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November 14, 2007

Mr. R. Jason Wiley
Managed Care Rate Setter
Minnesota Department of Human Services
540 Cedar Street
St. Paul, MN 55101-2208

Re: Analysis of PGAMC Costs by Demographic Rate Cell

Dear Jason:

This letter discusses my recommended capitation rate relativities by rate cell for the PGAMC program. The capitation rates for this program are currently determined on a quarterly basis by blending demographic rates, which do not vary by managed care organization (MCO), and risk adjusted rates, which do. The relativities in this letter are only intended to apply to the demographic rates and not to the risk adjusted rates. This letter also describes my analysis of historic claim cost relativities by (1) geographic area and (2) demographic rate cell. For PGAMC, demographic rate cells are defined in terms of program (GA vs GAMC) and gender. The recommended rate relativities were developed based on this analysis.

The purpose of this analysis is to assist the Minnesota Department of Human Services (DHS) with setting demographic payment rates for contracting MCOs. The results may not be appropriate for other purposes.

The results contained in this letter are intended only for use by DHS. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This letter should be reviewed only in its entirety. It assumes the reader is familiar with Minnesota's Medicaid 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.

Differences between the estimates in my analysis and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is almost certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience is different than expected. Accordingly, DHS should continue to carefully monitor actual experience and make adjustments as necessary.

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In performing this analysis, I have relied on data and other information provided to me by DHS and the plans with which it contracts. I have not audited or verified this data and other information. If the underlying data or information is inaccurate or incomplete, the results of this analysis may likewise be inaccurate or incomplete.

I have performed a limited review of the data used directly in my analysis for reasonableness and consistency and have not found material defects in the data. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of this assignment.

Data Reliance & Discussion

For this analysis, I relied on the following data and information:

1. Detailed claim and enrollment data by demographic rate cell and geographic area provided by the MCOs that contract with DHS. Data was provided for calendar years 2004, 2005, and 2006.
2. DHS's past rate calculation spreadsheets.
3. An April 2007 enrollment report provided by DHS.
4. Calendar year 2005 and 2006 enrollment reports provided by DHS including breakouts for Cass, Crow Wing, Morrison, Todd, and Wadena counties.
5. Miscellaneous comments and information provided by DHS and the MCOs.

Recommended Demographic Rate Relativities

My recommended rate relativities by demographic rate cell and geographic area are shown in Tables 1 and 2, respectively. These factors were developed using 2005 and 2006 experience data submitted by the MCOs, along with certain adjustments described below. The MCOs provided experience data without a limit on large claims and also with \$250,000 and \$100,000 calendar year limits on large claims. The recommended factors are based on the unlimited experience, but corresponding factors using the \$250,000 and \$100,000 limits (stop loss attachment points) are also shown for reference.

Table 1: Recommended Rate Relativities by Category and Gender

Rate Cell			Calculated Relative Cost Relativities			Recommended Relativities
Category	Age Grp	Gender	Stop Loss Attachment Point			
			\$ 100,000	\$ 250,000	Unlimited	
GA	All	F	1.329	1.322	1.318	1.318
GA	All	M	1.133	1.137	1.131	1.131
GAMC	All	F	0.826	0.828	0.828	0.828
GAMC	All	M	0.716	0.716	0.726	0.726

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**Table 2: Recommended Relativities by Geographic Area
and MERC Adjustments**

Geographic Area	Calculated Relative Cost Relativities			Recommended Relativities	MERC Adjusted Area Factors
	Stop Loss Attachment Point				
	\$ 100,000	\$ 250,000	Unlimited		
Hennepin	0.932	0.936	0.943	0.943	0.967
Ramsey	1.055	1.049	1.040	1.040	1.019
Core Metro	1.213	1.209	1.204	1.204	1.180
Greater Metro (Sherburne & Wright)	1.213	1.209	1.204	1.204	1.175
North East	0.979	0.991	0.983	0.983	0.960
North Central	1.024	1.022	1.022	1.022	0.998
Carver	1.087	1.069	1.060	1.060	1.039
South West excl. Carver	1.087	1.069	1.060	1.060	1.034
Olmsted /South East	1.039	1.026	1.019	1.019	0.995

Exhibits A.1 and A.2 of this letter show the impact that using these recommended factors would have on current (contract year 2007) demographic capitation rates with and without MERC, respectively. The capitation rates used to develop the results in Exhibits A.1 and A.2 are before MCO specific adjustments.

