

# State of Utah

## Section 1115 Demonstration Amendment

### Medicaid Coverage for Justice-Involved Populations

#### Section I. Program Description

As a result of the 2020 General Session of the Utah Legislative Session, House Bill 38 “Substance Use and Health Care Amendments”, passed and was signed into law. This legislation directs the Utah Department of Health (UDOH), Division of Medicaid and Health Financing (DMHF), to seek 1115 waiver approval from the Centers for Medicare and Medicaid Services (CMS), to provide Medicaid coverage for qualified justice-involved individuals. These individuals must have a chronic physical or behavioral health condition, a mental illness as defined by Section 62A-15-602 of Utah State Code, or an opioid use disorder. If approved, Medicaid coverage will be provided in the 30-day period immediately prior to release of the incarcerated individual from a correctional facility.

#### Background

In October 2018, Congress passed the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (the “Support Act”) in response to the imperative to implement concrete changes to address the opioid epidemic. Per the SUPPORT Act, Congress requires the Department of Health and Human Services (HHS) to convene a stakeholder group to develop best practices for ensuring continuity of coverage and relevant social services for individuals who are incarcerated and transitioning to the community. The legislation also directs HHS to work with states to develop innovative strategies to help such individuals enroll in Medicaid and to, within a year of enactment, issue a State Medicaid Director (SMD) letter regarding opportunities to design section 1115 demonstration projects to improve care transitions to the community for incarcerated individuals who are eligible for Medicaid. Utah is seeking to partner with HHS to develop an innovative demonstration that will help to ensure continuity of care when justice-involved populations transition from incarceration to the community and that could inform the development of the SMD letter required by the SUPPORT Act.

National data has shown that the justice-involved population contains a disproportionate number of persons with behavioral health conditions (i.e., substance use disorders and mental health disorders), as well as HIV and other chronic diseases. Nationally, an estimated 80 percent of individuals released from prison in the United States each year have a substance use disorder or chronic medical or psychiatric condition.<sup>1</sup> In 2011-2012, half of people in state and federal prison and local jails reported ever having a chronic condition.<sup>2</sup> Twenty one percent of people in prison and 14 percent of people in jail reported

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<sup>1</sup> Shira Shavit et al., “Transitions Clinic Network: Challenges and Lessons in Primary Care for People Released from Prison,” *Health Affairs* 36, no. 6 (June 2017): 1006–15

<sup>2</sup> L. Maruschak, M. Bersofsky, and J. Unangst. *Medical Problems of State and Federal Prisoners and Jail Inmates*. Bureau of Justice Statistics Special Report (NCJ 248491), U.S. Department of Justice, February 2015

ever having an infectious disease, including tuberculosis, hepatitis B and C, and other sexually transmitted diseases, compared with 4.8 percent of the general population.<sup>3</sup>

In addition, according to the Bureau of Justice Statistics, 53 percent of all state prisoners and 45 percent of all federal prisoners met the DSM-IV criteria for drug dependence.<sup>4</sup> Estimates for the jail population indicate 47 percent have issues with alcohol use and 53 percent suffer from drug dependency or abuse.<sup>5</sup>

The justice-involved population also suffers from mental and behavioral health issues. According to the Bureau of Justice Statistics, in 2005, 56 percent of people in state prison, 45 percent of people in federal prison, and 64 percent of people in jail reported symptoms of a mental health disorder.<sup>6</sup>

The available data in Utah mirrors federal statistics. In Utah, the rate of mental illness in jails is 30 percent, which is six times higher than the general public.<sup>7</sup> In a jail survey from Davis, Weber, Tooele and Washington Counties, all jails reported that the number of inmates with a serious mental illness had increased over the past two years, and the average percentage of inmates with a serious mental illness in the jails at the time of the survey was 28 percent.<sup>8</sup>

Utah data also indicates that nearly 49 percent of justice-involved individuals screened during the statewide risk and needs screening process indicated the need for further assessment for substance use disorder, and 40 percent needed further mental health assessment. Roughly one-third needed further assessment for both.<sup>9</sup>

Utah believes uninterrupted health coverage is imperative to ensure this high-risk, high-need population receives much needed care as they transition back to their communities. To help facilitate this transition, Utah implemented suspension of benefits for all Medicaid programs as of December 1, 2019. If it is reported that an individual is incarcerated, the State will suspend Medicaid benefits until the individual is no longer incarcerated. If approved, this specific demonstration will allow the State to supplement suspension of benefits, and more seamlessly transition incarcerated individuals to the appropriate Medicaid program during the 30-day period prior to release from incarceration.

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<sup>3</sup> *Ibid*

<sup>4</sup> Mumola, C. and Karberg, J. Drug Use and Dependence, State and Federal Prisoners, 2004. Bureau of Justice Statistics Special Report (NCJ213530), U.S. Department of Justice, October 2006

<sup>5</sup> Karberg, K. C., James, D. J. Substance Dependence, Abuse, and Treatment of Jail Inmates, 2002. Bureau of Justice Statistics Special Report (NCJ 209588), U.S. Department of Justice, July 2005.

<sup>6</sup> James, D. and Glaze, L. Mental Health Problems of Prison and Jail Inmates. Bureau of Justice Statistics Special Report (NCJ 213600), U.S. Department of Justice, September 2006. Available at: [http://www.bjs.gov/index.cfm?ty\\_pbdetail&iid\\_789](http://www.bjs.gov/index.cfm?ty_pbdetail&iid_789)

<sup>7</sup> Utah Commission on Criminal and Juvenile Justice. Mentally Ill Offender Initiative, September 2008.

<sup>8</sup> *Ibid*

<sup>9</sup> Peterson, B., Nystrom, S. and Weyland, D. Utah Justice Reinvestment Initiative 2017 Annual Report, October 2017.

## Goals and Objectives

Under Section 1115 of the Social Security Act, States may implement “experimental, pilot or demonstration projects which, in the judgment of the Secretary [of Health and Human Services] is likely to assist in promoting the objectives of [Medicaid]”. The State believes this demonstration is likely to promote the objectives of Medicaid by providing transitional services in order to ensure high-risk justice-involved populations have critical supports in place when released from incarceration.

The goal and objective of this demonstration is to ensure high-risk justice-involved individuals receive needed coverage, access, and continuity of care prior to release. The State believes this will lead to a reduction in emergency department use, hospitalizations, and other medical expenses associated with release, as well as improvement in health outcomes. The State also believes it will promote continuity of Medication Assisted Treatment for individuals with an opioid use disorder, as well as continuity of antipsychotic medication for individuals receiving that pharmaceutical treatment.

Under this demonstration, the State will be able to bridge relationships between community-based Medicaid providers and justice-involved populations prior to release, thereby improving the chances individuals with a history of substance use, serious mental illness and/or chronic diseases receive stable and continuous care.

## Operation and Proposed Timeline

The Demonstration will operate statewide. The State intends to implement the Demonstration effective July 1, 2021. The State requests to operate the Demonstration through the end of the current waiver approval period, which is June 30, 2022.

## Demonstration Hypotheses and Evaluation

With the help of an independent evaluator, the State will develop a plan for evaluating the hypotheses indicated below. Utah will identify validated performance measures that adequately assess the impact of the Demonstration to beneficiaries. The State will submit the evaluation plan to CMS for approval.

The State will conduct ongoing monitoring of this demonstration, and will provide information regarding monitoring activities in the required quarterly and annual monitoring reports.

