

**OREGON HEALTH PLAN
MEDICAID DEMONSTRATION**

**Capitation Rate Development
January 2006 – December 2006**

Submitted by:

**PricewaterhouseCoopers LLP
Three Embarcadero Center
San Francisco, CA 94111**

November 2005

November 28, 2005

Ms. Wendy Edwards
OHP Actuarial Services Manager
Office of Medical Assistance Programs
500 Summer Street NE
Salem, Oregon 97310-1014

Dear Wendy:

**Re: Capitation Rates for the Oregon Health Plan Medicaid
Demonstration**

We have calculated the capitation rates to be paid to contracting physical health, physician care, mental health, dental, and chemical dependency plans under the Oregon Health Plan Medicaid Demonstration for January 1, 2006 through December 31, 2006. With the exception of OHP Standard, these capitation payments are based on our previous work described in detail in our report to you entitled Analysis of Federal Fiscal years 2006-2007 Average Costs and dated March 7, 2005 and reflect coverage of services through line 530 of the prioritized list as configured for the 2005-2007 biennium. The OHP Standard capitation rates have been rebased using more recent encounter data due to the continuing changes in the underlying population.

The following report describes the methods used for calculating the capitation payments.

* * *



Please call us if you have any questions regarding these capitation rates or the methods that were used in the calculations.

Very Truly Yours,

PricewaterhouseCoopers LLP

Sandra S. Hunt

By: Sandra S. Hunt, M.P.A.
Principal

Peter B. Davidson

Peter B. Davidson, A.S.A., M.A.A.A.
Director

**Actuarial Certification of
Proposed Oregon Health Plan Capitation Rates
January 1, 2006 through December 31, 2006**

I, Peter B. Davidson, am associated with the firm PricewaterhouseCoopers. I am a Member of the American Academy of Actuaries and meet its qualification standards to certify as to the actuarial soundness of proposed capitation rates for the period January 1, 2006 through December 31, 2006 developed for contracting managed care plans under the Oregon Medicaid program.

It is my opinion that all requirements of 42 CFR 438.6(c), with respect to the development of Medicaid managed care capitation rates, were satisfied in the development of the proposed capitation rates for contracting Medicaid managed care plans in Oregon. I believe that the capitation rates are appropriate for the populations to be covered and the services to be furnished under the contract. Detailed descriptions of the methodology and assumptions used in the development of the capitation rates are contained in the report to which this certification is attached and in the March 2005 report entitled "Analysis of Federal Fiscal Years 2006 – 2007 Average Costs."

In the development of the proposed capitation rates, I relied on enrollment, encounter, and other data provided by the Oregon Office of Medical Assistance Programs. I reviewed the data for reasonableness; however, I performed no independent verification and take no responsibility as to the accuracy of these data.

The actuarially sound rates shown in the accompanying report are a projection of future events. It may be expected that actual experience will vary from the values shown here. Actuarial methods, considerations, and analyses used in developing the proposed capitation rates conform to the appropriate Standards of Practice promulgated from time to time by the Actuarial Standards Board.

The capitation rates may not be appropriate for any specific managed care plan. Any managed care plan will need to review the rates in relation to the benefits provided. The managed care plan should compare the rates with their own experience, expenses, capital and surplus, and profit requirements prior to agreeing to contract with the State. The managed care plan may require rates above, equal to, or below the actuarially sound capitation rates to which this certification is attached.



Peter B. Davidson, M.A.A.A
Member, American Academy of Actuaries

Oregon Health Plan
Summary Calculation of Capitation Rates for
January 2006 – December 2006

PricewaterhouseCoopers LLP

November 2005

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Not Addressed Elsewhere

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Development of Statewide FCHP Rates

Appendix A-2ii: Description of Steps and References Used in the
Development of Statewide PCO Rates

Oregon Health Plan
Summary Calculation of Capitation Rates for
January 2006 – December 2006

PricewaterhouseCoopers LLP
November 2005

This report presents the methods used to develop the capitation rates to be paid to Fully Capitated Health Plans, Physician Care Organizations, Mental Health Organizations, Dental Care Organizations, and Chemical Dependency Organizations participating in the Oregon Health Plan Medicaid Demonstration for the contract period beginning January 1, 2006.

These methods are designed to comply with:

1. The requirements of regulations issued by the Centers for Medicare and Medicaid Services (CMS) governing the development of capitation payments for Medicaid managed care programs, and
2. Relevant Oregon statutory requirements.

The capitation rates shown in this report also include children covered under Title XXI. This report is a follow-up to our detailed report on 2006-2007 biennial per capita costs for the program dated March 7, 2005, and provides a description of the methods used to develop plan-specific capitation rates from the statewide per capita costs.

I. Governing Regulations

PricewaterhouseCoopers LLP (PwC) calculated capitation rates for the Oregon Health Plan (OHP) for the period January 1, 2006 through December 31, 2006. The rates are structured to comply with CMS regulations governing the development of capitation payments for Medicaid managed care programs that apply to rates paid to managed care plans after August 2003. These regulations require that rates be “actuarially sound.” While there are no definitive criteria for determining actuarial soundness for Medicaid managed care programs, CMS has issued a checklist that provides guidance.

The final rates will be established through signed contracts with the participating managed care plans, which will ensure that each plan concurs that the rates paid will allow for contracting with sufficient numbers of providers to ensure appropriate access to care, and that they expect to remain financially sound throughout the contract period.

The general guidelines for developing actuarially sound payment rates encompass the following concepts:

- Data appropriate for the population to be covered by the managed care program should be used for the analysis;
- Payment rates should be sufficiently differentiated to reflect known variation in per capita costs related to age, gender, Medicaid eligibility category, and health status;
- Where rate cells have relatively small numbers of individuals, cost neutral data smoothing techniques should be used;
- Medicaid fee-for-service (FFS) payment rates per unit of service are an appropriate benchmark for developing capitation rates;
- When FFS data are used for the calculations, differences in expected utilization rates between fee-for-service and managed care programs should be accounted for;
- Appropriate levels of managed care plan administrative costs should be included in the rates;

- Programmatic changes in the Medicaid program between the data and contract period should be reflected in the rates; and
- A range of appropriate rates could emerge from the rate-setting process, and an upper and lower bound may be developed.

These rates are developed to be consistent with the concepts described above. The development of the rates is described in this report, and the supporting calculations are shown in the attached exhibits.

In addition to CMS guidelines, Oregon law is considered in developing the payment rates. When the base per capita costs were finalized in March 2005 the rates we were instructed to calculate the rates based on the underlying construct of Senate Bill 27, that “rates cover the cost of providing services.” A thorough description of the methods employed is provided in our March 2005 report. Subsequently, the Legislature, during the 2005 - 2007 session, made funding decisions that result in changes to the statewide per capita costs.

II. Contracting Arrangements

Oregon has modified the OHP significantly over the past few years, and has classified the enrolled population in two groups with different benefit plans. The OHP Plus population is covered for the full range of health care services, while a limited benefit package is offered to the OHP Standard population, comprised of the OHP Families and OHP Adults & Couples eligibility categories. These eligibility categories are shown in the tables below. The Oregon Health Plan contracts with a number of different types of managed care organizations (MCOs) for portions of the health care service package. Fully Capitated Health Plans, or FCHPs, contract for nearly the full range of covered physical health care services, including inpatient, outpatient, physician, prescription drug, and miscellaneous medical services. Physician Care Organization (PCO) plans contract for all services covered by FCHPs with the exception of inpatient services; in the legislation that authorized the PCO program some services were identified as optional. However, the agreement reached with CMS to implement the PCO program changed the status of many of those services to mandatory. FCHPs and PCOs may also contract for maternity management, an optional service.

Mental Health Organizations, or MHOs, contract to provide inpatient and outpatient therapy services on a capitated basis. Dental Care Organizations (DCOs) contract to provide dental services, and Chemical Dependency Organizations (CDOs) contract to provide substance abuse services. Within each general category of service (e.g., mental health) an organization is contracted for the full range of capitated services.

The capitation rates shown in this report represent the amounts to be paid to contracting plans. For FCHPs, PCOs, MHOs, and CDOs, separate capitation rates have been calculated for each plan, region and eligibility category (at this time, only one MCO contracts with OMAP under a PCO arrangement). Capitation rates for DCOs vary by region and eligibility category only.

The twelve eligibility categories and five geographic regions for which capitation rates are calculated are as follows:

OHP Eligibility Categories – OHP Plus	
Temporary Assistance to Needy Families (TANF)	AB/AD with Medicare
PLM Adults	AB/AD without Medicare
PLM, TANF, and CHIP Children Aged 0 < 1	OAA with Medicare
PLM, TANF, and CHIP Children Aged 1 – 5	OAA without Medicare
PLM, TANF, and CHIP Children Aged 6 – 18	SCF Children

OHP Eligibility Categories – OHP Standard	
OHP Families	OHP Adults & Couples

OHP Geographic Regions
Jackson, Josephine and Douglas Counties
Lane County
Linn, Benton, Marion, Polk and Yamhill Counties
Tri-County (Clackamas, Multnomah and Washington Counties)
All Other Counties

Effective February 1, 2003 the General Assistance eligibility category was temporarily suspended. We received guidance from DHS that most former GA eligibles would continue to qualify for Medicaid under AB/AD without Medicare. We blended the per capita costs for AB/AD without Medicare and GA to produce the statewide per capita costs rates for AB/AD without Medicare, which are used in the plan capitation rate development. Effective October 1, 2005, the GA program has been eliminated and those individuals who are found eligible for another coverage category are appropriately designated; it is expected that many of the individuals who previously enrolled in GA will qualify for the ABAD without Medicare category.

Exhibits 1a and 1b of this report shows the categories of service that are covered under the FCHP, PCO, DCO, MHO, and CDO capitation contracts, respectively.

III. Statewide Average Capitation Rates

Capitation rates for each plan are based on statewide average rates with adjustments for plan-specific adjustments reflecting geographic variations in input costs and population risk mix, where appropriate. Typically, the statewide capitation rates are developed from the 2006-2007 biennial per capita costs, with adjustments for trends and programmatic changes that occurred between the development of the per capita costs and the capitation rates included in this report. The March 2005 report describes the methodology used to develop the biennial per capita costs in detail, and

Exhibit 7-A of that report shows the biennial per capita costs for managed care enrollees. The 2006-2007 per capita costs for managed care enrollees were developed based on encounter data provided by the managed care plans, as well as additional sources as appropriate. The methods employed in the development of the biennial per capita costs are in compliance with the CMS requirements under 42 CFR 438.6(c). Additional explanations are included in Appendix A-1 of this report. The following sections describe the adjustments made to develop the January 2006 statewide capitation rates from the 2006-2007 biennial per capita costs.

Due to changes in the size and composition of the OHP Standard population subsequent to the development of the 2006-2007 per capita costs, statewide capitation rates for this population have been redeveloped using more recent encounter data. This process is described in one of the following sections.

Changes in Underlying Provider Reimbursement

Consistent with the October 1, 2005 capitation rates and as directed by the Oregon legislature, a reduction of 28% in funding for DRG hospitals relative to the per capita costs presented in our March 2005 report was maintained in the development of the January 2006 rates. While the State does not have a role in the contracting arrangements between MCOs and their providers, a rule has been implemented that establishes the payment requirements between health plans and DRG hospitals in the event an agreement cannot be reached. Specifically, the plans must pay, and DRG hospitals must accept, an amount equivalent to 92.5% of the funding amount for DRG hospital services included in the capitation rates.

No other changes in reimbursement were assumed beyond that represented in the unit cost component of the trend adjustments.

Trend Adjustment

The per capita costs developed in our March 2005 report were calculated to cover the two year time period of October 2005 through September 2007. The trend rates presented in the per capita cost development have been used to develop statewide capitation rates to the January 2006 – December 2006 rate period.

Trend adjustments for all managed care plan types are calculated using the trending methodology that has been used in the development of prior capitation rates. Specifically, the trend rates that were applied in the per capita cost development are adjusted to move the projected costs from the midpoint of the two year period (October 1, 2006) to the midpoint of the contract period (July 1, 2006). The trend adjustments can be found in Exhibit 2a.

Changes in Covered Services

Implementation of Medicare Prescription Drug Coverage

Effective January 1, 2006, Medicare will assume coverage responsibility for nearly all prescription drugs for Dual Eligibles. Additionally, OMAP will no longer cover certain remaining drugs. We developed cost adjustments based on lists of covered and non-covered drugs that we were provided. These adjustments are shown in Exhibit 2b.

Other Pharmacy

Effective October 1, 2005, the drug Lamictal was removed from FCHP/PCO responsibility and is now paid on a FFS basis. PwC analyzed the managed care plan pharmacy data and calculated an adjustment to the prescription drugs per capita costs for the expected reduction in cost to managed care plans. The statewide per capita value of Lamictal may be found in Exhibit 2c.

Childrens Mental Health Services

Effective October 1, 2005, MHOs assumed financial responsibility for certain intensive treatment services (ITS) for children, which were previously paid on a FFS basis or via enhanced capitation rates for MHOs participating in pilot programs. While there are differences among the MHO populations in the need for these services – Psychiatric Day Treatment Services (PDTS) and Psychiatric Residential Treatment Services (PRTS)– the geographic availability of these services also varies widely. It is expected that this disparity will largely continue for the immediate future, with gradual movement to standardized levels of funding occurring over several years.

Data supplied by the Office of Mental Health and Addiction Services (OMHAS) was analyzed to determine the utilization of Day Treatment and Residential services. Historical treatment days were grouped by category of aid and responsibility (i.e., specific MHO or FFS) using eligibility information from the MMIS. OMHAS policy changes regarding future enrollment of children into residential facilities were incorporated. These policy changes fall into two major categories: 1) changes affecting which children are allowed to enroll in MHOs, and 2) changes affecting which MHO has financial responsibility for the child. For the first category of policy changes, we reassigned the utilization and eligibility data for children enrolled in an MHO and receiving PRTS who would not prospectively be enrolled in MHOs to FFS. For the second category, OMHAS policy has been to transfer the enrollment of children receiving PRTS to the MHO geographically closest to the facility. Under the revised policy, we understand that OMHAS will cease this practice. Therefore, we reassigned the utilization and eligibility data for any recipient of PRTS outside his or her home county to the MHO covering the home county.

After these adjustments to the data, treatment days were multiplied by prospective per-day costs provided by OMHAS at the facility and service level to yield total treatment costs. Per capita costs for PDTS and PRTS were calculated by dividing the total treatment cost by member months of eligibility for this time period. This calculation was performed separately for each category of aid.¹ The statewide per capita value of these services are shown in Exhibit 2d.

In tandem with the inclusion of ITS under their capitated responsibility, MHOs will be required to perform Certificate of Need (CONS) assessments for members who are expected to be PRTS-eligible. The historical number of assessments as well as the cost per assessment were supplied by OMHAS. We estimated the prospective number of assessments that will be performed by the MHOs based on this information and allocated the cost of these assessments to categories of aid based on the numbers of users of PRTS-like ITS services. The allocated dollar amounts were divided by member months of eligibility to yield PMPM costs for CONS assessments. These per capita costs are shown in Exhibit 2e.

¹ The development of the per capita cost for ITS services is further detailed in our June 14, 2005 memo to Nora Leibowitz titled, "Childrens Intensive MH Services"

A new OMHAS administrative rule governing Intensive Community Based Treatment and Support (Care Coordination) Services is expected to result in a significant increase in the provision of certain mental health services to Medicaid-eligible children. Documentation from OMHAS describes two categories of additional services -- one-time services rendered at the time at which contact with the mental health delivery system begins, and ongoing services that will be provided throughout a qualifying individual's period of eligibility for Medicaid. For each of these services OMHAS provided estimates of costs and the number of additional services expected to be provided to each child. We used these estimates as well as Oregon encounter and claims data to develop the estimated per capita cost of these services.

OMHAS staff believe that the additional services will require significant time to be fully implemented. A phase-in factor of 10% of expected ultimate utilization was used to develop the estimated cost of these services for the rates effective January 1, 2006.² The statewide per capita costs for these services are shown in Exhibit 2f.

Prioritized List of Covered Services

The 2006-2007 per capita costs were developed based on coverage through Line 530 of the Prioritized List as configured for the 2006-2007 biennium. Based on discussions with representatives of the Oregon Health Service Commission, it is our understanding that no material changes have been made to the List since that time. Therefore, no adjustments were made related to Prioritized List coverage changes in the development of the capitation rates from the 2006-2007 per capita costs.

Rebasing the Statewide OHP Standard Capitation Rates

The 2006-2007 per capita costs for OHP Standard were developed based on encounter data for the period July 2001 through June 2003 and extensive modeling of the benefit changes that have been implemented for this program. Concerns have arisen as to whether the statewide capitation rates developed through this process appropriately reflect the costs for OHP

² The development of the estimated per capita cost for the Care Coordination is further detailed in our July 6, 2005 memo to Wendy Edwards titled, "Additional Childrens' MH Services"

Standard, particularly due to the changes in the composition of this population. As a result, we recalculated the statewide OHP Standard capitation rates using more current encounter data, which reflects the limited benefit package that has been in effect since August 2004 and is based on a population that more closely resembles that which will be covered during the prospective contract period.

In general, the process used to develop the rebased OHP Standard capitation rates is as follows:

1. Encounter and enrollment data for the period August 2004 through December 2004 for non-pharmacy services, and October 2004 through March 2005 for pharmacy services were obtained. These data were the most recent available data that had been validated by the managed care plans.
2. Data are summarized by eligibility category and service category. As described in our March 2005 report on the development of the 2006-2007 per capita costs, payment amounts are not made available to us by the managed care plans, and we must rely on reported billed charge amounts, which are converted to a measure of costs using various benchmarks. Reported billed charges are divided by enrolled member months to produce billed charges PMPM.
3. An adjustment was applied for incurred but not reported claims.
4. Adjustments are made for changes in covered services or other changes expected to occur during the contract period. In this instance, the only adjustment was the removal of the historical utilization for the drug Lamictal, which is no longer a capitated responsibility.
5. Cost-to-charge ratios (CCRs) by service category are calculated and applied to the encounter data to convert the billed charge amounts to a measure of cost. The CCRs were developed as follows:
 - a. For hospital services, the same hospital-specific CCRs were applied as in the development of the 2006-2007 per capita costs. The DRG hospital funding reduction was also applied.
 - b. Revised CCRs for each of the professional service categories were developed by comparing the average billed charges per unit of service to Medicare allowable amounts. An adjustment

was made to reflect OMAP's increase in funding for labor and delivery services.

- c. The prescription drug CCR is unchanged from that developed for the 2006-2007 per capita costs.
 - d. For dental services, the average billed charge in the updated encounter data of one of the dental plans changed dramatically compared to the data used to develop the average unit costs for the 2006-2007 per capita costs. Therefore, the data of only two dental plans were used to determine average unit costs. Utilization data for all dental plans were used in the calculation of the DCO capitation rates.
 - e. For mental health services, the CCRs were unchanged from the 2006-2007 per capita cost development.
6. Trend adjustments were applied to project costs to the midpoint of the contract period. Insufficient data was available to develop new trend rates. Therefore, the trend rates developed for the 2006-2007 per capita costs were used.
 7. Total projected costs PMPM were calculated for each eligibility category.
 8. An administration allowance was added to derive the capitation rates.

The calculation of the statewide OHP Standard capitation rates is summarized in Exhibit 2k.

Pricing the Benefits Under the PCO Contracting Arrangement

The PCO contract is an at-risk arrangement in which the covered services are more limited than under the FCHP contract. More specifically, health plans contracted under the PCO model will not be at risk for inpatient hospital services and will assume risk for outpatient hospital and emergency room services at their option. Dental services and mental health services, except for somatic mental health services, are not included under the PCO contract. All OHP covered medical services not included under the PCO contract will be covered on a fee-for-service basis. Exhibits 1a and 1b show the covered, optional, and non-covered services under the PCO arrangement.

To develop the PCO rates we began with the same experience data underlying the FCHP capitation rates. Adjustments were made to reflect the services covered under the PCO contract and expected differences in utilization resulting from the elimination of health plan risk for certain services.

Insufficient experience data is available to develop capitation rates for the PCO directly, therefore we used the January 2006 – December 2006 statewide FCHP utilization and unit cost assumptions as the starting point for pricing the PCO rates. A significant risk in a partial capitation model, such as the PCO model, is that an incentive is created for the health plan to shift the delivery of services from a setting in which the services would be covered under the capitation to a setting in which the services would be covered on a fee-for-service basis. In particular, under the PCO arrangement, there is incentive to shift the provision of services to an inpatient hospital setting if outpatient hospital services are included as a capitated responsibility, or to any hospital setting if they are not. Kaiser Permanente Oregon Plus, LLC (Kaiser) is the only health plan participating in the PCO at this time, and they have elected to cover outpatient hospital and emergency room services. With the assumption that delivery of certain services is likely to shift from an outpatient to inpatient hospital setting, we reduced the outpatient hospital per capita costs by 5% for each rate group. Based on the experience of the PCO program in the late 1980s and early 1990's in Oregon, as well as the experience of implementing modified payment arrangements in numerous settings, we believe there may be a 5% to 15% shift in costs from outpatient to inpatient hospital. The 5% adjustment provides the lowest potential shift, in part due to the closed structure of the Kaiser's delivery system. Delivery systems that rely on a more open network would be expected to show a greater shift in site of service.

Exhibit 21 summarizes the development of the statewide PCO capitation rates.

Maternity Case Rate

Maternity services are paid on a case rate basis rather than via capitation. The case rate covers prenatal care, professional services related to pregnancy

and delivery, and hospital services arising from the delivery. Payment is made to the plan upon completion of the pregnancy. The per capita value of these maternity services have been removed from the statewide capitation rates.

The maternity case rate was developed in the following manner:

1. DHS staff determined the criteria used for identifying completed pregnancies for which a case payment is made;
2. PwC identified all deliveries in the encounter data underlying the capitation rates that matched the DHS criteria;
3. The delivery counts were converted into a delivery frequency rate based on the population underlying the capitation rates;
4. The per capita value of maternity services was divided by the delivery frequency to derive the maternity case rate;
5. The maternity portion of the capitation rate was accordingly reduced for the amount of the per capita cost redirected to the maternity case rate.

The maternity case rate is uniform for all eligibility categories and varies by FCHP only for differences in geographic input costs. The development of the FCHP maternity case rates is shown in Exhibit 2g.

The PCO maternity case rate was based on the maternity case rate for FCHPs, but excludes the inpatient hospital component. Consistent with the PCO capitation rate development, we applied the 5% reduction to the outpatient hospital component to recognize the expected shift in services toward a non-capitated setting and also applied trend adjustments to project the rates to the effective period. We provide the outpatient hospital and professional components of the maternity case rate separately. If the PCO contractor chooses not to be at risk for outpatient hospital services, only the professional component of the maternity case rate would be paid. Exhibit 2h shows the development of the statewide PCO maternity case rate.

Hysterectomy/Sterilization Recoupments

OMAP recoups from FCHPs a fixed dollar amount for hysterectomies and sterilizations that do not meet the required consent and documentation criteria. The recoupment amounts are shown in the following table.

Hysterectomy/Sterilization Recoupment	
SERVICE	RECOUPMENT
Hysterectomy	\$5,333
Sterilization – Female	\$1,567
Sterilization – Male	\$491

Administration Cost Allowance

An administration cost allowance of 8% has typically been included in all of the capitation rates. This amount is intended to cover the costs of administering a mature managed care program that already has information systems in place. Additional costs associated with plan start-up or with marketing individual plans are not intended to be covered by the 8% administrative cost allowance. We reviewed plan financial reports and confirmed that, on average, reported administrative costs ranged around 8%. Administrative requirements were added effective May 1, 2004; consequently, the allocation for managed care plan administrative costs was changed to 13.34% for FCHPs, PCOs, MHOs, DCOs and the CDO.

Due to the January 1, 2006 implementation of Medicare coverage of nearly all prescription drugs for Dual Eligibles, the continued application of a 13.34% administration allowance in the development of the Dual Eligible capitation rates would result in a significant reduction in funding for FCHP and PCO administrative services. Health plan administrative costs are not expected to decrease at the same level as the decrease in health care costs. As a result, we developed modified administration allowances to apply in the development of FCHP and PCO capitation rates for the Dual Eligible rate categories. Changes in the capitation rates related to Part D drugs apply

only to FCHPs and PCOs, as other types of managed care plans do not include prescription drugs in their capitation arrangement.

The administration allowances are shown in Exhibit 2i.

Statewide Average Capitation Rates

Exhibit 2j shows the application of the adjustments to the 2006-2007 per capita costs to develop the statewide average OHP Plus capitation rates for FCHPs, MHOs, DCOs, and CDOs. These rates form the basis of the plan-specific rates. Appendix A-2i provides a description and source references for each of the steps used to convert the OHP Plus per capita costs into statewide capitation rates. Similarly, Exhibit 2l shows the development of statewide PCO base rates, and Appendix A-2ii provides descriptions and source references. Exhibit 2k shows the development of the OHP Standard statewide average capitation rates, the development of which is entirely contained in this report.

The adjustments applied in the development of the plan-specific rates are described in the following sections. Exhibit 2m shows the types of adjustment factors, by eligibility group, that are applied to the statewide capitation rates for each service category to produce the plan-specific capitation rates.

IV. Plan-Specific FCHP Capitation Rates

Capitation rates for FCHPs are based on the statewide average capitation rates for each eligibility category, modified for certain plan-specific features, including geographic coverage area and Chronic Illness and Disability Payment System (CDPS) score. The statewide capitation rate for each service is multiplied by the plan-specific geographic factor and then multiplied by the applicable risk adjustment factor to arrive at the capitation rate to be paid to that plan for the given service. The resulting costs are summed across all services included in the contract and then increased for administrative cost to arrive at the final capitation rate.

In the development of each of the adjustment factors described in this report, plan configurations and service areas known as of August 31, 2005 are used.

In situations where members of a managed care plan were or will be assumed by a new plan, these calculations have transferred data for all affected members to the new plan. In situations where a plan has exited all or part of a service area and members are in fee-for-service, those members have been included in these calculations, but not allocated to a plan.

The methodology described here generates capitation rates for each combination of FCHP, region, and eligibility category; due to this large volume of rates, this report includes statewide average capitation rates as well as the plan-specific factors that are used to develop the rates for each plan. The detailed calculation of final rates for each plan will be distributed to each FCHP individually; a summary of these rates and a comparison to the capitation rates currently in effect are shown in Exhibit 3f. Similar information for the PCO is shown in Exhibit 3g.

Geographic Adjustments

The starting average capitation rate is based on projected costs for the entire state. Geographic adjustment factors are used to reflect known differences in input costs for different geographic locations. Additionally, the geographic factors recognize differences in case mix for inpatient hospital services for individuals who are treated outside of their local service area.

Geographic factors for hospital inpatient and outpatient services are calculated on a plan-specific basis. Oregon law requires Type A and B hospitals be paid at their individual facility cost unless otherwise negotiated between the plan and hospital, and this methodology is designed to allow compliance with that requirement. It is OMAP policy to ensure that capitation rates are adequate to allow this payment level.

Since maternity services are paid on a case rate basis, separate geographic factors were developed for maternity and non-maternity services. The non-maternity geographic factors are applied to the non-maternity hospital services to develop the plan-specific capitation rates. The maternity geographic factors are used in the development of the plan-specific maternity case rates.

To develop geographic factors for inpatient hospital services, the following calculations were performed:

1. An analysis of hospital claims data showed that out-of-area hospital admissions often exhibit higher case mix and related higher cost per day than in-area admissions. Consequently, an algorithm was applied to segregate these admissions in instances where cost differences would be expected. Out-of-Area admissions were defined as any admission to a hospital located more than 75 miles from the patient's residence, with the following exceptions:
 - For Tri-County residents, all admissions are designated as In-Area,
 - For all A and B hospitals, all admissions are considered In-Area,
 - Out of state hospitals are not considered in the calculations, and
 - For Coos and Douglas counties, the Out-of-Area threshold is 50 miles from the patient's residence;
2. The distance between a patient's residence and the hospital to which they were admitted was calculated using "geo mapping" software. Specific home addresses were unavailable so the centroid of the residence zip code was used;
3. Admissions with reported room and board unit totals that differed substantially from the length of stay calculated using admission and discharge dates were excluded;
4. Each admission was determined to be In-Area or Out-of-Area based on the criteria described above;
5. The average cost per day at each hospital was calculated based on the Medicaid hospital cost reports used to develop the 2005-2007 per capita costs. In most cases these represented 2001 cost reports; some hospital's reports were for other years when the

2001 report was not available or a more recent report had been audited. Each hospital was identified as being a Type A, a Type B, a Type C, or a DRG hospital. Type C hospitals are not Type A or Type B hospitals, are located in remote areas greater than 60 miles from the nearest acute care hospital, receive graduate medical education payments for their Medicaid fee-for-service admissions directly from OMAP, and are generally treated as DRG hospitals. For development of the geographic factors, the only hospital identified as Type C was Merle West Medical Center. A special reclassification of Bay Area Hospital's wage index increased Bay Area Hospital's inpatient cost per day used in the calculations by approximately 11%, and their outpatient cost per visit by approximately 9.3%. All average costs per day for DRG hospitals were reduced by 28% due to the changes in underlying provider reimbursement described previously in this report;

6. Each hospital was assigned a cost per day value. For Type A and Type B hospitals the detailed information from the 2001 cost reports was used to determine the value. For DRG hospitals the value was determined based on the statewide average cost per day for all DRG hospitals multiplied by a geographic factor calculated using CMS Diagnosis Related Group payment factors. A separate calculation is made for Merle West hospital to recognize the teaching costs associated with that hospital. The CMS DRG geographic factors have been updated using Oregon specific factors to be in effect for FY 2006;
7. For each hospital, we calculated In-Area, Out-of-Area, and Average billed charges per day using the billed charges, day counts, and the area designation for each admission. We also calculated the distribution of days between In-Area and Out-of-Area;
8. For each hospital, we calculated In-Area and Out-of-Area costs per day using the hospital's cost per day from step 6 and the ratio of the In-Area and Out-of-Area billed charges per day to the Average billed charges per day [for example, the hospital-specific

In-Area cost per day = hospital-specific cost per day x hospital-specific In-Area billed charge per day / hospital-specific Average billed charge per day];

9. For each county of residence, we calculated the average cost per day using the In-Area/Out-of-Area distribution of patient days to each hospital by residents of the county and the calculated In-Area or Out-of-Area costs per day for each hospital;
10. For each FCHP, we determined the distribution of members by county and by eligibility category and expected utilization by eligibility category;
11. For each FCHP and region, we calculated the average cost per day using the distribution of members by county as of August 2005 and the county average cost per day; and
12. For each FCHP and region, we calculated the relative cost per day by dividing the results from step 11 by the statewide average cost per day.

The process of calculating geographic factors for outpatient hospital services follows the same general procedure as described above for inpatient services, with two important differences. First, while inpatient services use the average cost per day from the Medicare hospital cost reports, a corresponding meaningful measure is not available from this source for outpatient services. Consequently, alternate sources are required to calculate these values; health plan encounter data are instead used to calculate the average outpatient charges per claim for each hospital. These charges are then applied against the cost-to-charge ratio developed in the Medicaid cost reports to arrive at the average cost per claim for each hospital, analogous to the cost per day described in step 5 above. Second, no distinction is made between in- and out-of-area visits for the outpatient hospital factor calculation. Visits solely to receive laboratory and/or radiology services in an outpatient hospital setting are excluded from the calculations.

For Type A and B hospitals, the calculation of the outpatient cost per visit includes a corridor of $\pm 25\%$ around the statewide average cost per visit for DRG hospitals. If the cost for a given hospital is outside that allowable

corridor, the cost per visit for that hospital is reset to the $\pm 25\%$ limit. This adjustment is included to reduce volatility in the outpatient geographic factors and to mitigate the difference in the types of outpatient services delivered at hospitals in various areas of the state.

The inpatient and outpatient geographic factors resulting from the above process are shown for each plan and region in Exhibit 3a. Separate geographic factors are developed and applied for maternity services to recognize the particular mix of hospitals used for these services. Geographic factors for maternity services are shown in Exhibits 3d and 3e, which summarize the calculation of the plan-specific maternity case rates.

CDPS Risk Adjustment

The CDPS risk adjustment methodology is used to calculate risk adjustment scores for the TANF, OHP Adults & Couples, OHP Families, Children 1-5, Children 6-18, and AB/AD without Medicare groups. Due to concerns about the incompleteness of encounters for Medicaid recipients who are eligible for both Medicare and Medicaid (Dual Eligibles), particularly for services for which Medicare would pay the entire amount, the risk adjustment scores calculated for AB/AD with Medicare and OAA with Medicare were not applied. For AB/AD with Medicare, the risk adjustment scores for AB/AD without Medicare were used to adjust the capitation rates. For OAA without Medicare eligibility group, no risk adjustment was applied since the small size of the population results in non-credible CDPS scores.

For the Children 0-1 category, an adjustment (described below under “Newborn Adjustment”) considering the relative propensity of plans to enroll infants at birth, and thus be responsible for initial, often expensive, service costs was developed. It was felt that for this population this adjustment more appropriately reflected expected cost differences between plans than the CDPS risk adjustment. Therefore, no CDPS risk adjustment was applied.

The CDPS system uses an array of 66 disease categories along with projected cost factors for each to evaluate the relative risk experienced among health plans. For the rates effective January 1, 2006, we applied CDPS version 2.0 based on Oregon encounter data. Relative cost weights

were developed based on data for the period July 1, 1999 through June 30, 2001. These weights replaced the national weights used in earlier analyses. This version of CDPS incorporates:

- Virtually all current and former diagnosis codes in the ICD-9 coding system;
- Elimination of lab and radiology claims from the CDPS risk profile. This helps avoid the generation of CDPS indicators by “rule-out” diagnoses commonly coded on lab and radiology claims;
- Imposition of a 3-month minimum length of OHP eligibility in order for an individual to be included in the calculation; and
- No weight assigned to the pregnancy-delivered indicator to accommodate the removal of the maternity portion of the capitation rates.

The FFS and encounter data are combined and classified into the disease categories specified in the CDPS, using all ICD9 codes recorded on each claim. Information is then summarized by person to establish a “risk profile” for each member. This risk profile shows the complete health information for each person and is not impacted by health plan or whether claims were incurred in the fee-for-service system or under managed care.

OHP Plus Eligibility Groups

Data used to determine CDPS “scores” for each plan include encounter data and FFS data provided by OMAP covering January 2003 through December 2004 dates of service. Separate calculations were performed for the period January 2003 – December 2003 (first year) and the period January 2004 – December 2004 (second year). The first and second year scores were then averaged to produce a final score. The purpose of the two-year calculation is to reduce the volatility of risk scores, particularly for smaller plans.

Since some members move between eligibility categories, the next step in our analysis is to allocate each enrollee’s expected cost, as a function of his or her disease history, to the various aid groups in which he or she was enrolled. This allocation is done using the proportion of the individual’s

total months of enrollment spent under each aid group. Using these member month weights, a person's risk profile is allocated to each aid category.

The CDPS scores that result from this process show variation between plans that may not be due solely to health status of enrolled members, but may also be attributable to data issues, such as under-reporting of encounters from capitated providers. For this reason, OMAP has implemented a floor of 0.85 on calculated risk adjustment scores. To implement the floor, the scores of those plans that are below 0.85 are moved to the floor value and the other plans' scores are adjusted by a factor such that the weighted average of all plans' scores equals 1.0. Exhibit 3b shows the final OHP Plus CDPS scores after application of the 0.85 floor.

OHP Standard Eligibility Groups

The OHP Standard delivery system has experienced significant volatility since February 2003. Many plans dropped coverage for the OHP Standard population at this time, and one plan dropped OHP Standard coverage in April 2004. The covered services were in a state of flux, and in particular, clients with mental health or substance abuse treatment needs had little incentive to continue in the OHP. Additionally, member cost sharing was implemented and subsequently eliminated; it is possible that members may have foregone services. Mental Health and Chemical Dependency benefits were restored to OHP Standard members in August 2004 and the Standard population size began to stabilize in early 2005.

The CDPS analysis for OHP standard is based on one year of claims and encounter data (January 2004 – December 2004). Additionally, we attributed each individual's risk score to the plan in which they were enrolled based on the most current information available, which was August 2005 for this analysis. Individuals not enrolled as of this date do not contribute to the relative risk scores of each plan. This approach is similar to that used in developing the October 1, 2005 OHP Standard rates. We also continue to apply a floor of 0.85 and a ceiling of 1.20 in developing the final OHP Standard risk adjustment factors. Exhibit 3b shows the final OHP Standard CDPS scores after application of the floor and ceiling.

Newborn Adjustment

The Newborn Adjustment is applied to the statewide average capitation rates for Children 0-1 to adjust for the relative propensity of plans to enroll infants at birth. Since the first days of an infant's life tend to be relatively expensive and since infants not born into a plan cannot be enrolled until after they are discharged from the hospital, the enrollment differences can have a significant effect on the expected cost to each plan.

We identified newborns born into plans by determining whether their date of birth equaled their date of enrollment in the plan. We then segregated the costs and member months for infants born into plans versus those not born into plans and calculated the relative per capita costs. Based upon the data underlying these capitation rates, we determined that infants born into plans were approximately 2.7 times as expensive on a per capita basis as those who were not. Using the January 2004 – December 2004 distribution of member months by plan between infants born into and not born into plans, and the aforementioned cost relationship, we calculated adjustment factors for each plan. These factors are shown in Exhibit 3c, and are applied in lieu of CDPS risk adjustments for the Children 0-1 eligibility category.

Optional Services

Maternity case management is an optional responsibility for FCHPs; while all health plans cover maternity services those choosing to provide additional maternity management receive a supplementary capitation amount that varies by eligibility category. Individuals in plans that do not contract for this service receive it on a FFS basis. Cascade Comprehensive Care is the only plan that elected to provide the optional maternity management service for the rates effective January 1, 2006.

Plan-Specific FCHP Capitation Rates

The plan-specific FCHP capitation rates calculated using the statewide average capitation rates from Exhibit 2j and the adjustments described above are shown in Exhibit 3f. This exhibit also shows comparisons to the capitation rates currently in effect.

V. Plan-Specific PCO Capitation Rates

At this time, Kaiser is the only contracted PCO. Kaiser's PCO service area consists of Clackamas, Multnomah, Marion, and Polk counties. Capitation rates were developed using the standard rate regions applied by OMAP for its FCHP capitation rates; therefore, separate Kaiser capitation rates were developed for the Tri-county (which includes Clackamas and Multnomah counties) and LBMPY (Linn, Benton, Marion, Polk, and Yamhill counties) regions.

Geographic Adjustments

To develop the plan-specific PCO capitation rates, the statewide capitation rates are adjusted for differences in geographic input costs for Kaiser's service areas relative to the statewide average; under the PCO only outpatient hospital services receive the geographic cost adjustment. To calculate the geographic adjustments, we used the outpatient costs per claim for each county developed for the FCHP geographic adjustment. The weight applied to each county's outpatient hospital cost per claim is based on Kaiser's August 2005 enrollment distribution by county and mix of members in each eligibility group. The weighted average outpatient cost per claim for each rate region was divided by the statewide outpatient cost per claim to derive the relative cost factors. The PCO geographic factors are shown in Exhibit 3a.

CDPS Risk Adjustment

For the initial PCO contracting periods, no CDPS risk adjustment was applied since it was not known who would enroll in the PCO plan and the risk profile of the PCO population could not be developed. Now that the PCO has been in effect for several months, the risk of the enrolled population can be measured.

CDPS relative cost weights for the PCO were developed by the researchers at the University of California San Diego based upon Oregon-specific experience data and the services covered under the PCO contract. Though no experience data are available for the PCO, risk profiles of the enrolled PCO population were developed based upon the diagnoses recorded during

their tenure as FCHP-enrollees and/or coverage under FFS. The CDPS analysis for the PCO is based on one year of claims and encounter data (January 2004 – December 2004). Additionally, we attributed each individual's risk score to the plan in which they were enrolled based on the most current information available, which was August 2005 for this analysis. The PCO's risk scores were calculated relative to risk scores of the FCHPs (based upon the PCO relative cost weights), whose experience underlies the current PCO capitation rates as described previously in this report. Consistent with the application of CDPS for the FCHPs, a floor risk adjustment of 0.85 was applied for the PCO. The applied CDPS risk adjustment factors for the PCO are shown in Exhibit 3b.

Newborn Adjustment

At this time, insufficient information exists to determine the proportion of PCO newborns born into the plan versus those who are not. Additionally, inpatient hospital services are not covered under the PCO, and these services represent a significant portion of the higher costs associated with a newborn born into a plan. As a result, no Newborn cost adjustment has been applied.

Optional Services

Kaiser has elected to exclude coverage of maternity management from its PCO contract. Further, the Kaiser PCO contract covers only those individuals enrolled in OHP Plus.

Plan-Specific PCO Capitation Rates

The plan-specific PCO capitation rates calculated using the statewide average capitation rates from Exhibit 2k and the adjustments described above are shown in Exhibit 3g. This exhibit also shows comparisons to the capitation rates effective October 1, 2005.

VI. Plan-Specific MHO Capitation Rates

Similar to the process described above for other contract types, MHO capitation rates are based on statewide average rates, adjusted for geographic and population risk differences. Additionally, the SCF Child group receives

an adjustment reflecting the disproportionate enrollment between plans of children living in Residential Medical facilities, who have significantly higher than average costs.

Geographic Adjustments

Geographic adjustments for mental health services are only applied to the Acute Inpatient category; all other services are paid based on the statewide average cost of services. The adjustment factors for MHO inpatient services are calculated in a similar method to that described in Section IV for FCHP inpatient services. MHO encounter data are used for this analysis.

MHO enrollment as of August 2005 is examined in place of FCHP enrollment to determine enrollment by plan and county. MHO members' counties of residence are matched to the encounter data to calculate the average cost per day for members enrolled in each MHO. Relative cost factors, shown in Exhibit 4a, are then calculated by comparing each plan's cost/day to the average cost/day for all MHOs.

Mental Health and Substance Abuse Payment System

Working with Dr. Richard Kronick and Dr. Todd Gilmer of the University of California San Diego, we developed a first generation risk assessment and risk adjustment tool for the services covered by the MHO contracts. The tool is based on the principles of the CDPS risk adjustment that is used to adjust payments to Fully Capitated Health Plans. This system provides a model whereby the relative expected resource use of different individuals is estimated based on their particular demographic and health status characteristics. The model considers the broad range of diagnostic conditions each individual has, based on encounter record information, and assigns a relative cost weight to each condition. The Mental Health and Substance Abuse Payment System (MHSAPS) provides a means of measuring expected differences in Mental Health services among health plans.

The relative cost weights associated with each condition are developed from a broad database that does not directly consider the treatment costs for any one health plan. A regression model was developed that separately considers

relative resource use among broad eligibility categories (Aid to Blind and Disabled and related categories and Temporary Assistance to Needy Families and related categories), age group and diagnostic condition. The model is hierarchical. In other words, particular types of conditions within a broad diagnostic category are ranked by expected cost, and an individual is categorized based on the most severe condition within the grouping (e.g., Psych Very High, High, Medium, Low, Very Low). A separate parameter value was calculated to identify the comorbidity of a Substance Abuse condition. The average expected resource use of each plan's population relative to the overall population is used as a measure of health risk and serves as the basis for adjusting capitation payments made to each plan. Since the relative risk of each plan's population is measured during a time period prior to the capitation period, the MHSAPS model presumes that the average health status of a plan's population remains consistent between the measurement period and the contract period.

No risk adjustment was applied for Children Aged 0 - 1 due to the very low utilization of these services by recipients in this eligibility category. Risk adjustment was also not applied for OAA due to the lack of a credible number of recipients, for OAA with Medicare since Medicare covers a significant portion of these services, or for OHP Families and OHP Adults and Couples since mental health services were not a covered benefit during a significant part of the risk measurement period.

Mental health risk adjustment factors are not applied to children's Intensive MH Services, Care Coordination Services, or CONS Assessments.

The following steps summarize the calculation of the mental health risk adjustment factors applied in the development of the plan-specific capitation rates:

- A risk assessment score was calculated for each health plan by eligibility category. To develop a score for each plan, a risk assessment score is first calculated for each MHO's enrollees. These values are summed by eligibility category, and an average value is calculated. This value is then divided by the average score for all MHO enrollees to determine an average relative score for each plan that varies around a 1.0 average MHO value.

- The risk assessment scores were moderated by taking the square root of the relative score.
- The resulting scores are normalized to 1.0 to ensure budget neutrality at the start of the contract year.
- The January 2003-December 2004 data period captures a time of significant changes to the composition of and benefits received by the OHP Standard population, including the loss of mental health benefits in February 2003. Mental health benefits were not restored until August 2004, leaving only four months of the January 2003-December 2004 data period in which these benefits were available to OHP Standard members. Risk scores calculated using historical data may not be representative of relative risk within the current OHP Standard population. Therefore, all MHOs receive a 1.0 risk score for the OHP Adults & Couples and OHP Families aid groups.

The mental health risk adjustment factors resulting from the above process are shown for each plan in Exhibit 4b.

Behavioral Rehabilitation Services

For the past several years, an adjustment was made in the SCF Child rate category for the relative distribution of children in Residential Medical (ResMed) facilities, who tend to be significantly more costly than other SCF children. Due to significant expansions in Behavioral Rehabilitation Services (BRS) programs, it was determined that the adjustment needed to be modified. Though they comprise only about 4% of the SCF Child population, children in BRS programs are much more costly than other SCF children -- 3.6 times as costly on average.

The revised adjustment uses the relative distribution of children in the OYA (Oregon Youth Authority) and CAF (Children, Adults and Families) BRS programs. The average costs and distribution of children differ significantly between these programs, and these differences are recognized in the risk adjustment methodology.

Diagnostic risk adjustment is also applied in the development of the SCF Children capitation rates. To avoid double counting the relative risk of

children in BRS programs, we developed MHSAPS risk adjustment factors only for children who were not in BRS programs. Risk adjustment factors were separately developed for children in BRS programs that reflect the relative cost and distribution of these children among the MHOs. Blended risk adjustment factors were then calculated for the SCF Child eligibility category. The development of these factors is shown in Exhibit 4c.

Children's Intensive Mental Health Services

Relative utilization factors were developed to reflect the differences in utilization among MHOs of Psychiatric Day Treatment and Residential services provided to children with intensive treatment needs. These factors were calculated by first comparing the utilization of PDTS and PRTS for each MHO with the statewide average rate of utilization of these services. These ratios were normalized using the prospective enrollment distribution to yield the preliminary utilization factors shown in Exhibit 4d. These relative utilization factors reflect the historical experience with adjustments for changes in OMHAS policy affecting the enrollment of these children in MHOs.

While each MHO exhibited some PDTS utilization, the base data (paid claims for calendar year 2004) reflects significant geographic variation in the utilization of this service. This is primarily due to the distribution of existing programs that are certified by and contracted with OMHAS to provide PDTS. Unlike PRTS, children must live within reasonable driving distance of the facility that provides the service in order to participate. OMHAS intends to work with health plans and providers to develop additional services so that, over time, availability of PDTS services will be similar across the state. This is expected to be a multi-year effort as needs are identified and additional infrastructure developed.

To facilitate the development of PDTS facilities in under-served areas, capitation funds will be redistributed based on OMHAS access objectives. For the initial rate period of October 1, 2005 through December 31, 2005, the capitation funding for PDTS was based 95% on MHO-specific historic utilization and 5% on statewide utilization. The relative weighting is expected to change over time, and is based on 90% MHO-specific historic utilization and 10% statewide utilization for the capitation rates effective

January 1, 2006. The PDTS relative utilization factors used in the development of the MHO capitation rates effective January 1, 2006 are shown in Exhibit 4e.

The base data also reflects significant geographic variability in the utilization of PRTS, as shown in the relative utilization factors in Exhibit 4d. For these services, travel to locations outside of a daily driving distance is fairly common when services are not available closer to home. Similar to PDTS, OMHAS expects that additional service capacity will become available in areas that currently show lower than average levels of utilization, either in the form of PRTS or alternative services. Development of those additional services is expected to occur over a period of years.

For the MHO capitation rates effective January 1, 2006, PRTS funding will be based 50% on MHO-specific historic utilization and 50% on statewide utilization. For capitation rates effective January 1, 2007 this distribution is expected to shift to 25% MHO-specific historic utilization and 75% statewide utilization. OMHAS intends to distribute PRTS funding based on statewide utilization levels for rates effective January 1, 2008. The relative utilization factors for PRTS used in the development of the MHO capitation rates effective January 1, 2006 are shown in Exhibit 4e.

Plan-Specific MHO Capitation Rates

The plan-specific MHO capitation rates calculated using the statewide average capitation rates from Exhibits 2j and 2k, and the adjustments described above, are shown in Exhibit 4f. This exhibit also shows comparisons to the capitation rates effective October 1, 2005.

VII. DCO Capitation Rates

Geographic Adjustments

DCO capitation rates vary by geographic region of the state, but do not vary by plan. The geographic factors are updated for each biennium and are constant for the biennium. The geographic factor calculation is based upon the Medicare RBRVS geographic adjustment factors for Oregon that take into account the component costs of professional services. The adjustment

uses the 2005 Oregon RBRVS factors weighted by the population distribution. These DCO geographic factors are as follows:

Geographic Area	Geographic Factor
Jackson, Josephine and Douglas Counties	0.971
Lane County	0.971
Linn, Benton, Marion, Polk and Yamhill Counties	0.971
Other	0.971
Tri-County (Clackamas, Multnomah and Washington Counties)	1.047

Region-Specific DCO Capitation Rates

The region-specific DCO capitation rates calculated using the statewide average capitation rates from Exhibits 2j and 2k, and the adjustments described above, are shown in Exhibit 5. This exhibit also shows comparisons to the capitation rates effective October 1, 2005.

VIII. Plan-Specific CDO Capitation Rates

There is one CDO in operation; it is in Deschutes County. This plan serves as a chemical dependency “carve out” plan, covering all chemical dependency services in that county for FCHP members. The FCHP in that county is not capitated for these costs.

CDO capitation rates are calculated as the statewide average chemical dependency cost by eligibility category, multiplied by the CDPS risk adjustment factor for the FCHP operating in Deschutes County. The resulting CDO capitation rates are shown in Exhibit 6, along with comparisons to the capitation rates effective October 1, 2005.

EXHIBITS

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Covered Services by Contract Type - OHP PLUS

Exhibit 1a

Detail Service Category	Rate Sheet Category	CONTRACT TYPE				
		FCHP	PCO	DCO	MHO	CDO
PHYSICAL HEALTH						
ANESTHESIA	Physician - Basic	Mandatory	Mandatory			
EXCEPT NEEDS CARE COORDINATION	Exceptional Needs Care Coordination	Mandatory	Mandatory			
FP - IP HOSP	Inpatient - Family Planning	Mandatory				
FP - OP HOSP	Outpatient - Family Planning	Mandatory	Mandatory			
FP - PHYS	Physician - Family Planning	Mandatory	Mandatory			
HYSTERECTOMY - ANESTHESIA	Physician - Hysterectomy	Mandatory	Mandatory			
HYSTERECTOMY - IP HOSP	Inpatient - Hysterectomy	Mandatory				
HYSTERECTOMY - OP HOSP	Outpatient - Hysterectomy	Mandatory	Mandatory			
HYSTERECTOMY - PHYS	Physician - Hysterectomy	Mandatory	Mandatory			
IP HOSP - ACUTE DETOX	Inpatient - Basic	Mandatory				
IP HOSP - MATERNITY	Inpatient - Maternity	Mandatory				
IP HOSP - MATERNITY / STERILIZATION	Inpatient - Sterilization	Mandatory				
IP HOSP - MEDICAL/SURGICAL	Inpatient - Basic	Mandatory				
IP HOSP - NEWBORN	Inpatient - Newborn	Mandatory				
IP HOSP - POST HOSP EXTENDED CARE	Inpatient - Basic	Mandatory				
LAB & RAD - DIAGNOSTIC X-RAY	Physician - Basic	Mandatory	Mandatory			
LAB & RAD - LAB	Physician - Basic	Mandatory	Mandatory			
LAB & RAD - THERAPEUTIC X-RAY	Physician - Basic	Mandatory	Mandatory			
OP ER - SOMATIC MH	Outpatient - Emergency Room	Mandatory	Mandatory			
OP HOSP - BASIC	Outpatient - Basic	Mandatory	Mandatory			
OP HOSP - DENTAL DIAGNOSTIC	Outpatient - Basic	Mandatory	Mandatory			
OP HOSP - DENTAL PREVENTIVE	Outpatient - Basic	Mandatory	Mandatory			
OP HOSP - DENTAL RESTORATIVE	Outpatient - Basic	Mandatory	Mandatory			
OP HOSP - EMERGENCY ROOM	Outpatient - Emergency Room	Mandatory	Mandatory			
OP HOSP - LAB & RAD	Outpatient - Basic	Mandatory	Mandatory			
OP HOSP - MATERNITY	Outpatient - Maternity	Mandatory	Mandatory			
OP HOSP - POST HOSP EXTENDED CARE	Outpatient - Basic	Mandatory	Mandatory			
OP HOSP - PRES DRUGS BASIC	Outpatient - Basic	Mandatory	Mandatory			
OP HOSP - PRES DRUGS MH/CD	Outpatient - Basic	Mandatory	Mandatory			
OP HOSP - SOMATIC MH	Outpatient - Basic	Mandatory	Mandatory			
OTH MED - DME	DME/Supplies	Mandatory	Mandatory			
OTH MED - HHC/PDN	Home Health/PDN/Hospice	Mandatory	Mandatory			
OTH MED - HOSPICE	Home Health/PDN/Hospice	Mandatory	Mandatory			
OTH MED - MATERNITY MGT	Maternity Management	Optional	Optional			
OTH MED - SUPPLIES	DME/Supplies	Mandatory	Mandatory			
PHYS CONSULTATION, IP & ER VISITS	Physician - Basic	Mandatory	Mandatory			
PHYS HOME OR LONG-TERM CARE VISITS	Physician - Basic	Mandatory	Mandatory			

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Covered Services by Contract Type - OHP PLUS

Exhibit 1a

Detail Service Category	Rate Sheet Category	CONTRACT TYPE				
		FCHP	PCO	DCO	MHO	CDO
PHYSICAL HEALTH						
PHYS MATERNITY	Physician - Maternity	Mandatory	Mandatory			
PHYS NEWBORN	Physician - Newborn	Mandatory	Mandatory			
PHYS OFFICE VISITS	Physician - Basic	Mandatory	Mandatory			
PHYS OTHER	Physician - Basic	Mandatory	Mandatory			
PHYS SOMATIC MH	Physician - Basic	Mandatory	Mandatory			
PRES DRUGS - BASIC	Prescription Drugs - Basic	Mandatory	Mandatory			
PRES DRUGS - FP	Prescription Drugs - Family Planning	Mandatory	Mandatory			
PRES DRUGS - NEURONTIN	Prescription Drugs - Basic	Mandatory	Mandatory			
PRES DRUGS - TOBACCO CESSATION	Prescription Drugs - Basic	Mandatory	Mandatory			
STERILIZATION - ANESTHESIA FEMALE	Physician - Sterilization	Mandatory	Mandatory			
STERILIZATION - ANESTHESIA MALE	Physician - Sterilization	Mandatory	Mandatory			
STERILIZATION - IP HOSP FEMALE	Inpatient - Sterilization	Mandatory				
STERILIZATION - IP HOSP MALE	Inpatient - Sterilization	Mandatory				
STERILIZATION - OP HOSP FEMALE	Outpatient - Sterilization	Mandatory	Mandatory			
STERILIZATION - OP HOSP MALE	Outpatient - Sterilization	Mandatory	Mandatory			
STERILIZATION - PHY FEMALE	Physician - Sterilization	Mandatory	Mandatory			
STERILIZATION - PHY MALE	Physician - Sterilization	Mandatory	Mandatory			
SURGERY	Physician - Basic	Mandatory	Mandatory			
TOBACCO CES-IP HSP	Inpatient - Basic	Mandatory				
TOBACCO CES-OP HSP	Outpatient - Basic	Mandatory	Mandatory			
TOBACCO CES-PHYS	Physician - Basic	Mandatory	Mandatory			
TRANSPORTATION - AMBULANCE	Transportation - Ambulance	Mandatory	Mandatory			
VISION CARE - EXAMS & THERAPY	Vision	Mandatory	Mandatory			
VISION CARE - MATERIALS & FITTING	Vision	Mandatory	Mandatory			

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Covered Services by Contract Type - OHP PLUS

Exhibit 1a

Detail Service Category	Rate Sheet Category	CONTRACT TYPE				
		FCHP	PCO	DCO	MHO	CDO
DENTAL						
DENTAL - ADJUNCTIVE GENERAL	Dental			Mandatory		
DENTAL - ANESTHESIA SURGICAL	Dental			Mandatory		
DENTAL - DIAGNOSTIC	Dental			Mandatory		
DENTAL - ENDODONTICS	Dental			Mandatory		
DENTAL - I/P FIXED	Dental			Mandatory		
DENTAL - MAXILLOFACIAL PROS	Dental			Mandatory		
DENTAL - ORAL SURGERY	Dental			Mandatory		
DENTAL - ORTHODONTICS	Dental			Mandatory		
DENTAL - PERIODONTICS	Dental			Mandatory		
DENTAL - PREVENTIVE	Dental			Mandatory		
DENTAL - PROS REMOVABLE	Dental			Mandatory		
DENTAL - RESTORATIVE	Dental			Mandatory		
DENTAL - TOBACCO CES	Dental			Mandatory		
CHEMICAL DEPENDENCY						
CD SERVICES - ALTERNATIVE TO DETOX	Chemical Dependency	Mandatory				Mandatory
CD SERVICES - METHADONE	Chemical Dependency	Mandatory	Mandatory			Mandatory
CD SERVICES - OP	Chemical Dependency	Mandatory	Mandatory			Mandatory
MENTAL HEALTH						
MH SERVICES ACUTE INPATIENT	Mh Services Acute Inpatient				Mandatory	
MH SERVICES ASSESS & EVAL	Mh Services Assess & Eval				Mandatory	
MH SERVICES CASE MANAGEMENT	Mh Services Case Management				Mandatory	
MH SERVICES CONSULTATION	Mh Services Consultation				Mandatory	
MH SERVICES ANCILLARY SERVICES	Mh Services Ancillary Services				Mandatory	
MH SERVICES ALTERNATIVE TO IP	Mh Services Alternative To Ip				Mandatory	
MH SERVICES MED MANAGEMENT	Mh Services Med Management				Mandatory	
MH SERVICES FAMILY SUPPORT	Mh Services Family Support				Mandatory	
MH SERVICES OP THERAPY	Mh Services Op Therapy				Mandatory	
MH SERVICES OTHER OP	Mh Services Other Op				Mandatory	
MH SERVICES PHYS IP	Mh Services Phys Ip				Mandatory	
MH SERVICES PHYS OP	Mh Services Phys Op				Mandatory	
MH SERVICES SUPPORT DAY PROGRAM	Mh Services Support Day Program				Mandatory	
MH SERVICES PSYCH DAY	Mh Services Psych Day Treatment				Mandatory	
MH SERVICES RESIDENTIAL	Mh Services Residential Treatment				Mandatory	
MH SERVICES CARE COORD	Mh Services Care Coordination				Mandatory	
MH SERVICES CONS ASSESS	Mh Services CONS Assessments				Mandatory	

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Covered Services by Contract Type - OHP STANDARD

Exhibit 1b

Detail Service Category	Rate Sheet Category	CONTRACT TYPE				
		FCHP	PCO	DCO	MHO	CDO
PHYSICAL HEALTH						
ANESTHESIA	Physician - Basic	Covered	Covered			
EXCEPT NEEDS CARE COORDINATION	Exceptional Needs Care Coordination	Covered	Covered			
FP - IP HOSP	Inpatient - Family Planning	Limited	Limited			
FP - OP HOSP	Outpatient - Family Planning	Limited	Limited			
FP - PHYS	Physician - Family Planning	Limited	Limited			
HYSTERECTOMY - ANESTHESIA	Physician - Hysterectomy	Covered	Covered			
HYSTERECTOMY - IP HOSP	Inpatient - Hysterectomy	Limited	Limited			
HYSTERECTOMY - OP HOSP	Outpatient - Hysterectomy	Limited	Limited			
HYSTERECTOMY - PHYS	Physician - Hysterectomy	Limited	Limited			
IP HOSP - ACUTE DETOX	Inpatient - Basic	Limited	Limited			
IP HOSP - MATERNITY	Inpatient - Maternity	Covered	Covered			
IP HOSP - MATERNITY / STERILIZATION	Inpatient - Sterilization	Covered	Covered			
IP HOSP - MEDICAL/SURGICAL	Inpatient - Basic	Limited	Limited			
IP HOSP - NEWBORN	Inpatient - Newborn	Limited	Limited			
IP HOSP - POST HOSP EXTENDED CARE	Inpatient - Basic	Limited	Limited			
LAB & RAD - DIAGNOSTIC X-RAY	Physician - Basic	Limited	Limited			
LAB & RAD - LAB	Physician - Basic	Limited	Limited			
LAB & RAD - THERAPEUTIC X-RAY	Physician - Basic	Limited	Limited			
OP ER - SOMATIC MH	Outpatient - Emergency Room	Limited	Limited			
OP HOSP - BASIC	Outpatient - Basic	Limited	Limited			
OP HOSP - DENTAL DIAGNOSTIC	Outpatient - Basic	Limited	Limited			
OP HOSP - DENTAL PREVENTIVE	Outpatient - Basic	Limited	Limited			
OP HOSP - DENTAL RESTORATIVE	Outpatient - Basic	Limited	Limited			
OP HOSP - EMERGENCY ROOM	Outpatient - Emergency Room	Limited	Limited			
OP HOSP - LAB & RAD	Outpatient - Basic	Limited	Limited			
OP HOSP - MATERNITY	Outpatient - Maternity	Covered	Covered			
OP HOSP - POST HOSP EXTENDED CARE	Outpatient - Basic	Limited	Limited			
OP HOSP - PRES DRUGS BASIC	Outpatient - Basic	Limited	Limited			
OP HOSP - PRES DRUGS MH/CD	Outpatient - Basic	Limited	Limited			
OP HOSP - SOMATIC MH	Outpatient - Basic	Limited	Limited			
OTH MED - DME	DME/Supplies	Limited	Limited			
OTH MED - HHC/PDN	Home Health/PDN/Hospice	Limited	Limited			
OTH MED - HOSPICE	Home Health/PDN/Hospice	Limited	Limited			
OTH MED - MATERNITY MGT	Maternity Management	Limited	Limited			
OTH MED - SUPPLIES	DME/Supplies	Limited	Limited			
PHYS CONSULTATION, IP & ER VISITS	Physician - Basic	Limited	Limited			
PHYS HOME OR LONG-TERM CARE VISITS	Physician - Basic	Covered	Covered			

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Covered Services by Contract Type - OHP STANDARD

Exhibit 1b

Detail Service Category	Rate Sheet Category	CONTRACT TYPE				
		FCHP	PCO	DCO	MHO	CDO
PHYSICAL HEALTH						
PHYS MATERNITY	Physician - Maternity	Limited	Limited			
PHYS NEWBORN	Physician - Newborn	Covered	Covered			
PHYS OFFICE VISITS	Physician - Basic	Limited	Limited			
PHYS OTHER	Physician - Basic	Limited	Limited			
PHYS SOMATIC MH	Physician - Basic	Limited	Limited			
PRES DRUGS - BASIC	Prescription Drugs - Basic	Covered	Covered			
PRES DRUGS - FP	Prescription Drugs - Family Planning	Covered	Covered			
PRES DRUGS - NEURONTIN	Prescription Drugs - Basic	Covered	Covered			
PRES DRUGS - TOBACCO CESSATION	Prescription Drugs - Basic	Covered	Covered			
STERILIZATION - ANESTHESIA FEMALE	Physician - Sterilization	Covered	Covered			
STERILIZATION - ANESTHESIA MALE	Physician - Sterilization	Covered	Covered			
STERILIZATION - IP HOSP FEMALE	Inpatient - Sterilization	Limited	Limited			
STERILIZATION - IP HOSP MALE	Inpatient - Sterilization	Limited	Limited			
STERILIZATION - OP HOSP FEMALE	Outpatient - Sterilization	Limited	Limited			
STERILIZATION - OP HOSP MALE	Outpatient - Sterilization	Limited	Limited			
STERILIZATION - PHY FEMALE	Physician - Sterilization	Limited	Limited			
STERILIZATION - PHY MALE	Physician - Sterilization	Limited	Limited			
SURGERY	Physician - Basic	Limited	Limited			
TOBACCO CES-IP HSP	Inpatient - Basic	Limited	Limited			
TOBACCO CES-OP HSP	Outpatient - Basic	Limited	Limited			
TOBACCO CES-PHYS	Physician - Basic	Limited	Limited			
TRANSPORTATION - AMBULANCE	Transportation - Ambulance	Limited	Limited			
VISION CARE - EXAMS & THERAPY	Vision	Limited	Limited			
VISION CARE - MATERIALS & FITTING	Vision	Limited	Limited			

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Covered Services by Contract Type - OHP STANDARD

Exhibit 1b

Detail Service Category	Rate Sheet Category	CONTRACT TYPE				
		FCHP	PCO	DCO	MHO	CDO
DENTAL						
DENTAL - ADJUNCTIVE GENERAL	Dental			Limited		
DENTAL - ANESTHESIA SURGICAL	Dental			Limited		
DENTAL - DIAGNOSTIC	Dental			Limited		
DENTAL - ENDODONTICS	Dental			Limited		
DENTAL - I/P FIXED	Dental			Limited		
DENTAL - MAXILLOFACIAL PROS	Dental			Limited		
DENTAL - ORAL SURGERY	Dental			Limited		
DENTAL - ORTHODONTICS	Dental			Limited		
DENTAL - PERIODONTICS	Dental			Limited		
DENTAL - PREVENTIVE	Dental			Limited		
DENTAL - PROS REMOVABLE	Dental			Limited		
DENTAL - RESTORATIVE	Dental			Limited		
DENTAL - TOBACCO CES	Dental			Limited		
CHEMICAL DEPENDENCY						
CD SERVICES - ALTERNATIVE TO DETOX	Chemical Dependency	Covered	Covered			Covered
CD SERVICES - METHADONE	Chemical Dependency	Covered	Covered			Covered
CD SERVICES - OP	Chemical Dependency	Limited	Limited			Limited
MENTAL HEALTH						
MH SERVICES ACUTE INPATIENT	Mh Services Acute Inpatient				Limited	
MH SERVICES ASSESS & EVAL	Mh Services Assess & Eval				Covered	
MH SERVICES CASE MANAGEMENT	Mh Services Case Management				Covered	
MH SERVICES CONSULTATION	Mh Services Consultation				Covered	
MH SERVICES ANCILLARY SERVICES	Mh Services Ancillary Services				Covered	
MH SERVICES ALTERNATIVE TO IP	Mh Services Alternative To Ip				Covered	
MH SERVICES MED MANAGEMENT	Mh Services Med Management				Covered	
MH SERVICES FAMILY SUPPORT	Mh Services Family Support				Covered	
MH SERVICES OP THERAPY	Mh Services Op Therapy				Limited	
MH SERVICES OTHER OP	Mh Services Other Op				Limited	
MH SERVICES PHYS IP	Mh Services Phys Ip				Limited	
MH SERVICES PHYS OP	Mh Services Phys Op				Limited	
MH SERVICES SUPPORT DAY PROGRAM	Mh Services Support Day Program				Covered	
MH SERVICES PSYCH DAY	Mh Services Psych Day Treatment					
MH SERVICES RESIDENTIAL	Mh Services Residential Treatment					
MH SERVICES CARE COORD	Mh Services Care Coordination					
MH SERVICES CONS ASSESS	Mh Services CONS Assessments					

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Trend Adjustments**

Exhibit 2a

TANF RELATED ADULTS

	Annualized Trend Rates ²	Trend Adjustment ³
IP Hospital	3.2%	0.992
OP Hospital	3.2%	0.992
Physician	2.4%	0.994
Prescription Drug	6.9%	0.983
Dental	5.7%	0.986
Mental Health	2.2%	0.995
Chemical Dependency	2.2%	0.995

CHILDREN

	Annualized Trend Rates ²	Trend Adjustment ³
IP Hospital	3.2%	0.992
OP Hospital	4.5%	0.989
Physician	6.4%	0.985
Prescription Drug	8.9%	0.979
Dental	5.7%	0.986
Mental Health	2.2%	0.995
Chemical Dependency	2.2%	0.995

DISABLED-RELATED ¹

	Annualized Trend Rates ²	Trend Adjustment ³
IP Hospital	3.2%	0.992
OP Hospital	3.9%	0.990
Physician	4.9%	0.988
Prescription Drug	6.9%	0.983
Dental	5.7%	0.986
Mental Health	2.2%	0.995
Chemical Dependency	2.2%	0.995

¹ Disabled-Related factors apply to the AB/AD without Medicare and OAA without Medicare eligibility categories. Dual Medicaid/Medicare factors apply to the AB/AD with Medicare and OAA with Medicare eligibility categories.

² Annualized trend rates from Exhibit 4-A of "Oregon Health Plan Medicaid Demonstration: Analysis of Federal Fiscal years 2006 - 2007 Average Costs" dated March 7, 2005.

³ Trend factors used to adjust capitation rates from midpoint of biennium (10/1/2006) to midpoint of the contract period (7/1/2006).

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Trend Adjustments**

Exhibit 2a

DUAL MEDICAID/MEDICARE ELIGIBILITY CATEGORIES ¹

	Annualized Trend Rates ²	Trend Adjustment ³
IP Hospital	0.0%	1.000
OP Hospital	0.0%	1.000
Physician	0.0%	1.000
Prescription Drug	0.0%	1.000
Dental	0.0%	1.000
Mental Health	0.0%	1.000
Chemical Dependency	0.0%	1.000

OHP STANDARD

	Annualized Trend Rates ²	Trend Adjustment ⁴
IP Hospital	21.1%	1.386
OP Hospital	3.5%	1.060
Physician	8.2%	1.145
Prescription Drug	12.0%	1.185
Dental	5.7%	1.099
Mental Health	6.6%	1.115
Chemical Dependency	6.6%	1.115

¹ Disabled-Related factors apply to the AB/AD without Medicare and OAA without Medicare eligibility categories. Dual Medicaid/Medicare factors apply to the AB/AD with Medicare and OAA with Medicare eligibility categories.

² Annualized trend rates from Exhibit 4-A of "Oregon Health Plan Medicaid Demonstration: Analysis of Federal Fiscal years 2006 - 2007 Average Costs" dated March 7, 2005.

³ Trend factors used to adjust capitation rates from midpoint of biennium (10/1/2006) to midpoint of the contract period (7/1/2006).

⁴ OHP Standard trend factors used to adjust Non-pharmacy encounters from midpoint of data period (10/15/2004) to midpoint of the contract period (7/1/2006).

OHP Standard Trend factors used to adjust Pharmacy encounters from midpoint of data period (12/15/2004) to midpoint of the contract period (7/1/2006).

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Reduction in Drug Costs due to Implementation of Medicare Prescription Drug Coverage

Exhibit 2b

Eligibility Category	PMPM	% of Prescription Drugs PMPM
AB/AD with Medicare	\$227.44	96.7%
OAA with Medicare	\$194.44	96.4%

Note: Includes adjustments for prescription drugs no longer covered by OMAP.

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Reduction in Drug Costs Per Member Per Month From Carve-out of Lamictal**

Exhibit 2c

Eligibility Category	PMPM
TANF Adults	\$0.24
PLM Adults	\$0.06
PLM, CHIP or TANF Children Aged 0-1	\$0.00
PLM, CHIP or TANF Children Aged 1-5	\$0.03
PLM, CHIP or TANF Children Aged 6-18	\$0.06
OHP Families ¹	\$0.00
OHP Adults and Couples ¹	\$0.00
AB/AD with Medicare ²	\$0.00
AB/AD without Medicare	\$2.58
OAA with Medicare ²	\$0.00
OAA without Medicare	\$0.00
SCF Children	\$0.15

¹ Lamictal excluded from base data used to develop the rebased OHP Standard capitation rates.

² Lamictal included in Medicare prescription drug coverage therefore no additional adjustment required.

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Children's Intensive Mental Health Services Costs Per Member Per Month**

Exhibit 2d

Eligibility Category	Psychiatric Day Treatment Services PMPM	Psychiatric Residential Treatment Services PMPM	Total Intensive MH Services PMPM
TANF Adults	\$0.00	\$0.00	\$0.00
PLM Adults	\$0.00	\$0.00	\$0.00
PLM, CHIP or TANF Children Aged 0-1	\$0.00	\$0.00	\$0.00
PLM, CHIP or TANF Children Aged 1-5	\$0.63	\$0.00	\$0.63
PLM, CHIP or TANF Children Aged 6-18	\$3.29	\$1.01	\$4.30
OHP Families	\$0.00	\$0.00	\$0.00
OHP Adults and Couples	\$0.00	\$0.00	\$0.00
AB/AD with Medicare	\$0.00	\$0.00	\$0.00
AB/AD without Medicare	\$3.58	\$8.60	\$12.18
OAA with Medicare	\$0.00	\$0.00	\$0.00
OAA without Medicare	\$0.00	\$0.00	\$0.00
SCF Children	\$20.01	\$89.92	\$109.93

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Certificate of Need Assessment Costs Per Member Per Month**

Exhibit 2e

Eligibility Category	PMPM
TANF Adults	\$0.00
PLM Adults	\$0.00
PLM, CHIP or TANF Children Aged 0-1	\$0.00
PLM, CHIP or TANF Children Aged 1-5	\$0.00
PLM, CHIP or TANF Children Aged 6-18	\$0.01
OHP Families	\$0.00
OHP Adults and Couples	\$0.00
AB/AD with Medicare	\$0.00
AB/AD without Medicare	\$0.01
OAA with Medicare	\$0.00
OAA without Medicare	\$0.00
SCF Children	\$0.11

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Additional Mental Health Care Coordination Services Costs Per Member Per Month**

Exhibit 2f

Eligibility Category	PMPM
TANF Adults	\$0.00
PLM Adults	\$0.00
PLM, CHIP or TANF Children Aged 0-1	\$0.00
PLM, CHIP or TANF Children Aged 1-5	\$0.03
PLM, CHIP or TANF Children Aged 6-18	\$0.12
OHP Families	\$0.00
OHP Adults and Couples	\$0.00
AB/AD with Medicare	\$0.00
AB/AD without Medicare	\$0.09
OAA with Medicare	\$0.00
OAA without Medicare	\$0.00
SCF Children	\$0.58

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Maternity Case Rate Development for FCHPs
 Does not include adjustment for Administration Allowance

Exhibit 2g

	A	B	C	D	E	F	G	H	I	J	K	L	M
										$=(B*F+C*G) / A*12000$	$=(D*H)/A *12000$	$=(E*I)/A *12000$	$=J+K+L$
	Utilization	January 2006 Statewide PMPM				Percentage of PMPM Related to Maternity Services				Case Cost			
Eligibility Category	Deliveries per 1000	IP HOSP - MATERNITY	IP HOSP - MATERNITY / STERIL- IZATION	OP HOSP - MATERNITY	PHYS MATERNITY	IP HOSP - MATERNITY	IP HOSP - MATERNITY / STERIL- IZATION	OP HOSP - MATERNITY	PHYS MATERNITY	IP HOSP	OP HOSP	PHYS	Total
TANF	136.4	\$26.41	\$3.47	\$5.09	\$24.92	100%	63%	100%	100%	\$2,517.57	\$448.08	\$2,192.99	\$5,158.65
PLMA	1,111.5	\$279.29	\$20.09	\$45.32	\$257.23	100%	63%	100%	100%	\$3,152.82	\$489.29	\$2,777.09	\$6,419.20
CHILDREN 06-18	7.1	\$1.32	\$0.00	\$0.38	\$1.36	100%	63%	100%	100%	\$2,229.96	\$636.18	\$2,295.43	\$5,161.57
ABAD	7.7	\$1.59	\$0.20	\$0.53	\$1.46	100%	63%	100%	100%	\$2,686.87	\$831.40	\$2,286.40	\$5,804.67
SCF	2.7	\$0.78	\$0.00	\$0.21	\$0.61	100%	63%	100%	100%	\$3,450.09	\$924.44	\$2,699.27	\$7,073.81
Total	74.8	\$16.82	\$1.43	\$2.96	\$15.66					\$2,898.53	\$491.53	\$2,560.10	\$5,950.16

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Maternity Case Rate Development for PCOs
 Does not include adjustment for Administration Allowance

Exhibit 2h

	A	B	C	D	E	F	G	H	I
							$=(B*D*(1-F))$ /A*12000	$=(C*E)$ /A*12000	$=G+H$
	Utilization	January 2006 Statewide PMPM		Percentage of PMPM Related to Maternity Services		Expected Decrease in OP Hospital Costs	Case Cost		
Eligibility Category	Deliveries per 1000	OP HOSP - MATERNITY	PHYS MATERNITY	OP HOSP - MATERNITY	PHYS MATERNITY		OP HOSP	PHYS	Total
TANF	136.4	\$5.09	\$24.92	100%	100%	5%	\$425.68	\$2,192.99	\$2,618.67
PLMA	1,111.5	\$45.32	\$257.23	100%	100%		\$464.82	\$2,777.09	\$3,241.92
CHILDREN 06-18	7.1	\$0.38	\$1.36	100%	100%		\$604.37	\$2,295.43	\$2,899.80
ABAD	7.7	\$0.53	\$1.46	100%	100%		\$789.83	\$2,286.40	\$3,076.23
SCF	2.7	\$0.21	\$0.61	100%	100%		\$878.22	\$2,699.27	\$3,577.49
Total	74.8	\$2.96	\$15.66				\$466.95	\$2,560.10	\$3,027.06

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Administration Allowance by Eligibility Category and Contract Type**

Exhibit 2i

Eligibility Category	FCHP	PCO	CDO	DCO	MHO
TANF Adults	13.34%	13.34%	13.34%	13.34%	13.34%
PLM Adults	13.34%	13.34%	13.34%	13.34%	13.34%
PLM, CHIP or TANF Children Aged 0-1	13.34%	13.34%	13.34%	13.34%	13.34%
PLM, CHIP or TANF Children Aged 1-5	13.34%	13.34%	13.34%	13.34%	13.34%
PLM, CHIP or TANF Children Aged 6-18	13.34%	13.34%	13.34%	13.34%	13.34%
OHP Families	13.34%	13.34%	13.34%	13.34%	13.34%
OHP Adults and Couples	13.34%	13.34%	13.34%	13.34%	13.34%
AB/AD with Medicare	23.42%	24.92%	13.34%	13.34%	13.34%
AB/AD without Medicare	13.34%	13.34%	13.34%	13.34%	13.34%
OAA with Medicare	21.44%	23.51%	13.34%	13.34%	13.34%
OAA without Medicare	13.34%	13.34%	13.34%	13.34%	13.34%
SCF Children	13.34%	13.34%	13.34%	13.34%	13.34%

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	= D + E Adjusted Cost

TANF Adults

PHYSICAL HEALTH

ADMINISTRATIVE EXAMS	\$0.00	0.994	1.00	\$0.00		\$0.00
ANESTHESIA	\$3.30	0.994	1.00	\$3.28		\$3.28
EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00
FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
FP - OP HOSP	\$0.09	0.992	0.75	\$0.07		\$0.07
FP - PHYS	\$0.75	0.994	1.00	\$0.74		\$0.74
HYSTERECTOMY - ANESTHESIA	\$0.07	0.994	1.00	\$0.07		\$0.07
HYSTERECTOMY - IP HOSP	\$3.64	0.992	0.78	\$2.81		\$2.81
HYSTERECTOMY - OP HOSP	\$0.03	0.992	0.76	\$0.03		\$0.03
HYSTERECTOMY - PHYS	\$0.65	0.994	1.00	\$0.64		\$0.64
IP HOSP - ACUTE DETOX	\$0.07	0.992	0.77	\$0.05		\$0.05
IP HOSP - MATERNITY	\$33.97	0.992	0.78	\$26.41	-\$26.41	\$0.00
IP HOSP - MATERNITY / STERILIZATION	\$4.42	0.992	0.79	\$3.47	-\$2.20	\$1.27
IP HOSP - MEDICAL/SURGICAL	\$43.49	0.992	0.76	\$32.74		\$32.74
IP HOSP - NEWBORN	\$0.02	0.992	0.75	\$0.01		\$0.01
IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
LAB & RAD - DIAGNOSTIC X-RAY	\$8.18	0.994	1.00	\$8.13		\$8.13
LAB & RAD - LAB	\$5.83	0.994	1.00	\$5.79		\$5.79
LAB & RAD - THERAPEUTIC X-RAY	\$0.24	0.994	1.00	\$0.24		\$0.24
OP ER - SOMATIC MH	\$0.36	0.992	0.75	\$0.27		\$0.27
OP HOSP - BASIC	\$21.77	0.992	0.78	\$16.91		\$16.91
OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.992	0.78	\$0.00		\$0.00
OP HOSP - DENTAL PREVENTIVE	\$0.00	0.992	0.78	\$0.00		\$0.00
OP HOSP - DENTAL RESTORATIVE	\$0.00	0.992	0.78	\$0.00		\$0.00
OP HOSP - EMERGENCY ROOM	\$10.19	0.992	0.77	\$7.83		\$7.83
OP HOSP - LAB & RAD	\$18.08	0.992	0.78	\$13.96		\$13.96
OP HOSP - MATERNITY	\$6.57	0.992	0.78	\$5.09	-\$5.09	\$0.00
OP HOSP - POST HOSP EXTENDED CARE	\$0.01	0.992	0.83	\$0.01		\$0.01
OP HOSP - PRES DRUGS BASIC	\$2.67	0.992	0.78	\$2.08		\$2.08
OP HOSP - PRES DRUGS MH/CD	\$0.03	1.000	0.78	\$0.02		\$0.02
OP HOSP - SOMATIC MH	\$0.45	0.992	0.76	\$0.34		\$0.34
OTH MED - DME	\$1.24	0.994	1.00	\$1.23		\$1.23
OTH MED - HHC/PDN	\$0.38	0.994	1.00	\$0.38		\$0.38
OTH MED - HOSPICE	\$0.08	0.994	1.00	\$0.08		\$0.08
OTH MED - MATERNITY MGT	\$3.28	0.989	1.00	\$3.25		\$3.25
OTH MED - SUPPLIES	\$0.53	0.994	1.00	\$0.53		\$0.53
PHYS CONSULTATION, IP & ER VISITS	\$8.64	0.994	1.00	\$8.58		\$8.58
PHYS HOME OR LONG-TERM CARE VISITS	\$0.01	0.994	1.00	\$0.01		\$0.01
PHYS MATERNITY	\$25.07	0.994	1.00	\$24.92	-\$24.92	\$0.00
PHYS NEWBORN	\$0.05	0.994	1.00	\$0.05		\$0.05
PHYS OFFICE VISITS	\$19.66	0.994	1.00	\$19.54		\$19.54
PHYS OTHER	\$4.50	0.994	1.00	\$4.47		\$4.47
PHYS SOMATIC MH	\$2.29	0.994	1.00	\$2.28		\$2.28

OHP PLUS (TANF)
 Exhibits Jan 2006
 11/28/2005

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
TANF Adults							
	PRES DRUGS - BASIC	\$38.17	0.983	1.00	\$37.53	-\$0.24	\$37.30
	PRES DRUGS - FP	\$2.00	0.983	1.00	\$1.96	\$0.00	\$1.96
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$2.67	0.970	1.00	\$2.59	\$0.00	\$2.59
	PRES DRUGS - TOBACCO CESSATION	\$0.83	0.983	1.00	\$0.81	\$0.00	\$0.81
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.994	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.32	0.994	1.00	\$0.31		\$0.31
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.994	1.00	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$2.96	0.992	0.79	\$2.31		\$2.31
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.75	0.992	0.81	\$0.60		\$0.60
	STERILIZATION - OP HOSP MALE	\$0.00	0.992	0.72	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$0.63	0.994	1.00	\$0.63		\$0.63
	STERILIZATION - PHY MALE	\$0.09	0.994	1.00	\$0.09		\$0.09
	SURGERY	\$11.13	0.994	1.00	\$11.06		\$11.06
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.994	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.994	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.994	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.994	1.00	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	TOBACCO CES-OP HSP	\$0.02	0.992	0.78	\$0.02		\$0.02
	TOBACCO CES-PHYS	\$0.18	0.994	1.00	\$0.18		\$0.18
	TRANSPORTATION - AMBULANCE	\$2.68	0.994	1.00	\$2.67		\$2.67
	TRANSPORTATION - OTHER	\$0.00	0.994	1.00	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$1.91	0.994	1.00	\$1.90		\$1.90
	VISION CARE - MATERIALS & FITTING	\$1.75	0.994	1.00	\$1.74		\$1.74
	PART A DEDUCTIBLE						
	PART B DEDUCTIBLE						
	PART B COINSURANCE ADJUSTMENT						
	Subtotal Physical Health	\$296.67			\$260.71	-\$58.86	\$201.85
	Subtotal Physical Health w Admin						\$232.91
	CHEMICAL DEPENDENCY						
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.35	0.995	1.00	\$0.35		\$0.35
	CD SERVICES - METHADONE	\$2.58	0.995	1.00	\$2.57		\$2.57
	CD SERVICES - OP	\$9.90	0.995	1.00	\$9.85		\$9.85
	Subtotal Chemical Dependency	\$12.83			\$12.76	\$0.00	\$12.76
	Subtotal Chemical Dependency w Admin						\$14.73

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
TANF Adults							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.51	0.986	1.00	\$0.51		\$0.51
	DENTAL - ANESTHESIA SURGICAL	\$0.43	0.986	1.00	\$0.43		\$0.43
	DENTAL - DIAGNOSTIC	\$5.21	0.986	1.00	\$5.13		\$5.13
	DENTAL - ENDODONTICS	\$2.61	0.986	1.00	\$2.57		\$2.57
	DENTAL - I/P FIXED	\$0.03	0.986	1.00	\$0.03		\$0.03
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$5.27	0.986	1.00	\$5.20		\$5.20
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$2.24	0.986	1.00	\$2.21		\$2.21
	DENTAL - PREVENTIVE	\$1.52	0.986	1.00	\$1.50		\$1.50
	DENTAL - PROS REMOVABLE	\$3.29	0.986	1.00	\$3.24		\$3.24
	DENTAL - RESTORATIVE	\$6.99	0.986	1.00	\$6.89		\$6.89
	DENTAL - TOBACCO CES	\$0.03	0.986	1.00	\$0.03		\$0.03
	Subtotal Dental	\$28.12			\$27.73	\$0.00	\$27.73
	Subtotal Dental w Admin						\$32.00
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT	\$2.66	0.995	0.74	\$1.96		\$1.96
	MH SERVICES ASSESS & EVAL	\$2.40	0.995	1.00	\$2.38		\$2.38
	MH SERVICES CASE MANAGEMENT	\$0.95	0.995	1.00	\$0.95		\$0.95
	MH SERVICES CONSULTATION	\$0.18	0.995	1.00	\$0.18		\$0.18
	MH SERVICES ANCILLARY SERVICES	\$0.04	0.995	1.00	\$0.04		\$0.04
	MH SERVICES MED MANAGEMENT	\$1.53	0.995	1.00	\$1.52		\$1.52
	MH SERVICES ALTERNATIVE TO IP	\$0.30	0.995	1.00	\$0.29		\$0.29
	MH SERVICES FAMILY SUPPORT	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES OP THERAPY	\$7.69	0.995	1.00	\$7.64		\$7.64
	MH SERVICES OTHER OP	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES PHYS IP	\$0.14	0.995	1.00	\$0.14		\$0.14
	MH SERVICES PHYS OP	\$0.91	0.995	1.00	\$0.91		\$0.91
	MH SERVICES SUPPORT DAY PROGRAM	\$0.46	0.995	1.00	\$0.45		\$0.45
	MH SERVICES PSYCH DAY					\$0.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00
	Subtotal Mental Health	\$17.27			\$16.48	\$0.00	\$16.48
	Subtotal Mental Health w Admin						\$19.02
	Total Services	\$354.88			\$317.69	-\$58.86	\$258.83
	Total Services with Admin						\$298.66

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	= D + E Adjusted Cost

PLM Adults

PHYSICAL HEALTH

ADMINISTRATIVE EXAMS	\$0.00	0.994	1.00	\$0.00		\$0.00
ANESTHESIA	\$15.46	0.994	1.00	\$15.37		\$15.37
EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00
FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
FP - OP HOSP	\$0.14	0.992	0.75	\$0.10		\$0.10
FP - PHYS	\$2.19	0.994	1.00	\$2.17		\$2.17
HYSTERECTOMY - ANESTHESIA	\$0.02	0.994	1.00	\$0.02		\$0.02
HYSTERECTOMY - IP HOSP	\$0.61	0.992	0.78	\$0.47		\$0.47
HYSTERECTOMY - OP HOSP	\$0.00	0.992	0.76	\$0.00		\$0.00
HYSTERECTOMY - PHYS	\$0.04	0.994	1.00	\$0.04		\$0.04
IP HOSP - ACUTE DETOX	\$0.02	0.992	0.77	\$0.02		\$0.02
IP HOSP - MATERNITY	\$359.26	0.992	0.78	\$279.29	-\$279.29	\$0.00
IP HOSP - MATERNITY / STERILIZATION	\$25.56	0.992	0.79	\$20.09	-\$12.74	\$7.35
IP HOSP - MEDICAL/SURGICAL	\$10.24	0.992	0.76	\$7.71		\$7.71
IP HOSP - NEWBORN	\$0.22	0.992	0.75	\$0.16		\$0.16
IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
LAB & RAD - DIAGNOSTIC X-RAY	\$22.07	0.994	1.00	\$21.93		\$21.93
LAB & RAD - LAB	\$15.18	0.994	1.00	\$15.09		\$15.09
LAB & RAD - THERAPEUTIC X-RAY	\$0.01	0.994	1.00	\$0.01		\$0.01
OP ER - SOMATIC MH	\$0.12	0.992	0.75	\$0.09		\$0.09
OP HOSP - BASIC	\$12.15	0.992	0.78	\$9.44		\$9.44
OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.992	0.78	\$0.00		\$0.00
OP HOSP - DENTAL PREVENTIVE	\$0.00	0.992	0.78	\$0.00		\$0.00
OP HOSP - DENTAL RESTORATIVE	\$0.00	0.992	0.78	\$0.00		\$0.00
OP HOSP - EMERGENCY ROOM	\$4.24	0.992	0.77	\$3.26		\$3.26
OP HOSP - LAB & RAD	\$10.87	0.992	0.78	\$8.39		\$8.39
OP HOSP - MATERNITY	\$58.44	0.992	0.78	\$45.32	-\$45.32	\$0.00
OP HOSP - POST HOSP EXTENDED CARE	\$0.07	0.992	0.83	\$0.06		\$0.06
OP HOSP - PRES DRUGS BASIC	\$3.46	0.992	0.78	\$2.69		\$2.69
OP HOSP - PRES DRUGS MH/CD	\$0.01	1.000	0.78	\$0.00		\$0.00
OP HOSP - SOMATIC MH	\$0.08	0.992	0.76	\$0.06		\$0.06
OTH MED - DME	\$0.40	0.994	1.00	\$0.39		\$0.39
OTH MED - HHC/PDN	\$0.44	0.994	1.00	\$0.44		\$0.44
OTH MED - HOSPICE	\$0.00	0.994	1.00	\$0.00		\$0.00
OTH MED - MATERNITY MGT	\$22.00	0.989	1.00	\$21.76		\$21.76
OTH MED - SUPPLIES	\$0.39	0.994	1.00	\$0.39		\$0.39
PHYS CONSULTATION, IP & ER VISITS	\$10.35	0.994	1.00	\$10.29		\$10.29
PHYS HOME OR LONG-TERM CARE VISITS	\$0.02	0.994	1.00	\$0.02		\$0.02
PHYS MATERNITY	\$258.78	0.994	1.00	\$257.23	-\$257.23	\$0.00
PHYS NEWBORN	\$0.33	0.994	1.00	\$0.33		\$0.33
PHYS OFFICE VISITS	\$9.08	0.994	1.00	\$9.03		\$9.03
PHYS OTHER	\$3.07	0.994	1.00	\$3.06		\$3.06
PHYS SOMATIC MH	\$0.58	0.994	1.00	\$0.58		\$0.58

OHP PLUS (PLMA)
 Exhibits Jan 2006
 11/28/2005

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	= D + E Adjusted Cost
PLM Adults	PRES DRUGS - BASIC	\$21.51	0.983	1.00	\$21.15	-\$0.06	\$21.09
	PRES DRUGS - FP	\$2.18	0.983	1.00	\$2.14	\$0.00	\$2.14
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$0.13	0.970	1.00	\$0.12	\$0.00	\$0.12
	PRES DRUGS - TOBACCO CESSATION	\$0.30	0.983	1.00	\$0.29	\$0.00	\$0.29
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.994	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$1.24	0.994	1.00	\$1.24		\$1.24
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.994	1.00	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$22.67	0.992	0.79	\$17.67		\$17.67
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$1.47	0.992	0.81	\$1.17		\$1.17
	STERILIZATION - OP HOSP MALE	\$0.00	0.992	0.72	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$2.47	0.994	1.00	\$2.45		\$2.45
	STERILIZATION - PHY MALE	\$0.00	0.994	1.00	\$0.00		\$0.00
	SURGERY	\$4.89	0.994	1.00	\$4.86		\$4.86
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.994	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.994	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.994	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.994	1.00	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.992	0.78	\$0.00		\$0.00
	TOBACCO CES-PHYS	\$0.06	0.994	1.00	\$0.06		\$0.06
	TRANSPORTATION - AMBULANCE	\$4.29	0.994	1.00	\$4.26		\$4.26
	TRANSPORTATION - OTHER	\$0.00	0.994	1.00	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$1.74	0.994	1.00	\$1.73		\$1.73
	VISION CARE - MATERIALS & FITTING	\$1.64	0.994	1.00	\$1.63		\$1.63
	PART A DEDUCTIBLE						
	PART B DEDUCTIBLE						
	PART B COINSURANCE ADJUSTMENT						
	Subtotal Physical Health	\$910.48			\$794.09	-\$594.64	\$199.45
	Subtotal Physical Health w Admin						\$230.14
	CHEMICAL DEPENDENCY						
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.06	0.995	1.00	\$0.06		\$0.06
	CD SERVICES - METHADONE	\$0.58	0.995	1.00	\$0.58		\$0.58
	CD SERVICES - OP	\$3.72	0.995	1.00	\$3.70		\$3.70
	Subtotal Chemical Dependency	\$4.36			\$4.34	\$0.00	\$4.34
	Subtotal Chemical Dependency w Admin						\$5.01

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
PLM Adults							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.40	0.986	1.00	\$0.39		\$0.39
	DENTAL - ANESTHESIA SURGICAL	\$0.14	0.986	1.00	\$0.14		\$0.14
	DENTAL - DIAGNOSTIC	\$4.24	0.986	1.00	\$4.18		\$4.18
	DENTAL - ENDODONTICS	\$1.96	0.986	1.00	\$1.93		\$1.93
	DENTAL - I/P FIXED	\$0.01	0.986	1.00	\$0.01		\$0.01
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$2.17	0.986	1.00	\$2.14		\$2.14
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$1.03	0.986	1.00	\$1.02		\$1.02
	DENTAL - PREVENTIVE	\$1.79	0.986	1.00	\$1.76		\$1.76
	DENTAL - PROS REMOVABLE	\$0.42	0.986	1.00	\$0.41		\$0.41
	DENTAL - RESTORATIVE	\$4.36	0.986	1.00	\$4.30		\$4.30
	DENTAL - TOBACCO CES	\$0.02	0.986	1.00	\$0.02		\$0.02
	Subtotal Dental	\$16.53			\$16.30	\$0.00	\$16.30
	Subtotal Dental w Admin						\$18.81
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT	\$0.47	0.995	0.74	\$0.35		\$0.35
	MH SERVICES ASSESS & EVAL	\$0.94	0.995	1.00	\$0.94		\$0.94
	MH SERVICES CASE MANAGEMENT	\$0.20	0.995	1.00	\$0.20		\$0.20
	MH SERVICES CONSULTATION	\$0.04	0.995	1.00	\$0.04		\$0.04
	MH SERVICES ANCILLARY SERVICES	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES MED MANAGEMENT	\$0.19	0.995	1.00	\$0.19		\$0.19
	MH SERVICES ALTERNATIVE TO IP	\$0.10	0.995	1.00	\$0.10		\$0.10
	MH SERVICES FAMILY SUPPORT	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES OP THERAPY	\$2.17	0.995	1.00	\$2.16		\$2.16
	MH SERVICES OTHER OP	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES PHYS IP	\$0.05	0.995	1.00	\$0.05		\$0.05
	MH SERVICES PHYS OP	\$0.21	0.995	1.00	\$0.21		\$0.21
	MH SERVICES SUPPORT DAY PROGRAM	\$0.06	0.995	1.00	\$0.06		\$0.06
	MH SERVICES PSYCH DAY					\$0.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00
	Subtotal Mental Health	\$4.45			\$4.31	\$0.00	\$4.31
	Subtotal Mental Health w Admin						\$4.97
	Total Services	\$935.82			\$819.04	-\$594.64	\$224.40
	Total Services with Admin						\$258.93

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	= D + E Adjusted Cost

PLM, CHIP, or TANF
 Children Aged 0-1

PHYSICAL HEALTH

ADMINISTRATIVE EXAMS	\$0.00	0.985	1.00	\$0.00		\$0.00
ANESTHESIA	\$1.72	0.985	1.00	\$1.70		\$1.70
EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00
FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
FP - OP HOSP	\$0.00	0.989	0.75	\$0.00		\$0.00
FP - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00
HYSTERECTOMY - ANESTHESIA	\$0.00	0.985	1.00	\$0.00		\$0.00
HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00
HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00
HYSTERECTOMY - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00
IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00
IP HOSP - MATERNITY	\$1.82	0.992	0.78	\$1.42	\$0.00	\$1.42
IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
IP HOSP - MEDICAL/SURGICAL	\$72.59	0.992	0.76	\$54.64		\$54.64
IP HOSP - NEWBORN	\$158.06	0.992	0.75	\$116.99		\$116.99
IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
LAB & RAD - DIAGNOSTIC X-RAY	\$3.47	0.985	1.00	\$3.42		\$3.42
LAB & RAD - LAB	\$1.09	0.985	1.00	\$1.07		\$1.07
LAB & RAD - THERAPEUTIC X-RAY	\$0.00	0.985	1.00	\$0.00		\$0.00
OP ER - SOMATIC MH	\$0.00	0.989	0.75	\$0.00		\$0.00
OP HOSP - BASIC	\$13.32	0.989	0.78	\$10.32		\$10.32
OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00
OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
OP HOSP - EMERGENCY ROOM	\$8.87	0.989	0.77	\$6.79		\$6.79
OP HOSP - LAB & RAD	\$7.34	0.989	0.78	\$5.65		\$5.65
OP HOSP - MATERNITY	\$0.01	0.989	0.78	\$0.01	\$0.00	\$0.01
OP HOSP - POST HOSP EXTENDED CARE	\$0.02	0.989	0.83	\$0.02		\$0.02
OP HOSP - PRES DRUGS BASIC	\$1.55	0.989	0.78	\$1.20		\$1.20
OP HOSP - PRES DRUGS MH/CD	\$0.00	1.000	0.78	\$0.00		\$0.00
OP HOSP - SOMATIC MH	\$0.03	0.989	0.76	\$0.02		\$0.02
OTH MED - DME	\$1.61	0.985	1.00	\$1.59		\$1.59
OTH MED - HHC/PDN	\$0.46	0.985	1.00	\$0.45		\$0.45
OTH MED - HOSPICE	\$0.04	0.985	1.00	\$0.04		\$0.04
OTH MED - MATERNITY MGT	\$0.00	0.996	1.00	\$0.00		\$0.00
OTH MED - SUPPLIES	\$0.73	0.985	1.00	\$0.72		\$0.72
PHYS CONSULTATION, IP & ER VISITS	\$26.07	0.985	1.00	\$25.67		\$25.67
PHYS HOME OR LONG-TERM CARE VISITS	\$0.06	0.985	1.00	\$0.06		\$0.06
PHYS MATERNITY	\$0.05	0.985	1.00	\$0.05	\$0.00	\$0.05
PHYS NEWBORN	\$9.10	0.985	1.00	\$8.96		\$8.96
PHYS OFFICE VISITS	\$57.32	0.985	1.00	\$56.43		\$56.43
PHYS OTHER	\$14.93	0.985	1.00	\$14.70		\$14.70
PHYS SOMATIC MH	\$0.07	0.985	1.00	\$0.07		\$0.07

OHP PLUS (CHILDREN 00-01)

Exhibits Jan 2006

11/28/2005

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

	A	B	C	D = A * B * C	E	F = D + E
Eligibility Category	06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
PLM, CHIP, or TANF Children Aged 0-1						
PRES DRUGS - BASIC	\$9.54	0.979	1.00	\$9.34	\$0.00	\$9.34
PRES DRUGS - FP	\$0.01	0.979	1.00	\$0.01	\$0.00	\$0.01
PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00
PRES DRUGS - NEURONTIN	\$0.00	0.983	1.00	\$0.00	\$0.00	\$0.00
PRES DRUGS - TOBACCO CESSATION	\$0.00	0.979	1.00	\$0.00	\$0.00	\$0.00
SCHOOL-BASED HEALTH SERVICES	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
STERILIZATION - ANESTHESIA MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00	\$0.00	\$0.00
STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00	\$0.00	\$0.00
STERILIZATION - PHY FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
STERILIZATION - PHY MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
SURGERY	\$6.24	0.985	1.00	\$6.15	\$0.00	\$6.15
TARGETED CASE MAN - BABIES FIRST	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
TARGETED CASE MAN - HIV	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00
THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00	\$0.00	\$0.00
THERAPEUTIC ABORTION - PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00
TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00
TOBACCO CES-PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
TRANSPORTATION - AMBULANCE	\$6.16	0.985	1.00	\$6.06	\$0.00	\$6.06
TRANSPORTATION - OTHER	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00
VISION CARE - EXAMS & THERAPY	\$0.29	0.985	1.00	\$0.29	\$0.00	\$0.29
VISION CARE - MATERIALS & FITTING	\$0.02	0.985	1.00	\$0.02	\$0.00	\$0.02
PART A DEDUCTIBLE	\$0.00					
PART B DEDUCTIBLE	\$0.00					
PART B COINSURANCE ADJUSTMENT	\$0.00					
Subtotal Physical Health	\$402.61			\$333.86	\$0.00	\$333.86
Subtotal Physical Health w Admin						\$385.23
CHEMICAL DEPENDENCY						
CD SERVICES - ALTERNATIVE TO DETOX	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00
CD SERVICES - METHADONE	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00
CD SERVICES - OP	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00
Subtotal Chemical Dependency	\$0.00			\$0.00	\$0.00	\$0.00
Subtotal Chemical Dependency w Admin						\$0.00

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
PLM, CHIP, or TANF Children Aged 0-1							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - DIAGNOSTIC	\$0.05	0.986	1.00	\$0.04		\$0.04
	DENTAL - ENDODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - I/P FIXED	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PREVENTIVE	\$0.02	0.986	1.00	\$0.02		\$0.02
	DENTAL - PROS REMOVABLE	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - RESTORATIVE	\$0.01	0.986	1.00	\$0.01		\$0.01
	DENTAL - TOBACCO CES	\$0.00	0.986	1.00	\$0.00		\$0.00
	Subtotal Dental	\$0.09			\$0.09	\$0.00	\$0.09
	Subtotal Dental w Admin						\$0.10
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT	\$0.01	0.995	0.74	\$0.01		\$0.01
	MH SERVICES ASSESS & EVAL	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES CASE MANAGEMENT	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES CONSULTATION	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES MED MANAGEMENT	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES OP THERAPY	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES OTHER OP	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES PHYS IP	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES PHYS OP	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES SUPPORT DAY PROGRAM	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES PSYCH DAY					\$0.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00
	Subtotal Mental Health	\$0.05			\$0.04	\$0.00	\$0.04
	Subtotal Mental Health w Admin						\$0.05
	Total Services	\$402.75			\$333.99	\$0.00	\$333.99
	Total Services with Admin						\$385.38

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
PLM, CHIP, or TANF Children Aged 1-5	PHYSICAL HEALTH						
	ADMINISTRATIVE EXAMS	\$0.00	0.985	1.00	\$0.00		\$0.00
	ANESTHESIA	\$1.55	0.985	1.00	\$1.52		\$1.52
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	FP - OP HOSP	\$0.00	0.989	0.75	\$0.00		\$0.00
	FP - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.985	1.00	\$0.00		\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00
	HYSTERECTOMY - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00
	IP HOSP - MATERNITY	\$0.00	0.992	0.78	\$0.00	\$0.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$9.73	0.992	0.76	\$7.33		\$7.33
	IP HOSP - NEWBORN	\$0.01	0.992	0.75	\$0.00		\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$1.06	0.985	1.00	\$1.04		\$1.04
	LAB & RAD - LAB	\$0.91	0.985	1.00	\$0.90		\$0.90
	LAB & RAD - THERAPEUTIC X-RAY	\$0.01	0.985	1.00	\$0.01		\$0.01
	OP ER - SOMATIC MH	\$0.01	0.989	0.75	\$0.01		\$0.01
	OP HOSP - BASIC	\$10.71	0.989	0.78	\$8.29		\$8.29
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - EMERGENCY ROOM	\$5.13	0.989	0.77	\$3.93		\$3.93
	OP HOSP - LAB & RAD	\$3.34	0.989	0.78	\$2.57		\$2.57
	OP HOSP - MATERNITY	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.989	0.83	\$0.00		\$0.00
	OP HOSP - PRES DRUGS BASIC	\$0.79	0.989	0.78	\$0.61		\$0.61
	OP HOSP - PRES DRUGS MH/CD	\$0.00	1.000	0.78	\$0.00		\$0.00
	OP HOSP - SOMATIC MH	\$0.09	0.989	0.76	\$0.07		\$0.07
	OTH MED - DME	\$0.32	0.985	1.00	\$0.31		\$0.31
	OTH MED - HHC/PDN	\$0.11	0.985	1.00	\$0.11		\$0.11
	OTH MED - HOSPICE	\$0.01	0.985	1.00	\$0.01		\$0.01
	OTH MED - MATERNITY MGT	\$0.00	0.996	1.00	\$0.00		\$0.00
	OTH MED - SUPPLIES	\$0.32	0.985	1.00	\$0.31		\$0.31
	PHYS CONSULTATION, IP & ER VISITS	\$3.75	0.985	1.00	\$3.69		\$3.69
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.01	0.985	1.00	\$0.01		\$0.01
	PHYS MATERNITY	\$0.01	0.985	1.00	\$0.01	\$0.00	\$0.01
PHYS NEWBORN	\$0.05	0.985	1.00	\$0.05		\$0.05	
PHYS OFFICE VISITS	\$20.58	0.985	1.00	\$20.26		\$20.26	
PHYS OTHER	\$3.55	0.985	1.00	\$3.50		\$3.50	
PHYS SOMATIC MH	\$0.50	0.985	1.00	\$0.49		\$0.49	

OHP PLUS (CHILDREN 01-05)

Exhibits Jan 2006

11/28/2005

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F	
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	= D + E Adjusted Cost	
PLM, CHIP, or TANF Children Aged 1-5	PRES DRUGS - BASIC	\$7.56	0.979	1.00	\$7.40	-\$0.03	\$7.37	
	PRES DRUGS - FP	\$0.00	0.979	1.00	\$0.00	\$0.00	\$0.00	
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00	
	PRES DRUGS - NEURONTIN	\$0.00	0.983	1.00	\$0.00	\$0.00	\$0.00	
	PRES DRUGS - TOBACCO CESSATION	\$0.00	0.979	1.00	\$0.00	\$0.00	\$0.00	
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00	\$0.00	\$0.00	
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00	\$0.00	\$0.00	
	STERILIZATION - PHY FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	STERILIZATION - PHY MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	SURGERY	\$3.50	0.985	1.00	\$3.44	\$0.00	\$3.44	
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	TARGETED CASE MAN - HIV	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00	\$0.00	\$0.00	
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00	
	TOBACCO CES-PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	TRANSPORTATION - AMBULANCE	\$1.06	0.985	1.00	\$1.04	\$0.00	\$1.04	
	TRANSPORTATION - OTHER	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	
	VISION CARE - EXAMS & THERAPY	\$0.59	0.985	1.00	\$0.58	\$0.00	\$0.58	
	VISION CARE - MATERIALS & FITTING	\$0.21	0.985	1.00	\$0.21	\$0.00	\$0.21	
	PART A DEDUCTIBLE	\$0.00						
	PART B DEDUCTIBLE	\$0.00						
	PART B COINSURANCE ADJUSTMENT	\$0.00						
	Subtotal Physical Health		\$75.46			\$67.72	-\$0.03	\$67.69
	Subtotal Physical Health w Admin							\$78.11
CHEMICAL DEPENDENCY								
CD SERVICES - ALTERNATIVE TO DETOX	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00		
CD SERVICES - METHADONE	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00		
CD SERVICES - OP	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00		
Subtotal Chemical Dependency		\$0.00			\$0.00	\$0.00	\$0.00	
Subtotal Chemical Dependency w Admin							\$0.00	

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
PLM, CHIP, or TANF Children Aged 1-5							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.59	0.986	1.00	\$0.59		\$0.59
	DENTAL - ANESTHESIA SURGICAL	\$0.63	0.986	1.00	\$0.62		\$0.62
	DENTAL - DIAGNOSTIC	\$2.73	0.986	1.00	\$2.69		\$2.69
	DENTAL - ENDODONTICS	\$1.15	0.986	1.00	\$1.14		\$1.14
	DENTAL - I/P FIXED	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$0.86	0.986	1.00	\$0.84		\$0.84
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PREVENTIVE	\$2.51	0.986	1.00	\$2.47		\$2.47
	DENTAL - PROS REMOVABLE	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - RESTORATIVE	\$6.84	0.986	1.00	\$6.75		\$6.75
	DENTAL - TOBACCO CES	\$0.00	0.986	1.00	\$0.00		\$0.00
	Subtotal Dental	\$15.31			\$15.10	\$0.00	\$15.10
	Subtotal Dental w Admin						\$17.43
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT	\$0.04	0.995	0.74	\$0.03		\$0.03
	MH SERVICES ASSESS & EVAL	\$0.45	0.995	1.00	\$0.45		\$0.45
	MH SERVICES CASE MANAGEMENT	\$0.16	0.995	1.00	\$0.16		\$0.16
	MH SERVICES CONSULTATION	\$0.05	0.995	1.00	\$0.05		\$0.05
	MH SERVICES ANCILLARY SERVICES	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES MED MANAGEMENT	\$0.07	0.995	1.00	\$0.07		\$0.07
	MH SERVICES ALTERNATIVE TO IP	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES FAMILY SUPPORT	\$0.02	0.995	1.00	\$0.02		\$0.02
	MH SERVICES OP THERAPY	\$1.32	0.995	1.00	\$1.32		\$1.32
	MH SERVICES OTHER OP	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES PHYS IP	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES PHYS OP	\$0.14	0.995	1.00	\$0.14		\$0.14
	MH SERVICES SUPPORT DAY PROGRAM	\$0.18	0.995	1.00	\$0.18		\$0.18
	MH SERVICES PSYCH DAY					\$0.63	\$0.63
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00
	MH SERVICES CARE COORD					\$0.03	\$0.03
	MH SERVICES CONS ASSESS					\$0.00	\$0.00
	Subtotal Mental Health	\$2.46			\$2.43	\$0.66	\$3.09
	Subtotal Mental Health w Admin						\$3.57
	Total Services	\$93.24			\$85.26	\$0.63	\$85.89
	Total Services with Admin						\$99.11

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
PLM, CHIP, or TANF Children Aged 6-18	PHYSICAL HEALTH						
	ADMINISTRATIVE EXAMS	\$0.00	0.985	1.00	\$0.00		\$0.00
	ANESTHESIA	\$0.77	0.985	1.00	\$0.76		\$0.76
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	FP - OP HOSP	\$0.01	0.989	0.75	\$0.01		\$0.01
	FP - PHYS	\$0.08	0.985	1.00	\$0.08		\$0.08
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.985	1.00	\$0.00		\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00
	HYSTERECTOMY - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00
	IP HOSP - MATERNITY	\$1.70	0.992	0.78	\$1.32	-\$1.32	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$9.19	0.992	0.76	\$6.91		\$6.91
	IP HOSP - NEWBORN	\$0.00	0.992	0.75	\$0.00		\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$1.82	0.985	1.00	\$1.79		\$1.79
	LAB & RAD - LAB	\$1.27	0.985	1.00	\$1.25		\$1.25
	LAB & RAD - THERAPEUTIC X-RAY	\$0.02	0.985	1.00	\$0.02		\$0.02
	OP ER - SOMATIC MH	\$0.10	0.989	0.75	\$0.07		\$0.07
	OP HOSP - BASIC	\$6.12	0.989	0.78	\$4.74		\$4.74
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - EMERGENCY ROOM	\$3.29	0.989	0.77	\$2.52		\$2.52
	OP HOSP - LAB & RAD	\$4.36	0.989	0.78	\$3.35		\$3.35
	OP HOSP - MATERNITY	\$0.49	0.989	0.78	\$0.38	-\$0.38	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.989	0.83	\$0.00		\$0.00
	OP HOSP - PRES DRUGS BASIC	\$0.63	0.989	0.78	\$0.49		\$0.49
	OP HOSP - PRES DRUGS MH/CD	\$0.00	1.000	0.78	\$0.00		\$0.00
	OP HOSP - SOMATIC MH	\$0.12	0.989	0.76	\$0.09		\$0.09
	OTH MED - DME	\$0.21	0.985	1.00	\$0.21		\$0.21
	OTH MED - HHC/PDN	\$0.06	0.985	1.00	\$0.06		\$0.06
	OTH MED - HOSPICE	\$0.00	0.985	1.00	\$0.00		\$0.00
	OTH MED - MATERNITY MGT	\$0.52	0.996	1.00	\$0.52		\$0.52
	OTH MED - SUPPLIES	\$0.27	0.985	1.00	\$0.26		\$0.26
	PHYS CONSULTATION, IP & ER VISITS	\$2.62	0.985	1.00	\$2.58		\$2.58
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.01	0.985	1.00	\$0.00		\$0.00
	PHYS MATERNITY	\$1.39	0.985	1.00	\$1.36	-\$1.36	\$0.00
PHYS NEWBORN	\$0.05	0.985	1.00	\$0.04		\$0.04	
PHYS OFFICE VISITS	\$11.42	0.985	1.00	\$11.25		\$11.25	
PHYS OTHER	\$1.48	0.985	1.00	\$1.46		\$1.46	
PHYS SOMATIC MH	\$1.15	0.985	1.00	\$1.13		\$1.13	

OHP PLUS (CHILDREN 06-18)
 Exhibits Jan 2006
 11/28/2005

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F	
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	
PLM, CHIP, or TANF Children Aged 6-18	PRES DRUGS - BASIC	\$10.46	0.979	1.00	\$10.24	-\$0.06	\$10.18	
	PRES DRUGS - FP	\$0.39	0.979	1.00	\$0.38	\$0.00	\$0.38	
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00	
	PRES DRUGS - NEURONTIN	\$0.07	0.970	1.00	\$0.07	\$0.00	\$0.07	
	PRES DRUGS - TOBACCO CESSATION	\$0.03	0.979	1.00	\$0.03	\$0.00	\$0.03	
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.985	1.00	\$0.00		\$0.00	
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.985	1.00	\$0.00		\$0.00	
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.985	1.00	\$0.00		\$0.00	
	STERILIZATION - IP HOSP FEMALE	\$0.01	0.992	0.79	\$0.00		\$0.00	
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00	
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00		\$0.00	
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00		\$0.00	
	STERILIZATION - PHY FEMALE	\$0.00	0.985	1.00	\$0.00		\$0.00	
	STERILIZATION - PHY MALE	\$0.00	0.985	1.00	\$0.00		\$0.00	
	SURGERY	\$3.37	0.985	1.00	\$3.32		\$3.32	
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.985	1.00	\$0.00		\$0.00	
	TARGETED CASE MAN - HIV	\$0.00	0.985	1.00	\$0.00		\$0.00	
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.985	1.00	\$0.00		\$0.00	
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00	
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00		\$0.00	
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00	
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00	
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00		\$0.00	
	TOBACCO CES-PHYS	\$0.01	0.985	1.00	\$0.01		\$0.01	
	TRANSPORTATION - AMBULANCE	\$0.81	0.985	1.00	\$0.80		\$0.80	
	TRANSPORTATION - OTHER	\$0.00	0.985	1.00	\$0.00		\$0.00	
	VISION CARE - EXAMS & THERAPY	\$2.09	0.985	1.00	\$2.05		\$2.05	
	VISION CARE - MATERIALS & FITTING	\$1.65	0.985	1.00	\$1.62		\$1.62	
	PART A DEDUCTIBLE	\$0.00						
	PART B DEDUCTIBLE	\$0.00						
	PART B COINSURANCE ADJUSTMENT	\$0.00						
	Subtotal Physical Health		\$68.02			\$61.20	-\$3.13	\$58.08
	Subtotal Physical Health w Admin							\$67.01
	CHEMICAL DEPENDENCY							
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.00	0.995	1.00	\$0.00		\$0.00	
	CD SERVICES - METHADONE	\$0.01	0.995	1.00	\$0.01		\$0.01	
	CD SERVICES - OP	\$1.22	0.995	1.00	\$1.22		\$1.22	
	Subtotal Chemical Dependency		\$1.24			\$1.23	\$0.00	\$1.23
	Subtotal Chemical Dependency w Admin							\$1.42

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
PLM, CHIP, or TANF Children Aged 6-18							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.20	0.986	1.00	\$0.20		\$0.20
	DENTAL - ANESTHESIA SURGICAL	\$0.38	0.986	1.00	\$0.38		\$0.38
	DENTAL - DIAGNOSTIC	\$4.61	0.986	1.00	\$4.54		\$4.54
	DENTAL - ENDODONTICS	\$1.28	0.986	1.00	\$1.27		\$1.27
	DENTAL - I/P FIXED	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$1.75	0.986	1.00	\$1.73		\$1.73
	DENTAL - ORTHODONTICS	\$0.02	0.986	1.00	\$0.02		\$0.02
	DENTAL - PERIODONTICS	\$0.12	0.986	1.00	\$0.12		\$0.12
	DENTAL - PREVENTIVE	\$5.17	0.986	1.00	\$5.10		\$5.10
	DENTAL - PROS REMOVABLE	\$0.04	0.986	1.00	\$0.04		\$0.04
	DENTAL - RESTORATIVE	\$6.91	0.986	1.00	\$6.81		\$6.81
	DENTAL - TOBACCO CES	\$0.01	0.986	1.00	\$0.01		\$0.01
	Subtotal Dental	\$20.49			\$20.21	\$0.00	\$20.21
	Subtotal Dental w Admin						\$23.32
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT	\$1.92	0.995	0.74	\$1.42		\$1.42
	MH SERVICES ASSESS & EVAL	\$1.64	0.995	1.00	\$1.63		\$1.63
	MH SERVICES CASE MANAGEMENT	\$0.90	0.995	1.00	\$0.89		\$0.89
	MH SERVICES CONSULTATION	\$0.27	0.995	1.00	\$0.27		\$0.27
	MH SERVICES ANCILLARY SERVICES	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES MED MANAGEMENT	\$0.64	0.995	1.00	\$0.64		\$0.64
	MH SERVICES ALTERNATIVE TO IP	\$0.20	0.995	1.00	\$0.20		\$0.20
	MH SERVICES FAMILY SUPPORT	\$0.08	0.995	1.00	\$0.08		\$0.08
	MH SERVICES OP THERAPY	\$5.94	0.995	1.00	\$5.90		\$5.90
	MH SERVICES OTHER OP	\$0.05	0.995	1.00	\$0.05		\$0.05
	MH SERVICES PHYS IP	\$0.08	0.995	1.00	\$0.08		\$0.08
	MH SERVICES PHYS OP	\$0.48	0.995	1.00	\$0.48		\$0.48
	MH SERVICES SUPPORT DAY PROGRAM	\$0.62	0.995	1.00	\$0.62		\$0.62
	MH SERVICES PSYCH DAY					\$3.29	\$3.29
	MH SERVICES RESIDENTIAL					\$1.01	\$1.01
	MH SERVICES CARE COORD					\$0.12	\$0.12
	MH SERVICES CONS ASSESS					\$0.01	\$0.01
	Subtotal Mental Health	\$12.83			\$12.26	\$4.43	\$16.69
	Subtotal Mental Health w Admin						\$19.26
	Total Services	\$102.58			\$94.91	\$1.30	\$96.21
	Total Services with Admin						\$111.02

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Exhibit 2j

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
AB/AD with Medicare							
	PHYSICAL HEALTH						
	ADMINISTRATIVE EXAMS	\$0.00	0.968	1.00	\$0.00		\$0.00
	ANESTHESIA	\$0.86	0.968	1.00	\$0.83		\$0.83
	EXCEPT NEEDS CARE COORDINATION	\$8.01	1.000	1.00	\$8.01		\$8.01
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	FP - OP HOSP	\$0.00	0.989	0.75	\$0.00		\$0.00
	FP - PHYS	\$0.03	0.968	1.00	\$0.03		\$0.03
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.968	1.00	\$0.00		\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00
	HYSTERECTOMY - PHYS	\$0.05	0.968	1.00	\$0.05		\$0.05
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00
	IP HOSP - MATERNITY	\$0.00	0.992	0.78	\$0.00	\$0.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$0.00	0.992	0.76	\$0.00		\$0.00
	IP HOSP - NEWBORN	\$0.00	0.992	0.75	\$0.00		\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$2.66	0.968	1.00	\$2.58		\$2.58
	LAB & RAD - LAB	\$0.00	0.968	1.00	\$0.00		\$0.00
	LAB & RAD - THERAPEUTIC X-RAY	\$0.14	0.968	1.00	\$0.13		\$0.13
	OP ER - SOMATIC MH	\$0.20	0.989	0.75	\$0.15		\$0.15
	OP HOSP - BASIC	\$10.14	0.989	0.78	\$7.86		\$7.86
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - EMERGENCY ROOM	\$1.95	0.989	0.77	\$1.50		\$1.50
	OP HOSP - LAB & RAD	\$4.95	0.989	0.78	\$3.81		\$3.81
	OP HOSP - MATERNITY	\$0.07	0.989	0.78	\$0.05	\$0.00	\$0.05
	OP HOSP - POST HOSP EXTENDED CARE	\$0.02	0.989	0.83	\$0.02		\$0.02
	OP HOSP - PRES DRUGS BASIC	\$3.74	0.989	0.78	\$2.90		\$2.90
	OP HOSP - PRES DRUGS MH/CD	\$0.05	1.000	0.78	\$0.04		\$0.04
	OP HOSP - SOMATIC MH	\$0.24	0.989	0.76	\$0.18		\$0.18
	OTH MED - DME	\$4.35	0.968	1.00	\$4.22		\$4.22
	OTH MED - HHC/PDN	\$0.00	0.968	1.00	\$0.00		\$0.00
	OTH MED - HOSPICE	\$0.00	0.968	1.00	\$0.00		\$0.00
	OTH MED - MATERNITY MGT	\$0.15	0.984	1.00	\$0.15		\$0.15
	OTH MED - SUPPLIES	\$11.96	0.968	1.00	\$11.58		\$11.58
	PHYS CONSULTATION, IP & ER VISITS	\$4.03	0.968	1.00	\$3.90		\$3.90
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.19	0.968	1.00	\$0.18		\$0.18
	PHYS MATERNITY	\$0.15	0.968	1.00	\$0.14	\$0.00	\$0.14
	PHYS NEWBORN	\$0.02	0.968	1.00	\$0.02		\$0.02
	PHYS OFFICE VISITS	\$7.19	0.968	1.00	\$6.97		\$6.97
	PHYS OTHER	\$3.82	0.968	1.00	\$3.70		\$3.70
	PHYS SOMATIC MH	\$1.02	0.968	1.00	\$0.99		\$0.99

Oregon Health Plan Medicaid Demonstration

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Exhibit 2j

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
AB/AD with Medicare							
	PRES DRUGS - BASIC	\$221.61	0.978	1.00	\$216.72	-\$209.24	\$7.47
	PRES DRUGS - FP	\$0.85	0.978	1.00	\$0.83	-\$0.83	\$0.00
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$17.19	0.973	1.00	\$16.72	-\$16.72	\$0.00
	PRES DRUGS - TOBACCO CESSATION	\$1.02	0.978	1.00	\$1.00	-\$0.65	\$0.35
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.968	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.968	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.968	1.00	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.01	0.989	0.81	\$0.01		\$0.01
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$0.01	0.968	1.00	\$0.01		\$0.01
	STERILIZATION - PHY MALE	\$0.00	0.968	1.00	\$0.00		\$0.00
	SURGERY	\$4.70	0.968	1.00	\$4.55		\$4.55
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.968	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.968	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.968	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.968	1.00	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00		\$0.00
	TOBACCO CES-PHYS	\$0.04	0.968	1.00	\$0.04		\$0.04
	TRANSPORTATION - AMBULANCE	\$1.43	0.968	1.00	\$1.38		\$1.38
	TRANSPORTATION - OTHER	\$0.00	0.968	1.00	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$3.93	0.968	1.00	\$3.81		\$3.81
	VISION CARE - MATERIALS & FITTING	\$2.97	0.968	1.00	\$2.87		\$2.87
	PART A DEDUCTIBLE ²	\$14.68			\$14.51		\$14.51
	PART B DEDUCTIBLE ²	\$9.48			\$9.42		\$9.42
	PART B COINSURANCE ADJUSTMENT ²	-\$1.96			-\$1.96		-\$1.96
Subtotal Physical Health		\$341.97			\$329.91	-\$227.44	\$102.47
Subtotal Physical Health w Admin							\$133.80
CHEMICAL DEPENDENCY							
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.16	0.995	1.00	\$0.16		\$0.16
	CD SERVICES - METHADONE	\$2.21	0.995	1.00	\$2.20		\$2.20
	CD SERVICES - OP	\$1.42	0.995	1.00	\$1.41		\$1.41
Subtotal Chemical Dependency		\$3.79			\$3.77	\$0.00	\$3.77
Subtotal Chemical Dependency w Admin ³							\$4.92

Oregon Health Plan Medicaid Demonstration

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 2j

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
AB/AD with Medicare							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.70	0.986	1.00	\$0.69		\$0.69
	DENTAL - ANESTHESIA SURGICAL	\$0.37	0.986	1.00	\$0.36		\$0.36
	DENTAL - DIAGNOSTIC	\$4.06	0.986	1.00	\$4.00		\$4.00
	DENTAL - ENDODONTICS	\$1.51	0.986	1.00	\$1.49		\$1.49
	DENTAL - I/P FIXED	\$0.06	0.986	1.00	\$0.06		\$0.06
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$4.17	0.986	1.00	\$4.11		\$4.11
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$2.50	0.986	1.00	\$2.47		\$2.47
	DENTAL - PREVENTIVE	\$2.35	0.986	1.00	\$2.32		\$2.32
	DENTAL - PROS REMOVABLE	\$6.06	0.986	1.00	\$5.97		\$5.97
	DENTAL - RESTORATIVE	\$6.54	0.986	1.00	\$6.45		\$6.45
	DENTAL - TOBACCO CES	\$0.02	0.986	1.00	\$0.02		\$0.02
	Subtotal Dental	\$28.33			\$27.94	\$0.00	\$27.94
	Subtotal Dental w Admin						\$32.24
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT ²	\$2.90			\$2.83		\$2.83
	MH SERVICES ASSESS & EVAL	\$2.21	0.995	1.00	\$2.20		\$2.20
	MH SERVICES CASE MANAGEMENT	\$11.87	0.995	1.00	\$11.80		\$11.80
	MH SERVICES CONSULTATION	\$0.56	0.995	1.00	\$0.56		\$0.56
	MH SERVICES ANCILLARY SERVICES	\$0.03	0.995	1.00	\$0.03		\$0.03
	MH SERVICES MED MANAGEMENT	\$8.55	0.995	1.00	\$8.50		\$8.50
	MH SERVICES ALTERNATIVE TO IP	\$3.48	0.995	1.00	\$3.46		\$3.46
	MH SERVICES FAMILY SUPPORT	\$1.52	0.995	1.00	\$1.51		\$1.51
	MH SERVICES OP THERAPY	\$11.52	0.995	1.00	\$11.46		\$11.46
	MH SERVICES OTHER OP	\$0.21	0.995	1.00	\$0.21		\$0.21
	MH SERVICES PHYS IP	\$1.02	0.995	1.00	\$1.02		\$1.02
	MH SERVICES PHYS OP	\$1.16	0.995	1.00	\$1.16		\$1.16
	MH SERVICES SUPPORT DAY PROGRAM	\$25.89	0.995	1.00	\$25.75		\$25.75
	MH SERVICES PSYCH DAY					\$0.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00
	Subtotal Mental Health	\$70.93			\$70.50	\$0.00	\$70.50
	Subtotal Mental Health w Admin						\$81.35
	Total Services	\$445.02			\$432.12	-\$227.44	\$204.68
	Total Services with Admin						\$252.31

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

² Medicare Part A Deductible, Part B Deductible, and Part B Coinsurance Adjustment were recalculated for Dual Eligibles using the 2006 values for the January 2006 Rate Development. Mental Health Acute Inpatient per capita cost reflects expected value of Medicare Part A cost sharing.

³ Chemical Dependency costs with adjustment for administration allowance reflects the higher FCHP administration allowance. Since CDOs are not responsible for prescription drugs, no adjustment was made to the CDO administration allowance.

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

		A	B	C	D = A * B * C	E	F = D + E
Eligibility Category	Service Category	06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost

AB/AD without Medicare

PHYSICAL HEALTH

ADMINISTRATIVE EXAMS	\$0.00	0.988	1.00	\$0.00			\$0.00
ANESTHESIA	\$4.08	0.988	1.00	\$4.03			\$4.03
EXCEPT NEEDS CARE COORDINATION	\$8.01	1.000	1.00	\$8.01			\$8.01
FP - IP HOSP	\$0.00	0.992	0.72	\$0.00			\$0.00
FP - OP HOSP	\$0.02	0.990	0.75	\$0.01			\$0.01
FP - PHYS	\$0.16	0.988	1.00	\$0.16			\$0.16
HYSTERECTOMY - ANESTHESIA	\$0.04	0.988	1.00	\$0.03			\$0.03
HYSTERECTOMY - IP HOSP	\$1.71	0.992	0.78	\$1.32			\$1.32
HYSTERECTOMY - OP HOSP	\$0.01	0.990	0.76	\$0.01			\$0.01
HYSTERECTOMY - PHYS	\$0.35	0.988	1.00	\$0.35			\$0.35
IP HOSP - ACUTE DETOX	\$0.32	0.992	0.77	\$0.24			\$0.24
IP HOSP - MATERNITY	\$2.04	0.992	0.78	\$1.59		-\$1.59	\$0.00
IP HOSP - MATERNITY / STERILIZATION	\$0.26	0.992	0.79	\$0.20		-\$0.13	\$0.07
IP HOSP - MEDICAL/SURGICAL	\$187.42	0.992	0.76	\$141.08			\$141.08
IP HOSP - NEWBORN	\$0.03	0.992	0.75	\$0.02			\$0.02
IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00			\$0.00
LAB & RAD - DIAGNOSTIC X-RAY	\$12.40	0.988	1.00	\$12.26			\$12.26
LAB & RAD - LAB	\$7.39	0.988	1.00	\$7.30			\$7.30
LAB & RAD - THERAPEUTIC X-RAY	\$1.14	0.988	1.00	\$1.12			\$1.12
OP ER - SOMATIC MH	\$1.18	0.990	0.75	\$0.88			\$0.88
OP HOSP - BASIC	\$46.91	0.990	0.78	\$36.39			\$36.39
OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.990	0.78	\$0.00			\$0.00
OP HOSP - DENTAL PREVENTIVE	\$0.00	0.990	0.78	\$0.00			\$0.00
OP HOSP - DENTAL RESTORATIVE	\$0.00	0.990	0.78	\$0.00			\$0.00
OP HOSP - EMERGENCY ROOM	\$11.84	0.990	0.77	\$9.09			\$9.09
OP HOSP - LAB & RAD	\$32.19	0.990	0.78	\$24.82			\$24.82
OP HOSP - MATERNITY	\$0.69	0.990	0.78	\$0.53		-\$0.53	\$0.00
OP HOSP - POST HOSP EXTENDED CARE	\$0.12	0.990	0.83	\$0.10			\$0.10
OP HOSP - PRES DRUGS BASIC	\$5.91	0.990	0.78	\$4.59			\$4.59
OP HOSP - PRES DRUGS MH/CD	\$0.07	1.000	0.78	\$0.05			\$0.05
OP HOSP - SOMATIC MH	\$1.35	0.990	0.76	\$1.02			\$1.02
OTH MED - DME	\$16.05	0.988	1.00	\$15.85			\$15.85
OTH MED - HHC/PDN	\$3.64	0.988	1.00	\$3.60			\$3.60
OTH MED - HOSPICE	\$2.12	0.988	1.00	\$2.10			\$2.10
OTH MED - MATERNITY MGT	\$0.48	0.986	1.00	\$0.48			\$0.48
OTH MED - SUPPLIES	\$8.95	0.988	1.00	\$8.84			\$8.84
PHYS CONSULTATION, IP & ER VISITS	\$17.29	0.988	1.00	\$17.08			\$17.08
PHYS HOME OR LONG-TERM CARE VISITS	\$0.40	0.988	1.00	\$0.39			\$0.39
PHYS MATERNITY	\$1.48	0.988	1.00	\$1.46		-\$1.46	\$0.00
PHYS NEWBORN	\$0.10	0.988	1.00	\$0.10			\$0.10
PHYS OFFICE VISITS	\$30.96	0.988	1.00	\$30.59			\$30.59
PHYS OTHER	\$17.66	0.988	1.00	\$17.45			\$17.45
PHYS SOMATIC MH	\$4.44	0.988	1.00	\$4.39			\$4.39

OHP PLUS (ABAD)
 Exhibits Jan 2006
 11/28/2005

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
AB/AD without Medicare							
	PRES DRUGS - BASIC	\$145.06	0.983	1.00	\$142.66	-\$2.58	\$140.08
	PRES DRUGS - FP	\$0.69	0.983	1.00	\$0.67	\$0.00	\$0.67
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$9.33	0.983	1.00	\$9.18	\$0.00	\$9.18
	PRES DRUGS - TOBACCO CESSATION	\$0.80	0.983	1.00	\$0.78	\$0.00	\$0.78
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.988	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.02	0.988	1.00	\$0.02		\$0.02
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.988	1.00	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.36	0.992	0.79	\$0.28		\$0.28
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.04	0.990	0.81	\$0.03		\$0.03
	STERILIZATION - OP HOSP MALE	\$0.00	0.990	0.72	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$0.05	0.988	1.00	\$0.05		\$0.05
	STERILIZATION - PHY MALE	\$0.02	0.988	1.00	\$0.02		\$0.02
	SURGERY	\$21.53	0.988	1.00	\$21.27		\$21.27
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.988	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.988	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.988	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.990	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.988	1.00	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.05	0.992	0.72	\$0.03		\$0.03
	TOBACCO CES-OP HSP	\$0.02	0.990	0.78	\$0.02		\$0.02
	TOBACCO CES-PHYS	\$0.18	0.988	1.00	\$0.18		\$0.18
	TRANSPORTATION - AMBULANCE	\$9.36	0.988	1.00	\$9.25		\$9.25
	TRANSPORTATION - OTHER	\$0.00	0.988	1.00	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$2.93	0.988	1.00	\$2.90		\$2.90
	VISION CARE - MATERIALS & FITTING	\$2.24	0.988	1.00	\$2.21		\$2.21
	PART A DEDUCTIBLE						
	PART B DEDUCTIBLE						
	PART B COINSURANCE ADJUSTMENT						
	Subtotal Physical Health	\$621.88			\$547.09	-\$6.29	\$540.81
	Subtotal Physical Health w Admin						\$624.03
	CHEMICAL DEPENDENCY						
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.40	0.995	1.00	\$0.40		\$0.40
	CD SERVICES - METHADONE	\$5.94	0.995	1.00	\$5.90		\$5.90
	CD SERVICES - OP	\$4.69	0.995	1.00	\$4.67		\$4.67
	Subtotal Chemical Dependency	\$11.03			\$10.97	\$0.00	\$10.97
	Subtotal Chemical Dependency w Admin						\$12.66

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
AB/AD without Medicare							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.53	0.986	1.00	\$0.52		\$0.52
	DENTAL - ANESTHESIA SURGICAL	\$0.36	0.986	1.00	\$0.36		\$0.36
	DENTAL - DIAGNOSTIC	\$3.60	0.986	1.00	\$3.55		\$3.55
	DENTAL - ENDODONTICS	\$1.47	0.986	1.00	\$1.45		\$1.45
	DENTAL - I/P FIXED	\$0.03	0.986	1.00	\$0.03		\$0.03
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$3.81	0.986	1.00	\$3.76		\$3.76
	DENTAL - ORTHODONTICS	\$0.03	0.986	1.00	\$0.03		\$0.03
	DENTAL - PERIODONTICS	\$1.74	0.986	1.00	\$1.72		\$1.72
	DENTAL - PREVENTIVE	\$1.98	0.986	1.00	\$1.96		\$1.96
	DENTAL - PROS REMOVABLE	\$5.62	0.986	1.00	\$5.54		\$5.54
	DENTAL - RESTORATIVE	\$5.72	0.986	1.00	\$5.64		\$5.64
	DENTAL - TOBACCO CES	\$0.02	0.986	1.00	\$0.02		\$0.02
	Subtotal Dental	\$24.90			\$24.56	\$0.00	\$24.56
	Subtotal Dental w Admin						\$28.33
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT	\$25.27	0.995	0.74	\$18.61		\$18.61
	MH SERVICES ASSESS & EVAL	\$3.52	0.995	1.00	\$3.50		\$3.50
	MH SERVICES CASE MANAGEMENT	\$12.62	0.995	1.00	\$12.55		\$12.55
	MH SERVICES CONSULTATION	\$0.90	0.995	1.00	\$0.90		\$0.90
	MH SERVICES ANCILLARY SERVICES	\$0.14	0.995	1.00	\$0.14		\$0.14
	MH SERVICES MED MANAGEMENT	\$9.87	0.995	1.00	\$9.82		\$9.82
	MH SERVICES ALTERNATIVE TO IP	\$4.49	0.995	1.00	\$4.46		\$4.46
	MH SERVICES FAMILY SUPPORT	\$1.42	0.995	1.00	\$1.41		\$1.41
	MH SERVICES OP THERAPY	\$17.28	0.995	1.00	\$17.19		\$17.19
	MH SERVICES OTHER OP	\$0.07	0.995	1.00	\$0.07		\$0.07
	MH SERVICES PHYS IP	\$0.92	0.995	1.00	\$0.91		\$0.91
	MH SERVICES PHYS OP	\$2.22	0.995	1.00	\$2.21		\$2.21
	MH SERVICES SUPPORT DAY PROGRAM	\$22.98	0.995	1.00	\$22.86		\$22.86
	MH SERVICES PSYCH DAY					\$3.58	\$3.58
	MH SERVICES RESIDENTIAL					\$8.60	\$8.60
	MH SERVICES CARE COORD					\$0.09	\$0.09
	MH SERVICES CONS ASSESS					\$0.01	\$0.01
	Subtotal Mental Health	\$101.71			\$94.64	\$12.28	\$106.92
	Subtotal Mental Health w Admin						\$123.38
	Total Services	\$759.53			\$677.26	\$6.00	\$683.26
	Total Services with Admin						\$788.40

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Exhibit 2j

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OAA with Medicare							
	PHYSICAL HEALTH						
	ADMINISTRATIVE EXAMS	\$0.00	0.968	1.00	\$0.00		\$0.00
	ANESTHESIA	\$0.85	0.968	1.00	\$0.82		\$0.82
	EXCEPT NEEDS CARE COORDINATION	\$6.26	1.000	1.00	\$6.26		\$6.26
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	FP - OP HOSP	\$0.00	0.989	0.75	\$0.00		\$0.00
	FP - PHYS	\$0.00	0.968	1.00	\$0.00		\$0.00
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.968	1.00	\$0.00		\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00
	HYSTERECTOMY - PHYS	\$0.02	0.968	1.00	\$0.02		\$0.02
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00
	IP HOSP - MATERNITY	\$0.00	0.992	0.78	\$0.00	\$0.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$0.00	0.992	0.76	\$0.00		\$0.00
	IP HOSP - NEWBORN	\$0.00	0.992	0.75	\$0.00		\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$3.09	0.968	1.00	\$2.99		\$2.99
	LAB & RAD - LAB	\$0.00	0.968	1.00	\$0.00		\$0.00
	LAB & RAD - THERAPEUTIC X-RAY	\$0.34	0.968	1.00	\$0.33		\$0.33
	OP ER - SOMATIC MH	\$0.04	0.989	0.75	\$0.03		\$0.03
	OP HOSP - BASIC	\$8.41	0.989	0.78	\$6.52		\$6.52
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
	OP HOSP - EMERGENCY ROOM	\$1.69	0.989	0.77	\$1.29		\$1.29
	OP HOSP - LAB & RAD	\$5.60	0.989	0.78	\$4.32		\$4.32
	OP HOSP - MATERNITY	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.01	0.989	0.83	\$0.01		\$0.01
	OP HOSP - PRES DRUGS BASIC	\$3.74	0.989	0.78	\$2.90		\$2.90
	OP HOSP - PRES DRUGS MH/CD	\$0.04	1.000	0.78	\$0.03		\$0.03
	OP HOSP - SOMATIC MH	\$0.10	0.989	0.76	\$0.07		\$0.07
	OTH MED - DME	\$5.51	0.968	1.00	\$5.34		\$5.34
	OTH MED - HHC/PDN	\$0.00	0.968	1.00	\$0.00		\$0.00
	OTH MED - HOSPICE	\$0.00	0.968	1.00	\$0.00		\$0.00
	OTH MED - MATERNITY MGT	\$0.02	0.984	1.00	\$0.02		\$0.02
	OTH MED - SUPPLIES	\$11.83	0.968	1.00	\$11.45		\$11.45
	PHYS CONSULTATION, IP & ER VISITS	\$5.16	0.968	1.00	\$4.99		\$4.99
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.69	0.968	1.00	\$0.67		\$0.67
	PHYS MATERNITY	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00
	PHYS NEWBORN	\$0.02	0.968	1.00	\$0.02		\$0.02
	PHYS OFFICE VISITS	\$7.18	0.968	1.00	\$6.95		\$6.95
	PHYS OTHER	\$3.87	0.968	1.00	\$3.75		\$3.75
	PHYS SOMATIC MH	\$0.51	0.968	1.00	\$0.50		\$0.50

Oregon Health Plan Medicaid Demonstration

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Exhibit 2j

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OAA with Medicare							
	PRES DRUGS - BASIC	\$199.24	0.978	1.00	\$194.84	-\$187.67	\$7.17
	PRES DRUGS - FP	\$0.02	0.978	1.00	\$0.02	-\$0.02	\$0.00
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$6.74	0.973	1.00	\$6.55	-\$6.55	\$0.00
	PRES DRUGS - TOBACCO CESSATION	\$0.29	0.978	1.00	\$0.29	-\$0.20	\$0.09
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.968	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.968	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.968	1.00	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00		\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.968	1.00	\$0.00		\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.968	1.00	\$0.00		\$0.00
	SURGERY	\$5.57	0.968	1.00	\$5.40		\$5.40
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.968	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.968	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.968	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.968	1.00	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00		\$0.00
	TOBACCO CES-PHYS	\$0.01	0.968	1.00	\$0.01		\$0.01
	TRANSPORTATION - AMBULANCE	\$2.46	0.968	1.00	\$2.38		\$2.38
	TRANSPORTATION - OTHER	\$0.00	0.968	1.00	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$5.49	0.968	1.00	\$5.32		\$5.32
	VISION CARE - MATERIALS & FITTING	\$2.91	0.968	1.00	\$2.81		\$2.81
	PART A DEDUCTIBLE ²	\$26.68			\$26.37		\$26.37
	PART B DEDUCTIBLE ²	\$9.48			\$9.42		\$9.42
	PART B COINSURANCE ADJUSTMENT ²	-\$1.88			-\$1.86		-\$1.86
	Subtotal Physical Health	\$322.00			\$310.83	-\$194.44	\$116.40
	Subtotal Physical Health w Admin						\$148.16
	CHEMICAL DEPENDENCY						
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.01	0.995	1.00	\$0.01		\$0.01
	CD SERVICES - METHADONE	\$0.18	0.995	1.00	\$0.18		\$0.18
	CD SERVICES - OP	\$0.10	0.995	1.00	\$0.09		\$0.09
	Subtotal Chemical Dependency	\$0.29			\$0.29	\$0.00	\$0.29
	Subtotal Chemical Dependency w Admin ³						\$0.36

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	= D + E Adjusted Cost
OAA with Medicare							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.40	0.986	1.00	\$0.39		\$0.39
	DENTAL - ANESTHESIA SURGICAL	\$0.09	0.986	1.00	\$0.09		\$0.09
	DENTAL - DIAGNOSTIC	\$2.05	0.986	1.00	\$2.02		\$2.02
	DENTAL - ENDODONTICS	\$0.49	0.986	1.00	\$0.48		\$0.48
	DENTAL - I/P FIXED	\$0.01	0.986	1.00	\$0.01		\$0.01
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$2.21	0.986	1.00	\$2.18		\$2.18
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$0.77	0.986	1.00	\$0.76		\$0.76
	DENTAL - PREVENTIVE	\$1.05	0.986	1.00	\$1.04		\$1.04
	DENTAL - PROS REMOVABLE	\$8.20	0.986	1.00	\$8.09		\$8.09
	DENTAL - RESTORATIVE	\$2.69	0.986	1.00	\$2.65		\$2.65
	DENTAL - TOBACCO CES	\$0.01	0.986	1.00	\$0.01		\$0.01
	Subtotal Dental	\$17.98			\$17.74	\$0.00	\$17.74
	Subtotal Dental w Admin						\$20.46
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT ²	\$0.49			\$0.48		\$0.48
	MH SERVICES ASSESS & EVAL	\$0.42	0.995	1.00	\$0.41		\$0.41
	MH SERVICES CASE MANAGEMENT	\$1.06	0.995	1.00	\$1.05		\$1.05
	MH SERVICES CONSULTATION	\$0.18	0.995	1.00	\$0.18		\$0.18
	MH SERVICES ANCILLARY SERVICES	\$0.03	0.995	1.00	\$0.03		\$0.03
	MH SERVICES MED MANAGEMENT	\$0.84	0.995	1.00	\$0.84		\$0.84
	MH SERVICES ALTERNATIVE TO IP	\$0.17	0.995	1.00	\$0.17		\$0.17
	MH SERVICES FAMILY SUPPORT	\$0.06	0.995	1.00	\$0.06		\$0.06
	MH SERVICES OP THERAPY	\$1.14	0.995	1.00	\$1.14		\$1.14
	MH SERVICES OTHER OP	\$0.01	0.995	1.00	\$0.01		\$0.01
	MH SERVICES PHYS IP	\$0.20	0.995	1.00	\$0.19		\$0.19
	MH SERVICES PHYS OP	\$0.11	0.995	1.00	\$0.10		\$0.10
	MH SERVICES SUPPORT DAY PROGRAM	\$2.59	0.995	1.00	\$2.58		\$2.58
	MH SERVICES PSYCH DAY					\$0.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00
	Subtotal Mental Health	\$7.29			\$7.24	\$0.00	\$7.24
	Subtotal Mental Health w Admin						\$8.36
	Total Services	\$347.55			\$336.10	-\$194.44	\$141.66
	Total Services with Admin						\$177.34

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

² Medicare Part A Deductible, Part B Deductible, and Part B Coinsurance Adjustment were recalculated for Dual Eligibles using the 2006 values for the January 2006 Rate Development. Mental Health Acute Inpatient per capita cost reflects expected value of Medicare Part A cost sharing.

³ Chemical Dependency costs with adjustment for administration allowance reflects the higher FCHP administration allowance. Since CDOs are not responsible for prescription drugs, no adjustment was made to the CDO administration allowance.

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E

OAA without Medicare

PHYSICAL HEALTH

ADMINISTRATIVE EXAMS	\$0.00	0.988	1.00	\$0.00		\$0.00
ANESTHESIA	\$3.13	0.988	1.00	\$3.09		\$3.09
EXCEPT NEEDS CARE COORDINATION	\$6.26	1.000	1.00	\$6.26		\$6.26
FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
FP - OP HOSP	\$0.00	0.990	0.75	\$0.00		\$0.00
FP - PHYS	\$0.00	0.988	1.00	\$0.00		\$0.00
HYSTERECTOMY - ANESTHESIA	\$0.06	0.988	1.00	\$0.06		\$0.06
HYSTERECTOMY - IP HOSP	\$5.24	0.992	0.78	\$4.03		\$4.03
HYSTERECTOMY - OP HOSP	\$0.00	0.990	0.76	\$0.00		\$0.00
HYSTERECTOMY - PHYS	\$0.16	0.988	1.00	\$0.16		\$0.16
IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00
IP HOSP - MATERNITY	\$0.00	0.992	0.78	\$0.00	\$0.00	\$0.00
IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
IP HOSP - MEDICAL/SURGICAL	\$144.44	0.992	0.76	\$108.72		\$108.72
IP HOSP - NEWBORN	\$0.00	0.992	0.75	\$0.00		\$0.00
IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
LAB & RAD - DIAGNOSTIC X-RAY	\$10.93	0.988	1.00	\$10.80		\$10.80
LAB & RAD - LAB	\$4.94	0.988	1.00	\$4.88		\$4.88
LAB & RAD - THERAPEUTIC X-RAY	\$0.20	0.988	1.00	\$0.20		\$0.20
OP ER - SOMATIC MH	\$0.17	0.990	0.75	\$0.12		\$0.12
OP HOSP - BASIC	\$64.00	0.990	0.78	\$49.64		\$49.64
OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.990	0.78	\$0.00		\$0.00
OP HOSP - DENTAL PREVENTIVE	\$0.00	0.990	0.78	\$0.00		\$0.00
OP HOSP - DENTAL RESTORATIVE	\$0.00	0.990	0.78	\$0.00		\$0.00
OP HOSP - EMERGENCY ROOM	\$5.25	0.990	0.77	\$4.03		\$4.03
OP HOSP - LAB & RAD	\$25.82	0.990	0.78	\$19.91		\$19.91
OP HOSP - MATERNITY	\$0.00	0.990	0.78	\$0.00	\$0.00	\$0.00
OP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.990	0.83	\$0.00		\$0.00
OP HOSP - PRES DRUGS BASIC	\$5.08	0.990	0.78	\$3.94		\$3.94
OP HOSP - PRES DRUGS MH/CD	\$0.01	1.000	0.78	\$0.01		\$0.01
OP HOSP - SOMATIC MH	\$0.33	0.990	0.76	\$0.25		\$0.25
OTH MED - DME	\$8.54	0.988	1.00	\$8.44		\$8.44
OTH MED - HHC/PDN	\$2.38	0.988	1.00	\$2.35		\$2.35
OTH MED - HOSPICE	\$4.52	0.988	1.00	\$4.47		\$4.47
OTH MED - MATERNITY MGT	\$0.00	0.986	1.00	\$0.00		\$0.00
OTH MED - SUPPLIES	\$5.25	0.988	1.00	\$5.19		\$5.19
PHYS CONSULTATION, IP & ER VISITS	\$12.66	0.988	1.00	\$12.51		\$12.51
PHYS HOME OR LONG-TERM CARE VISITS	\$0.69	0.988	1.00	\$0.68		\$0.68
PHYS MATERNITY	\$0.01	0.988	1.00	\$0.01	\$0.00	\$0.01
PHYS NEWBORN	\$0.06	0.988	1.00	\$0.06		\$0.06
PHYS OFFICE VISITS	\$27.72	0.988	1.00	\$27.39		\$27.39
PHYS OTHER	\$14.39	0.988	1.00	\$14.22		\$14.22
PHYS SOMATIC MH	\$0.60	0.988	1.00	\$0.59		\$0.59

OHP PLUS (OAA)
 Exhibits Jan 2006
 11/28/2005

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹
OAA without Medicare							
	PRES DRUGS - BASIC	\$96.69	0.983	1.00	\$95.09	\$0.00	\$95.09
	PRES DRUGS - FP	\$0.00	0.983	1.00	\$0.00	\$0.00	\$0.00
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$1.63	0.983	1.00	\$1.60	\$0.00	\$1.60
	PRES DRUGS - TOBACCO CESSATION	\$0.09	0.983	1.00	\$0.09	\$0.00	\$0.09
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.988	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.988	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.988	1.00	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.990	0.81	\$0.00		\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.990	0.72	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.988	1.00	\$0.00		\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.988	1.00	\$0.00		\$0.00
	SURGERY	\$19.86	0.988	1.00	\$19.63		\$19.63
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.988	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.988	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.988	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.990	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.988	1.00	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	TOBACCO CES-OP HSP	\$0.01	0.990	0.78	\$0.01		\$0.01
	TOBACCO CES-PHYS	\$0.06	0.988	1.00	\$0.06		\$0.06
	TRANSPORTATION - AMBULANCE	\$3.98	0.988	1.00	\$3.93		\$3.93
	TRANSPORTATION - OTHER	\$0.00	0.988	1.00	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$3.81	0.988	1.00	\$3.76		\$3.76
	VISION CARE - MATERIALS & FITTING	\$2.60	0.988	1.00	\$2.57		\$2.57
	PART A DEDUCTIBLE	\$0.00					
	PART B DEDUCTIBLE	\$0.00					
	PART B COINSURANCE ADJUSTMENT	\$0.00					
	Subtotal Physical Health	\$481.56			\$418.75	\$0.00	\$418.75
	Subtotal Physical Health w Admin						\$483.19
	CHEMICAL DEPENDENCY						
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.04	0.995	1.00	\$0.04		\$0.04
	CD SERVICES - METHADONE	\$0.00	0.995	1.00	\$0.00		\$0.00
	CD SERVICES - OP	\$0.25	0.995	1.00	\$0.25		\$0.25
	Subtotal Chemical Dependency	\$0.29			\$0.28	\$0.00	\$0.28
	Subtotal Chemical Dependency w Admin						\$0.33

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OAA without Medicare							
DENTAL							
	DENTAL - ADJUNCTIVE GENERAL	\$0.19	0.986	1.00	\$0.19		\$0.19
	DENTAL - ANESTHESIA SURGICAL	\$0.03	0.986	1.00	\$0.03		\$0.03
	DENTAL - DIAGNOSTIC	\$2.86	0.986	1.00	\$2.82		\$2.82
	DENTAL - ENDODONTICS	\$1.48	0.986	1.00	\$1.46		\$1.46
	DENTAL - I/P FIXED	\$0.11	0.986	1.00	\$0.11		\$0.11
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$3.07	0.986	1.00	\$3.03		\$3.03
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$1.97	0.986	1.00	\$1.94		\$1.94
	DENTAL - PREVENTIVE	\$1.03	0.986	1.00	\$1.02		\$1.02
	DENTAL - PROS REMOVABLE	\$10.84	0.986	1.00	\$10.69		\$10.69
	DENTAL - RESTORATIVE	\$4.51	0.986	1.00	\$4.45		\$4.45
	DENTAL - TOBACCO CES	\$0.00	0.986	1.00	\$0.00		\$0.00
	Subtotal Dental	\$26.11			\$25.75	\$0.00	\$25.75
	Subtotal Dental w Admin						\$29.71
MENTAL HEALTH							
	MH SERVICES ACUTE INPATIENT	\$0.66	0.995	0.74	\$0.48		\$0.48
	MH SERVICES ASSESS & EVAL	\$0.46	0.995	1.00	\$0.46		\$0.46
	MH SERVICES CASE MANAGEMENT	\$0.77	0.995	1.00	\$0.77		\$0.77
	MH SERVICES CONSULTATION	\$0.07	0.995	1.00	\$0.07		\$0.07
	MH SERVICES ANCILLARY SERVICES	\$0.18	0.995	1.00	\$0.17		\$0.17
	MH SERVICES MED MANAGEMENT	\$1.16	0.995	1.00	\$1.15		\$1.15
	MH SERVICES ALTERNATIVE TO IP	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.34	0.995	1.00	\$0.33		\$0.33
	MH SERVICES OP THERAPY	\$0.82	0.995	1.00	\$0.82		\$0.82
	MH SERVICES OTHER OP	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES PHYS IP	\$0.06	0.995	1.00	\$0.06		\$0.06
	MH SERVICES PHYS OP	\$0.05	0.995	1.00	\$0.05		\$0.05
	MH SERVICES SUPPORT DAY PROGRAM	\$2.31	0.995	1.00	\$2.30		\$2.30
	MH SERVICES PSYCH DAY					\$0.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00
	Subtotal Mental Health	\$6.87			\$6.66	\$0.00	\$6.66
	Subtotal Mental Health w Admin						\$7.69
	Total Services	\$514.82			\$451.45	\$0.00	\$451.45
	Total Services with Admin						\$520.92

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	= D + E Adjusted Cost

SCF Children

PHYSICAL HEALTH

ADMINISTRATIVE EXAMS	\$0.00	0.985	1.00	\$0.00		\$0.00
ANESTHESIA	\$1.29	0.985	1.00	\$1.27		\$1.27
EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00
FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00
FP - OP HOSP	\$0.02	0.989	0.75	\$0.02		\$0.02
FP - PHYS	\$0.08	0.985	1.00	\$0.08		\$0.08
HYSTERECTOMY - ANESTHESIA	\$0.00	0.985	1.00	\$0.00		\$0.00
HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00
HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00
HYSTERECTOMY - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00
IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00
IP HOSP - MATERNITY	\$1.00	0.992	0.78	\$0.78	-\$0.78	\$0.00
IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00
IP HOSP - MEDICAL/SURGICAL	\$17.55	0.992	0.76	\$13.21		\$13.21
IP HOSP - NEWBORN	\$4.29	0.992	0.75	\$3.17		\$3.17
IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00
LAB & RAD - DIAGNOSTIC X-RAY	\$2.18	0.985	1.00	\$2.15		\$2.15
LAB & RAD - LAB	\$1.99	0.985	1.00	\$1.96		\$1.96
LAB & RAD - THERAPEUTIC X-RAY	\$0.01	0.985	1.00	\$0.01		\$0.01
OP ER - SOMATIC MH	\$0.24	0.989	0.75	\$0.18		\$0.18
OP HOSP - BASIC	\$9.91	0.989	0.78	\$7.68		\$7.68
OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00
OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00
OP HOSP - EMERGENCY ROOM	\$2.86	0.989	0.77	\$2.19		\$2.19
OP HOSP - LAB & RAD	\$4.85	0.989	0.78	\$3.74		\$3.74
OP HOSP - MATERNITY	\$0.27	0.989	0.78	\$0.21	-\$0.21	\$0.00
OP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.989	0.83	\$0.00		\$0.00
OP HOSP - PRES DRUGS BASIC	\$0.73	0.989	0.78	\$0.56		\$0.56
OP HOSP - PRES DRUGS MH/CD	\$0.01	1.000	0.78	\$0.01		\$0.01
OP HOSP - SOMATIC MH	\$0.72	0.989	0.76	\$0.55		\$0.55
OTH MED - DME	\$0.74	0.985	1.00	\$0.73		\$0.73
OTH MED - HHC/PDN	\$0.38	0.985	1.00	\$0.37		\$0.37
OTH MED - HOSPICE	\$0.00	0.985	1.00	\$0.00		\$0.00
OTH MED - MATERNITY MGT	\$2.45	0.996	1.00	\$2.44		\$2.44
OTH MED - SUPPLIES	\$1.27	0.985	1.00	\$1.26		\$1.26
PHYS CONSULTATION, IP & ER VISITS	\$4.30	0.985	1.00	\$4.23		\$4.23
PHYS HOME OR LONG-TERM CARE VISITS	\$0.07	0.985	1.00	\$0.07		\$0.07
PHYS MATERNITY	\$0.62	0.985	1.00	\$0.61	-\$0.61	\$0.00
PHYS NEWBORN	\$0.28	0.985	1.00	\$0.28		\$0.28
PHYS OFFICE VISITS	\$16.08	0.985	1.00	\$15.83		\$15.83
PHYS OTHER	\$9.84	0.985	1.00	\$9.69		\$9.69
PHYS SOMATIC MH	\$3.80	0.985	1.00	\$3.74		\$3.74

OHP PLUS (SCF)
 Exhibits Jan 2006
 11/28/2005

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E	F
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E
SCF Children							
	PRES DRUGS - BASIC	\$25.81	0.979	1.00	\$25.27	-\$0.15	\$25.11
	PRES DRUGS - FP	\$0.40	0.979	1.00	\$0.39	\$0.00	\$0.39
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$0.50	0.983	1.00	\$0.49	\$0.00	\$0.49
	PRES DRUGS - TOBACCO CESSATION	\$0.04	0.979	1.00	\$0.04	\$0.00	\$0.04
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.985	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.985	1.00	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.985	1.00	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00		\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.985	1.00	\$0.00		\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.985	1.00	\$0.00		\$0.00
	SURGERY	\$4.21	0.985	1.00	\$4.14		\$4.14
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.985	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.985	1.00	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.985	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00		\$0.00
	TOBACCO CES-PHYS	\$0.02	0.985	1.00	\$0.02		\$0.02
	TRANSPORTATION - AMBULANCE	\$1.08	0.985	1.00	\$1.06		\$1.06
	TRANSPORTATION - OTHER	\$0.00	0.985	1.00	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$2.17	0.985	1.00	\$2.14		\$2.14
	VISION CARE - MATERIALS & FITTING	\$1.72	0.985	1.00	\$1.69		\$1.69
	PART A DEDUCTIBLE	\$0.00					
	PART B DEDUCTIBLE	\$0.00					
	PART B COINSURANCE ADJUSTMENT	\$0.00					
	Subtotal Physical Health	\$123.80			\$112.25	-\$1.74	\$110.51
	Subtotal Physical Health w Admin						\$127.51
	CHEMICAL DEPENDENCY						
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.00	0.995	1.00	\$0.00		\$0.00
	CD SERVICES - METHADONE	\$0.00	0.995	1.00	\$0.00		\$0.00
	CD SERVICES - OP	\$4.81	0.995	1.00	\$4.79		\$4.79
	Subtotal Chemical Dependency	\$4.81			\$4.79	\$0.00	\$4.79
	Subtotal Chemical Dependency w Admin						\$5.52

Oregon Health Plan Medicaid Demonstration

Exhibit 2j

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates from the 2006-2007 Per Capita Costs
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
SCF Children							
	DENTAL						
	DENTAL - ADJUNCTIVE GENERAL	\$0.26	0.986	1.00	\$0.26		\$0.26
	DENTAL - ANESTHESIA SURGICAL	\$0.48	0.986	1.00	\$0.47		\$0.47
	DENTAL - DIAGNOSTIC	\$4.23	0.986	1.00	\$4.18		\$4.18
	DENTAL - ENDODONTICS	\$1.08	0.986	1.00	\$1.06		\$1.06
	DENTAL - I/P FIXED	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$1.48	0.986	1.00	\$1.46		\$1.46
	DENTAL - ORTHODONTICS	\$0.03	0.986	1.00	\$0.03		\$0.03
	DENTAL - PERIODONTICS	\$0.11	0.986	1.00	\$0.10		\$0.10
	DENTAL - PREVENTIVE	\$4.98	0.986	1.00	\$4.91		\$4.91
	DENTAL - PROS REMOVABLE	\$0.05	0.986	1.00	\$0.05		\$0.05
	DENTAL - RESTORATIVE	\$7.10	0.986	1.00	\$7.00		\$7.00
	DENTAL - TOBACCO CES	\$0.00	0.986	1.00	\$0.00		\$0.00
	Subtotal Dental	\$19.79			\$19.52	\$0.00	\$19.52
	Subtotal Dental w Admin						\$22.52
	MENTAL HEALTH						
	MH SERVICES ACUTE INPATIENT	\$8.62	0.995	0.74	\$6.35		\$6.35
	MH SERVICES ASSESS & EVAL	\$5.74	0.995	1.00	\$5.71		\$5.71
	MH SERVICES CASE MANAGEMENT	\$5.77	0.995	1.00	\$5.74		\$5.74
	MH SERVICES CONSULTATION	\$2.93	0.995	1.00	\$2.91		\$2.91
	MH SERVICES ANCILLARY SERVICES	\$0.00	0.995	1.00	\$0.00		\$0.00
	MH SERVICES MED MANAGEMENT	\$4.43	0.995	1.00	\$4.40		\$4.40
	MH SERVICES ALTERNATIVE TO IP	\$4.88	0.995	1.00	\$4.85		\$4.85
	MH SERVICES FAMILY SUPPORT	\$0.67	0.995	1.00	\$0.66		\$0.66
	MH SERVICES OP THERAPY	\$37.30	0.995	1.00	\$37.10		\$37.10
	MH SERVICES OTHER OP	\$0.17	0.995	1.00	\$0.17		\$0.17
	MH SERVICES PHYS IP	\$0.28	0.995	1.00	\$0.28		\$0.28
	MH SERVICES PHYS OP	\$9.65	0.995	1.00	\$9.60		\$9.60
	MH SERVICES SUPPORT DAY PROGRAM	\$6.92	0.995	1.00	\$6.88		\$6.88
	MH SERVICES PSYCH DAY					\$20.01	\$20.01
	MH SERVICES RESIDENTIAL					\$89.92	\$89.92
	MH SERVICES CARE COORD					\$0.58	\$0.58
	MH SERVICES CONS ASSESS					\$0.11	\$0.11
	Subtotal Mental Health	\$87.35			\$84.65	\$110.62	\$195.27
	Subtotal Mental Health w Admin						\$225.32
	Total Services	\$235.75			\$221.21	\$108.88	\$330.08
	Total Services with Admin						\$380.88

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration

Exhibit 2k

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OHP Families								
PHYSICAL HEALTH								
	ADMINISTRATIVE EXAMS	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	ANESTHESIA	\$3.95	1.145	0.54	1.004	\$2.44		\$2.44
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.145	1.00	1.004	\$0.00		\$0.00
	FP - IP HOSP	\$0.00	1.386	0.45	1.009	\$0.00		\$0.00
	FP - OP HOSP	\$0.09	1.060	0.48	1.001	\$0.04		\$0.04
	FP - PHYS	\$0.94	1.145	0.53	1.004	\$0.57		\$0.57
	HYSTERECTOMY - ANESTHESIA	\$0.12	1.145	0.54	1.004	\$0.07		\$0.07
	HYSTERECTOMY - IP HOSP	\$2.19	1.386	0.46	1.009	\$1.41		\$1.41
	HYSTERECTOMY - OP HOSP	\$0.00	1.060	0.28	1.001	\$0.00		\$0.00
	HYSTERECTOMY - PHYS	\$0.56	1.145	0.38	1.004	\$0.24		\$0.24
	IP HOSP - ACUTE DETOX	\$0.19	1.386	0.41	1.009	\$0.11		\$0.11
	IP HOSP - MATERNITY	\$3.49	1.386	0.48	1.009	\$2.33	-\$2.33	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	1.386	0.48	1.009	\$0.00	\$0.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$40.87	1.386	0.45	1.009	\$25.93		\$25.93
	IP HOSP - NEWBORN	\$0.00	1.386	0.43	1.009	\$0.00		\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	1.386	0.45	1.009	\$0.00		\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$13.16	1.145	0.45	1.004	\$6.86		\$6.86
	LAB & RAD - LAB	\$9.56	1.145	0.49	1.004	\$5.34		\$5.34
	LAB & RAD - THERAPEUTIC X-RAY	\$0.85	1.145	0.30	1.004	\$0.29		\$0.29
	OP ER - SOMATIC MH	\$0.37	1.060	0.38	1.001	\$0.15		\$0.15
	OP HOSP - BASIC	\$30.71	1.060	0.41	1.001	\$13.42		\$13.42
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	1.060	0.41	1.001	\$0.00		\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	1.060	0.41	1.001	\$0.00		\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	1.060	0.41	1.001	\$0.00		\$0.00
	OP HOSP - EMERGENCY ROOM	\$13.49	1.060	0.39	1.001	\$5.60		\$5.60
	OP HOSP - LAB & RAD	\$29.81	1.060	0.41	1.001	\$12.88		\$12.88
	OP HOSP - MATERNITY	\$2.20	1.060	0.41	1.001	\$0.97	-\$0.97	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	1.060	0.44	1.001	\$0.00		\$0.00
	OP HOSP - PRES DRUGS BASIC	\$4.00	1.060	0.42	1.001	\$1.80		\$1.80
	OP HOSP - PRES DRUGS MH/CD	\$0.02	1.000	0.39	1.001	\$0.01		\$0.01
	OP HOSP - SOMATIC MH	\$0.49	1.060	0.39	1.001	\$0.20		\$0.20
	OTH MED - DME	\$0.54	1.145	0.52	1.004	\$0.32		\$0.32
	OTH MED - HHC/PDN	\$0.04	1.145	0.40	1.004	\$0.02		\$0.02
	OTH MED - HOSPICE	\$0.31	1.145	0.40	1.004	\$0.14		\$0.14
	OTH MED - MATERNITY MGT	\$0.12	1.091	1.00	1.004	\$0.13		\$0.13
	OTH MED - SUPPLIES	\$1.11	1.145	0.52	1.004	\$0.66		\$0.66
	PHYS CONSULTATION, IP & ER VISITS	\$12.28	1.145	0.43	1.004	\$6.11		\$6.11
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.00	1.145	0.58	1.004	\$0.00		\$0.00
	PHYS MATERNITY	\$1.44	1.145	0.57	1.004	\$0.95	-\$0.95	\$0.00
	PHYS NEWBORN	\$0.02	1.145	0.57	1.004	\$0.01		\$0.01
	PHYS OFFICE VISITS	\$29.04	1.145	0.58	1.004	\$19.25		\$19.25
	PHYS OTHER	\$9.00	1.145	0.50	1.004	\$5.15		\$5.15
	PHYS SOMATIC MH	\$2.76	1.145	0.53	1.004	\$1.69		\$1.69

Oregon Health Plan Medicaid Demonstration

Exhibit 2k

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OHP Families								
	PRES DRUGS - BASIC	² \$32.99	1.185	1.06	1.000	\$41.59		\$41.59
	PRES DRUGS - FP	\$1.30	1.185	1.06	1.000	\$1.64		\$1.64
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	1.000	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$0.23	1.185	1.06	1.000	\$0.28		\$0.28
	PRES DRUGS - TOBACCO CESSATION	\$0.35	1.185	1.06	1.000	\$0.44		\$0.44
	SCHOOL-BASED HEALTH SERVICES	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.24	1.145	0.54	1.004	\$0.15		\$0.15
	STERILIZATION - ANESTHESIA MALE	\$0.00	1.145	0.54	1.004	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	1.386	0.48	1.009	\$0.00		\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	1.386	0.48	1.009	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$1.01	1.060	0.40	1.001	\$0.42		\$0.42
	STERILIZATION - OP HOSP MALE	\$0.00	1.060	0.36	1.001	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$0.37	1.145	0.41	1.004	\$0.17		\$0.17
	STERILIZATION - PHY MALE	\$0.28	1.145	0.63	1.004	\$0.21		\$0.21
	SURGERY	\$17.72	1.145	0.36	1.004	\$7.37		\$7.37
	TARGETED CASE MAN - BABIES FIRST	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	1.386	1.00	1.000	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	1.060	1.00	1.000	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.00	1.386	0.39	1.009	\$0.00		\$0.00
	TOBACCO CES-OP HSP	\$0.02	1.060	0.41	1.001	\$0.01		\$0.01
	TOBACCO CES-PHYS	\$0.14	1.145	0.57	1.004	\$0.09		\$0.09
	TRANSPORTATION - AMBULANCE	\$2.35	1.145	0.50	1.004	\$1.35		\$1.35
	TRANSPORTATION - OTHER	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$0.43	1.145	0.85	1.004	\$0.42		\$0.42
	VISION CARE - MATERIALS & FITTING	\$0.05	1.145	0.90	1.004	\$0.05		\$0.05
	PART A DEDUCTIBLE							
	PART B DEDUCTIBLE							
	PART B COINSURANCE ADJUSTMENT							
	Subtotal Physical Health	\$271.20				\$169.32	-\$4.25	\$165.08
	Subtotal Physical Health w Admin							\$190.48
	CHEMICAL DEPENDENCY							
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.41	1.115	1.00	1.004	\$0.46		\$0.46
	CD SERVICES - METHADONE	\$0.10	1.115	1.00	1.004	\$0.12		\$0.12
	CD SERVICES - OP	\$3.73	1.115	1.00	1.004	\$4.18	\$0.72	\$4.90
	Subtotal Chemical Dependency	\$4.24				\$4.75	\$0.72	\$5.47
	Subtotal Chemical Dependency w Admin							\$6.31

Oregon Health Plan Medicaid Demonstration

Exhibit 2k

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OHP Families								
DENTAL								
	DENTAL - ADJUNCTIVE GENERAL	\$0.17	1.099	0.88	1.000	\$0.16		\$0.16
	DENTAL - ANESTHESIA SURGICAL	\$0.04	1.099	0.86	1.000	\$0.04		\$0.04
	DENTAL - DIAGNOSTIC	\$1.60	1.099	0.81	1.000	\$1.44		\$1.44
	DENTAL - ENDODONTICS	\$0.18	1.099	0.83	1.000	\$0.16		\$0.16
	DENTAL - I/P FIXED	\$0.01	1.099	1.00	1.000	\$0.02		\$0.02
	DENTAL - MAXILLOFACIAL PROS	\$0.00	1.099	1.00	1.000	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$1.61	1.099	0.91	1.000	\$1.62		\$1.62
	DENTAL - ORTHODONTICS	\$0.00	1.099	1.00	1.000	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$0.04	1.099	0.96	1.000	\$0.04		\$0.04
	DENTAL - PREVENTIVE	\$0.07	1.099	0.98	1.000	\$0.07		\$0.07
	DENTAL - PROS REMOVABLE	\$0.01	1.099	0.90	1.000	\$0.01		\$0.01
	DENTAL - RESTORATIVE	\$0.51	1.099	0.91	1.000	\$0.51		\$0.51
	DENTAL - TOBACCO CES	\$0.00	1.099	1.00	1.000	\$0.00		\$0.00
	Subtotal Dental	\$4.25				\$4.06	\$0.00	\$4.06
	Subtotal Dental w Admin							\$4.69
MENTAL HEALTH								
	MH SERVICES ACUTE INPATIENT	\$2.69	1.115	0.44	1.018	\$1.34		\$1.34
	MH SERVICES ASSESS & EVAL	\$0.45	1.115	1.00	1.018	\$0.51		\$0.51
	MH SERVICES CASE MANAGEMENT	\$0.04	1.115	1.00	1.018	\$0.04		\$0.04
	MH SERVICES CONSULTATION	\$0.00	1.115	1.00	1.018	\$0.00		\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.02	1.115	1.00	1.018	\$0.02		\$0.02
	MH SERVICES MED MANAGEMENT	\$0.04	1.115	1.00	1.018	\$0.05		\$0.05
	MH SERVICES ALTERNATIVE TO IP	\$0.06	1.115	1.00	1.018	\$0.07		\$0.07
	MH SERVICES FAMILY SUPPORT	\$0.00	1.115	1.00	1.018	\$0.00		\$0.00
	MH SERVICES OP THERAPY	\$0.00	1.115	1.00	1.018	\$0.00		\$0.00
	MH SERVICES OTHER OP	\$0.00	1.115	1.00	1.018	\$0.00		\$0.00
	MH SERVICES PHYS IP	\$0.50	1.115	1.00	1.018	\$0.56		\$0.56
	MH SERVICES PHYS OP	\$2.34	1.115	1.00	1.018	\$2.65		\$2.65
	MH SERVICES SUPPORT DAY PROGRAM	\$0.12	1.115	1.00	1.018	\$0.14		\$0.14
	MH SERVICES PSYCH DAY					\$0.00		\$0.00
	MH SERVICES RESIDENTIAL					\$0.00		\$0.00
	MH SERVICES CARE COORD					\$0.00		\$0.00
	MH SERVICES CONS ASSESS					\$0.00		\$0.00
	Subtotal Mental Health	\$6.25				\$5.38	\$0.00	\$5.38
	Subtotal Mental Health w Admin							\$6.21
	Total Services	\$285.94				\$183.52	-\$3.53	\$179.99
	Total Services with Admin							\$207.69

¹ Reflects Maternity Case Rate Carve-Out, DUII programmatic adjustment, and Labor and Delivery reimbursement enhancement.

² Prescription Drug billed charges PMPM exclude Lamictal.

Oregon Health Plan Medicaid Demonstration

Exhibit 2k

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OHP Adults and Couples								
PHYSICAL HEALTH								
	ADMINISTRATIVE EXAMS	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	ANESTHESIA	\$6.35	1.145	0.54	1.005	\$3.93		\$3.93
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.145	1.00	1.005	\$0.00		\$0.00
	FP - IP HOSP	\$0.00	1.386	0.45	1.027	\$0.00		\$0.00
	FP - OP HOSP	\$0.04	1.060	0.48	1.002	\$0.02		\$0.02
	FP - PHYS	\$0.20	1.145	0.53	1.005	\$0.12		\$0.12
	HYSTERECTOMY - ANESTHESIA	\$0.03	1.145	0.54	1.005	\$0.02		\$0.02
	HYSTERECTOMY - IP HOSP	\$2.32	1.386	0.46	1.027	\$1.52		\$1.52
	HYSTERECTOMY - OP HOSP	\$0.00	1.060	0.28	1.002	\$0.00		\$0.00
	HYSTERECTOMY - PHYS	\$0.55	1.145	0.38	1.005	\$0.24		\$0.24
	IP HOSP - ACUTE DETOX	\$0.04	1.386	0.41	1.027	\$0.02		\$0.02
	IP HOSP - MATERNITY	\$0.84	1.386	0.48	1.027	\$0.57	-\$0.57	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	1.386	0.48	1.027	\$0.00	\$0.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$133.57	1.386	0.45	1.027	\$86.22		\$86.22
	IP HOSP - NEWBORN	\$0.00	1.386	0.43	1.027	\$0.00		\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	1.386	0.45	1.027	\$0.00		\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$20.35	1.145	0.45	1.005	\$10.62		\$10.62
	LAB & RAD - LAB	\$12.51	1.145	0.49	1.005	\$6.99		\$6.99
	LAB & RAD - THERAPEUTIC X-RAY	\$2.73	1.145	0.30	1.005	\$0.93		\$0.93
	OP ER - SOMATIC MH	\$1.50	1.060	0.38	1.002	\$0.60		\$0.60
	OP HOSP - BASIC	\$46.57	1.060	0.41	1.002	\$20.36		\$20.36
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	1.060	0.41	1.002	\$0.00		\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	1.060	0.41	1.002	\$0.00		\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	1.060	0.41	1.002	\$0.00		\$0.00
	OP HOSP - EMERGENCY ROOM	\$24.18	1.060	0.39	1.002	\$10.04		\$10.04
	OP HOSP - LAB & RAD	\$52.23	1.060	0.41	1.002	\$22.57		\$22.57
	OP HOSP - MATERNITY	\$0.84	1.060	0.41	1.002	\$0.37	-\$0.37	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	1.060	0.44	1.002	\$0.00		\$0.00
	OP HOSP - PRES DRUGS BASIC	\$4.82	1.060	0.42	1.002	\$2.17		\$2.17
	OP HOSP - PRES DRUGS MH/CD	\$0.17	1.000	0.39	1.002	\$0.07		\$0.07
	OP HOSP - SOMATIC MH	\$1.56	1.060	0.39	1.002	\$0.64		\$0.64
	OTH MED - DME	\$1.20	1.145	0.52	1.005	\$0.71		\$0.71
	OTH MED - HHC/PDN	\$0.13	1.145	0.40	1.005	\$0.06		\$0.06
	OTH MED - HOSPICE	\$0.55	1.145	0.40	1.005	\$0.25		\$0.25
	OTH MED - MATERNITY MGT	\$0.04	1.091	1.00	1.005	\$0.04		\$0.04
	OTH MED - SUPPLIES	\$1.62	1.145	0.52	1.005	\$0.96		\$0.96
	PHYS CONSULTATION, IP & ER VISITS	\$23.57	1.145	0.43	1.005	\$11.74		\$11.74
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.04	1.145	0.58	1.005	\$0.03		\$0.03
	PHYS MATERNITY	\$0.20	1.145	0.57	1.005	\$0.13	-\$0.13	\$0.00
	PHYS NEWBORN	\$0.02	1.145	0.57	1.005	\$0.02		\$0.02
	PHYS OFFICE VISITS	\$42.52	1.145	0.58	1.005	\$28.57		\$28.57
	PHYS OTHER	\$18.57	1.145	0.50	1.005	\$10.65		\$10.65
	PHYS SOMATIC MH	\$5.02	1.145	0.53	1.005	\$3.08		\$3.08

Oregon Health Plan Medicaid Demonstration

Exhibit 2k

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OHP Adults and Couples								
	PRES DRUGS - BASIC	2 \$73.45	1.185	1.06	1.000	\$92.61		\$92.61
	PRES DRUGS - FP	\$0.53	1.185	1.06	1.000	\$0.67		\$0.67
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	1.000	\$0.00		\$0.00
	PRES DRUGS - NEURONTIN	\$0.53	1.185	1.06	1.000	\$0.67		\$0.67
	PRES DRUGS - TOBACCO CESSATION	\$0.56	1.185	1.06	1.000	\$0.70		\$0.70
	SCHOOL-BASED HEALTH SERVICES	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.01	1.145	0.54	1.005	\$0.00		\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	1.145	0.54	1.005	\$0.00		\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	1.386	0.48	1.027	\$0.00		\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	1.386	0.48	1.027	\$0.00		\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.07	1.060	0.40	1.002	\$0.03		\$0.03
	STERILIZATION - OP HOSP MALE	\$0.00	1.060	0.36	1.002	\$0.00		\$0.00
	STERILIZATION - PHY FEMALE	\$0.01	1.145	0.41	1.005	\$0.00		\$0.00
	STERILIZATION - PHY MALE	\$0.01	1.145	0.63	1.005	\$0.01		\$0.01
	SURGERY	\$34.07	1.145	0.36	1.005	\$14.19		\$14.19
	TARGETED CASE MAN - BABIES FIRST	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	TARGETED CASE MAN - HIV	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	1.386	1.00	1.000	\$0.00		\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	1.060	1.00	1.000	\$0.00		\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	TOBACCO CES-IP HSP	\$0.00	1.386	0.39	1.027	\$0.00		\$0.00
	TOBACCO CES-OP HSP	\$0.04	1.060	0.41	1.002	\$0.02		\$0.02
	TOBACCO CES-PHYS	\$0.28	1.145	0.57	1.005	\$0.18		\$0.18
	TRANSPORTATION - AMBULANCE	\$8.07	1.145	0.50	1.005	\$4.66		\$4.66
	TRANSPORTATION - OTHER	\$0.00	1.145	1.00	1.000	\$0.00		\$0.00
	VISION CARE - EXAMS & THERAPY	\$0.99	1.145	0.85	1.005	\$0.97		\$0.97
	VISION CARE - MATERIALS & FITTING	\$0.02	1.145	0.90	1.005	\$0.02		\$0.02
	PART A DEDUCTIBLE							
	PART B DEDUCTIBLE							
	PART B COINSURANCE ADJUSTMENT							
	Subtotal Physical Health	\$523.54				\$339.01	-\$1.07	\$337.94
	Subtotal Physical Health w Admin							\$389.94
	CHEMICAL DEPENDENCY							
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.96	1.115	1.00	1.005	\$1.08		\$1.08
	CD SERVICES - METHADONE	\$2.00	1.115	1.00	1.005	\$2.24		\$2.24
	CD SERVICES - OP	\$10.97	1.115	1.00	1.005	\$12.30	\$1.37	\$13.67
	Subtotal Chemical Dependency	\$13.93				\$15.61	\$1.37	\$16.98
	Subtotal Chemical Dependency w Admin							\$19.60

Oregon Health Plan Medicaid Demonstration

Exhibit 2k

Development of January 2006 Statewide FCHP, MHO, DCO, and CDO Capitation Rates

Funding Through Line 530 of the 2005-2007 Prioritized List

Does not include adjustment for Administration Allowance

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Adjusted Cost
OHP Adults and Couples								
DENTAL								
	DENTAL - ADJUNCTIVE GENERAL	\$0.19	1.099	0.88	1.000	\$0.19		\$0.19
	DENTAL - ANESTHESIA SURGICAL	\$0.05	1.099	0.86	1.000	\$0.05		\$0.05
	DENTAL - DIAGNOSTIC	\$1.71	1.099	0.81	1.000	\$1.53		\$1.53
	DENTAL - ENDODONTICS	\$0.11	1.099	0.83	1.000	\$0.10		\$0.10
	DENTAL - I/P FIXED	\$0.00	1.099	1.00	1.000	\$0.00		\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	1.099	1.00	1.000	\$0.00		\$0.00
	DENTAL - ORAL SURGERY	\$2.04	1.099	0.91	1.000	\$2.05		\$2.05
	DENTAL - ORTHODONTICS	\$0.00	1.099	1.00	1.000	\$0.00		\$0.00
	DENTAL - PERIODONTICS	\$0.01	1.099	0.96	1.000	\$0.01		\$0.01
	DENTAL - PREVENTIVE	\$0.03	1.099	0.98	1.000	\$0.03		\$0.03
	DENTAL - PROS REMOVABLE	\$0.04	1.099	0.90	1.000	\$0.04		\$0.04
	DENTAL - RESTORATIVE	\$0.36	1.099	0.91	1.000	\$0.36		\$0.36
	DENTAL - TOBACCO CES	\$0.00	1.099	1.00	1.000	\$0.00		\$0.00
	Subtotal Dental	\$4.56				\$4.37	\$0.00	\$4.37
	Subtotal Dental w Admin							\$5.04
MENTAL HEALTH								
	MH SERVICES ACUTE INPATIENT	\$15.55	1.115	0.44	1.007	\$7.66	\$0.00	\$7.66
	MH SERVICES ASSESS & EVAL	\$1.08	1.115	1.00	1.007	\$1.21	\$0.01	\$1.22
	MH SERVICES CASE MANAGEMENT	\$0.10	1.115	1.00	1.007	\$0.11	\$0.00	\$0.12
	MH SERVICES CONSULTATION	\$0.00	1.115	1.00	1.007	\$0.00	\$0.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.02	1.115	1.00	1.007	\$0.02	\$0.00	\$0.02
	MH SERVICES MED MANAGEMENT	\$0.19	1.115	1.00	1.007	\$0.21	\$0.00	\$0.21
	MH SERVICES ALTERNATIVE TO IP	\$0.50	1.115	1.00	1.007	\$0.56	\$0.00	\$0.56
	MH SERVICES FAMILY SUPPORT	\$0.05	1.115	1.00	1.007	\$0.06	\$0.00	\$0.06
	MH SERVICES OP THERAPY	\$0.00	1.115	1.00	1.007	\$0.00	\$0.00	\$0.00
	MH SERVICES OTHER OP	\$0.02	1.115	1.00	1.007	\$0.02	\$0.00	\$0.02
	MH SERVICES PHYS IP	\$1.86	1.115	1.00	1.007	\$2.09	\$0.01	\$2.10
	MH SERVICES PHYS OP	\$5.18	1.115	1.00	1.007	\$5.82	\$0.03	\$5.85
	MH SERVICES SUPPORT DAY PROGRAM	\$1.45	1.115	1.00	1.007	\$1.62	\$0.01	\$1.63
	MH SERVICES PSYCH DAY					\$0.00		\$0.00
	MH SERVICES RESIDENTIAL					\$0.00		\$0.00
	MH SERVICES CARE COORD					\$0.00		\$0.00
	MH SERVICES CONS ASSESS					\$0.00		\$0.00
	Subtotal Mental Health	\$25.99				\$19.39	\$0.07	\$19.46
	Subtotal Mental Health w Admin							\$22.45
	Total Services	\$568.02				\$378.38	\$0.37	\$378.75
	Total Services with Admin							\$437.03

¹ Reflects Maternity Case Rate Carve-Out, DUII programmatic adjustment, Labor and Delivery reimbursement enhancement, and adjustments for increase in the number of MH community long term care beds.

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
TANF Adults											
PHYSICAL HEALTH											
	ADMINISTRATIVE EXAMS	\$0.00	0.994	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$3.30	0.994	1.00	\$3.28		\$3.28	1	\$3.28	1.00	\$3.28
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.09	0.992	0.75	\$0.07		\$0.07	1	\$0.07	0.95	\$0.06
	FP - PHYS	\$0.75	0.994	1.00	\$0.74		\$0.74	1	\$0.74	1.00	\$0.74
	HYSTERECTOMY - ANESTHESIA	\$0.07	0.994	1.00	\$0.07		\$0.07	1	\$0.07	1.00	\$0.07
	HYSTERECTOMY - IP HOSP	\$3.64	0.992	0.78	\$2.81		\$2.81	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.03	0.992	0.76	\$0.03		\$0.03	1	\$0.03	0.95	\$0.02
	HYSTERECTOMY - PHYS	\$0.65	0.994	1.00	\$0.64		\$0.64	1	\$0.64	1.00	\$0.64
	IP HOSP - ACUTE DETOX	\$0.07	0.992	0.77	\$0.05		\$0.05	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$33.97	0.992	0.78	\$26.41	-\$26.41	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$4.42	0.992	0.79	\$3.47	-\$2.20	\$1.27	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$43.49	0.992	0.76	\$32.74		\$32.74	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.02	0.992	0.75	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$8.18	0.994	1.00	\$8.13		\$8.13	1	\$8.13	1.00	\$8.13
	LAB & RAD - LAB	\$5.83	0.994	1.00	\$5.79		\$5.79	1	\$5.79	1.00	\$5.79
	LAB & RAD - THERAPEUTIC X-RAY	\$0.24	0.994	1.00	\$0.24		\$0.24	1	\$0.24	1.00	\$0.24
	OP ER - SOMATIC MH	\$0.36	0.992	0.75	\$0.27		\$0.27	1	\$0.27	0.95	\$0.26
	OP HOSP - BASIC	\$21.77	0.992	0.78	\$16.91		\$16.91	1	\$16.91	0.95	\$16.07
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$10.19	0.992	0.77	\$7.83		\$7.83	1	\$7.83	0.95	\$7.44
	OP HOSP - LAB & RAD	\$18.08	0.992	0.78	\$13.96		\$13.96	1	\$13.96	0.95	\$13.26
	OP HOSP - MATERNITY	\$6.57	0.992	0.78	\$5.09	-\$5.09	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.01	0.992	0.83	\$0.01		\$0.01	1	\$0.01	0.95	\$0.01
	OP HOSP - PRES DRUGS BASIC	\$2.67	0.992	0.78	\$2.08		\$2.08	1	\$2.08	1.00	\$2.08
	OP HOSP - PRES DRUGS MH/CD	\$0.03	1.000	0.78	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	OP HOSP - SOMATIC MH	\$0.45	0.992	0.76	\$0.34		\$0.34	1	\$0.34	0.95	\$0.32
	OTH MED - DME	\$1.24	0.994	1.00	\$1.23		\$1.23	1	\$1.23	1.00	\$1.23
	OTH MED - HHC/PDN	\$0.38	0.994	1.00	\$0.38		\$0.38	1	\$0.38	1.00	\$0.38
	OTH MED - HOSPICE	\$0.08	0.994	1.00	\$0.08		\$0.08	1	\$0.08	1.00	\$0.08
	OTH MED - MATERNITY MGT	\$3.28	0.989	1.00	\$3.25		\$3.25	1	\$3.25	1.00	\$3.25
	OTH MED - SUPPLIES	\$0.53	0.994	1.00	\$0.53		\$0.53	1	\$0.53	1.00	\$0.53
	PHYS CONSULTATION, IP & ER VISITS	\$8.64	0.994	1.00	\$8.58		\$8.58	1	\$8.58	1.00	\$8.58
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.01	0.994	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	PHYS MATERNITY	\$25.07	0.994	1.00	\$24.92	-\$24.92	\$0.00	1	\$0.00	1.00	\$0.00
	PHYS NEWBORN	\$0.05	0.994	1.00	\$0.05		\$0.05	1	\$0.05	1.00	\$0.05
	PHYS OFFICE VISITS	\$19.66	0.994	1.00	\$19.54		\$19.54	1	\$19.54	1.00	\$19.54
	PHYS OTHER	\$4.50	0.994	1.00	\$4.47		\$4.47	1	\$4.47	1.00	\$4.47
	PHYS SOMATIC MH	\$2.29	0.994	1.00	\$2.28		\$2.28	1	\$2.28	1.00	\$2.28

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G	OP Cost Shift Adjustment	=H * I
TANF Adults											
	PRES DRUGS - BASIC	\$38.17	0.983	1.00	\$37.53	-\$0.24	\$37.30	1	\$37.30	1.00	\$37.30
	PRES DRUGS - FP	\$2.00	0.983	1.00	\$1.96	\$0.00	\$1.96	1	\$1.96	1.00	\$1.96
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$2.67	0.970	1.00	\$2.59	\$0.00	\$2.59	1	\$2.59	1.00	\$2.59
	PRES DRUGS - TOBACCO CESSATION	\$0.83	0.983	1.00	\$0.81	\$0.00	\$0.81	1	\$0.81	1.00	\$0.81
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.994	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.32	0.994	1.00	\$0.31	\$0.00	\$0.31	1	\$0.31	1.00	\$0.31
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.994	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$2.96	0.992	0.79	\$2.31	\$0.00	\$2.31	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.75	0.992	0.81	\$0.60	\$0.00	\$0.60	1	\$0.60	0.95	\$0.57
	STERILIZATION - OP HOSP MALE	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.63	0.994	1.00	\$0.63	\$0.00	\$0.63	1	\$0.63	1.00	\$0.63
	STERILIZATION - PHY MALE	\$0.09	0.994	1.00	\$0.09	\$0.00	\$0.09	1	\$0.09	1.00	\$0.09
	SURGERY	\$11.13	0.994	1.00	\$11.06	\$0.00	\$11.06	1	\$11.06	1.00	\$11.06
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.994	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.994	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.994	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.994	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.02	0.992	0.78	\$0.02	\$0.00	\$0.02	1	\$0.02	0.95	\$0.02
	TOBACCO CES-PHYS	\$0.18	0.994	1.00	\$0.18	\$0.00	\$0.18	1	\$0.18	1.00	\$0.18
	TRANSPORTATION - AMBULANCE	\$2.68	0.994	1.00	\$2.67	\$0.00	\$2.67	1	\$2.67	1.00	\$2.67
	TRANSPORTATION - OTHER	\$0.00	0.994	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$1.91	0.994	1.00	\$1.90	\$0.00	\$1.90	1	\$1.90	1.00	\$1.90
	VISION CARE - MATERIALS & FITTING	\$1.75	0.994	1.00	\$1.74	\$0.00	\$1.74	1	\$1.74	1.00	\$1.74
	PART A DEDUCTIBLE										
	PART B DEDUCTIBLE										
	PART B COINSURANCE ADJUSTMENT										
	Subtotal Physical Health	\$296.67			\$260.71	-\$58.86	\$201.85		\$162.67		\$160.67
	Subtotal Physical Health w Admin										\$185.39
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.35	0.995	1.00	\$0.35	\$0.00	\$0.35	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$2.58	0.995	1.00	\$2.57	\$0.00	\$2.57	1	\$2.57	1.00	\$2.57
	CD SERVICES - OP	\$9.90	0.995	1.00	\$9.85	\$0.00	\$9.85	1	\$9.85	1.00	\$9.85
	Subtotal Chemical Dependency	\$12.83			\$12.76	\$0.00	\$12.76		\$12.41		\$12.41
	Subtotal Chemical Dependency w Admin										\$14.32

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
TANF Adults											
DENTAL											
	DENTAL - ADJUNCTIVE GENERAL	\$0.51	0.986	1.00	\$0.51		\$0.51	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.43	0.986	1.00	\$0.43		\$0.43	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$5.21	0.986	1.00	\$5.13		\$5.13	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$2.61	0.986	1.00	\$2.57		\$2.57	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.03	0.986	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$5.27	0.986	1.00	\$5.20		\$5.20	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$2.24	0.986	1.00	\$2.21		\$2.21	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$1.52	0.986	1.00	\$1.50		\$1.50	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$3.29	0.986	1.00	\$3.24		\$3.24	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$6.99	0.986	1.00	\$6.89		\$6.89	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.03	0.986	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$28.12			\$27.73	\$0.00	\$27.73		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
MENTAL HEALTH											
	MH SERVICES ACUTE INPATIENT	\$2.66	0.9946	0.74	\$1.96		\$1.96	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$2.40	0.995	1.00	\$2.38		\$2.38	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$0.95	0.995	1.00	\$0.95		\$0.95	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.18	0.995	1.00	\$0.18		\$0.18	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.04	0.995	1.00	\$0.04		\$0.04	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$1.53	0.995	1.00	\$1.52		\$1.52	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.30	0.995	1.00	\$0.29		\$0.29	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$7.69	0.995	1.00	\$7.64		\$7.64	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.14	0.995	1.00	\$0.14		\$0.14	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$0.91	0.995	1.00	\$0.91		\$0.91	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$0.46	0.995	1.00	\$0.45		\$0.45	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$17.27			\$16.48	\$0.00	\$16.48		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$354.88			\$317.69	-\$58.86	\$258.83		\$175.08		\$173.08
	Total Services with Admin										\$199.71

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G	OP Cost Shift Adjustment	=H * I
PLM Adults											
	PHYSICAL HEALTH										
	ADMINISTRATIVE EXAMS	\$0.00	0.994	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$15.46	0.994	1.00	\$15.37		\$15.37	1	\$15.37	1.00	\$15.37
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.14	0.992	0.75	\$0.10		\$0.10	1	\$0.10	0.95	\$0.10
	FP - PHYS	\$2.19	0.994	1.00	\$2.17		\$2.17	1	\$2.17	1.00	\$2.17
	HYSTERECTOMY - ANESTHESIA	\$0.02	0.994	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	HYSTERECTOMY - IP HOSP	\$0.61	0.992	0.78	\$0.47		\$0.47	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.992	0.76	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.04	0.994	1.00	\$0.04		\$0.04	1	\$0.04	1.00	\$0.04
	IP HOSP - ACUTE DETOX	\$0.02	0.992	0.77	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$359.26	0.992	0.78	\$279.29	-\$279.29	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$25.56	0.992	0.79	\$20.09	-\$12.74	\$7.35	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$10.24	0.992	0.76	\$7.71		\$7.71	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.22	0.992	0.75	\$0.16		\$0.16	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$22.07	0.994	1.00	\$21.93		\$21.93	1	\$21.93	1.00	\$21.93
	LAB & RAD - LAB	\$15.18	0.994	1.00	\$15.09		\$15.09	1	\$15.09	1.00	\$15.09
	LAB & RAD - THERAPEUTIC X-RAY	\$0.01	0.994	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	OP ER - SOMATIC MH	\$0.12	0.992	0.75	\$0.09		\$0.09	1	\$0.09	0.95	\$0.09
	OP HOSP - BASIC	\$12.15	0.992	0.78	\$9.44		\$9.44	1	\$9.44	0.95	\$8.97
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$4.24	0.992	0.77	\$3.26		\$3.26	1	\$3.26	0.95	\$3.09
	OP HOSP - LAB & RAD	\$10.87	0.992	0.78	\$8.39		\$8.39	1	\$8.39	0.95	\$7.97
	OP HOSP - MATERNITY	\$58.44	0.992	0.78	\$45.32	-\$45.32	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.07	0.992	0.83	\$0.06		\$0.06	1	\$0.06	0.95	\$0.06
	OP HOSP - PRES DRUGS BASIC	\$3.46	0.992	0.78	\$2.69		\$2.69	1	\$2.69	1.00	\$2.69
	OP HOSP - PRES DRUGS MH/CD	\$0.01	1.000	0.78	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OP HOSP - SOMATIC MH	\$0.08	0.992	0.76	\$0.06		\$0.06	1	\$0.06	0.95	\$0.06
	OTH MED - DME	\$0.40	0.994	1.00	\$0.39		\$0.39	1	\$0.39	1.00	\$0.39
	OTH MED - HHC/PDN	\$0.44	0.994	1.00	\$0.44		\$0.44	1	\$0.44	1.00	\$0.44
	OTH MED - HOSPICE	\$0.00	0.994	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - MATERNITY MGT	\$22.00	0.989	1.00	\$21.76		\$21.76	1	\$21.76	1.00	\$21.76
	OTH MED - SUPPLIES	\$0.39	0.994	1.00	\$0.39		\$0.39	1	\$0.39	1.00	\$0.39
	PHYS CONSULTATION, IP & ER VISITS	\$10.35	0.994	1.00	\$10.29		\$10.29	1	\$10.29	1.00	\$10.29
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.02	0.994	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	PHYS MATERNITY	\$258.78	0.994	1.00	\$257.23	-\$257.23	\$0.00	1	\$0.00	1.00	\$0.00
	PHYS NEWBORN	\$0.33	0.994	1.00	\$0.33		\$0.33	1	\$0.33	1.00	\$0.33
	PHYS OFFICE VISITS	\$9.08	0.994	1.00	\$9.03		\$9.03	1	\$9.03	1.00	\$9.03
	PHYS OTHER	\$3.07	0.994	1.00	\$3.06		\$3.06	1	\$3.06	1.00	\$3.06
	PHYS SOMATIC MH	\$0.58	0.994	1.00	\$0.58		\$0.58	1	\$0.58	1.00	\$0.58

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
PLM Adults											
	PRES DRUGS - BASIC	\$21.51	0.983	1.00	\$21.15	-\$0.06	\$21.09	1	\$21.09	1.00	\$21.09
	PRES DRUGS - FP	\$2.18	0.983	1.00	\$2.14	\$0.00	\$2.14	1	\$2.14	1.00	\$2.14
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$0.13	0.970	1.00	\$0.12	\$0.00	\$0.12	1	\$0.12	1.00	\$0.12
	PRES DRUGS - TOBACCO CESSATION	\$0.30	0.983	1.00	\$0.29	\$0.00	\$0.29	1	\$0.29	1.00	\$0.29
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.994	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$1.24	0.994	1.00	\$1.24		\$1.24	1	\$1.24	1.00	\$1.24
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.994	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$22.67	0.992	0.79	\$17.67		\$17.67	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$1.47	0.992	0.81	\$1.17		\$1.17	1	\$1.17	0.95	\$1.11
	STERILIZATION - OP HOSP MALE	\$0.00	0.992	0.72	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$2.47	0.994	1.00	\$2.45		\$2.45	1	\$2.45	1.00	\$2.45
	STERILIZATION - PHY MALE	\$0.00	0.994	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	SURGERY	\$4.89	0.994	1.00	\$4.86		\$4.86	1	\$4.86	1.00	\$4.86
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.994	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.994	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.994	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.994	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.992	0.78	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	TOBACCO CES-PHYS	\$0.06	0.994	1.00	\$0.06		\$0.06	1	\$0.06	1.00	\$0.06
	TRANSPORTATION - AMBULANCE	\$4.29	0.994	1.00	\$4.26		\$4.26	1	\$4.26	1.00	\$4.26
	TRANSPORTATION - OTHER	\$0.00	0.994	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$1.74	0.994	1.00	\$1.73		\$1.73	1	\$1.73	1.00	\$1.73
	VISION CARE - MATERIALS & FITTING	\$1.64	0.994	1.00	\$1.63		\$1.63	1	\$1.63	1.00	\$1.63
	PART A DEDUCTIBLE										
	PART B DEDUCTIBLE										
	PART B COINSURANCE ADJUSTMENT										
	Subtotal Physical Health	\$910.48			\$794.09	-\$594.64	\$199.45		\$166.08		\$164.95
	Subtotal Physical Health w Admin										\$190.33
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.06	0.995	1.00	\$0.06		\$0.06	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$0.58	0.995	1.00	\$0.58		\$0.58	1	\$0.58	1.00	\$0.58
	CD SERVICES - OP	\$3.72	0.995	1.00	\$3.70		\$3.70	1	\$3.70	1.00	\$3.70
	Subtotal Chemical Dependency	\$4.36			\$4.34	\$0.00	\$4.34		\$4.28		\$4.28
	Subtotal Chemical Dependency w Admin										\$4.94

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
PLM Adults											
	DENTAL										
	DENTAL - ADJUNCTIVE GENERAL	\$0.40	0.986	1.00	\$0.39		\$0.39	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.14	0.986	1.00	\$0.14		\$0.14	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$4.24	0.986	1.00	\$4.18		\$4.18	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$1.96	0.986	1.00	\$1.93		\$1.93	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.01	0.986	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$2.17	0.986	1.00	\$2.14		\$2.14	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$1.03	0.986	1.00	\$1.02		\$1.02	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$1.79	0.986	1.00	\$1.76		\$1.76	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$0.42	0.986	1.00	\$0.41		\$0.41	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$4.36	0.986	1.00	\$4.30		\$4.30	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.02	0.986	1.00	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$16.53			\$16.30	\$0.00	\$16.30		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
	MENTAL HEALTH										
	MH SERVICES ACUTE INPATIENT	\$0.47	0.9946	0.74	\$0.35		\$0.35	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$0.94	0.995	1.00	\$0.94		\$0.94	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$0.20	0.995	1.00	\$0.20		\$0.20	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.04	0.995	1.00	\$0.04		\$0.04	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$0.19	0.995	1.00	\$0.19		\$0.19	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.10	0.995	1.00	\$0.10		\$0.10	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$2.17	0.995	1.00	\$2.16		\$2.16	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.05	0.995	1.00	\$0.05		\$0.05	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$0.21	0.995	1.00	\$0.21		\$0.21	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$0.06	0.995	1.00	\$0.06		\$0.06	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$4.45			\$4.31	\$0.00	\$4.31		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$935.82			\$819.04	-\$594.64	\$224.40		\$170.36		\$169.23
	Total Services with Admin										\$195.27

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
PLM, CHIP, or TANF Children Aged 0-1											
PHYSICAL HEALTH											
	ADMINISTRATIVE EXAMS	\$0.00	0.985	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$1.72	0.985	1.00	\$1.70		\$1.70	1	\$1.70	1.00	\$1.70
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.00	0.989	0.75	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	FP - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$1.82	0.992	0.78	\$1.42	\$0.00	\$1.42	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$72.59	0.992	0.76	\$54.64		\$54.64	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$158.06	0.992	0.75	\$116.99		\$116.99	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$3.47	0.985	1.00	\$3.42		\$3.42	1	\$3.42	1.00	\$3.42
	LAB & RAD - LAB	\$1.09	0.985	1.00	\$1.07		\$1.07	1	\$1.07	1.00	\$1.07
	LAB & RAD - THERAPEUTIC X-RAY	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OP ER - SOMATIC MH	\$0.00	0.989	0.75	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - BASIC	\$13.32	0.989	0.78	\$10.32		\$10.32	1	\$10.32	0.95	\$9.80
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$8.87	0.989	0.77	\$6.79		\$6.79	1	\$6.79	0.95	\$6.45
	OP HOSP - LAB & RAD	\$7.34	0.989	0.78	\$5.65		\$5.65	1	\$5.65	0.95	\$5.37
	OP HOSP - MATERNITY	\$0.01	0.989	0.78	\$0.01	\$0.00	\$0.01	1	\$0.01	0.95	\$0.01
	OP HOSP - POST HOSP EXTENDED CARE	\$0.02	0.989	0.83	\$0.02		\$0.02	1	\$0.02	0.95	\$0.02
	OP HOSP - PRES DRUGS BASIC	\$1.55	0.989	0.78	\$1.20		\$1.20	1	\$1.20	1.00	\$1.20
	OP HOSP - PRES DRUGS MH/CD	\$0.00	1.000	0.78	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OP HOSP - SOMATIC MH	\$0.03	0.989	0.76	\$0.02		\$0.02	1	\$0.02	0.95	\$0.02
	OTH MED - DME	\$1.61	0.985	1.00	\$1.59		\$1.59	1	\$1.59	1.00	\$1.59
	OTH MED - HHC/PDN	\$0.46	0.985	1.00	\$0.45		\$0.45	1	\$0.45	1.00	\$0.45
	OTH MED - HOSPICE	\$0.04	0.985	1.00	\$0.04		\$0.04	1	\$0.04	1.00	\$0.04
	OTH MED - MATERNITY MGT	\$0.00	0.996	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - SUPPLIES	\$0.73	0.985	1.00	\$0.72		\$0.72	1	\$0.72	1.00	\$0.72
	PHYS CONSULTATION, IP & ER VISITS	\$26.07	0.985	1.00	\$25.67		\$25.67	1	\$25.67	1.00	\$25.67
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.06	0.985	1.00	\$0.06		\$0.06	1	\$0.06	1.00	\$0.06
	PHYS MATERNITY	\$0.05	0.985	1.00	\$0.05	\$0.00	\$0.05	1	\$0.05	1.00	\$0.05
	PHYS NEWBORN	\$9.10	0.985	1.00	\$8.96		\$8.96	1	\$8.96	1.00	\$8.96
	PHYS OFFICE VISITS	\$57.32	0.985	1.00	\$56.43		\$56.43	1	\$56.43	1.00	\$56.43
	PHYS OTHER	\$14.93	0.985	1.00	\$14.70		\$14.70	1	\$14.70	1.00	\$14.70
	PHYS SOMATIC MH	\$0.07	0.985	1.00	\$0.07		\$0.07	1	\$0.07	1.00	\$0.07

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G	OP Cost Shift Adjustment	=H * I
PLM, CHIP, or TANF Children Aged 0-1											
	PRES DRUGS - BASIC	\$9.54	0.979	1.00	\$9.34	\$0.00	\$9.34	1	\$9.34	1.00	\$9.34
	PRES DRUGS - FP	\$0.01	0.979	1.00	\$0.01	\$0.00	\$0.01	1	\$0.01	1.00	\$0.01
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$0.00	0.983	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	PRES DRUGS - TOBACCO CESSATION	\$0.00	0.979	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	SURGERY	\$6.24	0.985	1.00	\$6.15	\$0.00	\$6.15	1	\$6.15	1.00	\$6.15
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	TOBACCO CES-PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	TRANSPORTATION - AMBULANCE	\$6.16	0.985	1.00	\$6.06	\$0.00	\$6.06	1	\$6.06	1.00	\$6.06
	TRANSPORTATION - OTHER	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$0.29	0.985	1.00	\$0.29	\$0.00	\$0.29	1	\$0.29	1.00	\$0.29
	VISION CARE - MATERIALS & FITTING	\$0.02	0.985	1.00	\$0.02	\$0.00	\$0.02	1	\$0.02	1.00	\$0.02
	PART A DEDUCTIBLE	\$0.00									
	PART B DEDUCTIBLE	\$0.00									
	PART B COINSURANCE ADJUSTMENT	\$0.00									
	Subtotal Physical Health	\$402.61			\$333.86	\$0.00	\$333.86		\$160.81		\$159.67
	Subtotal Physical Health w Admin										\$184.24
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	CD SERVICES - OP	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	Subtotal Chemical Dependency	\$0.00			\$0.00	\$0.00	\$0.00		\$0.00		\$0.00
	Subtotal Chemical Dependency w Admin										\$0.00

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
PLM, CHIP, or TANF Children Aged 0-1											
DENTAL											
	DENTAL - ADJUNCTIVE GENERAL	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$0.05	0.986	1.00	\$0.04		\$0.04	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$0.02	0.986	1.00	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$0.01	0.986	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$0.09			\$0.09	\$0.00	\$0.09		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
MENTAL HEALTH											
	MH SERVICES ACUTE INPATIENT	\$0.01	0.9946	0.74	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$0.05			\$0.04	\$0.00	\$0.04		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$402.75			\$333.99	\$0.00	\$333.99		\$160.81		\$159.67
	Total Services with Admin										\$184.24

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
PLM, CHIP, or TANF Children Aged 1-5	PHYSICAL HEALTH										
	ADMINISTRATIVE EXAMS	\$0.00	0.985	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$1.55	0.985	1.00	\$1.52		\$1.52	1	\$1.52	1.00	\$1.52
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.00	0.989	0.75	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	FP - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$0.00	0.992	0.78	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$9.73	0.992	0.76	\$7.33		\$7.33	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.01	0.992	0.75	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$1.06	0.985	1.00	\$1.04		\$1.04	1	\$1.04	1.00	\$1.04
	LAB & RAD - LAB	\$0.91	0.985	1.00	\$0.90		\$0.90	1	\$0.90	1.00	\$0.90
	LAB & RAD - THERAPEUTIC X-RAY	\$0.01	0.985	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	OP ER - SOMATIC MH	\$0.01	0.989	0.75	\$0.01		\$0.01	1	\$0.01	0.95	\$0.01
	OP HOSP - BASIC	\$10.71	0.989	0.78	\$8.29		\$8.29	1	\$8.29	0.95	\$7.88
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$5.13	0.989	0.77	\$3.93		\$3.93	1	\$3.93	0.95	\$3.73
	OP HOSP - LAB & RAD	\$3.34	0.989	0.78	\$2.57		\$2.57	1	\$2.57	0.95	\$2.45
	OP HOSP - MATERNITY	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.989	0.83	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - PRES DRUGS BASIC	\$0.79	0.989	0.78	\$0.61		\$0.61	1	\$0.61	1.00	\$0.61
	OP HOSP - PRES DRUGS MH/CD	\$0.00	1.000	0.78	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OP HOSP - SOMATIC MH	\$0.09	0.989	0.76	\$0.07		\$0.07	1	\$0.07	0.95	\$0.07
	OTH MED - DME	\$0.32	0.985	1.00	\$0.31		\$0.31	1	\$0.31	1.00	\$0.31
	OTH MED - HHC/PDN	\$0.11	0.985	1.00	\$0.11		\$0.11	1	\$0.11	1.00	\$0.11
	OTH MED - HOSPICE	\$0.01	0.985	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	OTH MED - MATERNITY MGT	\$0.00	0.996	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - SUPPLIES	\$0.32	0.985	1.00	\$0.31		\$0.31	1	\$0.31	1.00	\$0.31
	PHYS CONSULTATION, IP & ER VISITS	\$3.75	0.985	1.00	\$3.69		\$3.69	1	\$3.69	1.00	\$3.69
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.01	0.985	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	PHYS MATERNITY	\$0.01	0.985	1.00	\$0.01	\$0.00	\$0.01	1	\$0.01	1.00	\$0.01
	PHYS NEWBORN	\$0.05	0.985	1.00	\$0.05		\$0.05	1	\$0.05	1.00	\$0.05
	PHYS OFFICE VISITS	\$20.58	0.985	1.00	\$20.26		\$20.26	1	\$20.26	1.00	\$20.26
	PHYS OTHER	\$3.55	0.985	1.00	\$3.50		\$3.50	1	\$3.50	1.00	\$3.50
	PHYS SOMATIC MH	\$0.50	0.985	1.00	\$0.49		\$0.49	1	\$0.49	1.00	\$0.49

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G	OP Cost Shift Adjustment	=H * I
PLM, CHIP, or TANF Children Aged 1-5											
	PRES DRUGS - BASIC	\$7.56	0.979	1.00	\$7.40	-\$0.03	\$7.37	1	\$7.37	1.00	\$7.37
	PRES DRUGS - FP	\$0.00	0.979	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$0.00	0.983	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	PRES DRUGS - TOBACCO CESSATION	\$0.00	0.979	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	SURGERY	\$3.50	0.985	1.00	\$3.44	\$3.44	\$3.44	1	\$3.44	1.00	\$3.44
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	TOBACCO CES-PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	TRANSPORTATION - AMBULANCE	\$1.06	0.985	1.00	\$1.04	\$1.04	\$1.04	1	\$1.04	1.00	\$1.04
	TRANSPORTATION - OTHER	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$0.59	0.985	1.00	\$0.58	\$0.58	\$0.58	1	\$0.58	1.00	\$0.58
	VISION CARE - MATERIALS & FITTING	\$0.21	0.985	1.00	\$0.21	\$0.21	\$0.21	1	\$0.21	1.00	\$0.21
	PART A DEDUCTIBLE	\$0.00									
	PART B DEDUCTIBLE	\$0.00									
	PART B COINSURANCE ADJUSTMENT	\$0.00									
	Subtotal Physical Health	\$75.46			\$67.72	-\$0.03	\$67.69		\$60.36		\$59.62
	Subtotal Physical Health w Admin										\$68.79
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	CD SERVICES - OP	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	Subtotal Chemical Dependency	\$0.00			\$0.00	\$0.00	\$0.00		\$0.00		\$0.00
	Subtotal Chemical Dependency w Admin										\$0.00

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
PLM, CHIP, or TANF Children Aged 1-5											
DENTAL											
	DENTAL - ADJUNCTIVE GENERAL	\$0.59	0.986	1.00	\$0.59		\$0.59	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.63	0.986	1.00	\$0.62		\$0.62	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$2.73	0.986	1.00	\$2.69		\$2.69	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$1.15	0.986	1.00	\$1.14		\$1.14	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$0.86	0.986	1.00	\$0.84		\$0.84	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$2.51	0.986	1.00	\$2.47		\$2.47	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$6.84	0.986	1.00	\$6.75		\$6.75	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
Subtotal Dental		\$15.31			\$15.10	\$0.00	\$15.10		\$0.00		\$0.00
Subtotal Dental w Admin											\$0.00
MENTAL HEALTH											
	MH SERVICES ACUTE INPATIENT	\$0.04	0.9946	0.74	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$0.45	0.995	1.00	\$0.45		\$0.45	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$0.16	0.995	1.00	\$0.16		\$0.16	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.05	0.995	1.00	\$0.05		\$0.05	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$0.07	0.995	1.00	\$0.07		\$0.07	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.02	0.995	1.00	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$1.32	0.995	1.00	\$1.32		\$1.32	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$0.14	0.995	1.00	\$0.14		\$0.14	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$0.18	0.995	1.00	\$0.18		\$0.18	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.63	\$0.63	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.03	\$0.03	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
Subtotal Mental Health		\$2.46			\$2.43	\$0.66	\$3.09		\$0.00		\$0.00
Subtotal Mental Health w Admin											\$0.00
Total Services		\$93.24			\$85.26	\$0.63	\$85.89		\$60.36		\$59.62
Total Services with Admin											\$68.79

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
PLM, CHIP, or TANF Children Aged 6-18											
PHYSICAL HEALTH											
	ADMINISTRATIVE EXAMS	\$0.00	0.985	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$0.77	0.985	1.00	\$0.76		\$0.76	1	\$0.76	1.00	\$0.76
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.01	0.989	0.75	\$0.01		\$0.01	1	\$0.01	0.95	\$0.01
	FP - PHYS	\$0.08	0.985	1.00	\$0.08		\$0.08	1	\$0.08	1.00	\$0.08
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$1.70	0.992	0.78	\$1.32	-\$1.32	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$9.19	0.992	0.76	\$6.91		\$6.91	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.00	0.992	0.75	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$1.82	0.985	1.00	\$1.79		\$1.79	1	\$1.79	1.00	\$1.79
	LAB & RAD - LAB	\$1.27	0.985	1.00	\$1.25		\$1.25	1	\$1.25	1.00	\$1.25
	LAB & RAD - THERAPEUTIC X-RAY	\$0.02	0.985	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	OP ER - SOMATIC MH	\$0.10	0.989	0.75	\$0.07		\$0.07	1	\$0.07	0.95	\$0.07
	OP HOSP - BASIC	\$6.12	0.989	0.78	\$4.74		\$4.74	1	\$4.74	0.95	\$4.50
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$3.29	0.989	0.77	\$2.52		\$2.52	1	\$2.52	0.95	\$2.40
	OP HOSP - LAB & RAD	\$4.36	0.989	0.78	\$3.35		\$3.35	1	\$3.35	0.95	\$3.19
	OP HOSP - MATERNITY	\$0.49	0.989	0.78	\$0.38	-\$0.38	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.989	0.83	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - PRES DRUGS BASIC	\$0.63	0.989	0.78	\$0.49		\$0.49	1	\$0.49	1.00	\$0.49
	OP HOSP - PRES DRUGS MH/CD	\$0.00	1.000	0.78	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OP HOSP - SOMATIC MH	\$0.12	0.989	0.76	\$0.09		\$0.09	1	\$0.09	0.95	\$0.09
	OTH MED - DME	\$0.21	0.985	1.00	\$0.21		\$0.21	1	\$0.21	1.00	\$0.21
	OTH MED - HHC/PDN	\$0.06	0.985	1.00	\$0.06		\$0.06	1	\$0.06	1.00	\$0.06
	OTH MED - HOSPICE	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - MATERNITY MGT	\$0.52	0.996	1.00	\$0.52		\$0.52	1	\$0.52	1.00	\$0.52
	OTH MED - SUPPLIES	\$0.27	0.985	1.00	\$0.26		\$0.26	1	\$0.26	1.00	\$0.26
	PHYS CONSULTATION, IP & ER VISITS	\$2.62	0.985	1.00	\$2.58		\$2.58	1	\$2.58	1.00	\$2.58
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.01	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	PHYS MATERNITY	\$1.39	0.985	1.00	\$1.36	-\$1.36	\$0.00	1	\$0.00	1.00	\$0.00
	PHYS NEWBORN	\$0.05	0.985	1.00	\$0.04		\$0.04	1	\$0.04	1.00	\$0.04
	PHYS OFFICE VISITS	\$11.42	0.985	1.00	\$11.25		\$11.25	1	\$11.25	1.00	\$11.25
	PHYS OTHER	\$1.48	0.985	1.00	\$1.46		\$1.46	1	\$1.46	1.00	\$1.46
	PHYS SOMATIC MH	\$1.15	0.985	1.00	\$1.13		\$1.13	1	\$1.13	1.00	\$1.13

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	= D + E Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G Adjusted Cost	OP Cost Shift Adjustment	=H * I Projected Statewide PCO Cost PMPM
PLM, CHIP, or TANF Children Aged 6-18											
	PRES DRUGS - BASIC	\$10.46	0.979	1.00	\$10.24	-\$0.06	\$10.18	1	\$10.18	1.00	\$10.18
	PRES DRUGS - FP	\$0.39	0.979	1.00	\$0.38	\$0.00	\$0.38	1	\$0.38	1.00	\$0.38
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$0.07	0.970	1.00	\$0.07	\$0.00	\$0.07	1	\$0.07	1.00	\$0.07
	PRES DRUGS - TOBACCO CESSATION	\$0.03	0.979	1.00	\$0.03	\$0.00	\$0.03	1	\$0.03	1.00	\$0.03
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.01	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	SURGERY	\$3.37	0.985	1.00	\$3.32	\$3.32	\$3.32	1	\$3.32	1.00	\$3.32
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	TOBACCO CES-PHYS	\$0.01	0.985	1.00	\$0.01	\$0.01	\$0.01	1	\$0.01	1.00	\$0.01
	TRANSPORTATION - AMBULANCE	\$0.81	0.985	1.00	\$0.80	\$0.80	\$0.80	1	\$0.80	1.00	\$0.80
	TRANSPORTATION - OTHER	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$2.09	0.985	1.00	\$2.05	\$2.05	\$2.05	1	\$2.05	1.00	\$2.05
	VISION CARE - MATERIALS & FITTING	\$1.65	0.985	1.00	\$1.62	\$1.62	\$1.62	1	\$1.62	1.00	\$1.62
	PART A DEDUCTIBLE	\$0.00									
	PART B DEDUCTIBLE	\$0.00									
	PART B COINSURANCE ADJUSTMENT	\$0.00									
	Subtotal Physical Health	\$68.02			\$61.20	-\$3.13	\$58.08		\$51.15		\$50.61
	Subtotal Physical Health w Admin										\$58.40
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$0.01	0.995	1.00	\$0.01	\$0.01	\$0.01	1	\$0.01	1.00	\$0.01
	CD SERVICES - OP	\$1.22	0.995	1.00	\$1.22	\$1.22	\$1.22	1	\$1.22	1.00	\$1.22
	Subtotal Chemical Dependency	\$1.24			\$1.23	\$0.00	\$1.23		\$1.23		\$1.23
	Subtotal Chemical Dependency w Admin										\$1.41

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
PLM, CHIP, or TANF Children Aged 6-18											
DENTAL											
	DENTAL - ADJUNCTIVE GENERAL	\$0.20	0.986	1.00	\$0.20		\$0.20	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.38	0.986	1.00	\$0.38		\$0.38	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$4.61	0.986	1.00	\$4.54		\$4.54	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$1.28	0.986	1.00	\$1.27		\$1.27	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$1.75	0.986	1.00	\$1.73		\$1.73	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.02	0.986	1.00	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$0.12	0.986	1.00	\$0.12		\$0.12	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$5.17	0.986	1.00	\$5.10		\$5.10	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$0.04	0.986	1.00	\$0.04		\$0.04	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$6.91	0.986	1.00	\$6.81		\$6.81	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.01	0.986	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$20.49			\$20.21	\$0.00	\$20.21		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
MENTAL HEALTH											
	MH SERVICES ACUTE INPATIENT	\$1.92	0.9946	0.74	\$1.42		\$1.42	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$1.64	0.995	1.00	\$1.63		\$1.63	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$0.90	0.995	1.00	\$0.89		\$0.89	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.27	0.995	1.00	\$0.27		\$0.27	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$0.64	0.995	1.00	\$0.64		\$0.64	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.20	0.995	1.00	\$0.20		\$0.20	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.08	0.995	1.00	\$0.08		\$0.08	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$5.94	0.995	1.00	\$5.90		\$5.90	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.05	0.995	1.00	\$0.05		\$0.05	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.08	0.995	1.00	\$0.08		\$0.08	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$0.48	0.995	1.00	\$0.48		\$0.48	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$0.62	0.995	1.00	\$0.62		\$0.62	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$3.29	\$3.29	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$1.01	\$1.01	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.12	\$0.12	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.01	\$0.01	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$12.83			\$12.26	\$4.43	\$16.69		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$102.58			\$94.91	\$1.30	\$96.21		\$52.38		\$51.84
	Total Services with Admin										\$59.81

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
AB/AD with Medicare											
PHYSICAL HEALTH											
	ADMINISTRATIVE EXAMS	\$0.00	0.968	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$0.86	0.968	1.00	\$0.83		\$0.83	1	\$0.83	1.00	\$0.83
	EXCEPT NEEDS CARE COORDINATION	\$8.01	1.000	1.00	\$8.01		\$8.01	1	\$8.01	1.00	\$8.01
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.00	0.989	0.75	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	FP - PHYS	\$0.03	0.968	1.00	\$0.03		\$0.03	1	\$0.03	1.00	\$0.03
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.05	0.968	1.00	\$0.05		\$0.05	1	\$0.05	1.00	\$0.05
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$0.00	0.992	0.78	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.00	0.992	0.75	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$2.66	0.968	1.00	\$2.58		\$2.58	1	\$2.58	1.00	\$2.58
	LAB & RAD - LAB	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	LAB & RAD - THERAPEUTIC X-RAY	\$0.14	0.968	1.00	\$0.13		\$0.13	1	\$0.13	1.00	\$0.13
	OP ER - SOMATIC MH	\$0.20	0.989	0.75	\$0.15		\$0.15	1	\$0.15	0.95	\$0.14
	OP HOSP - BASIC	\$10.14	0.989	0.78	\$7.86		\$7.86	1	\$7.86	0.95	\$7.46
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$1.95	0.989	0.77	\$1.50		\$1.50	1	\$1.50	0.95	\$1.42
	OP HOSP - LAB & RAD	\$4.95	0.989	0.78	\$3.81		\$3.81	1	\$3.81	0.95	\$3.62
	OP HOSP - MATERNITY	\$0.07	0.989	0.78	\$0.05	\$0.00	\$0.05	1	\$0.05	0.95	\$0.05
	OP HOSP - POST HOSP EXTENDED CARE	\$0.02	0.989	0.83	\$0.02		\$0.02	1	\$0.02	0.95	\$0.02
	OP HOSP - PRES DRUGS BASIC	\$3.74	0.989	0.78	\$2.90		\$2.90	1	\$2.90	1.00	\$2.90
	OP HOSP - PRES DRUGS MH/CD	\$0.05	1.000	0.78	\$0.04		\$0.04	1	\$0.04	1.00	\$0.04
	OP HOSP - SOMATIC MH	\$0.24	0.989	0.76	\$0.18		\$0.18	1	\$0.18	0.95	\$0.17
	OTH MED - DME	\$4.35	0.968	1.00	\$4.22		\$4.22	1	\$4.22	1.00	\$4.22
	OTH MED - HHC/PDN	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - HOSPICE	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - MATERNITY MGT	\$0.15	0.984	1.00	\$0.15		\$0.15	1	\$0.15	1.00	\$0.15
	OTH MED - SUPPLIES	\$11.96	0.968	1.00	\$11.58		\$11.58	1	\$11.58	1.00	\$11.58
	PHYS CONSULTATION, IP & ER VISITS	\$4.03	0.968	1.00	\$3.90		\$3.90	1	\$3.90	1.00	\$3.90
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.19	0.968	1.00	\$0.18		\$0.18	1	\$0.18	1.00	\$0.18
	PHYS MATERNITY	\$0.15	0.968	1.00	\$0.14	\$0.00	\$0.14	1	\$0.14	1.00	\$0.14
	PHYS NEWBORN	\$0.02	0.968	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	PHYS OFFICE VISITS	\$7.19	0.968	1.00	\$6.97		\$6.97	1	\$6.97	1.00	\$6.97
	PHYS OTHER	\$3.82	0.968	1.00	\$3.70		\$3.70	1	\$3.70	1.00	\$3.70
	PHYS SOMATIC MH	\$1.02	0.968	1.00	\$0.99		\$0.99	1	\$0.99	1.00	\$0.99

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
AB/AD with Medicare	PRES DRUGS - BASIC	\$221.61	0.978	1.00	\$216.72	-\$209.24	\$7.47	1	\$7.47	1.00	\$7.47
	PRES DRUGS - FP	\$0.85	0.978	1.00	\$0.83	-\$0.83	\$0.00	1	\$0.00	1.00	\$0.00
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$17.19	0.973	1.00	\$16.72	-\$16.72	\$0.00	1	\$0.00	1.00	\$0.00
	PRES DRUGS - TOBACCO CESSATION	\$1.02	0.978	1.00	\$1.00	-\$0.65	\$0.35	1	\$0.35	1.00	\$0.35
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.968	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.01	0.989	0.81	\$0.01		\$0.01	1	\$0.01	0.95	\$0.01
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.01	0.968	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	STERILIZATION - PHY MALE	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	SURGERY	\$4.70	0.968	1.00	\$4.55		\$4.55	1	\$4.55	1.00	\$4.55
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.968	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.968	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MON	\$0.00	0.968	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.968	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	TOBACCO CES-PHYS	\$0.04	0.968	1.00	\$0.04		\$0.04	1	\$0.04	1.00	\$0.04
	TRANSPORTATION - AMBULANCE	\$1.43	0.968	1.00	\$1.38		\$1.38	1	\$1.38	1.00	\$1.38
	TRANSPORTATION - OTHER	\$0.00	0.968	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$3.93	0.968	1.00	\$3.81		\$3.81	1	\$3.81	1.00	\$3.81
	VISION CARE - MATERIALS & FITTING	\$2.97	0.968	1.00	\$2.87		\$2.87	1	\$2.87	1.00	\$2.87
	PART A DEDUCTIBLE	\$14.68			\$14.51		\$14.51	0	\$0.00	1.00	\$0.00
	PART B DEDUCTIBLE	\$9.48			\$9.42		\$9.42	1	\$9.42	1.00	\$9.42
	PART B COINSURANCE ADJUSTMENT	-\$1.96			-\$1.96		-\$1.96	1	-\$1.96	1.00	-\$1.96
	Subtotal Physical Health	\$341.97			\$329.91	-\$227.44	\$102.47		\$87.96		\$87.28
	Subtotal Physical Health w Admin										\$116.26
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.16	0.995	1.00	\$0.16		\$0.16	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$2.21	0.995	1.00	\$2.20		\$2.20	1	\$2.20	1.00	\$2.20
	CD SERVICES - OP	\$1.42	0.995	1.00	\$1.41		\$1.41	1	\$1.41	1.00	\$1.41
	Subtotal Chemical Dependency	\$3.79			\$3.77	\$0.00	\$3.77		\$3.61		\$3.61
	Subtotal Chemical Dependency w Admin ³										\$4.81

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
AB/AD with Medicare											
DENTAL											
	DENTAL - ADJUNCTIVE GENERAL	\$0.70	0.986	1.00	\$0.69		\$0.69	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.37	0.986	1.00	\$0.36		\$0.36	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$4.06	0.986	1.00	\$4.00		\$4.00	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$1.51	0.986	1.00	\$1.49		\$1.49	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.06	0.986	1.00	\$0.06		\$0.06	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$4.17	0.986	1.00	\$4.11		\$4.11	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$2.50	0.986	1.00	\$2.47		\$2.47	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$2.35	0.986	1.00	\$2.32		\$2.32	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$6.06	0.986	1.00	\$5.97		\$5.97	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$6.54	0.986	1.00	\$6.45		\$6.45	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.02	0.986	1.00	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$28.33			\$27.94	\$0.00	\$27.94		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
MENTAL HEALTH											
	MH SERVICES ACUTE INPATIENT ²	\$2.90			\$2.83		\$2.83	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$2.21	0.995	1.00	\$2.20		\$2.20	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$11.87	0.995	1.00	\$11.80		\$11.80	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.56	0.995	1.00	\$0.56		\$0.56	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.03	0.995	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$8.55	0.995	1.00	\$8.50		\$8.50	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$3.48	0.995	1.00	\$3.46		\$3.46	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$1.52	0.995	1.00	\$1.51		\$1.51	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$11.52	0.995	1.00	\$11.46		\$11.46	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.21	0.995	1.00	\$0.21		\$0.21	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$1.02	0.995	1.00	\$1.02		\$1.02	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$1.16	0.995	1.00	\$1.16		\$1.16	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$25.89	0.995	1.00	\$25.75		\$25.75	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$70.93			\$70.50	\$0.00	\$70.50		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$445.02			\$432.12	-\$227.44	\$204.68		\$91.57		\$90.89
	Total Services with Admin										\$121.07

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

² Medicare Part A Deductible, Part B Deductible, and Part B Coinsurance Adjustment were recalculated for Dual Eligibles using the 2006 values for the January 2006 Rate Development. Mental Health Acute Inpatient per capita cost reflects expected value of Medicare Part A cost sharing.

³ Chemical Dependency costs with adjustment for administration allowance reflects the higher FCHP administration allowance.