The factors in Tables 1 and 2 include a revenue neutrality adjustment so that, taken together, they are revenue neutral on the April 2007 membership distribution. However, the MERC adjustment is not revenue neutral. For example, if area factors increased in an area with a higher than average MERC percentage, overall payments including MERC would be higher.

Methodology

I began by calculating the raw average claim cost per member per month (PMPM) by calendar year, geographic area, and demographic rate cell. The current areas defined for this product include: Hennepin, Ramsey, Greater Metro, North East, North Central, South West, and South East (including Olmsted). The current area definitions were established in 2004 and are not being revised for 2008.

In Table 2, I have displayed Carver county separately from the rest of the South West region, and I have also split the Greater Metro region into two pieces: Sherburne and Wright counties (called Greater Metro in Table 2) and Core Metro. I have displayed these subregions separately in Table 2 because the MERC percentages differ between these subregions and therefore the MERC adjusted area factors differ by subregion. The area factors before the MERC adjustment do not vary by subregion, however. The demographic rate cells for this program include: GA Male, GA Female, GAMC Male, and GAMC Female.

The MCOs provided enrollment and estimated aggregate incurred claim cost by calendar year (2004, 2005, and 2006), which I used for this purpose. I asked the MCOs to provide their best estimate (without margin) of total incurred claims by year using the most recent runout available (February or March 2007 for most MCOs). I also asked the MCOs to provide incurred claim estimates assuming \$100,000 and \$250,000 individual stop loss limits

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were in place so that I could examine the impact of large claims on the results. I examined the impact on the results of applying stop loss limits and determined no adjustments were warranted. In doing so, I took into consideration credibility (measured in member months) and variations in the relative cost factors when the claim limit was changed.

I used this data to calculate per member per month claim costs for calendar years 2005 and 2006. I adjusted the experience data to reflect benefit changes between 2005 and 2007. In particular, I applied a multiplicative adjustment factor of 0.9983 to the 2005 PMPM values for the two rate cells for males to take into account the estimated impact of removing drug benefits for ED in 2006. I also applied a multiplicative adjustment factor of 1.0005 to both the 2005 and 2006 PMPM values for the rate cells for females to take into account the estimated impact of providing coverage for the HPV vaccine starting in 2007. Both of these factors were developed previously as the new benefits were introduced, as described in prior letters in prior years.

Since I based my analysis on rate relativities (instead of dollar amounts), I did not adjust for changes that applied to all rate cells, such as trend adjustments.

I also made an adjustment to reflect that dental services were not covered by the MCOs in Cass, Crow Wing, Morrison, Todd, or Wadena counties in 2005 or 2006, but will be in 2008. To do so, I started with fee-for-service dental experience data for calendar years 2002 through 2005 provided to me by DHS last year for another project. I used the experience data for non-disabled enrollees to develop per member per month claim costs by age and gender in the North Central region. I used an annual trend rate of 7.9% to project costs to 2004, 2005, and 2006. This trend factor was based on an analysis of trend in the FFS data, and takes into account benefit changes during this period.

To determine the percentage of enrollees to which the additional cost would apply, I used enrollment reports provided by DHS for calendar years 2005 and 2006 which included a breakdown of enrollment by region and by county for the five counties listed above. For each demographic rate cell, I determined the percentage of North Central region enrollment made up by the five counties. For GA and GAMC, the percentages were between 20 and 25%. I then multiplied the adjusted dental claim cost by this percentage to determine the final adjustments to the PMPM claim costs for the North Central region in each calendar year. The impact on the relativities of adding the dental cost was very small.

I have not made any adjustments to the historic experience data to reflect other changes. In particular, I have not adjusted for the recent rebasing of hospital FFS rate levels or the emergence of critical access hospitals, which receive a reimbursement differential from Medicare. While I could consider adjustments for these changes, the extent to which either of them has a major impact on the average costs actually incurred by the MCOs is not clear since the MCOs negotiate separately with the hospitals and are not required to pay Medicaid or Medicare FFS rates. The extent to which the changes would impact cost relativities by rate cell is even less clear.

