

2. \_\_\_\_ Experience-based (contractors/State's cost experience or encounter date) (please describe)
3. \_\_\_\_ Adjusted Community Rate (please describe)
4. \_\_\_\_ Other (please describe)

B. The State Medicaid Agency assures that the rates were set in a reasonable and predictable manner. ~~Please list the name, organizational affiliation of any actuary used, and attestation/description for the initial capitation rates.~~

The capitation rates were developed by the Pacific Health Policy Group (PHPG).

C. The State will submit all capitated rates to the HCFA CMS Regional Office for prior approval and will include the name, organizational affiliate of any actuary used, and attestation/description of the capitation rates.

The capitation rate development for PACE involved setting a baseline per member per month (PMPM) expenditure rate. A base year was established and a data extract of claims processed for the PACE target population during this period. The target population was limited to persons ages 55 and older certified as nursing ~~home~~ facility level of care. This data was used to establish the upper payment limit (UPL). The data from the base year will be reviewed annually and updated as needed ~~based on the Medicare economic Index (MEI).~~ The rate developed through this process will be below the UPL.

### III. Enrollment and Disenrollment

The State assures that there is a process in place to provide for dissemination of enrollment and disenrollment data between the State and the State Administering Agency. The State assures that it has developed and will implement procedures for the enrollment and disenrollment of participants in the State's management information system, including procedures for any adjustment to account for the difference between the estimated number of participants on which the prospective monthly payment was based and the actual number of participants in that month.

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