.2609	0.3279	0.3750	0.3400	0.3333
<b>Number of IADLs (Grid Component)</b>						
IADL_1	0.0518	-	0.1475	0.0500	0.0800	-
IADL_2	0.1424	0.0435	0.1148	0.0750	0.0200	0.2500
IADL_3	0.1812	0.2174	0.2623	0.1250	0.2400	0.2083
IADL_4-5	0.5566	0.6087	0.4262	0.4750	0.5600	0.4583
IADL_6	0.0680	0.1304	0.0492	0.2750	0.1000	0.0417
<b>Specific ADLs / Equipment Used (Add-On)</b>						
Bathing_1	0.5663	0.3478	0.5410	0.4250	0.5800	0.4583
Bathing_2	0.3657	0.5652	0.3607	0.4500	0.3400	0.4583
Dressing_2	0.2136	0.3478	0.1148	0.3000	0.2000	0.4167
Eating_2	0.0583	0.0870	0.0328	0.0750	0.0600	-
Toileting_1	0.2557	0.1739	0.3607	0.3250	0.2800	0.3333
Toileting_2	0.1489	0.3043	0.0984	0.2750	0.1800	0.1667
Transfer_2	0.1812	0.2609	0.1148	0.2750	0.1600	0.3333
<b>Interaction Terms (Add-On)</b>						
Bath_Equip_Eat	0.2460	0.3478	0.1803	0.3000	0.1800	0.3333
Dress_Bath_Equip	0.6570	0.5652	0.5902	0.6000	0.5200	0.6250
Transfer_Equip_Mobility	0.0777	0.1304	-	0.1000	0.0600	0.0417
Seizure Pre-22_Alcohol/Drug Abuse	-	-	-	0.0250	-	-
Seizure Post-22_Bipolar	0.0162	-	0.0164	-	-	-
Seizure Post-22_Other Mental Illness	0.0259	-	0.0164	0.1500	-	0.0417
Trauma BI Post-22_Alcohol/Drug Abuse	0.0162	-	0.0164	0.0500	-	-
Trauma BI Post-22_Depression	0.0162	-	0.0328	0.0750	-	-
Trauma BI Post-22_Exercise	-	-	-	-	-	-
Trauma BI Post-22_Other Mental Illness	0.0097	-	0.0328	0.1000	-	-
Age Under 60_Employment Assistance	0.1133	0.1739	0.1803	0.9750	0.2800	0.3750
At least 3 Mental Illnesses	0.1489	0.0435	0.0820	0.1500	0.2000	0.0833
Offensive_Mobility_Age 60 and Under	-	-	0.0164	0.0250	-	-
Overnight_Mental Illness	0.1165	0.0435	0.0656	0.2000	0.1200	0.0417
Spinal Injury_Alcohol/Drug Abuse	-	-	-	-	-	-
<b>Behavioral Variables (Add-On)</b>						
Cognition_2-3	0.3172	0.3913	0.2295	0.4750	0.2400	0.1250
Injury_1	0.0032	-	-	-	-	-
Injury_2	-	-	-	-	0.0200	-
Offensive_1-2	0.0680	0.0435	0.0492	0.0500	0.0400	0.0417
Offensive_3	0.0194	0.0435	0.0328	0.0500	0.0600	-
Mental Health_2-3	0.6893	0.7391	0.5574	0.7250	0.7000	0.7917
Substance Abuse Current	0.1715	0.0870	0.1475	0.2000	0.1400	0.0833
Wander_2	0.0162	-	-	0.0500	0.0200	-
<b>Medication Use (Add-On)</b>						
Meds_2A	0.0744	0.1304	0.0820	0.1250	0.1000	0.2083
Meds_2B	0.6472	0.7391	0.5082	0.6500	0.7000	0.4167
<b>Diagnoses (Add-On)</b>						
Alzheimers	0.2854	0.3043	0.1803	0.2750	0.2600	0.1667
Central Palsy	-	-	-	-	-	-
Mental Illness	0.4531	0.2609	0.4918	0.3750	0.4200	0.4167
<b>Health Related Services (Add-On)</b>						
Dialysis	0.0453	-	0.0492	0.0500	0.0600	0.0417
Exercise	0.1424	0.2174	0.1311	0.1000	0.0400	0.0833
Med Admin	0.7152	0.8696	0.5902	0.7500	0.7400	0.6250
Med Management	0.3754	0.3043	0.3279	0.3000	0.4400	0.4167
Nursing	-	-	-	-	-	-
Ostomy	0.0032	-	0.0164	0.0250	0.0200	-
Overnight	0.4693	0.7391	0.4098	0.7500	0.6400	0.5417
Respiration	0.1165	0.1739	0.0656	0.2000	0.0400	-
Respirate	0.1262	0.0870	0.0820	-	0.1200	0.0417
Tracheostomy	-	-	-	-	-	-
Ulcer Stage 2	0.0129	0.0435	-	0.0250	0.0200	0.0833
Ulcer Stage 3-4	0.0194	0.0435	-	0.0500	-	0.0417
Urinary	0.0129	-	0.0164	0.0250	-	-
Wound	0.0583	-	0.0164	0.0750	0.1000	0.0833