By providing Medicaid coverage prior to an individual’s release from incarceration, the State will be able to bridge relationships between community-based Medicaid providers and justice-involved populations prior to release thereby improving the chances individuals with a history of substance use, serious mental illness and/or chronic diseases receive stable and continuous care. The following hypotheses will be tested during the approval period:

| Hypothesis  | Anticipated Measure(s)  | Data Sources          | Evaluation Approach   |
|---|---|-----------------------|---|
| This demonstration will promote continuity of Medication Assisted Treatment for individuals with an Opioid Use Disorder.        | <ul style="list-style-type: none"> <li>Number of MAT prescriptions</li> </ul>           | Claims/encounter data | Independent evaluator will design quantitative and qualitative measures to include quasi-experimental comparisons |
| This demonstration will promote continuity of Antipsychotic medication for individuals receiving that pharmaceutical treatment. | <ul style="list-style-type: none"> <li>Number of antipsychotic prescriptions</li> </ul> | Claims/encounter data | Independent evaluator will design quantitative and qualitative measures to include quasi-experimental comparisons |

Table 1

## Section II. Demonstration Eligibility

To be eligible for this demonstration an individual must be a “qualified inmate”, which is defined as an individual who:

1. Is incarcerated in a correctional facility; and has
  - a. a chronic physical or behavioral health condition; or
  - b. a mental illness as defined in Utah State Code Section 62A-15-602, which states:
    - i. *“Mental illness” means:*
      - (a) *a psychiatric disorder that substantially impairs an individual's mental, emotional, behavioral, or related functioning; or*
      - (b) *the same as that term is defined in:*
        - (i) *the current edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association; or*
        - (ii) *the current edition of the International Statistical Classification of Diseases and Related Health Problems; or*
  - c. an opioid use disorder.

Individuals deemed a “qualified inmate” will have eligibility determined for the appropriate Medicaid program for which they meet eligibility requirements. For example, if a “qualified inmate” meets the eligibility criteria for the Adult Expansion Medicaid program, they will receive this specific Medicaid program. Possible Medicaid programs include, but are not limited to:

- Aged Medicaid
- Blind or Disabled Medicaid
- Pregnant Woman
- Adult Expansion Medicaid

- Targeted Adult Medicaid
- Child Medicaid

A “qualified inmate” must meet general Medicaid program requirements. These include:

1. Must be a Utah resident;
2. Must be a U.S. Citizen or qualified alien;
  - a. Non-qualified non-citizens will receive the Emergency Only program pursuant to 42 CFR § 435.139
3. Must meet the income and asset standards for the applicable Medicaid program.

The table below indicates estimates of the incarcerated population in the State of Utah that may be impacted by this demonstration.

| Aggregate Site   | Average Daily Population | Average Monthly Releases |
|--|--------------------------|--------------------------|
| Utah Department of Corrections (State Prison System)         | 6,500                    | 300                      |
| Salt Lake County Jail  | 2,200                    | 2,656                    |
| Total Statewide Jail System (includes Salt Lake County Jail) | 5,700                    | 6,852                    |

Table 2

### Section III. Demonstration Benefits and Cost Sharing Requirements

Individuals eligible under this demonstration will receive the benefit plan applicable to the program they are eligible to receive. Below are the benefit plans for each Medicaid program/group.

| Eligibility Group                 | Benefit Package  |
|-----------------------------------|--|
| Adults with Dependent Children    | <ul style="list-style-type: none"> <li>● Non-Traditional Benefits (see description below)</li> </ul>   |
| Adults without Dependent Children | <ul style="list-style-type: none"> <li>● State Plan Benefits</li> </ul>  |
| Medically Frail                   | <ul style="list-style-type: none"> <li>● Adults with Dependent Children normally receive non-traditional benefits, but may choose traditional state plan benefits</li> </ul>   |
| Targeted Adults                   | <ul style="list-style-type: none"> <li>● State Plan Benefits</li> <li>● State plan dental benefits for individuals receiving Substance Use Disorder Treatment (as defined in the Special Terms &amp; Conditions of the 1115 Demonstration Waiver)</li> </ul> |

|                             |  |
|-----------------------------|--|
|                             | <ul style="list-style-type: none"> <li>● 12-months continuous eligibility</li> </ul>   |
| Aged Medicaid               | <ul style="list-style-type: none"> <li>● State Plan Benefits, including Dental (as approved in the State’s 1115 waiver)</li> </ul> |
| Blind and Disabled Medicaid | <ul style="list-style-type: none"> <li>● State Plan Benefits, including Dental (as approved in the State’s 1115 waiver)</li> </ul> |
| Child Medicaid              | <ul style="list-style-type: none"> <li>● State Plan Benefits, including Dental</li> </ul>  |
| Pregnant Woman              | <ul style="list-style-type: none"> <li>● State Plan Benefits, including Dental</li> </ul>  |

Table 3

**Non-Traditional Benefit Package**

Adults with dependent children receive the State’s non-traditional benefit package, authorized under the State’s 1115 Demonstration Waiver. This benefit package contains most of the services covered under Utah’s Medicaid state plan according to the limitations specified in the state plan. This benefit package is reduced from that available under the state plan as detailed in the table 4 below.

**Table 4- Benefits Different from State Plan**

| Service              | Special Limitations for the Non-traditional Benefit   |
|----------------------|---|
| Hospital Services    | Additional surgical exclusions. Refer to the Administrative Rule UT Admin Code R414-200 Non-Traditional Medicaid Health Plan Services and the Coverage and Reimbursement Code Lookup. |
| Vision Care          | One eye examination every 12 months; No eye glasses   |
| Physical Therapy     | Visits to a licensed PT professional (limited to a combination of 16 visits per policy year for PT and OT)  |
| Occupational Therapy | Visits to a licensed OT professional (limited to a combination of 16 visits per policy year for PT and OT)  |

|  |  |
|--|--|
| Speech and Hearing Services            | Hearing evaluations or assessments for hearing aids are covered, Hearing aids covered only if hearing loss is congenital     |
| Private Duty Nursing                   | Not covered  |
| Medical Supplies and Medical Equipment | Same as traditional Medicaid with exclusions. (See Utah Medicaid Provider Manual, Non-Traditional Medicaid Plan)             |
| Organ Transplants                      | The following transplants are covered: kidney, liver, cornea, bone marrow, stem cell, heart and lung (includes organ donor)  |
| Long Term Care                         | Not covered  |
| Transportation Services                | Ambulance (ground and air) for medical emergencies only (non-emergency transportation, including bus passes, is not covered) |
| Dental                                 | Dental services are not covered, with exceptions.  |

Cost sharing requirements will not differ from those provided under the state plan. Individuals eligible for Targeted Adult Medicaid are exempt from cost sharing.

#### **Section IV. Delivery System**

Delivery of services will be determined by the Medicaid program the individual is eligible to receive.

##### *Adult Expansion Medicaid*

Services for the Adult Expansion Population will be provided through a fee for service (FFS) delivery system during the month of application and potentially the following month depending on the date of approval. In addition, Adult Expansion beneficiaries that live in non-mandatory managed care counties will receive services through the FFS network. FFS reimbursement rates for physical health and behavioral health services will be the same as State Plan provider payment rates. Adult Expansion beneficiaries living in mandatory managed care counties will be enrolled in managed care no later than the second month after they are approved for Medicaid Expansion. Individuals living in Utah’s five largest counties will be enrolled in integrated plans that provide access to both physical health and behavioral health services through a single managed care entity. In the remaining counties, beneficiaries will be enrolled in a pre-paid mental health plan for their behavioral health services.

### *Targeted Adult Medicaid*

Services for Targeted Adult Medicaid eligible individuals will be provided through the FFS delivery system.

### *All other Medicaid Programs*

Services for other Medicaid programs will be provided through a fee for service (FFS) delivery system during the month of application and potentially the following month depending on the date of approval. Individuals living in mandatory managed care counties will be enrolled in managed care no later than the second month after they are approved for Medicaid. Individuals living in non-mandatory counties may choose a managed care plan or may choose FFS. They will also be enrolled in a Pre-paid Mental Health Plan for their behavioral health services.

