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Eric P. Goetsch, FSA
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December 14, 2009

Ms. Pam Parker
Manager, Special Needs Purchasing
Minnesota Department of Human Services
540 Cedar Street
Elmer L. Anderson Human Services Building
St. Paul, MN 55155-3854

Re: Comparison of Monthly MSHO and MSC+ Expenditures Using Rates from October through December 2009 and Calendar Year 2010

Dear Pam:

At your request, this letter contains projected monthly expenditures for the Minnesota Senior Health Options (MSHO) and Minnesota Senior Care Plus (MSC+) programs, comparing the change in rates from the October through December 2009 contract period to the calendar year (CY) 2010 contract period. This comparison is based on the contracted rates for individual health plan from these two time periods and December 2009 MSHO and MSC+ enrollment as provided by the Minnesota Department of Human Services (DHS); thus, the expenditure changes do not consider potential changes in enrollment or risk scores between the two time periods.

Table 1 summarizes the monthly expenditure comparison results in total and by Medicaid Only vs Dual eligibility status using rates and risk scores for CY 2010 and October through December 2009.

Table 1 MSHO and MSC+ Comparison of Projected Monthly Expenditures Using Calendar Year 2010 Rates and October through December 2009 Rates Assuming December 2009 MSHO and MSC+ Enrollment				
Eligibility Status	Using Rates for CY 2010	Using Rates from Oct. - Dec. 2009	Dollar Change	Percentage Change
Basic Care	\$30,544,262	\$28,774,941	\$1,769,322	6.1%
NF Add-on	2,920,171	2,768,977	151,194	5.5%
EW Add-on	21,069,455	20,210,546	858,910	4.2%
Total	\$54,533,889	\$51,754,463	\$2,779,425	5.4%

Exhibits 1 through 3 contain the breakdown of the monthly expenditures in Table 1 for both the October through December 2009 and the CY 2010 contract period by combinations of the following:

- > Medicaid only vs. Dual Eligibles, and in Total,
- > Institutionalized vs. Community Population Groups,
- > Carver, Core Metro, Hennepin, North Central, North East, North West Metro, Olmsted, Ramsey, South East, and South West geographical areas, and
- > Basic (acute) Care, Nursing Facility Add-on, and Elderly Waiver Add-on rate components.

This material assumes that the reader is familiar with Minnesota's Medicaid long term care and acute care programs, their benefits, eligibility, administration and other factors. The material was prepared solely to provide assistance to the Minnesota Department of Human Services in setting rates for the MSHO and MSC+ programs. 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.

This comparison only includes Medical Assistance program expenditures and excludes payments from Medicare. In addition, these projections assume all withhold dollars will subsequently be returned to the health plans. Therefore, the change in the monthly expenditure projection amounts is not impacted by the change in the withhold percentage between the two time periods (8% in fourth quarter 2009 and 9.5% for CY 2010).

First Plan enrollees were excluded from this comparison since First Plan will no longer be part of the MSHO / MSC+ programs in 2010.

Differences between the contract periods are provided on both a total dollar change and percentage change basis.

CAVEATS AND LIMITATIONS

The results presented in this letter are estimates based only on December 2009 MSHO and MSC+ enrollment. Actual expenditures will vary from these estimates and will reflect actual 2010 enrollment in the MSHO and MSC+ programs.

We relied on data and information supplied to us by the State of Minnesota, including the December 2009 MSHO and MSC+ enrollment, in the calculations underlying this comparison. We have not audited or attempted any independent verification of such data but reviewed it for reasonableness and consistency where possible. If the underlying data is inaccurate or incorrect, the results of our analysis would also be inaccurate.

This letter was prepared specifically for DHS to review a comparison of October through December 2009 and CY 2010 projected monthly MSHO and MSC+ expenditures and may not be appropriate for other circumstances. Consequently, this information should not be shared with the participating health plans without our consent. This letter should only be viewed in its entirety. This letter assumes the reader is knowledgeable about MSHO and MSC+, long term care rate setting, Medicare, and related programs. We understand that you will be sharing this information with CMS.