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I then used the adjusted PMPM claim costs to calculate relativities. I first calculated the relativity for each rate cell (demographic and area) in each year, representing the PMPM claim cost of that rate cell relative to the average across all rate cells. A summary of the enrollment and corresponding relativities is included as Exhibit B of this letter. The relativities at the bottom of the exhibit, calculated as an enrollment weighted average of the 2005 and 2006 relativities, were the "initial" relativity factors for the purposes of the discussion below. (I am not including the actual claim cost data on either an aggregate or PMPM basis to protect the information, which at least some of the MCOs consider proprietary.)

I then used these initial relativities to calculate preliminary demographic and area factors in a step-wise fashion. First, I calculated the average relativity for each demographic rate cell (GA Male, GA Female, GAMC Male, and GAMC Female) using the current enrollment mix by geographic area and demographic rate cell.

The demographic factor for each demographic rate cell was set equal to the ratio of the average relativity for that demographic rate cell to the average across rate cells using the statewide enrollment mix by demographic rate cell. I then adjusted each initial relativity from Exhibit B by dividing by its demographic factor so calculated.

To calculate the averages in the previous two paragraphs, I used April 2007 enrollment because I believed it was the best available proxy for 2008 enrollment at the time this analysis was performed. DHS believes that most of the migration out of GAMC and into MNCare has occurred as of April and does not expect significant changes going forward. The enrollment figures I used are shown at the top of Exhibits A.1 and A.2.

In my analysis, I have also assumed that relative costs by rate cell in the GAMC rate cells in 2008 will be similar to the relativities in the 2005 and 2006 experience data. Because of the significant migration of enrollees out of GAMC and into MNCare, I recommended that DHS revisit this assumption as well as additional data becomes available. This has been done and results are included in a separate letter regarding benefit and eligibility changes.

I then used these demographically adjusted relativities to calculate area factors in a similar fashion. I calculated the average adjusted relativity for each area using the April 2007 enrollment mix by demographic rate cell. The area factor was set equal to the ratio of the average relativity factor for that area to the average across areas using the statewide enrollment mix by area. I continued this process, adjusting the initial table of relativities using the demographic and area factors in turn. Each set of adjusted relativities was used as a starting point to create another set of factors and this process was repeated until the relativity factors ceased to change (which occurred in fairly few iterations).

As part of the process, each new set of factors was normalized to average to 1.000 based on the April 2007 overall enrollment mix. After the iterative process was complete, I applied a final revenue neutrality adjustment to both the demographic and the area factors so that they averaged 1.000 over the April 2007 membership distribution by demographic rate cell and area.

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Mr. R. Jason Wiley

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Finally, I adjusted the area factors for MERC as follows. Starting with the recommended area factors in Table 2, I first multiplied by a factor of one minus the average MERC percentage over the April 2007 enrollment distribution. I then divided by a factor of one minus the MERC percentage for the area: 6.30% for Hennepin, 2.00% for the remainder of the seven-county metro area, and 1.60% for the remaining areas.



Jason, please contact me if you have any questions about this letter. You can reach me at [REDACTED] or at [REDACTED]

Sincerely,

Leigh M. Wachenheim, FSA, MAAA
Principal & Consulting Actuary

LMW/hkl

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Exhibit A.1: Calculation of Percentage Change in Capitation Rates Including MERC