## **Section V. Implementation and Enrollment in Demonstration**

The State intends to initially implement the demonstration with the Utah Department of Corrections (state prison system), as a process is already in place to process medical applications of state prison individuals within 30-days of their release date. There is also more certainty around release dates for these individuals, as well as existing data exchange agreements. The State will phase in the demonstration with county jails once processes and any needed agreements are put in place.

Upon release from incarceration, any changes to the individual’s household situation must be reported. Any changes reported may require a re-determination of eligibility for the appropriate Medicaid program.

## **Section VI. Demonstration Financing and Budget Neutrality**

Refer to Budget Neutrality- Attachment 1 for the State’s historical and projected expenditures for the requested period of the Demonstration.

Below is the projected enrollment and expenditures for the remaining demonstration year.

| <b>Medicaid for Justice-Involved</b> | <b>DY 20 (SFY 22)</b> |
|--------------------------------------|-----------------------|
| Enrollment                           | 3,200                 |
| Expenditures                         | \$19,900,000          |

## **Section VII. Proposed Waiver and Expenditure Authority**

The State seeks such waiver authority as necessary under the demonstration to receive federal match on costs not otherwise matchable for certain services rendered to individuals who are incarcerated 30-days prior to their release. The specific additional waivers, if any that would be needed will be identified in collaboration with CMS.

The State also requests the following proposed waivers and expenditure authority to operate the Demonstration.

| Waiver and Expenditure Authority  | Reason and Use of Waiver  |
|---|---|
| Section 1902(a)(10)(B)- Amount, Duration, and Scope of Services and Comparability | To enable the State to vary the amount, duration, and scope of services provided to individuals in the demonstration group. |
| Section 1902(a)(23)(A)- Freedom of Choice   | To enable the State to restrict freedom of choice of providers for the population affected by this demonstration.           |

### Expenditure Authority

The State requests expenditure authority to provide Medicaid benefits to demonstration eligible individuals.

## Section VIII. Compliance with Public Notice and Tribal Consultation

### Public Notice Process

Public Notice of the State’s request for this demonstration amendment, and notice of Public Hearing will be advertised in the newspapers of widest circulation, and sent to an electronic mailing list. In addition, the abbreviated public notice will be posted to the State’s Medicaid website at <https://medicaid.utah.gov/1115-waiver>.

Two public hearings to take public comment on this request will be held. The first public hearing will be held on May 21, 2020 from 2:00 p.m. to 4:00 p.m., during the Medical Care Advisory Committee (MCAC) meeting. The second public hearing will be held on May 26, 2020 from 4:30 p.m. to 5:30 p.m. Due to the COVID-19 emergency and state social distancing guidelines, both public hearings will be held via video and teleconferencing.

### Public Comment

The public comment period will be held May 18, 2020 through June 17, 2020.

### Tribal Consultation

In accordance with the Utah Medicaid State Plan, and section 1902(a)(73) of the Social Security Act, the State ensures that a meaningful consultation process occurs in a timely manner on program decisions impacting Indian Tribes in the State of Utah. DMHF notified the UDOH Indian Health Liaison of the waiver amendment. As a result of this notification, DMHF will begin the tribal consultation process by attending the Utah Indian Health Affairs Board (UIHAB) meeting in June 2020 to present this demonstration amendment.

### Tribal Consultation Policy

The consultation process will include, but is not limited to:

- An initial meeting to present the intent and broad scope of the policy and waiver application to the UIHAB.
- Discussion at the UIHAB meeting to more fully understand the specifics and impact of the proposed policy initiation or change;
- Open meeting for all interested parties to receive information or provide comment;

- A presentation by tribal representatives of their concerns and the potential impact of the proposed policy;
- Continued meetings until concerns over intended policy have been fully discussed;
- A written response from the Department of Health to tribal leaders as to the action on, or outcome of tribal concerns.

Tribal consultation policy can be found at: <http://health.utah.gov/indianh/consultation.html>.

### **Section IX. Demonstration Administration**

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DEMONSTRATION WITHOUT WAIVER (WOW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