This letter and its use are subject to the terms of the contract between Milliman and DHS effective July 1, 2009.

Pam, please call me at [REDACTED] if you have any questions.

Sincerely,



Eric P. Goetsch, FSA
Principal and Consulting Actuary

EPG/zh

Attachments

Exhibit 1

**Comparison of Current (Oct - Dec 2009) and Projected (Jan - Dec 2010) MSHO/MSC+ Expenditures
Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Dual Eligible

Community

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$128,157	\$146,698	\$18,541	14.5%
NF Add-on	21,606	22,785	1,180	5.5%
EW Add-on	188,619	196,635	8,016	4.2%
Total	\$338,382	\$366,119	\$27,737	8.2%
Core Metro				
Basic Care	\$2,497,053	\$2,634,074	\$137,021	5.5%
NF Add-on	275,620	290,670	15,050	5.5%
EW Add-on	2,180,635	2,273,311	92,676	4.2%
Total	\$4,953,308	\$5,198,055	\$244,747	4.9%
Hennepin				
Basic Care	\$5,373,957	\$5,559,929	\$185,972	3.5%
NF Add-on	496,284	523,383	27,098	5.5%
EW Add-on	3,621,615	3,775,531	153,916	4.2%
Total	\$9,491,857	\$9,858,843	\$366,987	3.9%
North Central				
Basic Care	\$3,557,964	\$4,010,193	\$452,228	12.7%
NF Add-on	638,575	673,443	34,868	5.5%
EW Add-on	4,542,657	4,735,707	193,050	4.2%
Total	\$8,739,197	\$9,419,343	\$680,146	7.8%
North East				
Basic Care	\$560,678	\$645,002	\$84,323	15.0%
NF Add-on	125,535	132,389	6,855	5.5%
EW Add-on	938,764	978,658	39,895	4.2%
Total	\$1,624,977	\$1,756,049	\$131,072	8.1%
North West Metro				
Basic Care	\$537,778	\$564,925	\$27,147	5.0%
NF Add-on	75,194	79,300	4,106	5.5%
EW Add-on	587,945	612,931	24,986	4.2%
Total	\$1,200,917	\$1,257,156	\$56,239	4.7%
Olmsted				
Basic Care	\$422,503	\$472,578	\$50,075	11.9%
NF Add-on	76,932	81,133	4,201	5.5%
EW Add-on	471,568	491,608	20,040	4.2%
Total	\$971,003	\$1,045,319	\$74,316	7.7%
Ramsey				
Basic Care	\$3,695,748	\$3,571,467	(\$124,281)	-3.4%
NF Add-on	273,944	288,902	14,958	5.5%
EW Add-on	2,050,260	2,137,394	87,135	4.2%
Total	\$6,019,952	\$5,997,764	(\$22,188)	-0.4%
South East				
Basic Care	\$1,968,763	\$2,195,768	\$227,004	11.5%
NF Add-on	388,944	410,182	21,237	5.5%
EW Add-on	2,698,649	2,813,335	114,685	4.2%
Total	\$5,056,357	\$5,419,284	\$362,927	7.2%
South West				
Basic Care	\$1,713,378	\$1,973,745	\$260,366	15.2%
NF Add-on	320,787	338,303	17,516	5.5%
EW Add-on	2,210,699	2,304,648	93,948	4.2%
Total	\$4,244,864	\$4,616,695	\$371,830	8.8%
Total - Community				
Basic Care	\$20,455,980	\$21,774,377	\$1,318,398	6.4%
NF Add-on	2,693,422	2,840,490	147,068	5.5%
EW Add-on	19,491,412	20,319,760	828,347	4.2%
Total	\$42,640,814	\$44,934,627	\$2,293,813	5.4%

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Exhibit 1

**Comparison of Current (Oct - Dec 2009) and Projected (Jan - Dec 2010) MSHO/MSC+ Expenditures
Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Dual Eligible