Rate Cell		Hennepin	Ramsey	Greater Metro	Core Metro	North East	North Central	Carver	South West	Olmsted	South East	Total
1. April 2007 Enrollment by Rate Cell												
GA	F	1,304	525	61	275	294	368	17	155	69	225	3,293
GA	M	2,549	772	44	325	523	499	16	266	96	286	5,376
GAMC	F	1,416	322	51	206	159	256	7	132	32	183	2,764
GAMC	M	2,561	601	45	287	281	400	14	187	61	246	4,683
Total		7,830	2,220	201	1,093	1,257	1,523	54	740	258	940	16,116
2. 2007 Original Capitation Rates Including MERC and After Rateable Reductions												
GA	F	\$ 1,347.70	\$ 1,255.69	\$ 1,526.03	\$ 1,526.08	\$ 1,102.64	\$ 1,400.95	\$ 1,297.79	\$ 1,297.88	\$ 1,279.53	\$ 1,325.29	\$ 1,329.74
GA	M	\$ 1,308.03	\$ 1,216.88	\$ 1,478.85	\$ 1,478.91	\$ 1,068.55	\$ 1,357.64	\$ 1,257.67	\$ 1,257.76	\$ 1,239.98	\$ 1,284.32	\$ 1,281.92
GAMC	F	\$ 833.83	\$ 776.90	\$ 944.16	\$ 944.20	\$ 682.21	\$ 866.77	\$ 802.95	\$ 803.00	\$ 791.65	\$ 819.96	\$ 828.83
GAMC	M	\$ 802.97	\$ 748.15	\$ 909.22	\$ 909.25	\$ 656.96	\$ 834.70	\$ 773.24	\$ 773.29	\$ 762.36	\$ 789.62	\$ 794.91
Total		\$ 1,063.04	\$ 1,035.35	\$ 1,229.97	\$ 1,240.42	\$ 935.64	\$ 1,148.25	\$ 1,085.76	\$ 1,062.62	\$ 1,082.03	\$ 1,074.28	\$ 1,072.47
3. 2007 Capitation Rates Recalculated using Average 2007 Capitation Rate and Recommended Adjustment Factors Incl. MERC												
GA	F	\$ 1,366.45	\$ 1,440.06	\$ 1,661.02	\$ 1,667.80	\$ 1,356.14	\$ 1,409.84	\$ 1,467.69	\$ 1,461.73	\$ 1,405.89	\$ 1,405.89	\$ 1,421.27
GA	M	\$ 1,173.16	\$ 1,236.35	\$ 1,426.05	\$ 1,431.87	\$ 1,164.30	\$ 1,210.40	\$ 1,260.07	\$ 1,254.95	\$ 1,207.01	\$ 1,207.01	\$ 1,209.25
GAMC	F	\$ 858.23	\$ 904.45	\$ 1,043.23	\$ 1,047.49	\$ 851.75	\$ 885.47	\$ 921.81	\$ 918.06	\$ 882.99	\$ 882.99	\$ 886.23
GAMC	M	\$ 752.63	\$ 793.17	\$ 914.88	\$ 918.61	\$ 746.95	\$ 776.53	\$ 808.39	\$ 805.11	\$ 774.35	\$ 774.35	\$ 774.95
Total		\$ 1,010.85	\$ 1,116.41	\$ 1,285.79	\$ 1,284.02	\$ 1,076.34	\$ 1,090.02	\$ 1,164.48	\$ 1,124.49	\$ 1,117.72	\$ 1,078.31	\$ 1,071.31
4. Dollar Difference between Recalculated Capitation Rates and Original Capitation Rates												
GA	F	\$ 18.76	\$ 184.37	\$ 134.99	\$ 141.72	\$ 253.51	\$ 8.89	\$ 169.90	\$ 163.85	\$ 126.35	\$ 80.60	\$ 91.53
GA	M	\$ (132.88)	\$ 19.47	\$ (52.80)	\$ (47.03)	\$ 95.75	\$ (147.24)	\$ 2.40	\$ (2.81)	\$ (32.97)	\$ (77.31)	\$ (72.67)
GAMC	F	\$ 24.40	\$ 127.55	\$ 99.07	\$ 103.30	\$ 169.54	\$ 18.70	\$ 118.86	\$ 115.06	\$ 91.34	\$ 63.03	\$ 59.40
GAMC	M	\$ (50.34)	\$ 45.02	\$ 5.65	\$ 9.36	\$ 89.99	\$ (58.17)	\$ 35.16	\$ 31.82	\$ 11.99	\$ (15.27)	\$ (19.96)
Total		\$ (52.19)	\$ 81.06	\$ 55.81	\$ 43.60	\$ 140.70	\$ (58.23)	\$ 78.72	\$ 61.87	\$ 35.69	\$ 4.05	\$ (1.15)
5. Dollar Difference as a Percentage of Original Capitation Rates												
GA	F	1.4%	14.7%	8.8%	9.3%	23.0%	0.6%	13.1%	12.6%	9.9%	6.1%	6.9%
GA	M	-10.2%	1.6%	-3.6%	-3.2%	9.0%	-10.8%	0.2%	-0.2%	-2.7%	-6.0%	-5.7%
GAMC	F	2.9%	16.4%	10.5%	10.9%	24.9%	2.2%	14.8%	14.3%	11.5%	7.7%	7.2%
GAMC	M	-6.3%	6.0%	0.6%	1.0%	13.7%	-7.0%	4.5%	4.1%	1.6%	-1.9%	-2.5%
Total		-4.9%	7.8%	4.5%	3.5%	15.0%	-5.1%	7.3%	5.8%	3.3%	0.4%	-0.1%