Exhibit III-2 (continued)

Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development  
Physically Disabled - by MCO

Variable	Proportion with Variable					
	CCHP: FCP (Teal Expansion)	CCHP: FCP (Pink Expansion)	Care Wisconsin (Dane)	Care Wisconsin (Col., Dodge, & Jeff. Expansion)	Care Wisconsin (Sauk Expansion)	I-Care (Milwaukee Expansion)
<b>Intercept (Grid Component)</b>	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
<b>DD/NH Level of Care (Grid Component)</b>						
Vent Dependent	-	-	-	0.0167	-	0.0037
SNF	0.4651	0.3750	0.2560	0.2833	0.2667	0.1590
<b>Number of IADLs (Grid Component)</b>						
IADL_1	0.0233	0.1042	0.1079	0.0833	0.2000	0.0832
IADL_2	0.2093	0.1250	0.1208	0.1333	0.2000	0.2052
IADL_3	0.1860	0.2083	0.1997	0.1333	0.2667	0.2625
IADL_4-5	0.4884	0.5208	0.4702	0.5167	0.2667	0.4048
IADL_6	0.0930	0.0208	0.0821	0.1000	0.0667	0.0388
<b>Specific ADLs / Equipment Used (Add-On)</b>						
Bathing_1	0.5116	0.4375	0.4074	0.3333	0.3333	0.4880
Bathing_2	0.3256	0.4375	0.5266	0.6167	0.6667	0.3309
Dressing_2	0.2558	0.2708	0.3398	0.3667	0.6667	0.2551
Eating_2	0.0465	0.0833	0.1079	0.1500	0.3333	0.0388
Toileting_1	0.3721	0.3750	0.3671	0.2667	0.2000	0.2421
Toileting_2	0.1628	0.2083	0.3076	0.4000	0.7333	0.1109
Transfer_2	0.3023	0.2708	0.3317	0.4333	0.6667	0.1516
<b>Interaction Terms (Add-On)</b>						
Bath_Equip_Eat	0.2326	0.2083	0.2818	0.5000	0.4000	0.1238
Dress_Bath_Equip	0.5814	0.6458	0.6912	0.7167	0.7333	0.5342
Transfer_Equip_Mobility	0.0465	0.1042	0.1031	0.2000	0.1333	0.0333
Seizure Pre-22_Alcohol/Drug Abuse	-	-	0.0016	-	-	0.0037
Seizure Post-22_Bipolar	0.0233	-	0.0048	0.0167	-	0.0074
Seizure Post-22_Other Mental Illness	0.0233	-	0.0081	0.0167	0.0667	0.0111
Trauma BI Post-22_Alcohol/Drug Abuse	-	-	0.0048	-	-	0.0129
Trauma BI Post-22_Depression	-	0.0208	0.0145	0.0333	-	0.0222
Trauma BI Post-22_Exercise	-	-	-	-	-	-
Trauma BI Post-22_Other Mental Illness	-	-	0.0032	-	-	0.0055
Age Under 60_Employment Assistance	0.5349	0.2708	0.4428	0.3667	0.3333	0.4954
At least 3 Mental Illnesses	0.1628	0.0625	0.1063	0.0500	-	0.0906
Offensive_Mobility_Age 60 and Under	-	-	0.0048	-	-	-
Overnight_Mental Illness	0.0465	0.0417	0.0821	0.0833	0.0667	0.0222
Spinal Injury_Alcohol/Drug Abuse	-	0.0208	0.0113	-	0.0667	0.0037
<b>Behavioral Variables (Add-On)</b>						
Cognition_2-3	0.1628	0.2083	0.1675	0.2333	-	0.2144
Injury_1	-	-	0.0064	-	-	0.0111
Injury_2	-	-	0.0016	0.0167	-	-
Offensive_1-2	-	0.0208	0.0467	0.0500	-	0.0351
Offensive_3	0.0233	0.0208	0.0016	0.0167	-	0.0018
Mental Health_2-3	0.8140	0.6875	0.6812	0.5000	0.5333	0.4214
Substance Abuse Current	0.0698	0.1250	0.1417	0.1667	0.1333	0.1201
Wander_2	-	0.0417	0.0113	-	-	0.0129
<b>Medication Use (Add-On)</b>						
Meds_2A	0.2093	0.1458	0.3382	0.2333	0.2000	0.3401
Meds_2B	0.5581	0.4792	0.2899	0.4000	0.1333	0.2292
<b>Diagnoses (Add-On)</b>						
Alzheimers	0.1163	0.1875	0.1047	0.1500	0.0667	0.0518
Cerebral Palsy	-	-	0.0081	-	-	0.0074
Mental Illness	0.2791	0.1458	0.3575	0.2333	0.2000	0.1996
<b>Health Related Services (Add-On)</b>						
Dialysis	0.0233	0.0625	0.0209	0.0167	-	0.0185
Exercise	0.2093	0.0833	0.3994	0.4500	0.5333	0.0407
Med Admin	0.7442	0.5625	0.6039	0.6000	0.4000	0.4972
Med Management	0.4419	0.3125	0.3559	0.3167	0.2000	0.3641
Nursing	-	0.0417	0.0338	0.0500	-	0.0037
Ostomy	-	-	0.0161	-	-	0.0037
Overnight	0.5349	0.5625	0.6522	0.7833	0.8000	0.2828
Reposition	0.1163	0.0833	0.1417	0.2500	0.2667	0.0370
Respirate	0.0233	0.1458	0.1353	0.1500	0.0667	0.0555
Tracheostomy	-	-	0.0081	0.0167	-	0.0074
Ulcer Stage 2	0.0930	0.0417	0.0419	0.0500	0.0667	0.0037
Ulcer Stage 3-4	0.0465	0.0208	0.0306	0.0333	0.0667	0.0065
Urinary	0.0233	-	0.0338	0.0333	-	0.0065
Wound	0.0930	0.0417	0.0483	0.0667	0.0667	0.0314

Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development

Frail Elderly - by MCO

Variable	Proportion with Variable					
	CCHP: PACE (Milwaukee)	CCHP: PACE (Expansion)	CCHP: FCP (Milwaukee)	CCHP: FCP (Milwaukee Expansion)	CCHP: FCP (Racine)	CCHP: FCP (Kenosha Expansion)
<b>Intercept (Grid Component)</b>	1.0000	1.0000	1.0000	-	1.0000	1.0000
<b>DD/NH Level of Care (Grid Component)</b>						
SNF	0.2642	0.2381	0.3542	-	0.2982	0.2105
<b>Number of IADLs (Grid Component)</b>						
IADL_1	0.0126	0.0159	0.0208	-	0.0351	0.1579
IADL_2	0.1195	0.0317	0.1667	-	0.1404	0.1053
IADL_3	0.1604	0.0635	0.0833	-	0.1404	0.1579
IADL_4-5-6	0.7075	0.8889	0.7292	-	0.6842	0.5789
<b>Specific ADLs / Equipment Used (Add-On)</b>						
Bathing_1	0.3899	0.2381	0.4375	-	0.4386	0.3158
Bathing_2	0.5503	0.6349	0.5417	-	0.4561	0.5263
Toileting_1	0.3082	0.1905	0.2083	-	0.2281	0.2105
Toileting_2	0.1950	0.3175	0.2500	-	0.3860	0.3684
Transfer_1-2	0.4623	0.5238	0.4167	-	0.4211	0.4737
<b>Interaction Terms (Add-On)</b>						
Bath_Equip_Eat	0.3113	0.3333	0.2917	-	0.3509	0.2632
Dress_Bath_Equip	0.6981	0.6508	0.7083	-	0.5789	0.4737
Transfer_Equip_Mobility	0.0440	0.1111	0.1042	-	0.1754	0.0526
Seizure Pre-22_Anxiety Disorder	-	-	-	-	-	-
Seizure Post-22_Anxiety Disorder	0.0094	-	0.0208	-	0.0351	-
Seizure Post-22_Bipolar	-	-	-	-	-	-
Seizure Post-22_Schizophrenia	-	-	-	-	-	-
At least 3 Mental Illnesses	0.0409	0.0159	0.0417	-	0.1228	0.0526
<b>Behavioral Variables (Add-On)</b>						
Cognition_2	0.2893	0.2540	0.2292	-	0.2807	0.2632
Cognition_3	0.1824	0.2540	0.2500	-	0.1754	0.0526
Injury_1-2	0.0157	-	-	-	-	-
Mental Health_2-3	0.4874	0.4603	0.3958	-	0.5439	0.3684
Offensive_1-2-3	0.0943	0.0159	0.0625	-	0.0702	-
Substance Abuse Current	0.0283	-	0.0208	-	-	0.0526
<b>Medication Use (Add-On)</b>						
Meds_2B	0.7296	0.9048	0.6667	-	0.7193	0.6316
<b>Diagnoses (Add-On)</b>						
Alzheimers	0.5818	0.6190	0.6042	-	0.5088	0.5263
Mental Illness	0.1667	0.0952	0.2083	-	0.1930	0.0526
<b>Health Related Services (Add-On)</b>						
Med Admin	0.7925	0.9206	0.7708	-	0.7544	0.7368
Med Management	0.3365	0.2698	0.4167	-	0.2632	0.2105
Overnight	0.6195	0.7778	0.6042	-	0.7368	0.6316
Reposition	0.1195	0.2063	0.1875	-	0.1404	0.2105
Tube Feedings	0.0031	-	0.0208	-	-	-
Ulcer Stage 2	0.0283	0.0159	0.0625	-	0.0351	0.0526
Ulcer Stage 3-4	0.0031	0.0159	0.0833	-	-	-
Urinary	0.0063	-	0.0208	-	-	-

Exhibit III-3 (continued)

Wisconsin Department of Health Services  
CY 2014 PACE/Partnership Capitation Rate Development

Frail Elderly - by MCO

Variable	Proportion with Variable					
	CCHP: FCP (Teal Expansion)	CCHP: FCP (Pink Expansion)	Care Wisconsin (Dane)	Care Wisconsin (Col., Dodge, & Jeff. Expansion)	Care Wisconsin (Sauk Expansion)	I-Care (Milwaukee Expansion)
<b>Intercept (Grid Component)</b>	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
<b>DD/NH Level of Care (Grid Component)</b>						
SNF	0.1951	0.2979	0.2892	0.4571	0.3077	0.1786
<b>Number of IADLs (Grid Component)</b>						
IADL_1	0.0976	0.0213	0.0490	0.0286	-	0.0357
IADL_2	0.1220	0.1277	0.0956	0.0143	0.1538	0.1429
IADL_3	0.2195	0.1489	0.1250	0.0857	0.0769	0.3214
IADL_4-5-6	0.5610	0.6809	0.7230	0.8714	0.7692	0.5000
<b>Specific ADLs / Equipment Used (Add-On)</b>						
Bathing_1	0.5366	0.4043	0.3284	0.2857	0.1154	0.3929
Bathing_2	0.3415	0.4255	0.6152	0.6143	0.8077	0.3929
Toileting_1	0.2195	0.3191	0.3309	0.2143	0.2692	0.1071
Toileting_2	0.1707	0.0851	0.3676	0.4000	0.3462	0.1429
Transfer_1-2	0.3659	0.3404	0.6716	0.5571	0.7308	0.3571
<b>Interaction Terms (Add-On)</b>						
Bath_Equip_Eat	0.2927	0.2340	0.3799	0.4286	0.5385	0.1786
Dress_Bath_Equip	0.6098	0.5745	0.7451	0.7429	0.8077	0.5714
Transfer_Equip_Mobility	0.0732	0.0213	0.0662	0.0714	0.0769	0.0357
Seizure Pre-22_Anxiety Disorder	-	-	0.0025	-	-	-
Seizure Post-22_Anxiety Disorder	0.0244	-	0.0221	0.0143	-	-
Seizure Post-22_Bipolar	-	-	0.0049	-	-	-
Seizure Post-22_Schizophrenia	-	-	-	-	-	-
At least 3 Mental Illnesses	0.1220	0.0213	0.0343	0.0143	-	0.0357
<b>Behavioral Variables (Add-On)</b>						
Cognition_2	0.1951	0.2766	0.2598	0.3857	0.3462	0.1429
Cognition_3	0.0976	-	0.2230	0.1571	0.1538	0.2143
Injury_1-2	0.0244	-	0.0049	0.0429	0.0385	-
Mental Health_2-3	0.6829	0.5532	0.5809	0.5286	0.5769	0.2857
Offensive_1-2-3	0.0244	0.0213	0.0882	0.1857	0.1538	0.0357
Substance Abuse Current	0.0488	-	0.0343	0.0429	0.0385	0.1071
<b>Medication Use (Add-On)</b>						