Institutionalized

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$31,658	\$36,662	\$5,004	15.8%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$31,658	\$36,662	\$5,004	15.8%
Core Metro				
Basic Care	\$364,564	\$385,142	\$20,578	5.6%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$364,564	\$385,142	\$20,578	5.6%
Hennepin				
Basic Care	\$998,237	\$1,023,910	\$25,673	2.6%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$998,237	\$1,023,910	\$25,673	2.6%
North Central				
Basic Care	\$837,945	\$952,345	\$114,399	13.7%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$837,945	\$952,345	\$114,399	13.7%
North East				
Basic Care	\$124,450	\$144,246	\$19,796	15.9%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$124,450	\$144,246	\$19,796	15.9%
North West Metro				
Basic Care	\$134,655	\$142,396	\$7,741	5.7%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$134,655	\$142,396	\$7,741	5.7%
Olmsted				
Basic Care	\$59,099	\$66,400	\$7,301	12.4%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$59,099	\$66,400	\$7,301	12.4%
Ramsey				
Basic Care	\$555,919	\$534,111	(\$21,808)	-3.9%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$555,919	\$534,111	(\$21,808)	-3.9%
South East				
Basic Care	\$569,893	\$642,772	\$72,879	12.8%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$569,893	\$642,772	\$72,879	12.8%
South West				
Basic Care	\$559,514	\$653,288	\$93,774	16.8%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$559,514	\$653,288	\$93,774	16.8%
Total - Institutionalized				
Basic Care	\$4,235,935	\$4,581,272	\$345,337	8.2%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	\$4,235,935	\$4,581,272	\$345,337	8.2%

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Exhibit 1

**Comparison of Current (Oct - Dec 2009) and Projected (Jan - Dec 2010) MSHO/MSC+ Expenditures
Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Dual Eligible

Total (Community and Institutionalized)

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$159,815	\$183,360	\$23,545	14.7%
NF Add-on	21,606	22,785	1,180	5.5%
EW Add-on	188,619	196,635	8,016	4.2%
Total	\$370,040	\$402,781	\$32,741	8.8%
Core Metro				
Basic Care	\$2,861,617	\$3,019,216	\$157,599	5.5%
NF Add-on	275,620	290,670	15,050	5.5%
EW Add-on	2,180,635	2,273,311	92,676	4.2%
Total	\$5,317,872	\$5,583,197	\$265,325	5.0%
Hennepin				
Basic Care	\$6,372,194	\$6,583,839	\$211,646	3.3%
NF Add-on	496,284	523,383	27,098	5.5%
EW Add-on	3,621,615	3,775,531	153,916	4.2%
Total	\$10,490,093	\$10,882,753	\$392,660	3.7%
North Central				
Basic Care	\$4,395,910	\$4,962,537	\$566,628	12.9%
NF Add-on	638,575	673,443	34,868	5.5%
EW Add-on	4,542,657	4,735,707	193,050	4.2%
Total	\$9,577,142	\$10,371,688	\$794,545	8.3%
North East				
Basic Care	\$685,128	\$789,247	\$104,119	15.2%
NF Add-on	125,535	132,389	6,855	5.5%
EW Add-on	938,764	978,658	39,895	4.2%
Total	\$1,749,427	\$1,900,295	\$150,868	8.6%
North West Metro				
Basic Care	\$672,433	\$707,321	\$34,888	5.2%
NF Add-on	75,194	79,300	4,106	5.5%
EW Add-on	587,945	612,931	24,986	4.2%
Total	\$1,335,572	\$1,399,552	\$63,979	4.8%
Olmsted				
Basic Care	\$481,602	\$538,978	\$57,376	11.9%
NF Add-on	76,932	81,133	4,201	5.5%
EW Add-on	471,568	491,608	20,040	4.2%
Total	\$1,030,102	\$1,111,719	\$81,617	7.9%
Ramsey				
Basic Care	\$4,251,667	\$4,105,578	(\$146,090)	-3.4%
NF Add-on	273,944	288,902	14,958	5.5%
EW Add-on	2,050,260	2,137,394	87,135	4.2%
Total	\$6,575,871	\$6,531,875	(\$43,997)	-0.7%
South East				
Basic Care	\$2,538,657	\$2,838,540	\$299,883	11.8%
NF Add-on	388,944	410,182	21,237	5.5%
EW Add-on	2,698,649	2,813,335	114,685	4.2%
Total	\$5,626,251	\$6,062,057	\$435,806	7.7%
South West				
Basic Care	\$2,272,892	\$2,627,033	\$354,141	15.6%
NF Add-on	320,787	338,303	17,516	5.5%
EW Add-on	2,210,699	2,304,648	93,948	4.2%
Total	\$4,804,378	\$5,269,983	\$465,605	9.7%
Total - Dual Eligible				
Basic Care	\$24,691,915	\$26,355,649	\$1,663,734	6.7%
NF Add-on	2,693,422	2,840,490	147,068	5.5%
EW Add-on	19,491,412	20,319,760	828,347	4.2%
Total	\$46,876,750	\$49,515,899	\$2,639,150	5.6%