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Exhibit A.2: Calculation of Percentage Change in Capitation Rates

Rate Cell		Hennepin	Ramsey	Greater Metro	Core Metro	North East	North Central	Carver	South West	Olmsted	South East	Total
1. April 2007 Enrollment by Rate Cell												
GA	F	1,304	525	61	275	294	368	17	155	69	225	3,293
GA	M	2,549	772	44	325	523	499	16	266	96	286	5,376
GAMC	F	1,416	322	51	206	159	256	7	132	32	183	2,764
GAMC	M	2,661	601	45	287	281	400	14	187	61	246	4,683
Total		7,830	2,220	201	1,093	1,257	1,523	54	740	258	940	16,116
2. 2007 Original Capitation Rates Excluding MERC and After Rateable Reductions												
GA	F	\$ 1,262.79	\$ 1,230.58	\$ 1,501.61	\$ 1,495.56	\$ 1,084.99	\$ 1,378.53	\$ 1,271.83	\$ 1,277.11	\$ 1,259.06	\$ 1,304.08	\$ 1,282.04
GA	M	\$ 1,223.75	\$ 1,192.54	\$ 1,455.19	\$ 1,449.33	\$ 1,051.45	\$ 1,335.92	\$ 1,232.52	\$ 1,237.64	\$ 1,220.14	\$ 1,263.77	\$ 1,231.23
GAMC	F	\$ 781.29	\$ 761.37	\$ 929.05	\$ 925.31	\$ 671.29	\$ 852.91	\$ 786.89	\$ 790.16	\$ 778.99	\$ 806.84	\$ 794.84
GAMC	M	\$ 752.38	\$ 733.19	\$ 894.67	\$ 891.07	\$ 646.45	\$ 821.34	\$ 757.77	\$ 760.92	\$ 750.16	\$ 776.99	\$ 760.94
Total		\$ 996.07	\$ 1,014.64	\$ 1,210.29	\$ 1,215.61	\$ 920.67	\$ 1,129.88	\$ 1,064.05	\$ 1,045.62	\$ 1,064.71	\$ 1,057.07	\$ 1,030.11
3. 2007 Capitation Rates Recalculated using Average 2007 Capitation Rate and Recommended Adjustment Factors												
GA	F	\$ 1,280.37	\$ 1,411.26	\$ 1,634.44	\$ 1,634.44	\$ 1,334.45	\$ 1,387.28	\$ 1,438.34	\$ 1,438.34	\$ 1,383.39	\$ 1,383.39	\$ 1,371.59
GA	M	\$ 1,099.25	\$ 1,211.62	\$ 1,403.24	\$ 1,403.24	\$ 1,145.68	\$ 1,191.04	\$ 1,234.87	\$ 1,234.87	\$ 1,187.70	\$ 1,187.70	\$ 1,162.69
GAMC	F	\$ 804.16	\$ 886.37	\$ 1,026.54	\$ 1,026.54	\$ 838.12	\$ 871.31	\$ 903.37	\$ 903.37	\$ 868.87	\$ 868.87	\$ 852.61
GAMC	M	\$ 705.22	\$ 777.31	\$ 900.24	\$ 900.24	\$ 735.00	\$ 764.10	\$ 792.22	\$ 792.22	\$ 761.96	\$ 761.96	\$ 742.57
Total		\$ 947.17	\$ 1,094.08	\$ 1,265.21	\$ 1,258.33	\$ 1,059.12	\$ 1,072.58	\$ 1,141.19	\$ 1,106.50	\$ 1,099.83	\$ 1,061.05	\$ 1,030.11
4. Dollar Difference between Recalculated Capitation Rates and Original Capitation Rates												
GA	F	\$ 17.58	\$ 180.68	\$ 132.83	\$ 138.88	\$ 249.45	\$ 8.75	\$ 166.50	\$ 161.22	\$ 124.33	\$ 79.31	\$ 89.55
GA	M	\$ (124.51)	\$ 19.08	\$ (51.96)	\$ (46.09)	\$ 94.22	\$ (144.88)	\$ 2.35	\$ (2.76)	\$ (32.44)	\$ (76.07)	\$ (68.54)
GAMC	F	\$ 22.86	\$ 125.00	\$ 97.49	\$ 101.23	\$ 166.83	\$ 18.40	\$ 116.48	\$ 113.22	\$ 89.88	\$ 62.02	\$ 57.77
GAMC	M	\$ (47.17)	\$ 44.12	\$ 5.56	\$ 9.17	\$ 88.55	\$ (57.24)	\$ 34.45	\$ 31.31	\$ 11.80	\$ (15.02)	\$ (18.38)
Total		\$ (48.90)	\$ 79.44	\$ 54.92	\$ 42.72	\$ 138.45	\$ (57.30)	\$ 77.15	\$ 60.88	\$ 35.12	\$ 3.98	\$ 0.00
5. Dollar Difference as a Percentage of Original Capitation Rates												
GA	F	1.4%	14.7%	8.8%	9.3%	23.0%	0.6%	13.1%	12.6%	9.9%	6.1%	7.0%
GA	M	-10.2%	1.6%	-3.6%	-3.2%	9.0%	-10.8%	0.2%	-0.2%	-2.7%	-6.0%	-5.6%
GAMC	F	2.9%	16.4%	10.5%	10.9%	24.9%	2.2%	14.8%	14.3%	11.5%	7.7%	7.3%
GAMC	M	-6.3%	6.0%	0.6%	1.0%	13.7%	-7.0%	4.5%	4.1%	1.6%	-1.9%	-2.4%
Total		-4.9%	7.8%	4.5%	3.5%	15.0%	-5.1%	7.3%	5.8%	3.3%	0.4%	0.0%

