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December 5, 2008

Ms. Pam Parker  
Manager, Special Needs Purchasing  
Minnesota Department of Human Services  
540 Cedar Street  
St. Paul, MN 55101-2208

**Re: Trend & Surplus Adjustments for 2009 Payment Rates – Seniors**

Dear Pam:

This letter contains my analysis of trend and surplus rate adjustments for the payment rates for basic care services for the Minnesota Senior Health Options (MSHO) and Minnesota Senior Care / Minnesota Senior Care Plus (MSC) programs. I will refer to the enrollees in these programs and rate cells collectively as “seniors”. The purpose of this analysis is to assist the Minnesota Department of Human Services (DHS) with setting payment rates for contracting health plans for these programs. The results may not be appropriate for other purposes.

The results contained in this letter are intended only for use by DHS and CMS, the federal agency that must approve these capitation rates. This analysis should be considered preliminary until the resulting capitation rates are approved by DHS and CMS. 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 letter are technical in nature and are dependent upon specific assumptions and methods. No party should rely upon specific assumptions and methods nor upon these results without a thorough understanding of those assumptions and methods. Such an understanding may require consultation with qualified professionals.

The trends and rate adjustments I have developed are based on the historical financial results for the public program business for the health plans that participate in the MSHO and MSC programs. The trends and rate adjustments are intended to provide rate levels that result in a targeted contribution to surplus as a percentage of income before investment income for the health plans in aggregate, assuming prudent management. For this analysis, this target percentage is equal to

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1.0%. In addition, this year, unlike past years, I have explicitly recognized the value of investment income.

Differences between estimates 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.

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 my analysis may likewise be inaccurate or incomplete.

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

- Various Enrollment and Capitation reports from DHS that provide detail by rate cell for each health plan for 2007;
- Copies of the Minnesota State Supplement Report #1, Statement of Revenue, Expenses and Net Income for each health plan for 2007, as submitted to the State of Minnesota;
- Restated net hospital and medical expenses for Medicaid-covered services provided by the health plans, based on more recent experience, including information on reinsurance recoveries;
- Certifications, provided by the health plans, certifying the percentage of expenses that were for non-State Plan services; and
- Miscellaneous data and information provided by DHS and the health plans.

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.

The following provides an overview of the rate development, a summary of the rate adjustments, and describes the analysis that was performed.

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## Overview of Rate Development

For this analysis, rate levels have been set to target a contribution to surplus equal to 1.0% for the health plans in aggregate, before taking into account investment income. The structure, assumptions, and data used in the development of the rates are summarized below:

- I. The base utilization and cost data used to determine the rate levels is actual experience for Medicaid-covered services for calendar year 2007 for the MSHO and MSC populations enrolled in managed care programs in Minnesota. This analysis includes MSHO data from all nine plans and MSC data from eight of the nine of the plans and reflects the experience of 96.2% of combined MSHO and MSC enrollment. I excluded MSC data for one plan due to that plan's inability to identify Medicaid-covered costs for their own dual-eligibles.
- II. Demographic rates vary by eligibility category, age and gender, and geographic location. Current eligibility categories include aged institutionalized and aged non-institutionalized.
- III. Rate relationships by demographic rate cell were developed in 2007 and are based on actual claim experience from 2004-2006 for the aged populations enrolled in managed care programs in Minnesota.
- IV. Adjustments are made for trends in utilization and cost per service, on a combined basis. The trends are based on historical claim trends from 2006 to 2007 for public program populations enrolled in managed care programs in Minnesota and on benchmark utilization and provider payment rates for public programs including the Medicare fee-for-service program.
- V. Administrative expenses are assumed to be 7.47% of estimated revenue in 2007. This includes MSC expenses as well as MSHO expenses. For MSHO, administrative expenses are allocated to Medicaid according to revenue and recognize that MSHO premiums are not subject to the state premium tax. As mentioned above, I have also for the first time explicitly recognized investment income in the rate development process. Investment income is shown as an offset to administrative cost.
- VI. The load for the 2009 contribution to surplus in this analysis is 1.0%. This includes an adjustment of 0.25% to reflect that over the past few years the plans have, on average, received about 95% of withheld revenue (that is, the plans have on average received 99.75% of targeted revenue). I am also including a line for investment income to recognize that it is a component of gain. This adjustment and the adjustment to administrative costs mentioned above offset each other.

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## **Development of Recommended Rate Increase**

Exhibit A provides a summary of the development of the recommended rate increase (8.58%). Exhibits B and C describe the development of the claim cost trend figures. Exhibit D describes the impact of benefit changes. Exhibit E describes the calculation of 2008 revenue. Exhibit F describes the development of the trend in demographic and area factors. The exhibits are discussed below.

### *Exhibit A*

The 2007 Medicaid-covered MSHO and MSC claim cost of \$487.67 was developed from actual data received from the plans (as mentioned above), is before reinsurance, and excludes costs for non-state plan services. I relied on enrollment figures provided by DHS.

The annual claim cost trend rate of 6.94% shown in Exhibit A is a 50/50 blend of a Benchmark Trend Rate (Exhibit B) and an Experience-Based Trend Rate (Exhibit C). The administrative trend rate is 3.0% and the surplus margin is 1.0%. Based on the average withhold returned over the period from 2005 to 2007, a withhold adjustment of 0.25% has been included in the surplus margin, as described above.

After applying trend, benefit, and surplus adjustments to 2007 claim cost, the recommended rate increase (8.58%) is calculated by comparing this total to average 2008 revenue (calculated using 2008 rates with the 2007 membership distribution, to be consistent with the claim cost projection).

### *Exhibit B*

The benchmark trend rate of 6.58% shown in Exhibit A is developed by applying benchmark trend rates for various service categories to plan data as shown in Exhibit B. The claim costs shown by benefit category were developed using the data provided by the plans.

The benchmark trend rates for Medicare cost sharing are based on Milliman research regarding trends in Medicare cost-sharing for 2008 and projected trends for 2009, including the effect of published increases in the Part A and Part B deductibles. The Part A cost-sharing trend of 4.30% reflects the increase in the Part A deductible for 2009. Part B cost-sharing is primarily hospital outpatient and physician cost-sharing. The Part B cost-sharing trend of 7.0% considers the benchmark trend rates of 7.63% for hospital outpatient services and 5.47% for physician services.

The trend rates for "Drug Costs" and "Other Medicaid-Covered Costs" are based on the target trends in my Trend & Surplus letter as well as other Milliman research. The trend rate of 7.47% for home health and PCA services includes the two 2% rate increases effective between 2007 and 2009.

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*Exhibit C*

The Experience-Based trend rate of 7.29% shown in Exhibit A is developed by calculating trend in claim cost for 2006-2007 and backing out trend due to changes in demographic and area mix, as shown in Exhibit C, and the impact of benefit changes.

The average claim costs and demographic and area factors shown for 2006-2007 were developed using the plan data described above. The impact of benefit changes is described in Exhibit D. The development of the trend in demographic and area factors is described in Exhibit F.

*Exhibit D*

The aggregate impact of 2007 and 2008 benefit changes on claim cost is calculated as the claim cost-weighted average of the adjustment factors for each group of rate cells (institutionalized and non-institutionalized by gender, or, in one case, Medicare-eligibles and non-eligibles). The adjustment factors were developed in my letters regarding benefit changes for this and previous years.

*Exhibit E*

The 2008 revenue figure of \$563.90 shown on Exhibit A is calculated as the weighted average capitation rate among enrollees whose data is reflected in the average 2007 claim costs of \$487.67 (Exhibit A). The calculation of 2008 revenue is shown on Exhibit E.

The 2008 capitation rates used for this calculation have been adjusted to reflect that the MCOs receive the MERC amount for MSHO enrollees (except non-dual eligible MSHO enrollees). I understand that the MERC amount received by the plans for these dual-eligible MSHO enrollees is subject to rateable reductions, whereas MERC carve-outs are not subject to rateable reductions.

*Exhibit F*

Exhibit F describes the development of the trend in demographic and area factors shown on Exhibit C. The demographic and area factors are first shown separately, and then together for each rate cell/area combination as "rate cell relativities". Enrollment is shown for each year. The enrollment figures include all plans represented in the claim costs shown on Exhibit C (currently all plans are included, except for MSC one plan is excluded). For each year, the average demographic/area factor is the enrollment-weighted average rate cell relativity.

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Ms. Pam Parker  
December 5, 2008



Pam, I am available for questions by phone at [REDACTED] and by e-mail at [REDACTED].

Sincerely,

A handwritten signature in blue ink that reads "Leigh M. Wachenheim".

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

LMW/ral

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**Exhibit A: Recommended Rate Increase for 2009 Rates - Seniors**

(a) 2007 Medicaid-Covered MSHO & MSC Claim Cost	\$ 487.67	
(b) Annual Trend Rate - Benchmark	6.58%	Exhibit B
(c) Annual Trend Rate - Experience	7.29%	Exhibit C
(d) Annual Trend Rate - 50/50 Blend	6.94%	= (b + c) / 2
(e) Projected 2009 Claim Cost	\$ 557.69	= (a) * (1 + d) ^ 2
(f) 2007 Administrative Margin as a Percent of Revenue	7.47%	
(g) 2007 Administrative Cost	\$ 39.79	= (a) * (f) / (1 - f - q)
(h) Administrative Trend Rate	3.00%	
(i) Projected 2009 Administrative Cost	\$ 42.21	= (g) * (1 + h) ^ 2
(j) Investment Income as a Percent of Revenue	1.00%	
(k) Admin Offset for Investment Income	\$ 6.06	= (e + i) * (j) / (1 - j)
(l) Net Provision for Administrative Margin	\$ 36.15	= (i) - (k)
(m) Preliminary 2009 Claim and Administrative Cost	\$ 593.85	= (e) + (l)
(n) Impact of 2008 Benefit Changes	1.0104	Exhibit D
(o) Projected 2009 Claim and Administrative Cost	\$ 600.03	= (m) * (n)
(p) Investment Income Margin	1.00%	= (j)
(q) Surplus Margin (w/o Inv Income, incl. Withhold Adj)	1.00%	
(r) Projected 2009 Required Revenue	\$ 612.28	= (o) / (1 - p - q)
(s) 2008 Revenue	\$ 563.90	Exhibit E
(t) Recommended Rate Increase for 2009 Rates	8.58%	= (r) / (s) - 1



**Exhibit B: Benchmark Trend Rate**

Item	2007 Claim Cost	Benchmark Annual Trend Rate	2009 Claim Cost
<u>Drug Costs</u>			
Medicare cost sharing	\$ -	0.00%	\$ -
Non-Medicare-covered drugs	18.23	9.50%	21.86
<u>Part C Cost Sharing</u>			
Medicare Part A cost sharing	59.56	4.30%	64.78
Medicare Part B cost sharing	108.22	7.00%	123.90
<u>Other Medicaid-Covered Costs</u>			
Hospital Inpatient	9.39	5.67%	10.49
Hospital Outpatient	5.49	7.63%	6.36
Physician	12.69	5.47%	14.11
Dental	13.34	4.03%	14.44
Home Health	47.15	7.47%	54.45
Personal Care Assistants	141.43	7.47%	163.35
All other Non-Medicare services	71.92	5.47%	80.00
<u>Total Medicaid-Covered Costs</u>			
Subtotal	487.42		553.75
Reinsurance recoveries	0.25		0.25
<b>Grand Total</b>	<b>\$ 487.67</b>	<b>6.58%</b>	<b>\$ 554.00</b>

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**Exhibit C: Experience-Based Trend Rate**

	<u>2006</u>	<u>2007</u>
Average Demog/Area Factor	0.9611	0.9867
Trend in Demog/Area Factors		2.66%
	<u>2006</u>	<u>2007</u>
Incurred Claim Cost PMPM	\$ 442.00	\$ 487.67
Claim Cost Trend		10.33%
Net of Benefit/Elig Changes (Exh D)		10.15%
Also Net of Trend in D/A Factors		7.29%

**Exhibit D: Impact of Benefit Changes**

Adjustment Factor for	Rate Cells	
	Inst.	Non-Inst.
Rate Increase for Critical Access Mental Health Providers	1.0004	1.0004
Adult Mental Health Rehab Services (ARMHS & Crisis)	1.0001	1.0015
Composite Adjustment Factor for 2007 Benefit Changes	1.0005	1.0019
Distribution of Revenue	18.79%	81.21%
<b>Aggregate Impact of 2007 Benefit Changes on Claim Cost</b>		<b>1.0016</b>

Adjustment Factor for	Inst.	Non-Inst F	Rate Cells		
			Non-Inst M	Medicare	Non-MC
Model Benefit Set for Mental Health Services	1.0008	1.0032	1.0030		
Shingles Vaccine				1.0000	1.0440
Fee Increase for Selected Critical Access Providers	1.0001	1.0001	1.0001		
Halfway House and Extended Care Services	1.0000	1.0011	1.0011		
Rate Increase for Critical Access Mental Health Providers	1.0004	1.0004	1.0004		
Composite Adjustment Factor for 2008 Benefit Changes	1.0013	1.0048	1.0046	1.0000	1.0440
Distribution of Revenue (based on data in Exhibit E)	17.15%	57.62%	25.23%	85.82%	14.18%
<b>Aggregate Impact of 2008 Benefit Changes on Claim Cost</b>					<b>1.0104</b>



Exhibit E: 2008 Revenue

Rate Cell			Hennepin	Ramsey	Greater Metro	Core Metro	North East	North Central	Carver	South West	Olmsted	South East	Total
<b>2007 Enrollment by Rate Cell</b>													
65 - 74	F	Instit	3,383	1,455	429	946	689	2,273	106	1,365	252	1,911	12,809
75 - 84	F	Instit	6,521	3,453	952	2,884	2,943	7,375	283	4,812	591	6,050	35,864
85 +	F	Instit	11,524	6,670	2,263	6,004	7,506	19,542	819	15,276	1,576	15,083	86,263
All Ages - Non MC	F	Instit	229	46	14	10	44	50	-	15	6	50	464
65 - 74	M	Instit	2,387	975	237	596	662	1,744	97	1,184	234	1,466	9,582
75 - 84	M	Instit	2,602	1,212	402	1,041	1,197	3,714	61	2,622	220	2,849	15,920
85 +	M	Instit	1,812	1,113	332	939	1,419	4,383	129	3,498	253	3,800	17,678
All Ages - Non MC	M	Instit	139	28	-	21	16	41	-	36	-	31	312
65 - 74	F	Non-Inst	21,512	12,797	1,716	11,584	6,101	16,060	500	8,570	2,340	9,743	90,923
75 +	F	Non-Inst	26,097	14,658	3,955	14,584	11,769	32,420	1,252	18,444	3,905	22,483	149,567
All Ages - Non MC	F	Non-Inst	7,046	2,203	140	1,204	110	377	40	342	502	419	12,383
65 - 74	M	Non-Inst	12,622	6,722	811	4,688	3,323	9,539	204	4,744	1,404	5,663	49,720
75 +	M	Non-Inst	9,963	4,755	822	4,094	2,331	9,240	278	5,546	1,488	6,683	45,200
All Ages - Non MC	M	Non-Inst	5,684	1,808	70	708	92	230	22	400	394	212	9,620
Total			111,521	57,895	12,143	49,303	38,202	106,988	3,791	66,854	13,165	76,443	536,305
<b>2008 Rates (Including MERC amount add-on received by MCOs for some MSHO enrollees)</b>													
65 - 74	F	Instit	\$ 586.02	\$ 706.17	\$ 501.24	\$ 502.92	\$ 300.91	\$ 382.50	\$ 374.88	\$ 372.23	\$ 358.80	\$ 357.14	\$ 476.09
75 - 84	F	Instit	409.75	491.89	348.97	350.39	209.70	266.41	261.32	259.39	249.80	248.98	314.28
85 +	F	Instit	287.84	344.56	244.90	245.85	147.15	187.05	183.11	181.89	175.05	174.53	211.47
All Ages - Non MC	F	Instit	2,555.57	3,181.67	2,268.57	2,268.84	1,363.04	1,731.18	1,689.24	1,673.59	1,623.16	1,618.59	2,259.35
65 - 74	M	Instit	573.01	693.61	492.32	493.74	295.93	375.91	367.37	365.81	352.90	351.22	456.35
75 - 84	M	Instit	454.89	547.40	387.97	389.66	233.06	296.23	291.23	288.42	276.96	276.96	339.94
85 +	M	Instit	376.14	452.17	320.50	321.77	192.62	244.97	239.70	238.27	228.78	228.71	267.66
All Ages - Non MC	M	Instit	2,554.70	3,182.55	2,267.88	2,268.14	1,363.32	1,730.60	1,689.16	1,673.81	1,623.10	1,615.62	2,227.42
65 - 74	F	Non-Inst	702.92	851.39	604.89	606.98	363.22	461.32	451.81	449.58	432.64	431.94	583.02
75 +	F	Non-Inst	841.48	1,018.38	723.41	725.31	433.84	551.96	540.33	537.76	517.57	516.44	652.24
All Ages - Non MC	F	Non-Inst	1,951.85	2,431.65	1,733.04	1,733.38	1,041.06	1,322.22	1,291.50	1,290.33	1,240.86	1,234.89	1,912.75
65 - 74	M	Non-Inst	643.01	778.58	553.04	555.20	332.62	422.11	413.25	411.47	396.23	395.08	530.22
75 +	M	Non-Inst	902.17	1,093.76	777.83	779.00	465.81	592.64	581.74	577.26	555.72	555.07	718.57
All Ages - Non MC	M	Non-Inst	1,838.29	2,290.62	1,633.11	1,631.99	981.67	1,246.59	1,216.54	1,216.00	1,168.57	1,164.51	1,814.72
Total			\$ 811.80	\$ 913.00	\$ 564.62	\$ 622.24	\$ 326.60	\$ 421.24	\$ 415.41	\$ 396.32	\$ 472.85	\$ 387.95	\$ 563.90

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**Exhibit F: Trend in Demographic/Area Factors - Seniors**

	2006	2007
Average Demographic/Area Factor	0.9611	0.9867
Trend in Demographic/Area Factors		2.66%

**Demographic Factors**

<u>Institutionalized</u>		
Female	65-74	0.831
	75-84	0.578
	85+	0.405
	Non-MC	3.681
Male	65-74	0.816
	75-84	0.643
	85+	0.531
	Non-MC	3.681

Non-Institutionalized

Female	65-74	1.000
	75+	1.195
	Non-MC	2.803
Male	65-74	0.916
	75+	1.284
	Non-MC	2.641

**Area Factors**

Hennepin	1.205
Carver	0.796
Core Metro	1.070
Greater Metro	1.070
Northeast	0.643
Northwest	0.816
Olmsted	0.765
Ramsey	1.500
Southeast	0.765
Southwest	0.796

**Rate Cell Relativities**

Rate Cell	Hennepin	Carver	Core Metro	Greater Metro	Northeast	Northwest	Olmsted	Ramsey	Southeast	Southwest	
<u>Institutionalized</u>											
Female	65-74	1.001	0.662	0.888	0.888	0.534	0.678	0.636	1.246	0.636	0.662
	75-84	0.697	0.461	0.618	0.618	0.372	0.472	0.442	0.868	0.442	0.461
	85+	0.488	0.323	0.434	0.434	0.261	0.331	0.310	0.608	0.310	0.323
	Non-MC	4.434	2.932	3.937	3.937	2.365	3.005	2.816	5.523	2.816	2.932
Male	65-74	0.983	0.650	0.873	0.873	0.524	0.666	0.624	1.224	0.624	0.650
	75-84	0.775	0.512	0.688	0.688	0.413	0.525	0.492	0.965	0.492	0.512
	85+	0.640	0.423	0.568	0.568	0.341	0.434	0.407	0.797	0.407	0.423
	Non-MC	4.434	2.932	3.937	3.937	2.365	3.005	2.816	5.523	2.816	2.932
<u>Non-Institutionalized</u>											
Female	65-74	1.204	0.796	1.069	1.069	0.643	0.816	0.765	1.500	0.765	0.796
	75+	1.439	0.951	1.278	1.278	0.768	0.975	0.914	1.793	0.914	0.951
	Non-MC	3.376	2.232	2.998	2.998	1.801	2.288	2.145	4.206	2.145	2.232
Male	65-74	1.103	0.729	0.979	0.979	0.588	0.747	0.700	1.374	0.700	0.729
	75+	1.546	1.022	1.373	1.373	0.825	1.048	0.982	1.926	0.982	1.022
	Non-MC	3.181	2.103	2.825	2.825	1.697	2.156	2.021	3.962	2.021	2.103