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Exhibit 2

**Comparison of Current (Oct - Dec 2009) and Projected (Jan - Dec 2010) MSHO/MSC+ Expenditures
Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Medicaid Only

Community

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$22,727	\$26,041	\$3,314	14.6%
NF Add-on	519	547	28	5.5%
EW Add-on	0	0	0	NA
Total	\$23,246	\$26,588	\$3,342	14.4%
Core Metro				
Basic Care	\$293,017	\$310,071	\$17,055	5.8%
NF Add-on	6,474	6,828	354	5.5%
EW Add-on	50,870	53,032	2,162	4.2%
Total	\$350,361	\$369,931	\$19,570	5.6%
Hennepin				
Basic Care	\$2,217,389	\$2,310,406	\$93,016	4.2%
NF Add-on	41,953	44,244	2,291	5.5%
EW Add-on	443,481	462,329	18,848	4.2%
Total	\$2,702,823	\$2,816,978	\$114,155	4.2%
North Central				
Basic Care	\$61,201	\$69,037	\$7,836	12.8%
NF Add-on	2,039	2,151	111	5.5%
EW Add-on	19,096	19,907	811	4.2%
Total	\$82,336	\$91,095	\$8,758	10.6%
North East				
Basic Care	\$9,688	\$11,062	\$1,374	14.2%
NF Add-on	377	397	21	5.5%
EW Add-on	4,409	4,597	187	4.2%
Total	\$14,473	\$16,056	\$1,582	10.9%
North West Metro				
Basic Care	\$37,589	\$39,365	\$1,776	4.7%
NF Add-on	792	835	43	5.5%
EW Add-on	1,091	1,137	46	4.2%
Total	\$39,472	\$41,337	\$1,865	4.7%
Olmsted				
Basic Care	\$89,924	\$101,513	\$11,589	12.9%
NF Add-on	3,182	3,356	174	5.5%
EW Add-on	20,073	20,926	853	4.2%
Total	\$113,179	\$125,795	\$12,616	11.1%
Ramsey				
Basic Care	\$1,025,068	\$995,326	(\$29,743)	-2.9%
NF Add-on	15,151	15,978	827	5.5%
EW Add-on	156,825	163,490	6,665	4.2%
Total	\$1,197,045	\$1,174,794	(\$22,250)	-1.9%
South East				
Basic Care	\$60,387	\$68,408	\$8,020	13.3%
NF Add-on	2,029	2,140	111	5.5%
EW Add-on	8,838	9,213	376	4.2%
Total	\$71,254	\$79,760	\$8,507	11.9%
South West				
Basic Care	\$105,572	\$122,919	\$17,347	16.4%
NF Add-on	3,039	3,205	166	5.5%
EW Add-on	14,450	15,064	614	4.2%
Total	\$123,061	\$141,188	\$18,127	14.7%
Total - Community				
Basic Care	\$3,922,562	\$4,054,147	\$131,585	3.4%
NF Add-on	75,555	79,680	4,125	5.5%
EW Add-on	719,133	749,696	30,563	4.2%
Total	\$4,717,250	\$4,883,523	\$166,273	3.5%