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Exhibit B: Member Months and Relativity Factors

Table B-1: 2005 Member Months and Claim Cost Relativities by Rate Cell

Rate Cell		Hennepin	Ramsey	Greater Metro	North East	North Central	South West	South East
Member Months								
GA	F	11,661	5,299	3,519	2,848	3,501	1,698	2,233
GA	M	23,041	6,745	3,216	4,627	4,782	2,143	3,136
GAMC	F	33,325	10,032	13,607	7,217	15,328	8,827	12,280
GAMC	M	52,754	15,387	18,133	11,221	20,236	10,951	16,563
Relativity Factors								
GA	F	1.309	1.498	1.522	1.380	1.635	2.089	1.812
GA	M	1.153	1.421	1.612	1.502	1.446	1.434	1.440
GAMC	F	0.990	0.946	1.138	0.777	0.969	0.813	0.856
GAMC	M	0.857	0.833	1.004	0.701	0.781	0.674	0.742

Table B-2: 2006 Member Months and Claim Cost Relativities by Rate Cell

Rate Cell		Hennepin	Ramsey	Greater Metro	North East	North Central	South West	South East
Member Months								
GA	F	13,271	5,973	3,928	3,383	4,088	2,102	2,931
GA	M	25,196	8,419	3,757	5,377	5,773	2,754	4,078
GAMC	F	33,038	10,025	12,862	6,885	13,805	8,860	11,907
GAMC	M	54,055	15,146	17,379	11,399	18,729	11,066	16,760
Relativity Factors								
GA	F	1.371	1.556	2.055	1.607	1.583	1.924	1.584
GA	M	1.100	1.392	1.767	1.342	1.366	1.518	1.377
GAMC	F	0.928	0.880	1.062	0.808	0.950	0.914	0.845
GAMC	M	0.816	0.906	0.869	0.708	0.733	0.685	0.806

Table B-3: Member Month Weighted Average Relativity Factor

Rate Cell		Hennepin	Ramsey	Greater Metro	North East	North Central	South West	South East
GA	F	1.342	1.529	1.803	1.504	1.607	1.998	1.682
GA	M	1.128	1.405	1.696	1.416	1.403	1.481	1.404
GAMC	F	0.959	0.913	1.101	0.792	0.960	0.864	0.851
GAMC	M	0.836	0.869	0.938	0.704	0.758	0.680	0.774

This material assumes that the reader is familiar with MN Medicaid programs, their eligibility rules, rating approaches and other factors. The material was prepared solely to provide assistance to DHS to set capitation rates. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety.