



Senate Bill 233:

Transparency and Actuarial Soundness in Rate-setting

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COMPARISON OF CCO AVG. PMPM CAPITATION PAYMENT RATES: 2014 - 2017

CCO	2015				% Change 2014 to 2017	Annual \$ Impact
	2014	Revised	2016	2017		2014 to 2017 Rate Change
Health Share	\$ 408.54	\$ 411.90	\$ 429.04	\$ 444.46	8.8%	\$ 104,695,636
Eastern Oregon CCO	\$ 429.50	\$ 457.34	\$ 486.09	\$ 541.49	26.1%	\$ 66,059,382
Willamette Valley Community Health	\$ 356.71	\$ 384.97	\$ 390.29	\$ 402.43	12.8%	\$ 56,187,874
IHN	\$ 436.75	\$ 432.23	\$ 443.77	\$ 499.89	14.5%	\$ 43,069,931
Columbia-Pacific	\$ 440.69	\$ 462.05	\$ 470.34	\$ 501.44	13.8%	\$ 18,908,985
Yamhill County Care Organization	\$ 368.24	\$ 387.18	\$ 407.04	\$ 432.20	17.4%	\$ 17,842,229
Trillium	\$ 452.39	\$ 444.79	\$ 444.52	\$ 464.81	2.7%	\$ 13,906,232
Western Oregon Advanced Health	\$ 451.95	\$ 484.63	\$ 517.85	\$ 501.90	11.1%	\$ 12,315,796
PacificSource - Central	\$ 442.48	\$ 446.94	\$ 439.08	\$ 456.12	3.1%	\$ 8,988,869
PacificSource - Columbia Gorge	\$ 420.73	\$ 420.51	\$ 424.83	\$ 468.17	11.3%	\$ 7,584,469
Cascade Health Alliance, LLC	\$ 435.31	\$ 432.55	\$ 432.34	\$ 447.24	2.7%	\$ 3,242,793
Primary Health	\$ 391.85	\$ 407.75	\$ 414.67	\$ 403.46	3.0%	\$ 1,605,954
DCIPA/Umpqua Health Alliance	\$ 472.14	\$ 423.80	\$ 434.93	\$ 436.32	-7.6%	\$ (11,583,993)
AllCare CCO	\$ 430.92	\$ 396.77	\$ 407.04	\$ 410.25	-4.8%	\$ (12,477,817)
Jackson County CCO	\$ 462.21	\$ 390.49	\$ 407.68	\$ 400.09	-13.4%	\$ (22,466,840)
FamilyCare	\$ 438.29	\$ 352.53	\$ 358.37	\$ 369.82	-15.6%	\$ (103,128,532)
All CCO's	\$ 422.06	\$ 411.73	\$ 422.13	\$ 440.02	4.3%	\$ 204,750,968

Comparison of FamilyCare to:	2015 Revised	2016	2017	% Change 2014 to 2017
I. Other Tri-County CCO (Health Share)	\$ 411.90	\$ 429.04	\$ 444.46	8.8%
FamilyCare	\$ 352.53	\$ 358.37	\$ 369.82	-15.6%
% Difference	-14.4%	-16.5%	-16.8%	
II. Simple Average of the three other Large CCO's <i>(Health Share, Trillium and Willamette Valley Community Health)</i>	\$ 413.89	\$ 421.28	\$ 437.23	7.7%
FamilyCare	\$ 352.53	\$ 358.37	\$ 369.82	-15.6%
% Difference	-14.8%	-14.9%	-15.4%	
III. All CCO's	\$ 411.73	\$ 422.13	\$ 440.02	4.3%
FamilyCare	\$ 352.53	\$ 358.37	\$ 369.82	-15.6%
% Difference	-14.4%	-15.1%	-16.0%	



CMS MEDICARE RATE DEVELOPMENT: DATA IS TRANSPARENT

WORKSHEET 1 - MA BASE PERIOD EXPERIENCE AND PROJECTION ASSUMPTIONS																											
Base Period Background Information				Note: DE# refers to Dual Eligible Beneficiaries without full Medicare cost sharing liability																							
1. Time Period Definition		Incurred from: 1/1/2015		2. Member Months		Total 25,808		Non-DE# 1,064		DE# 24,744		5. Bids In Base		Contri-Plan-Seg ID		Member Months		Contri-Plan-Seg ID		Member Months							
		Incurred to: 12/31/2015		3. Risk Score		1,2900		1,1854		1,2945				H3818-002-000		25,808											
		Paid through: 3/31/2016		4. Completion Factor		1.013																					
6. Describe the source of the base period experience data																											
Based on Family Care's claims data and paid capitations as reported on Family Care's financial statements with run-out data through March 31, 2016. Adjustments were also made to exclude the ESRD and Hospice population.																											
Base Period Data (at Plan's Risk Factor) for 1/1/2015-12/31/2015												IV. Projection Assumptions															
												(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
Service Category	Utilizers	Net PMPM	Cost Sharing	Util Type	Total Benefits			Util. Adjustments to Contract Period				Unit Cost Adjustment		Additive Adjustments													
					Annualized Util/1000	Avg Cost per Unit	Allowed PMPM	Util/1000 Trend	Benefit Plan Change	Population Change	Other Factor	Provider Payment Change	Other Factor	Util/1000	PMPM												
Inpatient Facility	205	\$283.90	\$19.28	D	1,415	\$2,570.31	\$303.16	0.970	1,000	0.902	0.891	1,024	0.923	0	\$0.00												
Skilled Nursing Facility	51	63.47	3.30	D	1,579	507.54	66.78	1,000	1,000	0.747	0.891	1,033	1,074	0	0.00												
Home Health	41	20.87	0.01	V	767	326.84	20.87	1,010	1,000	1.025	1,001	0.983	1,080	0	0.00												
Ambulance	198	22.30	2.65	T	492	608.16	24.94	1,010	1,000	0.929	0.891	1,010	0.851	0	0.00												
DME/Prosthetics/Diabetes	288	30.49	6.67	D	3,206	139.12	37.16	1,010	1,000	0.817	1,001	1,010	0.974	0	0.00												
OP Facility - Emergency	449	67.42	4.43	V	1,060	813.22	71.85	1,054	0.991	0.948	0.906	1,024	0.963	0	0.00												
OP Facility - Surgery	214	50.89	3.37	V	240	3,016.29	60.26	1,061	1,000	0.934	1,001	1,025	1,093	0	0.00												
OP Facility - Other	876	76.33	5.76	V	4,207	234.17	82.09	1,060	1,000	0.728	0.999	1,024	1,231	0	0.00												
Professional	1,262	188.49	4.76	V	33,528	69.17	193.25	1,010	0.991	0.933	1,001	0.999	1,062	16	0.08												
Part B Rx	296	45.74	4.93	D	2,160	281.48	50.68	1,024	1,000	0.544	1,001	1,016	1,544	0	0.00												
Other Medicare Part B	308	0.86	0.01	V	435	23.90	0.87	1,010	1,000	0.996	1,001	1,011	0.923	0	0.00												
Transportation (Non-Covered)	0	0.00	0.00	T	0	0.00	0.00	1,000	1,000	1,000	1,000	1,000	1,000	0	0.00												
Dental (Non-Covered)	0	0.00	0.00	V	0	0.00	0.00	1,000	1,000	1,000	1,000	1,000	1,000	0	0.00												
Vision (Non-Covered)	396	2.99	0.00	V	221	162.09	2.99	1,000	1,000	1,176	1,000	1,000	0.857	0	1.30												
Hearing (Non-Covered)	0	0.00	0.00	V	0	0.00	0.00	1,000	1,000	1,000	1,000	1,000	1,000	0	0.00												
Suppl. Ben. Chpt 4 (Non-Covered)	1,475	1.04	0.00	V	1,254	9.93	1.04	1,000	1,000	1,063	1,000	1,000	1,147	0	0.03												
Other Non-Covered	1,472	20.13	0.00	D	4,809	50.24	20.13	1,000	1,000	1,166	1,000	1,000	1,007	(102)	(0.88)												
COB/Subrg. (outside claim system)		0.00	0.00				0.00	1,000	1,000	1,000	1,000	1,000	1,000		0.00												
Total Medical Expenses		\$874.91	\$61.17				\$936.07																				
Subtotal Medicare-covered service categories							\$911.91																				
Base Period Summary for 1/1/2015-12/31/2015 (excludes Optional Supplemental)																											
		ESRD		Hospice		All Other		Total																			
CMS Revenue		\$2,009,089		\$3,866		\$22,690,764		\$24,703,719		Non-Benefit Expenses:				8. Gain/(Loss) Margin		(\$5,198,089)											
Premium Revenue		\$0		\$0		\$0		\$0		7a. Sales & Marketing		\$2,058,838															
Total Revenue		\$2,009,089		\$3,866		\$22,690,764		\$24,703,719		7b. Direct Administration		\$1,584,592		Percentage of Revenue:													
Net Medical Expenses		\$2,544,181		\$35,085		\$22,579,607		\$25,158,873		7c. Indirect Administration		\$1,024,936		9a. Net Medical Expenses		101.8%											
Member Months		331		104		25,808		26,243		7d. Net Cost of Private Reinsurance		\$74,569		9b. Non-Benefit Expenses		19.2%											
										7e. Insurer Fees		\$0		9c. Gain/(Loss) Margin		-21.0%											
PMPMs:										7f. Total Non-Benefit Expenses		\$4,742,995		10a. Medicaid Revenue		\$6,982,324											
Revenue PMPM		\$6,069.76		\$37.17		\$879.21		\$941.35						10b. Medicaid Cost		\$4,196,757											
Net Medical PMPM		\$7,686.35		\$337.36		\$874.91		\$958.69						10b1. Benefit expenses		\$3,722,677											
Non-Benefit PMPM								\$180.73						10b2. Non-benefit expenses		\$474,080											
Gain/(Loss) Margin PMPM								(\$198.08)						10c. Adjusted GLM		(\$2,412,522)											