| ELIGIBILITY GROUP  | TREND RATE 1        | MONTHS OF AGING | BASE YEAR DY 15 (SFY 17) | TREND RATE 2 | DEMONSTRATION YEARS (DY) |                |                |                |                | TOTAL WOW        |
|--|---------------------|-----------------|--------------------------|--------------|--------------------------|----------------|----------------|----------------|----------------|------------------|
|  |                     |                 |                          |              | DY 16 (SFY 18)           | DY 17 (SFY 19) | DY 18 (SFY 20) | DY 19 (SFY 21) | DY 20 (SFY 22) |                  |
| <b>Current Eligibles</b>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>Parent Caretaker Relative (PCR) population 45-60% FPL: transferred to Expansion Parents effective 4/1/19</i>  |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Medicaid</b>     |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 0.0%                | 0               | 377,866                  | 0.0%         | 377,866                  | 364,366        | 320,957        | 319,534        | 318,076        |                  |
| PMPM Cost  | 5.3%                | 0               | \$ 949.03                | 5.3%         | \$ 999.33                | \$ 1,052.29    | \$ 1,108.07    | \$ 1,166.79    | \$ 1,228.63    |                  |
| Total Expenditure  |                     |                 |                          |              | \$ 377,612,830           | \$ 383,420,334 | \$ 355,641,571 | \$ 372,830,227 | \$ 390,798,881 | \$ 1,880,303,842 |
| <b>Demo Pop I - PCN Adults with Children</b>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>PCN ends 3/31/19</i>  |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 5.9%                | 0               | 104,836                  | 5.9%         | 111,042                  | 88,212         | -              | -              | -              |                  |
| PMPM Cost  | 5.3%                | 0               | \$ 46.18                 | 5.3%         | \$ 48.63                 | \$ 51.21       | \$ 53.92       | \$ 56.78       | \$ 59.79       |                  |
| Total Expenditure  |                     |                 |                          |              | \$ 5,399,987             | \$ 4,517,106   | \$ -           | \$ -           | \$ -           | \$ 9,917,093     |
| <b>Demo Pop III/V - UPP Adults with Children</b>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>Anticipated start of 9/1/20</i>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 34.9%               | 0               | 6,067                    | 34.9%        | 8,182                    | 11,034         | 14,881         | 16,723         | 27,064         |                  |
| PMPM Cost  | 5.3%                | 0               | \$ 150.08                | 5.3%         | \$ 158.03                | \$ 166.41      | \$ 175.23      | \$ 1,166.79    | \$ 1,228.63    |                  |
| Total Expenditure  |                     |                 |                          |              | \$ 1,293,029             | \$ 1,836,200   | \$ 2,607,542   | \$ 19,512,792  | \$ 33,251,572  | \$ 58,501,135    |
| <b>Demo Pop I - PCN Childless Adults</b>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>PCN ends 3/31/19</i>  |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Medicaid</b>     |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   |                     | 0               |                          | 2.5%         | 73,812                   | 58,293         | -              | -              | -              |                  |
| PMPM Cost  |                     | 0               |                          | 5.3%         | \$ 51.57                 | \$ 54.30       | \$ 57.18       | \$ 60.21       | \$ 63.40       |                  |
| Total Expenditure  |                     |                 |                          |              | \$ 3,806,153             | \$ 3,165,223   | \$ -           | \$ -           | \$ -           | \$ 6,971,376     |
| <b>Demo Pop III/V - UPP Childless Adults</b>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>Anticipated start of 9/1/20</i>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Medicaid</b>     |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 159                 | 0               |                          | 2.5%         | 163                      | 167            | 171            | 146            | 180            |                  |
| PMPM Cost  | 68.45               | 0               |                          | 5.3%         | \$ 72.08                 | \$ 75.90       | \$ 79.92       | \$ 1,166.79    | \$ 1,228.63    |                  |
| Total Expenditure  |                     |                 |                          |              | \$ 10,702                | \$ 11,237      | \$ 11,799      | \$ 12,388      | \$ 13,008      | \$ 59,133        |
| <b>Targeted Adults</b>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>Member months will increase when the criteria is expanded to include victims of domestic violence and individuals with court ordered treatment. PMPM will increase due to adding the housing support benefit and new managed care directed payments</i> |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Expansion</b>    |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   |                     | 0               | 0                        | 2.5%         | 78,000                   | 78,000         | 126,000        | 172,200        | 176,505        |                  |
| PMPM Cost  |                     | 0               | \$ -                     | 5.3%         | \$ 979.53                | \$ 1,031.45    | \$ 1,522.79    | \$ 1,603.50    | \$ 1,688.48    |                  |
| Total Expenditure  |                     |                 |                          |              | \$ 76,403,340            | \$ 80,452,717  | \$ 191,871,540 | \$ 276,122,333 | \$ 298,025,737 | \$ 922,875,668   |
| <b>Dental - Targeted Adults</b>  |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>Started 3/1/19 Porcelain crowns anticipated start date of 1/1/20 increases PMPM</i>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Expansion</b>    |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   |                     | 0               |                          | 2.5%         | -                        | 12,000         | 36,900         | 37,823         | 38,768         |                  |
| PMPM Cost  | 5.3%                | 0               |                          | 5.3%         | \$ -                     | \$ 33.33       | \$ 37.27       | \$ 39.24       | \$ 41.32       |                  |
| Total Expenditure  |                     |                 |                          |              | \$ -                     | \$ 400,000     | \$ 1,375,111   | \$ 1,484,192   | \$ 1,601,925   | \$ 4,861,228     |
| <b>System of Care</b>  |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>Anticipated start date of 1/1/20</i>  |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   |                     | 0               |                          | 5.3%         | -                        | 720            | 1,440          | 1,440          | 1,440          |                  |
| PMPM Cost  | 5.3%                | 0               |                          | 5.3%         | \$ -                     | \$ 2,100.00    | \$ 2,211.30    | \$ 2,328.50    | \$ 2,328.50    |                  |
| Total Expenditure  |                     |                 |                          |              | \$ -                     | \$ 1,512,000   | \$ 3,184,272   | \$ 3,353,038   | \$ 3,353,038   | \$ 8,049,310     |
| <b>Dental - Blind/Disabled</b>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 0.0%                | 0               |                          |              | 412,361                  | 412,361        | 412,361        | 412,361        | 412,361        |                  |
| PMPM Cost  | 3.0%                | 0               |                          |              | \$ 18.42                 | \$ 18.97       | \$ 19.54       | \$ 20.13       | \$ 20.73       |                  |
| Total Expenditure  |                     |                 |                          |              | \$ 7,595,690             | \$ 7,823,560   | \$ 8,058,267   | \$ 8,300,015   | \$ 8,549,016   | \$ 40,326,548    |
| <b>Dental - Aged</b>   |                     |                 |                          |              |                          |                |                |                |                |                  |
| <i>Anticipated start date of 1/1/20</i>  |                     |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 2.5%                | 0               | 108,000                  |              |                          | 54,000         | 110,700        | 113,468        | 113,468        |                  |
| PMPM Cost  | 5.3%                | 0               |                          |              | \$ -                     | \$ 30.75       | \$ 32.38       | \$ 34.10       | \$ 34.10       |                  |
| Total Expenditure  |                     |                 |                          |              | \$ -                     | \$ 1,660,500   | \$ 3,584,438   | \$ 3,868,774   | \$ 3,868,774   | \$ 9,113,712     |

DEMONSTRATION WITHOUT WAIVER (WOW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

| ELIGIBILITY GROUP  | TREND RATE 1 | MONTHS OF AGING | BASE YEAR DY 15 (SFY 17) | TREND RATE 2 | DEMONSTRATION YEARS (DY) |                |                |                |                | TOTAL WOW        |
|--|--------------|-----------------|--------------------------|--------------|--------------------------|----------------|----------------|----------------|----------------|------------------|
|  |              |                 |                          |              | DY 16 (SFY 18)           | DY 17 (SFY 19) | DY 18 (SFY 20) | DY 19 (SFY 21) | DY 20 (SFY 22) |                  |
| <b>Former Foster</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type: Hypothetical</b>  |              |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 0.0%         | 24              |                          |              | 10                       | 10             | 10             | 10             | 10             |                  |
| PMPM Cost  | 4.8%         | 24              |                          |              | \$ 990.87                | \$ 1,038.43    | \$ 1,088.28    | \$ 1,140.51    | \$ 1,195.26    |                  |
| Total Expenditure  |              |                 |                          |              | \$ 9,909                 | \$ 10,384      | \$ 10,883      | \$ 11,405      | \$ 11,953      | \$ 54,534        |
| <b>Substance Use Disorder (SUD)</b>  |              |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type: Hypothetical</b>  |              |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 6.9%         | 18              | 36,913                   | 6.9%         | 39,456.31                | 42,175         | 40,554         | 43,348         | 46,335         |                  |
| PMPM Cost  | 5.0%         | 18              |                          | 5.0%         | \$ 3,321.96              | \$ 3,488.06    | \$ 3,662.46    | \$ 3,845.58    | \$ 4,037.86    |                  |
| Total Expenditure  |              |                 |                          |              | \$ 131,072,269           | \$ 147,108,390 | \$ 148,527,403 | \$ 166,698,858 | \$ 187,093,676 | \$ 780,500,596   |
| <b>Withdrawal Management</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type: Hypothetical</b>  |              |                 |                          |              |                          |                |                |                |                |                  |
| <i>Started 5/1/19</i>  |              |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 0.0%         | 0               | 4,018                    | 0.0%         | 670                      |                | 4,018          | 4,018          | 4,018          |                  |
| PMPM Cost  | 5.0%         | 0               |                          | 5.0%         | \$ -                     | \$ 700.00      | \$ 735.00      | \$ 771.75      | \$ 810.34      |                  |
| Total Expenditure  |              |                 |                          |              | \$ -                     | \$ 468,738     | \$ 2,953,046   | \$ 3,100,699   | \$ 3,255,733   | \$ 9,778,216     |
| <b>Medicaid for Justice-Involved Populations</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type: Hypothetical</b>  |              |                 |                          |              |                          |                |                |                |                |                  |
| <i>Assumes start date of 7/1/21</i>  |              |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 1.75%        |                 | 3,200                    | 1.75%        | -                        |                | 38,400         |                | 39,072         |                  |
| PMPM Cost  | 3.0%         |                 |                          | 3.0%         | -                        |                | \$ 520.00      |                | \$ 535.60      |                  |
| Total Expenditure  |              |                 |                          |              | -                        |                | \$ 19,968,000  |                | \$ 20,926,963  | \$ 40,894,963    |
| <b>Expansion Parents &lt;=100% FPL</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type: Expansion</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <i>Assumes start date of 1/1/20</i>  |              |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 2.5%         |                 | 339,828                  | 2.5%         | -                        | 169,914        |                | 348,324        | 357,032        |                  |
| PMPM Cost  | 5.3%         |                 |                          | 5.3%         | \$ -                     | \$ 671.61      | \$ 707.21      | \$ 744.69      | \$ 774.69      |                  |
| Total Expenditure  |              |                 |                          |              | \$ -                     | \$ 114,115,918 | \$ 246,336,326 | \$ 265,876,956 | \$ 265,876,956 | \$ 626,329,200   |
| <b>Expansion Adults w/out Dependent Children &lt;=100% FPL</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type: Expansion</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <i>Assumes start date of 1/1/20</i>  |              |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 2.5%         |                 | 400,973                  | 2.5%         | -                        | 200,487        |                | 410,997        | 421,272        |                  |
| PMPM Cost  | 5.3%         |                 |                          | 5.3%         | \$ -                     | \$ 937.16      | \$ 986.83      | \$ 1,039.13    | \$ 1,093.13    |                  |
| Total Expenditure  |              |                 |                          |              | \$ -                     | \$ 187,887,968 | \$ 405,584,361 | \$ 437,757,341 | \$ 437,757,341 | \$ 1,031,229,669 |
| <b>Expansion Parents 101-133% FPL</b>  |              |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type: Expansion</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <i>Assumes start date of 1/1/20 and a 3.4% reduction in member months as an estimate for nonpayment of premium</i> |              |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 5.25%        |                 | 121,473                  | 5.25%        | -                        | 58,671         |                | 123,503        | 129,987        |                  |
| PMPM Cost  | 5.3%         |                 |                          | 5.3%         | \$ -                     | \$ 656.90      | \$ 691.72      | \$ 728.38      | \$ 765.00      |                  |
| Total Expenditure  |              |                 |                          |              | \$ -                     | \$ 38,541,205  | \$ 85,429,087  | \$ 94,679,562  | \$ 94,679,562  | \$ 218,649,854   |
| <b>Expansion Adults w/out Dependent Children 101-133% FPL</b>  |              |                 |                          |              |                          |                |                |                |                |                  |
| <b>Pop Type: Expansion</b>   |              |                 |                          |              |                          |                |                |                |                |                  |
| <i>Assumes start date of 1/1/20 and a 3.4% reduction in member months as an estimate for nonpayment of premium</i> |              |                 |                          |              |                          |                |                |                |                |                  |
| Eligible Member Months   | 5.25%        |                 | 384,418                  | 5.25%        | -                        | 185,674        |                | 390,844        | 411,363        |                  |
| PMPM Cost  | 5.3%         |                 |                          | 5.3%         | \$ -                     | \$ 920.73      | \$ 969.53      | \$ 1,020.91    | \$ 1,072.91    |                  |
| Total Expenditure  |              |                 |                          |              | \$ -                     | \$ 170,955,560 | \$ 378,934,111 | \$ 419,966,044 | \$ 419,966,044 | \$ 969,855,715   |