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Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Medicaid Only

Institutionalized

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$1,964	\$1,773	(\$191)	-9.7%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$1,964</u>	<u>\$1,773</u>	<u>(\$191)</u>	<u>-9.7%</u>
Core Metro				
Basic Care	\$21,716	\$18,172	(\$3,544)	-16.3%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$21,716</u>	<u>\$18,172</u>	<u>(\$3,544)</u>	<u>-16.3%</u>
Hennepin				
Basic Care	\$69,706	\$57,329	(\$12,376)	-17.8%
NF Add-on	\$0	\$0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$69,706</u>	<u>\$57,329</u>	<u>(\$12,376)</u>	<u>-17.8%</u>
North Central				
Basic Care	\$14,674	\$13,040	(\$1,634)	-11.1%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$14,674</u>	<u>\$13,040</u>	<u>(\$1,634)</u>	<u>-11.1%</u>
North East				
Basic Care	\$7,249	\$6,546	(\$703)	-9.7%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$7,249</u>	<u>\$6,546</u>	<u>(\$703)</u>	<u>-9.7%</u>
North West Metro				
Basic Care	\$7,238	\$6,057	(\$1,180)	-16.3%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$7,238</u>	<u>\$6,057</u>	<u>(\$1,180)</u>	<u>-16.3%</u>
Olmsted				
Basic Care	\$0	\$0	\$0	NA
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>NA</u>
Ramsey				
Basic Care	\$20,305	\$15,739	(\$4,567)	-22.5%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$20,305</u>	<u>\$15,739</u>	<u>(\$4,567)</u>	<u>-22.5%</u>
South East				
Basic Care	\$6,885	\$6,075	(\$810)	-11.8%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$6,885</u>	<u>\$6,075</u>	<u>(\$810)</u>	<u>-11.8%</u>
South West				
Basic Care	\$10,726	\$9,735	(\$992)	-9.2%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$10,726</u>	<u>\$9,735</u>	<u>(\$992)</u>	<u>-9.2%</u>
Total - Institutionalized				
Basic Care	\$160,464	\$134,466	(\$25,997)	-16.2%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$160,464</u>	<u>\$134,466</u>	<u>(\$25,997)</u>	<u>-16.2%</u>

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Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Medicaid Only

Total (Community and Institutionalized)

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$24,691	\$27,814	\$3,123	12.6%
NF Add-on	519	547	28	5.5%
EW Add-on	0	0	0	NA
Total	<u>\$25,210</u>	<u>\$28,362</u>	<u>\$3,152</u>	<u>12.5%</u>
Core Metro				
Basic Care	\$314,733	\$328,244	\$13,511	4.3%
NF Add-on	6,474	6,828	354	5.5%
EW Add-on	50,870	53,032	2,162	4.2%
Total	<u>\$372,077</u>	<u>\$388,104</u>	<u>\$16,027</u>	<u>4.3%</u>
Hennepin				
Basic Care	\$2,287,095	\$2,367,735	\$80,640	3.5%
NF Add-on	41,953	44,244	2,291	5.5%
EW Add-on	443,481	462,329	18,848	4.2%
Total	<u>\$2,772,529</u>	<u>\$2,874,307</u>	<u>\$101,779</u>	<u>3.7%</u>
North Central				
Basic Care	\$75,876	\$82,077	\$6,201	8.2%
NF Add-on	2,039	2,151	111	5.5%
EW Add-on	19,096	19,907	811	4.2%
Total	<u>\$97,010</u>	<u>\$104,135</u>	<u>\$7,124</u>	<u>7.3%</u>
North East				
Basic Care	\$16,936	\$17,608	\$672	4.0%
NF Add-on	377	397	21	5.5%
EW Add-on	4,409	4,597	187	4.2%
Total	<u>\$21,722</u>	<u>\$22,602</u>	<u>\$880</u>	<u>4.0%</u>
North West Metro				
Basic Care	\$44,827	\$45,422	\$595	1.3%
NF Add-on	792	835	43	5.5%
EW Add-on	1,091	1,137	46	4.2%
Total	<u>\$46,710</u>	<u>\$47,395</u>	<u>\$685</u>	<u>1.5%</u>
Olmsted				
Basic Care	\$89,924	\$101,513	\$11,589	12.9%
NF Add-on	3,182	3,356	174	5.5%
EW Add-on	20,073	20,926	853	4.2%
Total	<u>\$113,179</u>	<u>\$125,795</u>	<u>\$12,616</u>	<u>11.1%</u>
Ramsey				
Basic Care	\$1,045,374	\$1,011,064	(\$34,309)	-3.3%
NF Add-on	15,151	15,978	827	5.5%
EW Add-on	156,825	163,490	6,665	4.2%
Total	<u>\$1,217,350</u>	<u>\$1,190,533</u>	<u>(\$26,817)</u>	<u>-2.2%</u>
South East				
Basic Care	\$67,272	\$74,482	\$7,210	10.7%
NF Add-on	2,029	2,140	111	5.5%
EW Add-on	8,838	9,213	376	4.2%
Total	<u>\$78,139</u>	<u>\$85,835</u>	<u>\$7,696</u>	<u>9.8%</u>
South West				
Basic Care	\$116,298	\$132,654	\$16,355	14.1%
NF Add-on	3,039	3,205	166	5.5%
EW Add-on	14,450	15,064	614	4.2%
Total	<u>\$133,787</u>	<u>\$150,923</u>	<u>\$17,135</u>	<u>12.8%</u>
Total - Medicaid Only				
Basic Care	\$4,083,026	\$4,188,613	\$105,588	2.6%
NF Add-on	75,555	79,680	4,125	5.5%
EW Add-on	719,133	749,696	30,563	4.2%
Total	<u>\$4,877,714</u>	<u>\$5,017,989</u>	<u>\$140,276</u>	<u>2.9%</u>

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Exhibit 3

**Comparison of Current (Oct - Dec 2009) and Projected (Jan - Dec 2010) MSHO/MSC+ Expenditures
Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Total (Medicaid Only and Dual Eligible)