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**Exhibit F: Trend in Demographic/Area Factors - Seniors**

**2006 Enrollment**

Rate Cell	Hennepin	Carver	Core Metro	Greater Metro	Northeast	Northwest	Olmsted	Ramsey	Southeast	Southwest	Total
<u>Institutionalized</u>											
Female 65-74	3,370	140	814	375	732	2,375	227	1,303	1,849	1,377	12,562
75-84	6,886	279	2,704	886	3,263	7,730	609	3,586	6,356	5,089	37,388
85+	11,621	699	5,983	2,479	7,260	20,018	1,543	6,445	15,141	15,399	86,588
Non-MC	213	-	33	19	40	52	8	31	65	8	469
Male 65-74	2,376	68	617	182	714	1,880	234	913	1,371	1,213	9,568
75-84	2,810	83	1,122	387	1,246	3,681	232	1,190	2,855	2,864	16,470
85+	1,787	128	1,006	335	1,494	4,555	209	1,048	3,756	3,559	17,877
Non-MC	171	-	6	10	10	42	8	40	39	23	349
<u>Non-Institutionalized</u>											
Female 65-74	19,989	477	10,221	1,567	5,396	14,683	2,047	11,851	9,371	8,489	84,091
75+	22,516	887	11,857	3,539	8,412	27,909	3,403	13,326	20,334	17,636	129,819
Non-MC	6,171	51	1,174	97	118	380	439	1,855	571	296	11,152
Male 65-74	11,754	146	4,221	731	3,088	8,548	1,238	6,192	5,413	4,379	45,710
75+	8,438	258	3,285	681	1,697	8,047	1,212	4,399	5,985	5,264	39,266
Non-MC	4,241	27	635	58	79	243	395	1,560	243	369	7,850
<b>Total Enrollment</b>	<b>102,343</b>	<b>3,243</b>	<b>43,678</b>	<b>11,346</b>	<b>33,549</b>	<b>100,143</b>	<b>11,804</b>	<b>53,739</b>	<b>73,349</b>	<b>65,965</b>	<b>499,159</b>

**2007 Enrollment**

Rate Cell	Hennepin	Carver	Core Metro	Greater Metro	Northeast	Northwest	Olmsted	Ramsey	Southeast	Southwest	Total
<u>Institutionalized</u>											
Female 65-74	3,383	106	946	429	689	2,273	252	1,455	1,911	1,365	12,809
75-84	6,521	283	2,884	952	2,943	7,375	591	3,453	6,050	4,812	35,864
85+	11,524	819	6,004	2,263	7,506	19,542	1,576	6,670	15,083	15,276	86,263
Non-MC	229	-	10	14	44	50	6	46	50	15	464
Male 65-74	2,387	97	596	237	662	1,744	234	975	1,466	1,184	9,582
75-84	2,602	61	1,041	402	1,197	3,714	220	1,212	2,849	2,622	15,920
85+	1,812	129	939	332	1,419	4,383	253	1,113	3,800	3,498	17,678
Non-MC	139	-	21	-	16	41	-	28	31	36	312
<u>Non-Institutionalized</u>											
Female 65-74	21,512	500	11,584	1,716	6,101	16,060	2,340	12,797	9,743	8,570	90,923
75+	26,097	1,252	14,584	3,955	11,769	32,420	3,905	14,658	22,483	18,444	149,567
Non-MC	7,046	40	1,204	140	110	377	502	2,203	419	342	12,383
Male 65-74	12,622	204	4,688	811	3,323	9,539	1,404	6,722	5,663	4,744	49,720
75+	9,963	278	4,094	822	2,331	9,240	1,488	4,755	6,683	5,546	45,200
Non-MC	5,684	22	708	70	92	230	394	1,808	212	400	9,620
<b>Total Enrollment</b>	<b>111,521</b>	<b>3,791</b>	<b>49,303</b>	<b>12,143</b>	<b>38,202</b>	<b>106,988</b>	<b>13,165</b>	<b>57,895</b>	<b>76,443</b>	<b>66,854</b>	<b>536,305</b>

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.