- Start date of 5/1/19 (2 months of SFY19) \$ 6,618,271,791
- Assumes start date of 1/1/2020 (SFY20)
- Assumes start date of 7/1/21 (SFY22)
- Anticipated start date of 9/1/20 (10 months of SFY21)

DEMONSTRATION WITH WAIVER (WW ALL) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

| ELIGIBILITY GROUP  | DY 15               | DEMO TREND RATE | DEMONSTRATION YEARS (DY) |                |                |                |                | TOTAL WW |
|--|---------------------|-----------------|--------------------------|----------------|----------------|----------------|----------------|----------|
|  |                     |                 | DY 16 (SFY 18)           | DY 17 (SFY 19) | DY 18 (SFY 20) | DY 19 (SFY 21) | DY 20 (SFY 22) |          |
| <b>Current Eligibles</b>   |                     |                 |                          |                |                |                |                |          |
| <i>Parent Caretaker Relative (PCR) population 45-60% FPL: transferred to Expansion Parents effective 4/1/19</i>  |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Medicaid</b>     |                 |                          |                |                |                |                |          |
| Eligible Member Months   | 377,866             | 0%              | 377,866                  | 364,366        | 320,957        | 319,534        | 318,076        |          |
| PMPM Cost  | \$ 949.03           | 5.3%            | \$ 999.33                | \$ 1,052.29    | \$ 1,108.07    | \$ 1,166.79    | \$ 1,228.63    |          |
| Total Expenditure  |                     |                 | \$ 377,612,830           | \$ 383,420,334 | \$ 355,641,571 | \$ 372,830,227 | \$ 390,798,881 |          |
| <b>Demo Pop I - PCN Adults w/Children</b>  |                     |                 |                          |                |                |                |                |          |
| <i>PCN ends 3/31/19</i>  |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |                |                |                |                |          |
| Eligible Member Months   | 104,836             | 5.9%            | 111,042                  | 88,212         | -              | -              | -              |          |
| PMPM Cost  | \$ 46.18            | 5.3%            | \$ 48.63                 | \$ 51.21       | \$ 53.92       | \$ 56.78       | \$ 59.79       |          |
| Total Expenditure  |                     |                 | \$ 5,399,987             | \$ 4,517,106   | \$ -           | \$ -           | \$ -           |          |
| <b>Demo Pop III/IV - UPP Adults with Children</b>  |                     |                 |                          |                |                |                |                |          |
| <i>Anticipated start date of 9/1/20</i>  |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |                |                |                |                |          |
| Eligible Member Months   | 6,067               | 34.9%           | 8,182                    | 11,034         | 14,881         | 16,723         | 27,064         |          |
| PMPM Cost  | \$ 150.08           | 5.3%            | \$ 158.03                | \$ 166.41      | \$ 175.23      | \$ 1,166.79    | \$ 1,228.63    |          |
| Total Expenditure  |                     |                 | \$ 1,293,029             | \$ 1,836,200   | \$ 2,607,542   | \$ 19,512,792  | \$ 33,251,572  |          |
| <b>Demo Pop I - PCN Childless Adults</b>   |                     |                 |                          |                |                |                |                |          |
| <i>PCN ends 3/31/19</i>  |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Medicaid</b>     |                 |                          |                |                |                |                |          |
| Eligible Member Months   | 70,097              | 4.9%            | 73,812                   | 58,293         | -              | -              | -              |          |
| PMPM Cost  | \$ 48.97            | 5.3%            | \$ 51.57                 | \$ 54.30       | \$ 57.18       | \$ 60.21       | \$ 63.40       |          |
| Total Expenditure  |                     |                 | \$ 3,806,153             | \$ 3,165,223   | \$ -           | \$ -           | \$ -           |          |
| <b>Demo Pop III/IV - UPP Childless Adults</b>  |                     |                 |                          |                |                |                |                |          |
| <i>Anticipated start date of 9/1/20</i>  |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Medicaid</b>     |                 |                          |                |                |                |                |          |
| Eligible Member Months   | 159                 | 4.9%            | 167                      | 175            | 184            | 160            | 202            |          |
| PMPM Cost  | \$ 68.45            | 5.3%            | \$ 72.08                 | \$ 75.90       | \$ 79.92       | \$ 1,166.79    | \$ 1,228.63    |          |
| Total Expenditure  |                     |                 | \$ 10,702                | \$ 11,237      | \$ 11,799      | \$ 12,388      | \$ 13,008      |          |
| <b>Targeted Adults</b>   |                     |                 |                          |                |                |                |                |          |
| <i>Member months will increase when the criteria is expanded to include victims of domestic violence and individuals with court ordered treatment. PMPM will increase due to adding the housing support benefit and new managed care directed payments</i> |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Expansion</b>    |                 | <i>Started 11/1/17</i>   |                |                |                |                |          |
| Eligible Member Months   |                     | 2.5%            | 78,000                   | 78,000         | 126,000        | 172,200        | 176,505        |          |
| PMPM Cost  |                     | 5.3%            | \$ 979.53                | \$ 1,031.45    | \$ 1,522.79    | \$ 1,603.50    | \$ 1,688.48    |          |
| Total Expenditure  |                     |                 | \$ 76,403,340            | \$ 80,452,717  | \$ 191,871,540 | \$ 276,122,333 | \$ 298,025,737 |          |
| <b>Dental - Targeted Adults</b>  |                     |                 |                          |                |                |                |                |          |
| <i>Started 3/1/19 Porcelain crowns anticipated start date of 1/1/20 increases PMPM</i>   |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Expansion</b>    |                 |                          |                |                |                |                |          |
| Eligible Member Months   |                     | 2.5%            | -                        | 12,000         | 36,900         | 37,823         | 38,768         |          |
| PMPM Cost  |                     | 5.3%            | \$ -                     | \$ 33.33       | \$ 37.27       | \$ 39.24       | \$ 41.32       |          |
| Total Expenditure  |                     |                 | \$ -                     | \$ 400,000     | \$ 1,375,111   | \$ 1,484,192   | \$ 1,601,925   |          |
| <b>System of Care</b>  |                     |                 |                          |                |                |                |                |          |
| <i>Anticipated start date of 1/1/20</i>  |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |                |                |                |                |          |
| Eligible Member Months   |                     |                 | -                        | 720            | 1,440          | 1,440          | 1,440          |          |
| PMPM Cost  |                     | 5.3%            | \$ -                     | \$ 2,100       | \$ 2,211       | \$ 2,328       | \$ 2,328       |          |
| Total Expenditure  |                     |                 | \$ -                     | \$ 1,512,000   | \$ 3,184,272   | \$ 3,353,038   | \$ 3,353,038   |          |
| <b>Dental - Blind/Disabled</b>   |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |                |                |                |                |          |
| Eligible Member Months   |                     | 0%              | 412,361                  | 412,361        | 412,361        | 412,361        | 412,361        |          |
| PMPM Cost  |                     | 3.0%            | \$ 18.42                 | \$ 18.97       | \$ 19.54       | \$ 20.13       | \$ 20.73       |          |
| Total Expenditure  |                     |                 | \$ 7,595,690             | \$ 7,823,560   | \$ 8,058,267   | \$ 8,300,015   | \$ 8,549,016   |          |
| <b>Dental - Aged</b>   |                     |                 |                          |                |                |                |                |          |
| <i>Anticipated start date of 1/1/20</i>  |                     |                 |                          |                |                |                |                |          |
| <b>Pop Type:</b>   | <b>Hypothetical</b> |                 |                          |                |                |                |                |          |
| Eligible Member Months   |                     | 0%              | -                        | -              | 54,000         | 110,700        | 113,468        |          |
| PMPM Cost  |                     | 3.0%            | \$ -                     | \$ -           | \$ 30.75       | \$ 32.38       | \$ 34.10       |          |
| Total Expenditure  |                     |                 | \$ -                     | \$ -           | \$ 1,660,500   | \$ 3,584,438   | \$ 3,868,774   |          |

DEMONSTRATION WITH WAIVER (WW ALL) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

| ELIGIBILITY GROUP  | DY 15        | DEMO TREND RATE | DEMONSTRATION YEARS (DY) |                |                |                |                | TOTAL WW |
|--|--------------|-----------------|--------------------------|----------------|----------------|----------------|----------------|----------|
|  |              |                 | DY 16 (SFY 18)           | DY 17 (SFY 19) | DY 18 (SFY 20) | DY 19 (SFY 21) | DY 20 (SFY 22) |          |
| <b>Former Foster Care</b>                                      |              |                 |                          |                |                |                |                |          |
| Pop Type:  | Hypothetical |                 |                          |                |                |                |                |          |
| Eligible Member Months   |              | 0%              | 10                       | 10             | 10             | 10             | 10             |          |
| PMPM Cost  |              | 4.8%            | \$ 990.87                | \$ 1,038.43    | \$ 1,088.28    | \$ 1,140.51    | \$ 1,195.26    |          |
| Total Expenditure  |              |                 | \$ 9,909                 | \$ 10,384      | \$ 10,883      | \$ 11,405      | \$ 11,953      |          |
| <b>Substance Use Disorder (SUD)</b>                            |              |                 |                          |                |                |                |                |          |
| Pop Type:  | Hypothetical |                 |                          |                |                |                |                |          |
| Eligible Member Months   |              | 6.9%            | 39,456                   | 42,175         | 40,554         | 43,348         | 46,335         |          |
| PMPM Cost  |              | 5.0%            | \$ 3,321.96              | \$ 3,488.06    | \$ 3,662.46    | \$ 3,845.58    | \$ 4,037.86    |          |
| Total Expenditure  |              |                 | \$ 131,072,269           | \$ 147,108,390 | \$ 148,527,403 | \$ 166,698,858 | \$ 187,093,676 |          |
| <b>Withdrawal Management</b>                                   |              |                 |                          |                |                |                |                |          |
| Pop Type:  | Hypothetical |                 |                          |                |                |                |                |          |
| Eligible Member Months   |              | 0.0%            | -                        | 670            | 4,018          | 4,018          | 4,018          |          |
| PMPM Cost  |              | 5.0%            | \$ -                     | \$ 700.00      | \$ 735.00      | \$ 771.75      | \$ 810.34      |          |
| Total Expenditure  |              |                 | \$ -                     | \$ 468,738     | \$ 2,953,046   | \$ 3,100,699   | \$ 3,255,733   |          |
| <b>Medicaid for Justice-Involved Populations</b>               |              |                 |                          |                |                |                |                |          |
| Pop Type:  | Hypothetical |                 |                          |                |                |                |                |          |
| Eligible Member Months   |              | 1.75%           | -                        | -              | -              | 38,400         | 39,072         |          |
| PMPM Cost  |              | 3.0%            | \$ -                     | \$ -           | \$ -           | \$ 520.00      | \$ 535.60      |          |
| Total Expenditure  |              |                 | \$ -                     | \$ -           | \$ -           | \$ 19,968,000  | \$ 20,926,963  |          |
| <b>Expansion Parents &lt;=100% FPL</b>                         |              |                 |                          |                |                |                |                |          |
| Pop Type:  | Expansion    |                 |                          |                |                |                |                |          |
| Eligible Member Months   |              | 2.5%            | -                        | -              | 169,914        | 348,324        | 357,032        |          |
| PMPM Cost  |              | 5.3%            | \$ -                     | \$ -           | \$ 671.61      | \$ 707.21      | \$ 744.69      |          |
| Total Expenditure  |              |                 | \$ -                     | \$ -           | \$ 114,115,918 | \$ 246,336,326 | \$ 265,876,956 |          |
| <b>Expansion Adults w/out Dependent Children &lt;=100% FPL</b> |              |                 |                          |                |                |                |                |          |
| Pop Type:  | Expansion    |                 |                          |                |                |                |                |          |
| Eligible Member Months   |              | 2.5%            | -                        | -              | 200,487        | 410,997        | 421,272        |          |
| PMPM Cost  |              | 5.3%            | \$ -                     | \$ -           | \$ 937.16      | \$ 966.83      | \$ 1,039.13    |          |
| Total Expenditure  |              |                 | \$ -                     | \$ -           | \$ 187,887,968 | \$ 405,584,361 | \$ 437,757,341 |          |
| <b>Expansion Parents 101-133% FPL</b>                          |              |                 |                          |                |                |                |                |          |
| Pop Type:  | Expansion    |                 |                          |                |                |                |                |          |
| Eligible Member Months   |              | 5.25%           | -                        | -              | 58,671         | 123,503        | 129,987        |          |
| PMPM Cost  |              | 5.3%            | \$ -                     | \$ -           | \$ 656.90      | \$ 691.72      | \$ 728.38      |          |
| Total Expenditure  |              |                 | \$ -                     | \$ -           | \$ 38,541,205  | \$ 85,429,087  | \$ 94,679,562  |          |
| <b>Expansion Adults w/out Dependent Children 101-133% FPL</b>  |              |                 |                          |                |                |                |                |          |
| Pop Type:  | Expansion    |                 |                          |                |                |                |                |          |
| Eligible Member Months   |              | 5.25%           | -                        | -              | 185,674        | 390,844        | 411,363        |          |
| PMPM Cost  |              | 5.3%            | \$ -                     | \$ -           | \$ 920.73      | \$ 969.53      | \$ 1,020.91    |          |
| Total Expenditure  |              |                 | \$ -                     | \$ -           | \$ 170,955,560 | \$ 378,934,111 | \$ 419,966,044 |          |

|  |   |                  |
|--|---|------------------|
|  | Start date of 5/1/19 (2 months of SFY19)              | \$ 6,618,271,791 |
|  | Assumes start date of 1/1/2020 (SFY20)                |                  |
|  | Assumes start date of 7/1/2021 (SFY22)                |                  |
|  | Anticipated start date of 9/1/20 (10 months of SFY21) |                  |

DEMONSTRATION WITH WAIVER (WW NONE) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

| ELIGIBILITY GROUP                                | DY 15     | DEMO TREND RATE | DEMONSTRATION YEARS (DY)   |                |                |                |                | TOTAL WW         |
|--|-----------|-----------------|--|----------------|----------------|----------------|----------------|------------------|
|  |           |                 | DY 16 (SFY 18)   | DY 17 (SFY 19) | DY 18 (SFY 20) | DY 19 (SFY 21) | DY 20 (SFY 22) |                  |
| <b>Current Eligibles</b>                         |           |                 | <i>Parent Caretaker Relative (PCR) population 45-60% FPL- transferred to Expansion Parents effective 4/1/19</i>  |                |                |                |                |                  |
| <b>Pop Type:</b> Medicaid                        |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           | 377,866   | 0%              | 377,866  | 364,366        | 320,957        | 319,534        | 318,076        |                  |
| PMPM Cost  | \$ 949.03 | 5.3%            | \$ 999.33  | \$ 1,052.29    | \$ 1,108.07    | \$ 1,166.79    | \$ 1,228.63    |                  |
| Total Expenditure                                |           |                 | \$ 377,612,830   | \$ 383,420,334 | \$ 355,641,571 | \$ 372,830,227 | \$ 390,798,881 | \$ 1,880,303,842 |
| <b>Demo Pop I - PCN Adults w/Children</b>        |           |                 | <i>PCN ends 3/31/19</i>  |                |                |                |                |                  |
| <b>Pop Type:</b> Hypothetical                    |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           | 104,836   | 5.9%            | 111,042  | 88,212         | -              | -              | -              |                  |
| PMPM Cost  | \$ 46.18  | 5.3%            | \$ 48.63   | \$ 51.21       | \$ 53.92       | \$ 56.78       | \$ 59.79       |                  |
| Total Expenditure                                |           |                 | \$ 5,399,987   | \$ 4,517,106   | \$ -           | \$ -           | \$ -           | \$ 9,917,093     |
| <b>Demo Pop III/V - UPP Adults with Children</b> |           |                 | <i>Anticipated start date of 9/1/20</i>  |                |                |                |                |                  |
| <b>Pop Type:</b> Hypothetical                    |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           | 6,067     | 34.9%           | \$ 8,182   | \$ 11,034      | \$ 14,881      | \$ 16,723      | \$ 27,064      |                  |
| PMPM Cost  | \$ 150.08 | 5.3%            | \$ 158.03  | \$ 166.41      | \$ 175.23      | \$ 1,166.79    | \$ 1,228.63    |                  |
| Total Expenditure                                |           |                 | \$ 1,293,029   | \$ 1,836,200   | \$ 2,607,542   | \$ 19,512,792  | \$ 33,251,572  | \$ 58,501,135    |
| <b>Demo Pop I - PCN Childless Adults</b>         |           |                 | <i>PCN ends 3/31/19</i>  |                |                |                |                |                  |
| <b>Pop Type:</b> Medicaid                        |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           | 70,097    | 4.9%            | 73,812   | 58,293         | -              | -              | -              |                  |
| PMPM Cost  | \$ 48.97  | 5.3%            | \$ 51.57   | \$ 54.30       | \$ 57.18       | \$ 60.21       | \$ 63.40       |                  |
| Total Expenditure                                |           |                 | \$ 3,806,153   | \$ 3,165,223   | \$ -           | \$ -           | \$ -           | \$ 6,971,376     |
| <b>Demo Pop III/V - UPP Childless Adults</b>     |           |                 | <i>Anticipated start date of 9/1/20</i>  |                |                |                |                |                  |
| <b>Pop Type:</b> Medicaid                        |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           | 159       | 4.9%            | 167  | 175            | 184            | 160            | 202            |                  |
| PMPM Cost  | \$ 68.45  | 5.3%            | \$ 72.08   | \$ 75.90       | \$ 79.92       | \$ 1,166.79    | \$ 1,228.63    |                  |
| Total Expenditure                                |           |                 | \$ 10,702  | \$ 11,237      | \$ 11,799      | \$ 12,388      | \$ 13,008      | \$ 59,133        |
| <b>Former Targeted Adults</b>                    |           |                 | <i>Member months will increase when the criteria is expanded to include victims of domestic violence, individuals with court ordered treatment and certain individuals on probation or parole. Also, member months will decrease due to the removal of continuous eligibility.</i> |                |                |                |                |                  |
| <b>Pop Type:</b> Expansion                       |           |                 | <i>Started 11/1/17</i>   |                |                |                |                |                  |
| Eligible Member Months                           |           | 2.5%            | 78,000   | 78,000         | 121,696        | 163,378        | 167,462        |                  |
| PMPM Cost  |           | 5.3%            | \$ 979.53  | \$ 1,031.45    | \$ 1,281.14    | \$ 1,349.04    | \$ 1,420.54    |                  |
| Total Expenditure                                |           |                 | \$ 76,403,340  | \$ 80,452,717  | \$ 155,909,778 | \$ 220,402,517 | \$ 237,885,946 | \$ 771,054,298   |
| <b>Dental - Targeted Adults</b>                  |           |                 | <i>Started 3/1/19</i>  |                |                |                |                |                  |
| <b>Pop Type:</b> Expansion                       |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           |           | 2.5%            | -  | 12,000         | 18,450         | -              | -              |                  |
| PMPM Cost  |           | 5.3%            | \$ -   | \$ 33.33       | \$ 37.27       | \$ 39.24       | \$ 41.32       |                  |
| Total Expenditure                                |           |                 | \$ -   | \$ 400,000     | \$ 687,556     | \$ -           | \$ -           | \$ 1,087,556     |
| <b>System of Care</b>                            |           |                 | <i>Anticipated start date of 1/1/20</i>  |                |                |                |                |                  |
| <b>Pop Type:</b> Hypothetical                    |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           |           |                 | -  | 720            | 1,440          | 1,440          | 1,440          |                  |
| PMPM Cost  |           | 5.3%            | \$ -   | \$ 2,100       | \$ 2,211       | \$ 2,211       | \$ 2,328       |                  |
| Total Expenditure                                |           |                 | \$ -   | \$ 1,512,000   | \$ 3,184,272   | \$ 3,353,038   | \$ -           | \$ 8,049,310     |
| <b>Dental - Blind/Disabled</b>                   |           |                 |  |                |                |                |                |                  |
| <b>Pop Type:</b> Hypothetical                    |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           |           | 0%              | 412,361  | 412,361        | 412,361        | 412,361        | 412,361        |                  |
| PMPM Cost  |           | 3.0%            | \$ 18.42   | \$ 18.97       | \$ 19.54       | \$ 20.13       | \$ 20.73       |                  |
| Total Expenditure                                |           |                 | \$ 7,595,690   | \$ 7,823,560   | \$ 8,058,267   | \$ 8,300,015   | \$ 8,549,016   | \$ 40,326,548    |
| <b>Dental - Aged</b>                             |           |                 | <i>Anticipated start date of 1/1/20</i>  |                |                |                |                |                  |
| <b>Pop Type:</b> Hypothetical                    |           |                 |  |                |                |                |                |                  |
| Eligible Member Months                           |           | 0%              | -  | -              | 54,000         | 110,700        | 113,468        |                  |
| PMPM Cost  |           | 3.0%            | \$ -   | \$ -           | \$ 30.75       | \$ 32.38       | \$ 34.10       |                  |
| Total Expenditure                                |           |                 | \$ -   | \$ -           | \$ 1,660,500   | \$ 3,584,438   | \$ 3,868,774   | \$ 9,113,712     |

DEMONSTRATION WITH WAIVER (WW NONE) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

| ELIGIBILITY GROUP  | DY 15        | DEMO TREND RATE | DEMONSTRATION YEARS (DY)   |                |                |                |                | TOTAL WW |
|--|--------------|-----------------|--|----------------|----------------|----------------|----------------|----------|
|  |              |                 | DY 16 (SFY 18)   | DY 17 (SFY 19) | DY 18 (SFY 20) | DY 19 (SFY 21) | DY 20 (SFY 22) |          |
| <b>Former Foster Care</b>                                      |              |                 |  |                |                |                |                |          |
| <b>Pop Type:</b>   | Hypothetical |                 |  |                |                |                |                |          |
| Eligible Member Months   |              | 0%              | 10   | 10             | 10             | 10             | 10             |          |
| PMPM Cost  |              | 4.8%            | \$ 990.87  | \$ 1,038.43    | \$ 1,088.28    | \$ 1,140.51    | \$ 1,195.26    |          |
| Total Expenditure  |              |                 | \$ 9,909   | \$ 10,384      | \$ 10,883      | \$ 11,405      | \$ 11,953      |          |
| <b>Substance Use Disorder (SUD)</b>                            |              |                 |  |                |                |                |                |          |
| <b>Pop Type:</b>   | Hypothetical |                 |  |                |                |                |                |          |
| Eligible Member Months   |              | 6.9%            | 39,456   | 42,175         | 40,554         | 43,348         | 46,335         |          |
| PMPM Cost  |              | 5.0%            | \$ 3,321.96  | \$ 3,488.06    | \$ 3,662.46    | \$ 3,845.58    | \$ 4,037.86    |          |
| Total Expenditure  |              |                 | \$ 131,072,269   | \$ 147,108,390 | \$ 148,527,403 | \$ 166,698,858 | \$ 187,093,676 |          |
| <b>Withdrawal Management</b>                                   |              |                 |  |                |                |                |                |          |
| <b>Pop Type:</b>   | Hypothetical |                 |  |                |                |                |                |          |
|  |              |                 | Started 5/1/19   |                |                |                |                |          |
| Eligible Member Months   |              | 0.0%            | -  | 670            | 4,018          | 4,018          | 4,018          |          |
| PMPM Cost  |              | 5.0%            | \$ -   | \$ 700.00      | \$ 735.00      | \$ 771.75      | \$ 810.34      |          |
| Total Expenditure  |              |                 | \$ -   | \$ 468,738     | \$ 2,953,046   | \$ 3,100,699   | \$ 3,255,733   |          |
| <b>Medicaid for Justice-Involved Populations</b>               |              |                 |  |                |                |                |                |          |
| <b>Pop Type:</b>   | Hypothetical |                 |  |                |                |                |                |          |
|  |              |                 | Assumes start date of 7/1/2021   |                |                |                |                |          |
| Eligible Member Months   |              | 1.75%           | -  | -              | -              | 38,400         | 39,072         |          |
| PMPM Cost  |              | 3.0%            | \$ -   | \$ -           | \$ -           | \$ 520.00      | \$ 535.60      |          |
| Total Expenditure  |              |                 | \$ -   | \$ -           | \$ -           | \$ 19,968,000  | \$ 20,926,963  |          |
| <b>Expansion Parents &lt;=100% FPL</b>                         |              |                 |  |                |                |                |                |          |
| <b>Pop Type:</b>   | Expansion    |                 |  |                |                |                |                |          |
|  |              |                 | Assumes start date of 1/1/20   |                |                |                |                |          |
| Eligible Member Months   |              | 2.5%            | -  | -              | 169,914        | 348,324        | 357,032        |          |
| PMPM Cost  |              | 5.3%            | \$ -   | \$ -           | \$ 640.57      | \$ 674.52      | \$ 710.27      |          |
| Total Expenditure  |              |                 | \$ -   | \$ -           | \$ 108,841,789 | \$ 234,951,327 | \$ 253,588,841 |          |
| <b>Expansion Adults w/out Dependent Children &lt;=100% FPL</b> |              |                 |  |                |                |                |                |          |
| <b>Pop Type:</b>   | Expansion    |                 |  |                |                |                |                |          |
|  |              |                 | Assumes start date of 1/1/20   |                |                |                |                |          |
|  |              |                 | PMPM will decrease for non-medically frail individuals removing certain benefits from the traditional package.   |                |                |                |                |          |
| Eligible Member Months   |              | 2.5%            | -  | -              | 200,487        | 410,997        | 421,272        |          |
| PMPM Cost  |              | 5.3%            | \$ -   | \$ -           | \$ 899.03      | \$ 946.68      | \$ 996.85      |          |
| Total Expenditure  |              |                 | \$ -   | \$ -           | \$ 180,242,854 | \$ 389,081,237 | \$ 419,945,107 |          |
| <b>Expansion Parents 101-133% FPL</b>                          |              |                 |  |                |                |                |                |          |
| <b>Pop Type:</b>   | Expansion    |                 |  |                |                |                |                |          |
|  |              |                 | Assumes start date of 1/1/20 and a 3.4% reduction in member months as an estimate for nonpayment of premiums. Further reduction of 8.3% to account for premium payment required prior to enrollment. Further reduction of 1.4% to account for removal of retroactive enrollment. |                |                |                |                |          |
| Eligible Member Months   |              | 5.25%           | -  | -              | 53,048         | 111,667        | 117,529        |          |
| PMPM Cost  |              | 5.3%            | \$ -   | \$ -           | \$ 625.86      | \$ 659.03      | \$ 693.96      |          |
| Total Expenditure  |              |                 | \$ -   | \$ -           | \$ 33,200,871  | \$ 73,591,888  | \$ 81,560,602  |          |
| <b>Expansion Adults w/out Dependent Children 101-133% FPL</b>  |              |                 |  |                |                |                |                |          |
| <b>Pop Type:</b>   | Expansion    |                 |  |                |                |                |                |          |
|  |              |                 | Assumes start date of 1/1/20 and a 3.4% reduction in member months as an estimate for nonpayment of premiums. Further reduction of 8.3% to account for premium payment required prior to enrollment. Further reduction of 1.4% to account for removal of retroactive enrollment. |                |                |                |                |          |
|  |              |                 | PMPM will decrease for non-medically frail individuals removing certain benefits from the traditional package.   |                |                |                |                |          |
| Eligible Member Months   |              | 5.25%           | -  | -              | 167,879        | 353,386        | 371,939        |          |
| PMPM Cost  |              | 5.3%            | \$ -   | \$ -           | \$ 882.60      | \$ 929.37      | \$ 978.63      |          |
| Total Expenditure  |              |                 | \$ -   | \$ -           | \$ 148,169,813 | \$ 328,428,021 | \$ 363,991,028 |          |

- Start date of 5/1/19 (2 months of SFY19) \$ 6,232,205,690
- Assumes start date of 1/1/2020 (SFY20)
- Assumes start date of 7/1/2021 (SFY22)
- Anticipated start date of 9/1/20 (10 months of SFY21)