Meds_2B	0.6829	0.7021	0.6201	0.8143	0.6154	0.2500
<b>Diagnoses (Add-On)</b>						
Alzheimers	0.4390	0.4255	0.4730	0.7143	0.6154	0.2143
Mental Illness	0.0976	-	0.1422	0.1571	0.0769	0.0714
<b>Health Related Services (Add-On)</b>						
Med Admin	0.7073	0.7447	0.7574	0.9000	0.7692	0.5714
Med Management	0.2439	0.3617	0.4804	0.4714	0.4231	0.5357
Overnight	0.4634	0.5957	0.7672	0.8429	0.9231	0.3214
Reposition	0.0732	0.0638	0.1397	0.1286	-	0.0357
Tube Feedings	-	-	0.0098	-	-	-
Ulcer Stage 2	0.0244	-	0.0221	-	-	-
Ulcer Stage 3-4	-	0.0213	0.0074	-	-	-
Urinary	-	-	-	-	-	-

**Wisconsin Department of Health Services  
CY 2014 FCP / PACE Capitation Rate Development**

**LTC Base Cost Development**

Imputed CY 2012 Costs							
	CCHP: PACE (Milwaukee)	CCHP: PACE (Expansion)	CCHP: FCP (Milwaukee)	CCHP: FCP (Milwaukee Expansion)	CCHP: FCP (Racine)	CCHP: FCP (Kenosha Expansion)	
DD	\$ 3,571.80	\$ 5,642.17	\$ 3,974.83	\$ 3,737.80	\$ 4,001.41	\$ 4,609.23	
PD	\$ 2,493.20	\$ 2,824.03	\$ 2,238.72	\$ 3,340.89	\$ 2,606.48	\$ 2,418.83	
Elderly	\$ 2,429.13	\$ 2,623.66	\$ 2,583.16	\$ -	\$ 2,557.20	\$ 2,297.37	
Total	\$ 2,530.72	\$ 2,804.56	\$ 2,514.34	\$ 3,555.08	\$ 2,919.00	\$ 2,762.83	

**Adjustments**

Nurse Practitioner	\$ 78.89	\$ 78.89	\$ 78.89	\$ 78.89	\$ 78.89	\$ 78.89	\$ 78.89
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Imputed CY 2012 Costs with Add-On for Nurse Practitioner Service Costs							
	CCHP: PACE (Milwaukee)	CCHP: PACE (Expansion)	CCHP: FCP (Milwaukee)	CCHP: FCP (Milwaukee Expansion)	CCHP: FCP (Racine)	CCHP: FCP (Kenosha Expansion)	
DD	\$ 3,650.69	\$ 5,721.06	\$ 4,053.72	\$ 3,816.69	\$ 4,080.30	\$ 4,688.12	
PD	\$ 2,572.09	\$ 2,902.92	\$ 2,317.61	\$ 3,419.78	\$ 2,685.37	\$ 2,497.72	
Elderly	\$ 2,508.02	\$ 2,702.55	\$ 2,662.05	\$ 78.89	\$ 2,636.09	\$ 2,376.26	
Total	\$ 2,609.61	\$ 2,883.45	\$ 2,593.23	\$ 3,633.97	\$ 2,997.89	\$ 2,841.72	