Community

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$150,884	\$172,739	\$21,856	14.5%
NF Add-on	22,125	23,333	1,208	5.5%
EW Add-on	188,619	196,635	8,016	4.2%
Total	\$361,628	\$392,708	\$31,080	8.6%
Core Metro				
Basic Care	\$2,790,069	\$2,944,145	\$154,076	5.5%
NF Add-on	282,095	297,498	15,403	5.5%
EW Add-on	2,231,505	2,326,343	94,838	4.2%
Total	\$5,303,669	\$5,567,986	\$264,317	5.0%
Hennepin				
Basic Care	\$7,591,346	\$7,870,335	\$278,989	3.7%
NF Add-on	538,238	567,627	29,389	5.5%
EW Add-on	4,065,096	4,237,860	172,763	4.2%
Total	\$12,194,680	\$12,675,821	\$481,142	3.9%
North Central				
Basic Care	\$3,619,166	\$4,079,230	\$460,064	12.7%
NF Add-on	640,615	675,594	34,979	5.5%
EW Add-on	4,561,753	4,755,614	193,861	4.2%
Total	\$8,821,533	\$9,510,438	\$688,905	7.8%
North East				
Basic Care	\$570,366	\$656,063	\$85,697	15.0%
NF Add-on	125,912	132,787	6,875	5.5%
EW Add-on	943,173	983,255	40,082	4.2%
Total	\$1,639,450	\$1,772,105	\$132,655	8.1%
North West Metro				
Basic Care	\$575,367	\$604,290	\$28,923	5.0%
NF Add-on	75,986	80,135	4,149	5.5%
EW Add-on	589,036	614,069	25,032	4.2%
Total	\$1,240,389	\$1,298,493	\$58,104	4.7%
Olmsted				
Basic Care	\$512,427	\$574,091	\$61,664	12.0%
NF Add-on	80,114	84,489	4,374	5.5%
EW Add-on	491,641	512,535	20,893	4.2%
Total	\$1,084,182	\$1,171,114	\$86,932	8.0%
Ramsey				
Basic Care	\$4,720,817	\$4,566,792	(\$154,024)	-3.3%
NF Add-on	289,095	304,881	15,785	5.5%
EW Add-on	2,207,085	2,300,885	93,800	4.2%
Total	\$7,216,997	\$7,172,558	(\$44,439)	-0.6%
South East				
Basic Care	\$2,029,151	\$2,264,175	\$235,025	11.6%
NF Add-on	390,973	412,321	21,348	5.5%
EW Add-on	2,707,487	2,822,548	115,061	4.2%
Total	\$5,127,611	\$5,499,045	\$371,434	7.2%
South West				
Basic Care	\$1,818,950	\$2,096,664	\$277,714	15.3%
NF Add-on	323,826	341,507	17,682	5.5%
EW Add-on	2,225,150	2,319,712	94,562	4.2%
Total	\$4,367,925	\$4,757,883	\$389,958	8.9%
Total - Community				
Basic Care	\$24,378,542	\$25,828,524	\$1,449,982	5.9%
NF Add-on	2,768,977	2,920,171	151,194	5.5%
EW Add-on	20,210,546	21,069,455	858,910	4.2%
Total	\$47,358,064	\$49,818,150	\$2,460,086	5.2%

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Exhibit 3

**Comparison of Current (Oct - Dec 2009) and Projected (Jan - Dec 2010) MSHO/MSC+ Expenditures
Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Total (Medicaid Only and Dual Eligible)

Institutionalized

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$33,623	\$38,435	\$4,813	14.3%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$33,623</u>	<u>\$38,435</u>	<u>\$4,813</u>	<u>14.3%</u>
Core Metro				
Basic Care	\$386,280	\$403,315	\$17,034	4.4%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$386,280</u>	<u>\$403,315</u>	<u>\$17,034</u>	<u>4.4%</u>
Hennepin				
Basic Care	\$1,067,942	\$1,081,239	\$13,297	1.2%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$1,067,942</u>	<u>\$1,081,239</u>	<u>\$13,297</u>	<u>1.2%</u>
North Central				
Basic Care	\$852,620	\$965,384	\$112,765	13.2%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$852,620</u>	<u>\$965,384</u>	<u>\$112,765</u>	<u>13.2%</u>
North East				
Basic Care	\$131,698	\$150,792	\$19,093	14.5%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$131,698</u>	<u>\$150,792</u>	<u>\$19,093</u>	<u>14.5%</u>
North West Metro				
Basic Care	\$141,893	\$148,453	\$6,560	4.6%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$141,893</u>	<u>\$148,453</u>	<u>\$6,560</u>	<u>4.6%</u>
Olmsted				
Basic Care	\$59,099	\$66,400	\$7,301	12.4%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$59,099</u>	<u>\$66,400</u>	<u>\$7,301</u>	<u>12.4%</u>
Ramsey				
Basic Care	\$576,225	\$549,850	(\$26,375)	-4.6%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$576,225</u>	<u>\$549,850</u>	<u>(\$26,375)</u>	<u>-4.6%</u>
South East				
Basic Care	\$576,779	\$648,847	\$72,069	12.5%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$576,779</u>	<u>\$648,847</u>	<u>\$72,069</u>	<u>12.5%</u>
South West				
Basic Care	\$570,240	\$663,023	\$92,783	16.3%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$570,240</u>	<u>\$663,023</u>	<u>\$92,783</u>	<u>16.3%</u>
Total - Institutionalized				
Basic Care	\$4,396,399	\$4,715,738	\$319,339	7.3%
NF Add-on	0	0	0	NA
EW Add-on	0	0	0	NA
Total	<u>\$4,396,399</u>	<u>\$4,715,738</u>	<u>\$319,339</u>	<u>7.3%</u>

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Exhibit 3

**Comparison of Current (Oct - Dec 2009) and Projected (Jan - Dec 2010) MSHO/MSC+ Expenditures
Projected Monthly Expenditures Based on December 2009 MSHO/MSC+ Enrollment**

Total (Medicaid Only and Dual Eligible)

Total (Community and Institutionalized)

	Current Oct - Dec 2009	Projected Jan - Dec 2010	Dollar Change	Percentage Change
Carver				
Basic Care	\$184,506	\$211,175	\$26,668	14.5%
NF Add-on	22,125	23,333	1,208	5.5%
EW Add-on	188,619	196,635	8,016	4.2%
Total	\$395,250	\$431,143	\$35,893	9.1%
Core Metro				
Basic Care	\$3,176,350	\$3,347,460	\$171,110	5.4%
NF Add-on	282,095	297,498	15,403	5.5%
EW Add-on	2,231,505	2,326,343	94,838	4.2%
Total	\$5,689,950	\$5,971,301	\$281,351	4.9%
Hennepin				
Basic Care	\$8,659,288	\$8,951,574	\$292,286	3.4%
NF Add-on	538,238	567,627	29,389	5.5%
EW Add-on	4,065,096	4,237,860	172,763	4.2%
Total	\$13,262,622	\$13,757,060	\$494,438	3.7%
North Central				
Basic Care	\$4,471,785	\$5,044,614	\$572,829	12.8%
NF Add-on	640,615	675,594	34,979	5.5%
EW Add-on	4,561,753	4,755,614	193,861	4.2%
Total	\$9,674,153	\$10,475,822	\$801,670	8.3%
North East				
Basic Care	\$702,064	\$806,855	\$104,791	14.9%
NF Add-on	125,912	132,787	6,875	5.5%
EW Add-on	943,173	983,255	40,082	4.2%
Total	\$1,771,149	\$1,922,897	\$151,748	8.6%
North West Metro				
Basic Care	\$717,260	\$752,743	\$35,483	4.9%
NF Add-on	75,986	80,135	4,149	5.5%
EW Add-on	589,036	614,069	25,032	4.2%
Total	\$1,382,282	\$1,446,946	\$64,664	4.7%
Olmsted				
Basic Care	\$571,526	\$640,491	\$68,965	12.1%
NF Add-on	80,114	84,489	4,374	5.5%
EW Add-on	491,641	512,535	20,893	4.2%
Total	\$1,143,281	\$1,237,514	\$94,233	8.2%
Ramsey				
Basic Care	\$5,297,041	\$5,116,642	(\$180,399)	-3.4%
NF Add-on	289,095	304,881	15,785	5.5%
EW Add-on	2,207,085	2,300,885	93,800	4.2%
Total	\$7,793,221	\$7,722,407	(\$70,814)	-0.9%
South East				
Basic Care	\$2,605,929	\$2,913,023	\$307,093	11.8%
NF Add-on	390,973	412,321	21,348	5.5%
EW Add-on	2,707,487	2,822,548	115,061	4.2%
Total	\$5,704,390	\$6,147,892	\$443,502	7.8%
South West				
Basic Care	\$2,389,190	\$2,759,687	\$370,496	15.5%
NF Add-on	323,826	341,507	17,682	5.5%
EW Add-on	2,225,150	2,319,712	94,562	4.2%
Total	\$4,938,166	\$5,420,906	\$482,740	9.8%
Total - Overall				
Basic Care	\$28,774,941	\$30,544,262	\$1,769,322	6.1%
NF Add-on	2,768,977	2,920,171	151,194	5.5%
EW Add-on	20,210,546	21,069,455	858,910	4.2%
Total	\$51,754,463	\$54,533,889	\$2,779,425	5.4%

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