**Wisconsin Department of Health Services  
CY 2014 FCP / PACE Capitation Rate Development**

**LTC Base Cost Development**

Imputed CY 2012 Costs							
	CCHP: FCP (Teal Expansion)	CCHP: FCP (Pink Expansion)	Care Wisconsin (Dane)	Care Wisconsin (Col., Dodge, & Jeff. Expansion)	Care Wisconsin (Sauk Expansion)	I-Care (Milwaukee Expansion)	
DD	\$ 3,837.21	\$ 3,458.71	\$ 3,320.94	\$ 4,375.25	\$ 4,250.98	\$ 2,352.84	
PD	\$ 2,634.68	\$ 2,452.70	\$ 2,688.36	\$ 3,055.57	\$ 2,902.59	\$ 1,967.23	
Elderly	\$ 2,152.63	\$ 2,138.02	\$ 2,619.45	\$ 2,803.13	\$ 2,621.79	\$ 1,876.72	
Total	\$ 2,718.56	\$ 2,544.50	\$ 2,715.03	\$ 3,264.02	\$ 3,101.28	\$ 2,039.20	

**Adjustments**

Nurse Practitioner	\$ 78.89	\$ 78.89	\$ 78.89	\$ 78.89	\$ 78.89	\$ 78.89	\$ 78.89
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Imputed CY 2012 Costs with Add-On for Nurse Practitioner Service Costs							
	CCHP: FCP (Teal Expansion)	CCHP: FCP (Pink Expansion)	Care Wisconsin (Dane)	Care Wisconsin (Col., Dodge, & Jeff. Expansion)	Care Wisconsin (Sauk Expansion)	I-Care (Milwaukee Expansion)	
DD	\$ 3,916.10	\$ 3,537.60	\$ 3,399.83	\$ 4,454.14	\$ 4,329.87	\$ 2,431.73	
PD	\$ 2,713.57	\$ 2,531.59	\$ 2,767.25	\$ 3,134.46	\$ 2,981.48	\$ 2,046.12	
Elderly	\$ 2,231.52	\$ 2,216.91	\$ 2,698.34	\$ 2,882.02	\$ 2,700.68	\$ 1,955.61	
Total	\$ 2,797.45	\$ 2,623.39	\$ 2,793.92	\$ 3,342.91	\$ 3,180.17	\$ 2,118.09	

**Wisconsin Department of Health Services**  
**CY 2014 Family Care Partnership & PACE Capitation Rate Development**

**Development of the Long-Term Care Rates**

<b>Pilot Population</b>	Total Statistical Model 2012 PMPM Inc IBNR	Two-Year Trend	2014 Gross Nursing Home Rates	Admin/Risk PMPM	Preliminary 2014 LTC MCE Rates	Projected CY14 Enrollment
CCI (Milwaukee): PACE	\$2,609.61	1.4%	\$2,646.93	\$125.08	\$2,772.01	8,140
CCI (Milwaukee)	\$2,593.23	1.4%	\$2,629.82	\$125.08	\$2,754.90	1,431
CCI (Racine)	\$2,997.89	1.1%	\$3,032.34	\$125.08	\$3,157.42	1,617
Care Wisconsin (Dane)	\$2,793.92	1.5%	\$2,835.95	\$152.31	\$2,988.26	13,477

<b>Expansion Population</b>	Total Statistical Model 2012 PMPM Inc IBNR	Two-Year Trend	2014 Gross Nursing Home Rates	Admin/Risk PMPM	Preliminary 2014 LTC MCE Rates	Projected CY14 Enrollment
CCI (Waukesha): PACE	\$2,883.45	1.2%	\$2,918.84	\$125.08	\$3,043.92	942
CCI - Milwaukee	\$3,633.97	1.2%	\$3,675.92	\$125.08	\$3,801.00	1,374
CCI - Kenosha	\$2,841.72	1.3%	\$2,877.83	\$125.08	\$3,002.91	698
CCI - Pink Region	\$2,623.39	1.2%	\$2,655.64	\$125.08	\$2,780.72	1,813
CCI - Teal Region	\$2,797.45	1.2%	\$2,831.23	\$125.08	\$2,956.31	1,573
Care Wisconsin - (Col., Dodge, & Jeff.)	\$3,342.91	1.2%	\$3,382.56	\$152.31	\$3,534.87	2,194
Care Wisconsin - (Sauk)	\$3,180.17	1.1%	\$3,214.76	\$152.31	\$3,367.07	724
Independent Care (Milwaukee)	\$2,118.09	1.6%	\$2,152.44	\$125.08	\$2,277.52	9,042

<b>MCO</b>	2014 Gross LTC MCE Rates	Projected CY14 Enrollment
CCI: PACE	\$2,800.21	9,082
CCI - Milwaukee	\$3,267.32	2,806
CCI - Racine	\$3,157.42	1,617
CCI - Kenosha	\$3,002.91	698
CCI - Pink Region	\$2,780.72	1,813
CCI - Teal Region	\$2,956.31	1,573
Care Wisconsin (Dane)	\$2,988.26	13,477
Care Wisconsin (Col., Dodge, & Jeff.)	\$3,534.87	2,194
Care Wisconsin (Sauk)	\$3,367.07	724
Care Wisconsin (Wash., Wauk., Ozaukee)	\$2,956.31	
Independent Care (Milwaukee)	\$2,277.52	9,042
Independent Care (Racine)	\$3,157.42	89
Independent Care (Kenosha)	\$3,002.91	217

**Wisconsin Department of Health Services**  
**CY 2014 Family Care Partnership & PACE Capitation Rate Development**  
**Development of the Managed Care Equivalent Rates**

<b>Pilot Population</b>	2014 Long-Term Care Rates	2014 Acute & Primary Rates	2014 All Services Rates	
CCI (Milwaukee): PACE	\$2,772.01	\$375.96	\$3,147.97	
CCI (Milwaukee)	\$2,754.90	\$445.12	\$3,200.02	
CCI (Racine)	\$3,157.42	\$387.47	\$3,544.89	
Care Wisconsin (Dane County)	\$2,988.26	\$481.66	\$3,469.92	

<b>Expansion Population</b>	2014 Long-Term Care Rates	2014 Acute & Primary Rates	2014 All Services Rates	
CCI (Waukesha): PACE	\$3,043.92	\$265.65	\$3,309.57	
CCI - Milwaukee	\$3,801.00	\$1,014.58	\$4,815.58	
CCI - Kenosha	\$3,002.91	\$506.73	\$3,509.64	
CCI - Pink Region	\$2,780.72	\$430.98	\$3,211.70	
CCI - Teal Region	\$2,956.31	\$395.83	\$3,352.15	
Care Wisconsin - (Col., Dodge, & Jeff.)	\$3,534.87	\$432.44	\$3,967.31	
Care Wisconsin - (Sauk)	\$3,367.07	\$309.65	\$3,676.72	
Independent Care (Milwaukee)	\$2,277.52	\$1,020.45	\$3,297.97	

<b>MCO</b>	2014 Long-Term Care Rates	2014 Acute & Primary Rates	2014 MCE Rates	2014 Capitation Rates
CCI: PACE	\$2,800.21	\$364.52	\$3,164.73	\$3,164.73
CCI - Milwaukee	\$3,267.32	\$724.06	\$3,991.38	\$3,991.38
CCI - Racine	\$3,157.42	\$387.47	\$3,544.89	\$3,544.89
CCI - Kenosha	\$3,002.91	\$506.73	\$3,509.64	\$3,509.64
CCI - Pink Region	\$2,780.72	\$430.98	\$3,211.70	\$3,211.70
CCI - Teal Region	\$2,956.31	\$395.83	\$3,352.15	\$3,352.15
Care Wisconsin (Dane)	\$2,988.26	\$481.66	\$3,469.92	\$3,043.64
Care Wisconsin (Col., Dodge, & Jeff.)	\$3,534.87	\$432.44	\$3,967.31	\$3,479.91
Care Wisconsin (Sauk)	\$3,367.07	\$309.65	\$3,676.72	\$3,225.03
Care Wisconsin (Wash., Wauk., Ozaukee)	\$2,956.31	\$395.83	\$3,352.15	\$2,940.34
Independent Care (Milwaukee)	\$2,277.52	\$1,020.45	\$3,297.97	\$3,297.97
Independent Care (Racine)	\$3,157.42	\$387.47	\$3,544.89	\$3,544.89
Independent Care (Kenosha)	\$3,002.91	\$506.73	\$3,509.64	\$3,509.64