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
AB/AD without Medicare											
PHYSICAL HEALTH											
	ADMINISTRATIVE EXAMS	\$0.00	0.988	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$4.08	0.988	1.00	\$4.03		\$4.03	1	\$4.03	1.00	\$4.03
	EXCEPT NEEDS CARE COORDINATION	\$8.01	1.000	1.00	\$8.01		\$8.01	1	\$8.01	1.00	\$8.01
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.02	0.990	0.75	\$0.01		\$0.01	1	\$0.01	0.95	\$0.01
	FP - PHYS	\$0.16	0.988	1.00	\$0.16		\$0.16	1	\$0.16	1.00	\$0.16
	HYSTERECTOMY - ANESTHESIA	\$0.04	0.988	1.00	\$0.03		\$0.03	1	\$0.03	1.00	\$0.03
	HYSTERECTOMY - IP HOSP	\$1.71	0.992	0.78	\$1.32		\$1.32	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.01	0.990	0.76	\$0.01		\$0.01	1	\$0.01	0.95	\$0.01
	HYSTERECTOMY - PHYS	\$0.35	0.988	1.00	\$0.35		\$0.35	1	\$0.35	1.00	\$0.35
	IP HOSP - ACUTE DETOX	\$0.32	0.992	0.77	\$0.24		\$0.24	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$2.04	0.992	0.78	\$1.59	-\$1.59	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.26	0.992	0.79	\$0.20	-\$0.13	\$0.07	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$187.42	0.992	0.76	\$141.08		\$141.08	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.03	0.992	0.75	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$12.40	0.988	1.00	\$12.26		\$12.26	1	\$12.26	1.00	\$12.26
	LAB & RAD - LAB	\$7.39	0.988	1.00	\$7.30		\$7.30	1	\$7.30	1.00	\$7.30
	LAB & RAD - THERAPEUTIC X-RAY	\$1.14	0.988	1.00	\$1.12		\$1.12	1	\$1.12	1.00	\$1.12
	OP ER - SOMATIC MH	\$1.18	0.990	0.75	\$0.88		\$0.88	1	\$0.88	0.95	\$0.83
	OP HOSP - BASIC	\$46.91	0.990	0.78	\$36.39		\$36.39	1	\$36.39	0.95	\$34.57
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.990	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.990	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.990	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$11.84	0.990	0.77	\$9.09		\$9.09	1	\$9.09	0.95	\$8.63
	OP HOSP - LAB & RAD	\$32.19	0.990	0.78	\$24.82		\$24.82	1	\$24.82	0.95	\$23.58
	OP HOSP - MATERNITY	\$0.69	0.990	0.78	\$0.53	-\$0.53	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.12	0.990	0.83	\$0.10		\$0.10	1	\$0.10	0.95	\$0.10
	OP HOSP - PRES DRUGS BASIC	\$5.91	0.990	0.78	\$4.59		\$4.59	1	\$4.59	1.00	\$4.59
	OP HOSP - PRES DRUGS MH/CD	\$0.07	1.000	0.78	\$0.05		\$0.05	1	\$0.05	1.00	\$0.05
	OP HOSP - SOMATIC MH	\$1.35	0.990	0.76	\$1.02		\$1.02	1	\$1.02	0.95	\$0.97
	OTH MED - DME	\$16.05	0.988	1.00	\$15.85		\$15.85	1	\$15.85	1.00	\$15.85
	OTH MED - HHC/PDN	\$3.64	0.988	1.00	\$3.60		\$3.60	1	\$3.60	1.00	\$3.60
	OTH MED - HOSPICE	\$2.12	0.988	1.00	\$2.10		\$2.10	1	\$2.10	1.00	\$2.10
	OTH MED - MATERNITY MGT	\$0.48	0.986	1.00	\$0.48		\$0.48	1	\$0.48	1.00	\$0.48
	OTH MED - SUPPLIES	\$8.95	0.988	1.00	\$8.84		\$8.84	1	\$8.84	1.00	\$8.84
	PHYS CONSULTATION, IP & ER VISITS	\$17.29	0.988	1.00	\$17.08		\$17.08	1	\$17.08	1.00	\$17.08
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.40	0.988	1.00	\$0.39		\$0.39	1	\$0.39	1.00	\$0.39
	PHYS MATERNITY	\$1.48	0.988	1.00	\$1.46	-\$1.46	\$0.00	1	\$0.00	1.00	\$0.00
	PHYS NEWBORN	\$0.10	0.988	1.00	\$0.10		\$0.10	1	\$0.10	1.00	\$0.10
	PHYS OFFICE VISITS	\$30.96	0.988	1.00	\$30.59		\$30.59	1	\$30.59	1.00	\$30.59
	PHYS OTHER	\$17.66	0.988	1.00	\$17.45		\$17.45	1	\$17.45	1.00	\$17.45
	PHYS SOMATIC MH	\$4.44	0.988	1.00	\$4.39		\$4.39	1	\$4.39	1.00	\$4.39

Oregon Health Plan Medicaid Demonstration
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Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
AB/AD without Medicare											
	PRES DRUGS - BASIC	\$145.06	0.983	1.00	\$142.66	-\$2.58	\$140.08	1	\$140.08	1.00	\$140.08
	PRES DRUGS - FP	\$0.69	0.983	1.00	\$0.67	\$0.00	\$0.67	1	\$0.67	1.00	\$0.67
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$9.33	0.983	1.00	\$9.18	\$0.00	\$9.18	1	\$9.18	1.00	\$9.18
	PRES DRUGS - TOBACCO CESSATION	\$0.80	0.983	1.00	\$0.78	\$0.00	\$0.78	1	\$0.78	1.00	\$0.78
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.988	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.02	0.988	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.988	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.36	0.992	0.79	\$0.28		\$0.28	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.04	0.990	0.81	\$0.03		\$0.03	1	\$0.03	0.95	\$0.03
	STERILIZATION - OP HOSP MALE	\$0.00	0.990	0.72	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.05	0.988	1.00	\$0.05		\$0.05	1	\$0.05	1.00	\$0.05
	STERILIZATION - PHY MALE	\$0.02	0.988	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	SURGERY	\$21.53	0.988	1.00	\$21.27		\$21.27	1	\$21.27	1.00	\$21.27
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.988	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.988	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.988	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.990	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.988	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.05	0.992	0.72	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.02	0.990	0.78	\$0.02		\$0.02	1	\$0.02	0.95	\$0.02
	TOBACCO CES-PHYS	\$0.18	0.988	1.00	\$0.18		\$0.18	1	\$0.18	1.00	\$0.18
	TRANSPORTATION - AMBULANCE	\$9.36	0.988	1.00	\$9.25		\$9.25	1	\$9.25	1.00	\$9.25
	TRANSPORTATION - OTHER	\$0.00	0.988	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$2.93	0.988	1.00	\$2.90		\$2.90	1	\$2.90	1.00	\$2.90
	VISION CARE - MATERIALS & FITTING	\$2.24	0.988	1.00	\$2.21		\$2.21	1	\$2.21	1.00	\$2.21
	PART A DEDUCTIBLE										
	PART B DEDUCTIBLE										
	PART B COINSURANCE ADJUSTMENT										
	Subtotal Physical Health	\$621.88			\$547.09	-\$6.29	\$540.81		\$397.76		\$394.14
	Subtotal Physical Health w Admin										\$454.79
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.40	0.995	1.00	\$0.40		\$0.40	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$5.94	0.995	1.00	\$5.90		\$5.90	1	\$5.90	1.00	\$5.90
	CD SERVICES - OP	\$4.69	0.995	1.00	\$4.67		\$4.67	1	\$4.67	1.00	\$4.67
	Subtotal Chemical Dependency	\$11.03			\$10.97	\$0.00	\$10.97		\$10.57		\$10.57
	Subtotal Chemical Dependency w Admin										\$12.20

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
AB/AD without Medicare											
DENTAL											
	DENTAL - ADJUNCTIVE GENERAL	\$0.53	0.986	1.00	\$0.52		\$0.52	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.36	0.986	1.00	\$0.36		\$0.36	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$3.60	0.986	1.00	\$3.55		\$3.55	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$1.47	0.986	1.00	\$1.45		\$1.45	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.03	0.986	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$3.81	0.986	1.00	\$3.76		\$3.76	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.03	0.986	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$1.74	0.986	1.00	\$1.72		\$1.72	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$1.98	0.986	1.00	\$1.96		\$1.96	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$5.62	0.986	1.00	\$5.54		\$5.54	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$5.72	0.986	1.00	\$5.64		\$5.64	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.02	0.986	1.00	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$24.90			\$24.56	\$0.00	\$24.56		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
MENTAL HEALTH											
	MH SERVICES ACUTE INPATIENT	\$25.27	0.9946	0.74	\$18.61		\$18.61	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$3.52	0.995	1.00	\$3.50		\$3.50	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$12.62	0.995	1.00	\$12.55		\$12.55	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.90	0.995	1.00	\$0.90		\$0.90	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.14	0.995	1.00	\$0.14		\$0.14	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$9.87	0.995	1.00	\$9.82		\$9.82	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$4.49	0.995	1.00	\$4.46		\$4.46	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$1.42	0.995	1.00	\$1.41		\$1.41	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$17.28	0.995	1.00	\$17.19		\$17.19	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.07	0.995	1.00	\$0.07		\$0.07	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.92	0.995	1.00	\$0.91		\$0.91	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$2.22	0.995	1.00	\$2.21		\$2.21	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$22.98	0.995	1.00	\$22.86		\$22.86	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$3.58	\$3.58	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$8.60	\$8.60	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.09	\$0.09	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.01	\$0.01	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$101.71			\$94.64	\$12.28	\$106.92		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$759.53			\$677.26	\$6.00	\$683.26		\$408.33		\$404.71
	Total Services with Admin										\$466.99

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
OAA with Medicare											
	PHYSICAL HEALTH										
	ADMINISTRATIVE EXAMS	\$0.00	0.968	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$0.85	0.968	1.00	\$0.82		\$0.82	1	\$0.82	1.00	\$0.82
	EXCEPT NEEDS CARE COORDINATION	\$6.26	1.000	1.00	\$6.26		\$6.26	1	\$6.26	1.00	\$6.26
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.00	0.989	0.75	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	FP - PHYS	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.02	0.968	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$0.00	0.992	0.78	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.00	0.992	0.75	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$3.09	0.968	1.00	\$2.99		\$2.99	1	\$2.99	1.00	\$2.99
	LAB & RAD - LAB	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	LAB & RAD - THERAPEUTIC X-RAY	\$0.34	0.968	1.00	\$0.33		\$0.33	1	\$0.33	1.00	\$0.33
	OP ER - SOMATIC MH	\$0.04	0.989	0.75	\$0.03		\$0.03	1	\$0.03	0.95	\$0.03
	OP HOSP - BASIC	\$8.41	0.989	0.78	\$6.52		\$6.52	1	\$6.52	0.95	\$6.19
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$1.69	0.989	0.77	\$1.29		\$1.29	1	\$1.29	0.95	\$1.23
	OP HOSP - LAB & RAD	\$5.60	0.989	0.78	\$4.32		\$4.32	1	\$4.32	0.95	\$4.10
	OP HOSP - MATERNITY	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.01	0.989	0.83	\$0.01		\$0.01	1	\$0.01	0.95	\$0.01
	OP HOSP - PRES DRUGS BASIC	\$3.74	0.989	0.78	\$2.90		\$2.90	1	\$2.90	1.00	\$2.90
	OP HOSP - PRES DRUGS MH/CD	\$0.04	1.000	0.78	\$0.03		\$0.03	1	\$0.03	1.00	\$0.03
	OP HOSP - SOMATIC MH	\$0.10	0.989	0.76	\$0.07		\$0.07	1	\$0.07	0.95	\$0.07
	OTH MED - DME	\$5.51	0.968	1.00	\$5.34		\$5.34	1	\$5.34	1.00	\$5.34
	OTH MED - HHC/PDN	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - HOSPICE	\$0.00	0.968	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - MATERNITY MGT	\$0.02	0.984	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	OTH MED - SUPPLIES	\$11.83	0.968	1.00	\$11.45		\$11.45	1	\$11.45	1.00	\$11.45
	PHYS CONSULTATION, IP & ER VISITS	\$5.16	0.968	1.00	\$4.99		\$4.99	1	\$4.99	1.00	\$4.99
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.69	0.968	1.00	\$0.67		\$0.67	1	\$0.67	1.00	\$0.67
	PHYS MATERNITY	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	PHYS NEWBORN	\$0.02	0.968	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	PHYS OFFICE VISITS	\$7.18	0.968	1.00	\$6.95		\$6.95	1	\$6.95	1.00	\$6.95
	PHYS OTHER	\$3.87	0.968	1.00	\$3.75		\$3.75	1	\$3.75	1.00	\$3.75
	PHYS SOMATIC MH	\$0.51	0.968	1.00	\$0.50		\$0.50	1	\$0.50	1.00	\$0.50

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
OAA with Medicare											
	PRES DRUGS - BASIC	\$199.24	0.978	1.00	\$194.84	-\$187.67	\$7.17	1	\$7.17	1.00	\$7.17
	PRES DRUGS - FP	\$0.02	0.978	1.00	\$0.02	-\$0.02	\$0.00	1	\$0.00	1.00	\$0.00
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$6.74	0.973	1.00	\$6.55	-\$6.55	\$0.00	1	\$0.00	1.00	\$0.00
	PRES DRUGS - TOBACCO CESSATION	\$0.29	0.978	1.00	\$0.29	-\$0.20	\$0.09	1	\$0.09	1.00	\$0.09
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	SURGERY	\$5.57	0.968	1.00	\$5.40	\$5.40	\$5.40	1	\$5.40	1.00	\$5.40
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MON	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	TOBACCO CES-PHYS	\$0.01	0.968	1.00	\$0.01	\$0.01	\$0.01	1	\$0.01	1.00	\$0.01
	TRANSPORTATION - AMBULANCE	\$2.46	0.968	1.00	\$2.38	\$2.38	\$2.38	1	\$2.38	1.00	\$2.38
	TRANSPORTATION - OTHER	\$0.00	0.968	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$5.49	0.968	1.00	\$5.32	\$5.32	\$5.32	1	\$5.32	1.00	\$5.32
	VISION CARE - MATERIALS & FITTING	\$2.91	0.968	1.00	\$2.81	\$2.81	\$2.81	1	\$2.81	1.00	\$2.81
	PART A DEDUCTIBLE	\$26.68			\$26.37		\$26.37	0	\$0.00	1.00	\$0.00
	PART B DEDUCTIBLE	\$9.48			\$9.42		\$9.42	1	\$9.42	1.00	\$9.42
	PART B COINSURANCE ADJUSTMENT	-\$1.88			-\$1.86		-\$1.86	1	-\$1.86	1.00	-\$1.86
	Subtotal Physical Health	\$322.00			\$310.83	-\$194.44	\$116.40		\$90.02		\$89.41
	Subtotal Physical Health w Admin										\$116.89
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$0.18	0.995	1.00	\$0.18		\$0.18	1	\$0.18	1.00	\$0.18
	CD SERVICES - OP	\$0.10	0.995	1.00	\$0.09		\$0.09	1	\$0.09	1.00	\$0.09
	Subtotal Chemical Dependency	\$0.29			\$0.29	\$0.00	\$0.29		\$0.27		\$0.27
	Subtotal Chemical Dependency w Admin ³										\$0.36

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G	OP Cost Shift Adjustment	= H * I
OAA with Medicare											
	DENTAL										
	DENTAL - ADJUNCTIVE GENERAL	\$0.40	0.986	1.00	\$0.39		\$0.39	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.09	0.986	1.00	\$0.09		\$0.09	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$2.05	0.986	1.00	\$2.02		\$2.02	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$0.49	0.986	1.00	\$0.48		\$0.48	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.01	0.986	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$2.21	0.986	1.00	\$2.18		\$2.18	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$0.77	0.986	1.00	\$0.76		\$0.76	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$1.05	0.986	1.00	\$1.04		\$1.04	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$8.20	0.986	1.00	\$8.09		\$8.09	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$2.69	0.986	1.00	\$2.65		\$2.65	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.01	0.986	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$17.98			\$17.74	\$0.00	\$17.74		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
	MENTAL HEALTH										
	MH SERVICES ACUTE INPATIENT ²	\$0.49			\$0.48		\$0.48	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$0.42	0.995	1.00	\$0.41		\$0.41	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$1.06	0.995	1.00	\$1.05		\$1.05	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.18	0.995	1.00	\$0.18		\$0.18	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.03	0.995	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$0.84	0.995	1.00	\$0.84		\$0.84	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.17	0.995	1.00	\$0.17		\$0.17	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.06	0.995	1.00	\$0.06		\$0.06	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$1.14	0.995	1.00	\$1.14		\$1.14	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.01	0.995	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.20	0.995	1.00	\$0.19		\$0.19	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$0.11	0.995	1.00	\$0.10		\$0.10	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$2.59	0.995	1.00	\$2.58		\$2.58	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$7.29			\$7.24	\$0.00	\$7.24		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$347.55			\$336.10	-\$194.44	\$141.66		\$90.29		\$89.68
	Total Services with Admin										\$117.25

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

² Medicare Part A Deductible, Part B Deductible, and Part B Coinsurance Adjustment were recalculated for Dual Eligibles using the 2006 values for the January 2006 Rate Development. Mental Health Acute Inpatient per capita cost reflects expected value of Medicare Part A cost sharing.

³ Chemical Dependency costs with adjustment for administration allowance reflects the higher FCHP administration allowance.

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Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G	OP Cost Shift Adjustment	=H * I
OAA without Medicare											
	PHYSICAL HEALTH										
	ADMINISTRATIVE EXAMS	\$0.00	0.988	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$3.13	0.988	1.00	\$3.09		\$3.09	1	\$3.09	1.00	\$3.09
	EXCEPT NEEDS CARE COORDINATION	\$6.26	1.000	1.00	\$6.26		\$6.26	1	\$6.26	1.00	\$6.26
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.00	0.990	0.75	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	FP - PHYS	\$0.00	0.988	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - ANESTHESIA	\$0.06	0.988	1.00	\$0.06		\$0.06	1	\$0.06	1.00	\$0.06
	HYSTERECTOMY - IP HOSP	\$5.24	0.992	0.78	\$4.03		\$4.03	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.990	0.76	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.16	0.988	1.00	\$0.16		\$0.16	1	\$0.16	1.00	\$0.16
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$0.00	0.992	0.78	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$144.44	0.992	0.76	\$108.72		\$108.72	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.00	0.992	0.75	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$10.93	0.988	1.00	\$10.80		\$10.80	1	\$10.80	1.00	\$10.80
	LAB & RAD - LAB	\$4.94	0.988	1.00	\$4.88		\$4.88	1	\$4.88	1.00	\$4.88
	LAB & RAD - THERAPEUTIC X-RAY	\$0.20	0.988	1.00	\$0.20		\$0.20	1	\$0.20	1.00	\$0.20
	OP ER - SOMATIC MH	\$0.17	0.990	0.75	\$0.12		\$0.12	1	\$0.12	0.95	\$0.12
	OP HOSP - BASIC	\$64.00	0.990	0.78	\$49.64		\$49.64	1	\$49.64	0.95	\$47.16
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.990	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.990	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.990	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$5.25	0.990	0.77	\$4.03		\$4.03	1	\$4.03	0.95	\$3.83
	OP HOSP - LAB & RAD	\$25.82	0.990	0.78	\$19.91		\$19.91	1	\$19.91	0.95	\$18.91
	OP HOSP - MATERNITY	\$0.00	0.990	0.78	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.990	0.83	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - PRES DRUGS BASIC	\$5.08	0.990	0.78	\$3.94		\$3.94	1	\$3.94	1.00	\$3.94
	OP HOSP - PRES DRUGS MH/CD	\$0.01	1.000	0.78	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	OP HOSP - SOMATIC MH	\$0.33	0.990	0.76	\$0.25		\$0.25	1	\$0.25	0.95	\$0.24
	OTH MED - DME	\$8.54	0.988	1.00	\$8.44		\$8.44	1	\$8.44	1.00	\$8.44
	OTH MED - HHC/PDN	\$2.38	0.988	1.00	\$2.35		\$2.35	1	\$2.35	1.00	\$2.35
	OTH MED - HOSPICE	\$4.52	0.988	1.00	\$4.47		\$4.47	1	\$4.47	1.00	\$4.47
	OTH MED - MATERNITY MGT	\$0.00	0.986	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - SUPPLIES	\$5.25	0.988	1.00	\$5.19		\$5.19	1	\$5.19	1.00	\$5.19
	PHYS CONSULTATION, IP & ER VISITS	\$12.66	0.988	1.00	\$12.51		\$12.51	1	\$12.51	1.00	\$12.51
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.69	0.988	1.00	\$0.68		\$0.68	1	\$0.68	1.00	\$0.68
	PHYS MATERNITY	\$0.01	0.988	1.00	\$0.01	\$0.00	\$0.01	1	\$0.01	1.00	\$0.01
	PHYS NEWBORN	\$0.06	0.988	1.00	\$0.06		\$0.06	1	\$0.06	1.00	\$0.06
	PHYS OFFICE VISITS	\$27.72	0.988	1.00	\$27.39		\$27.39	1	\$27.39	1.00	\$27.39
	PHYS OTHER	\$14.39	0.988	1.00	\$14.22		\$14.22	1	\$14.22	1.00	\$14.22
	PHYS SOMATIC MH	\$0.60	0.988	1.00	\$0.59		\$0.59	1	\$0.59	1.00	\$0.59

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Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G	OP Cost Shift Adjustment	=H * I
OAA without Medicare											
	PRES DRUGS - BASIC	\$96.69	0.983	1.00	\$95.09	\$0.00	\$95.09	1	\$95.09	1.00	\$95.09
	PRES DRUGS - FP	\$0.00	0.983	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$1.63	0.983	1.00	\$1.60	\$0.00	\$1.60	1	\$1.60	1.00	\$1.60
	PRES DRUGS - TOBACCO CESSATION	\$0.09	0.983	1.00	\$0.09	\$0.00	\$0.09	1	\$0.09	1.00	\$0.09
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.990	0.81	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.990	0.72	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	SURGERY	\$19.86	0.988	1.00	\$19.63	\$0.00	\$19.63	1	\$19.63	1.00	\$19.63
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.990	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.01	0.990	0.78	\$0.01	\$0.00	\$0.01	1	\$0.01	0.95	\$0.01
	TOBACCO CES-PHYS	\$0.06	0.988	1.00	\$0.06	\$0.00	\$0.06	1	\$0.06	1.00	\$0.06
	TRANSPORTATION - AMBULANCE	\$3.98	0.988	1.00	\$3.93	\$0.00	\$3.93	1	\$3.93	1.00	\$3.93
	TRANSPORTATION - OTHER	\$0.00	0.988	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$3.81	0.988	1.00	\$3.76	\$0.00	\$3.76	1	\$3.76	1.00	\$3.76
	VISION CARE - MATERIALS & FITTING	\$2.60	0.988	1.00	\$2.57	\$0.00	\$2.57	1	\$2.57	1.00	\$2.57
	PART A DEDUCTIBLE	\$0.00									
	PART B DEDUCTIBLE	\$0.00									
	PART B COINSURANCE ADJUSTMENT	\$0.00									
	Subtotal Physical Health	\$481.56			\$418.75	\$0.00	\$418.75		\$305.99		\$302.30
	Subtotal Physical Health w Admin										\$348.81
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.04	0.995	1.00	\$0.04	\$0.00	\$0.04	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	CD SERVICES - OP	\$0.25	0.995	1.00	\$0.25	\$0.00	\$0.25	1	\$0.25	1.00	\$0.25
	Subtotal Chemical Dependency	\$0.29			\$0.28	\$0.00	\$0.28		\$0.25		\$0.25
	Subtotal Chemical Dependency w Admin										\$0.29

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Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
OAA without Medicare											
	DENTAL										
	DENTAL - ADJUNCTIVE GENERAL	\$0.19	0.986	1.00	\$0.19		\$0.19	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.03	0.986	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$2.86	0.986	1.00	\$2.82		\$2.82	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$1.48	0.986	1.00	\$1.46		\$1.46	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.11	0.986	1.00	\$0.11		\$0.11	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$3.07	0.986	1.00	\$3.03		\$3.03	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$1.97	0.986	1.00	\$1.94		\$1.94	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$1.03	0.986	1.00	\$1.02		\$1.02	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$10.84	0.986	1.00	\$10.69		\$10.69	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$4.51	0.986	1.00	\$4.45		\$4.45	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$26.11			\$25.75	\$0.00	\$25.75		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
	MENTAL HEALTH										
	MH SERVICES ACUTE INPATIENT	\$0.66	0.9946	0.74	\$0.48		\$0.48	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$0.46	0.995	1.00	\$0.46		\$0.46	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$0.77	0.995	1.00	\$0.77		\$0.77	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.07	0.995	1.00	\$0.07		\$0.07	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.18	0.995	1.00	\$0.17		\$0.17	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$1.16	0.995	1.00	\$1.15		\$1.15	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.34	0.995	1.00	\$0.33		\$0.33	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$0.82	0.995	1.00	\$0.82		\$0.82	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.06	0.995	1.00	\$0.06		\$0.06	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$0.05	0.995	1.00	\$0.05		\$0.05	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$2.31	0.995	1.00	\$2.30		\$2.30	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$6.87			\$6.66	\$0.00	\$6.66		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$514.82			\$451.45	\$0.00	\$451.45		\$306.24		\$302.54
	Total Services with Admin										\$349.10

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
SCF Children	PHYSICAL HEALTH										
	ADMINISTRATIVE EXAMS	\$0.00	0.985	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$1.29	0.985	1.00	\$1.27		\$1.27	1	\$1.27	1.00	\$1.27
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.000	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	FP - IP HOSP	\$0.00	0.992	0.72	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.02	0.989	0.75	\$0.02		\$0.02	1	\$0.02	0.95	\$0.02
	FP - PHYS	\$0.08	0.985	1.00	\$0.08		\$0.08	1	\$0.08	1.00	\$0.08
	HYSTERECTOMY - ANESTHESIA	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	HYSTERECTOMY - IP HOSP	\$0.00	0.992	0.78	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	0.989	0.76	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	IP HOSP - ACUTE DETOX	\$0.00	0.992	0.77	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$1.00	0.992	0.78	\$0.78	-\$0.78	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$17.55	0.992	0.76	\$13.21		\$13.21	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$4.29	0.992	0.75	\$3.17		\$3.17	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.992	0.76	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$2.18	0.985	1.00	\$2.15		\$2.15	1	\$2.15	1.00	\$2.15
	LAB & RAD - LAB	\$1.99	0.985	1.00	\$1.96		\$1.96	1	\$1.96	1.00	\$1.96
	LAB & RAD - THERAPEUTIC X-RAY	\$0.01	0.985	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	OP ER - SOMATIC MH	\$0.24	0.989	0.75	\$0.18		\$0.18	1	\$0.18	0.95	\$0.17
	OP HOSP - BASIC	\$9.91	0.989	0.78	\$7.68		\$7.68	1	\$7.68	0.95	\$7.29
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	0.989	0.78	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$2.86	0.989	0.77	\$2.19		\$2.19	1	\$2.19	0.95	\$2.08
	OP HOSP - LAB & RAD	\$4.85	0.989	0.78	\$3.74		\$3.74	1	\$3.74	0.95	\$3.55
	OP HOSP - MATERNITY	\$0.27	0.989	0.78	\$0.21	-\$0.21	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	0.989	0.83	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - PRES DRUGS BASIC	\$0.73	0.989	0.78	\$0.56		\$0.56	1	\$0.56	1.00	\$0.56
	OP HOSP - PRES DRUGS MH/CD	\$0.01	1.000	0.78	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	OP HOSP - SOMATIC MH	\$0.72	0.989	0.76	\$0.55		\$0.55	1	\$0.55	0.95	\$0.52
	OTH MED - DME	\$0.74	0.985	1.00	\$0.73		\$0.73	1	\$0.73	1.00	\$0.73
	OTH MED - HHC/PDN	\$0.38	0.985	1.00	\$0.37		\$0.37	1	\$0.37	1.00	\$0.37
	OTH MED - HOSPICE	\$0.00	0.985	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	OTH MED - MATERNITY MGT	\$2.45	0.996	1.00	\$2.44		\$2.44	1	\$2.44	1.00	\$2.44
	OTH MED - SUPPLIES	\$1.27	0.985	1.00	\$1.26		\$1.26	1	\$1.26	1.00	\$1.26
	PHYS CONSULTATION, IP & ER VISITS	\$4.30	0.985	1.00	\$4.23		\$4.23	1	\$4.23	1.00	\$4.23
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.07	0.985	1.00	\$0.07		\$0.07	1	\$0.07	1.00	\$0.07
	PHYS MATERNITY	\$0.62	0.985	1.00	\$0.61	-\$0.61	\$0.00	1	\$0.00	1.00	\$0.00
	PHYS NEWBORN	\$0.28	0.985	1.00	\$0.28		\$0.28	1	\$0.28	1.00	\$0.28
	PHYS OFFICE VISITS	\$16.08	0.985	1.00	\$15.83		\$15.83	1	\$15.83	1.00	\$15.83
	PHYS OTHER	\$9.84	0.985	1.00	\$9.69		\$9.69	1	\$9.69	1.00	\$9.69
	PHYS SOMATIC MH	\$3.80	0.985	1.00	\$3.74		\$3.74	1	\$3.74	1.00	\$3.74

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
Funding Through Line 530 of the 2005-2007 Prioritized List
Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D	E	F	G	H	I	J
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	= A * B * C	Program Change Adjustment ¹	= D + E	Covered Benefit Adjustment (1=Covered, 0=Not covered)	= F * G	OP Cost Shift Adjustment	=H * I
SCF Children											
	PRES DRUGS - BASIC	\$25.81	0.979	1.00	\$25.27	-\$0.15	\$25.11	1	\$25.11	1.00	\$25.11
	PRES DRUGS - FP	\$0.40	0.979	1.00	\$0.39	\$0.00	\$0.39	1	\$0.39	1.00	\$0.39
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$0.50	0.983	1.00	\$0.49	\$0.00	\$0.49	1	\$0.49	1.00	\$0.49
	PRES DRUGS - TOBACCO CESSATION	\$0.04	0.979	1.00	\$0.04	\$0.00	\$0.04	1	\$0.04	1.00	\$0.04
	SCHOOL-BASED HEALTH SERVICES	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	0.992	0.79	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.00	0.989	0.81	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - OP HOSP MALE	\$0.00	0.989	0.72	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - PHY MALE	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	SURGERY	\$4.21	0.985	1.00	\$4.14	\$0.00	\$4.14	1	\$4.14	1.00	\$4.14
	TARGETED CASE MAN - BABIES FIRST	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	0.992	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	0.989	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	0.992	0.72	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.00	0.989	0.78	\$0.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00
	TOBACCO CES-PHYS	\$0.02	0.985	1.00	\$0.02	\$0.00	\$0.02	1	\$0.02	1.00	\$0.02
	TRANSPORTATION - AMBULANCE	\$1.08	0.985	1.00	\$1.06	\$0.00	\$1.06	1	\$1.06	1.00	\$1.06
	TRANSPORTATION - OTHER	\$0.00	0.985	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$2.17	0.985	1.00	\$2.14	\$0.00	\$2.14	1	\$2.14	1.00	\$2.14
	VISION CARE - MATERIALS & FITTING	\$1.72	0.985	1.00	\$1.69	\$0.00	\$1.69	1	\$1.69	1.00	\$1.69
	PART A DEDUCTIBLE	\$0.00									
	PART B DEDUCTIBLE	\$0.00									
	PART B COINSURANCE ADJUSTMENT	\$0.00									
	Subtotal Physical Health	\$123.80			\$112.25	-\$1.74	\$110.51		\$94.13		\$93.41
	Subtotal Physical Health w Admin										\$107.78
	CHEMICAL DEPENDENCY										
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$0.00	0.995	1.00	\$0.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00
	CD SERVICES - OP	\$4.81	0.995	1.00	\$4.79	\$0.00	\$4.79	1	\$4.79	1.00	\$4.79
	Subtotal Chemical Dependency	\$4.81			\$4.79	\$0.00	\$4.79		\$4.79		\$4.79
	Subtotal Chemical Dependency w Admin										\$5.52

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 21

Eligibility Category	Service Category	A	B	C	D = A * B * C	E	F = D + E	G	H = F * G	I	J = H * I
		06-07 PCC with Coverage Through Line 530	Trend Adjustment to Contract Period	Hospital Reimbursement Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
SCF Children											
	DENTAL										
	DENTAL - ADJUNCTIVE GENERAL	\$0.26	0.986	1.00	\$0.26		\$0.26	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.48	0.986	1.00	\$0.47		\$0.47	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$4.23	0.986	1.00	\$4.18		\$4.18	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$1.08	0.986	1.00	\$1.06		\$1.06	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$1.48	0.986	1.00	\$1.46		\$1.46	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.03	0.986	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$0.11	0.986	1.00	\$0.10		\$0.10	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$4.98	0.986	1.00	\$4.91		\$4.91	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$0.05	0.986	1.00	\$0.05		\$0.05	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$7.10	0.986	1.00	\$7.00		\$7.00	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.00	0.986	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$19.79			\$19.52	\$0.00	\$19.52		\$0.00		\$0.00
	Subtotal Dental w Admin										\$0.00
	MENTAL HEALTH										
	MH SERVICES ACUTE INPATIENT	\$8.62	0.9946	0.74	\$6.35		\$6.35	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$5.74	0.995	1.00	\$5.71		\$5.71	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$5.77	0.995	1.00	\$5.74		\$5.74	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$2.93	0.995	1.00	\$2.91		\$2.91	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.00	0.995	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$4.43	0.995	1.00	\$4.40		\$4.40	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$4.88	0.995	1.00	\$4.85		\$4.85	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.67	0.995	1.00	\$0.66		\$0.66	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$37.30	0.995	1.00	\$37.10		\$37.10	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.17	0.995	1.00	\$0.17		\$0.17	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.28	0.995	1.00	\$0.28		\$0.28	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$9.65	0.995	1.00	\$9.60		\$9.60	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$6.92	0.995	1.00	\$6.88		\$6.88	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$20.01	\$20.01	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$89.92	\$89.92	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.58	\$0.58	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.11	\$0.11	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$87.35			\$84.65	\$110.62	\$195.27		\$0.00		\$0.00
	Subtotal Mental Health w Admin										\$0.00
	Total Services	\$235.75			\$221.21	\$108.88	\$330.08		\$98.91		\$98.19
	Total Services with Admin										\$113.31

¹ Reflects Lamictal Adjustment, MMA Adjustment, Maternity Case Rate Carve-Out, and Children's Mental Health Services Adjustment

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 2I

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F	H	I = G * H	J	K = I * J
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
OHP Families												
	PHYSICAL HEALTH											
	ADMINISTRATIVE EXAMS	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$3.95	1.145	0.54	1.00	\$2.44		\$2.44	1	\$2.44	1.00	\$2.44
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	FP - IP HOSP	\$0.00	1.386	0.45	1.01	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.09	1.060	0.48	1.00	\$0.04		\$0.04	1	\$0.04	0.95	\$0.04
	FP - PHYS	\$0.94	1.145	0.53	1.00	\$0.57		\$0.57	1	\$0.57	1.00	\$0.57
	HYSTERECTOMY - ANESTHESIA	\$0.12	1.145	0.54	1.00	\$0.07		\$0.07	1	\$0.07	1.00	\$0.07
	HYSTERECTOMY - IP HOSP	\$2.19	1.386	0.46	1.01	\$1.41		\$1.41	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	1.060	0.28	1.00	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.56	1.145	0.38	1.00	\$0.24		\$0.24	1	\$0.24	1.00	\$0.24
	IP HOSP - ACUTE DETOX	\$0.19	1.386	0.41	1.01	\$0.11		\$0.11	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$3.49	1.386	0.48	1.01	\$2.33	-\$2.33	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	1.386	0.48	1.01	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$40.87	1.386	0.45	1.01	\$25.93		\$25.93	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.00	1.386	0.43	1.01	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	1.386	0.45	1.01	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$13.16	1.145	0.45	1.00	\$6.86		\$6.86	1	\$6.86	1.00	\$6.86
	LAB & RAD - LAB	\$9.56	1.145	0.49	1.00	\$5.34		\$5.34	1	\$5.34	1.00	\$5.34
	LAB & RAD - THERAPEUTIC X-RAY	\$0.85	1.145	0.30	1.00	\$0.29		\$0.29	1	\$0.29	1.00	\$0.29
	OP ER - SOMATIC MH	\$0.37	1.060	0.38	1.00	\$0.15		\$0.15	1	\$0.15	0.95	\$0.14
	OP HOSP - BASIC	\$30.71	1.060	0.41	1.00	\$13.42		\$13.42	1	\$13.42	0.95	\$12.75
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	1.060	0.41	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	1.060	0.41	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	1.060	0.41	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$13.49	1.060	0.39	1.00	\$5.60		\$5.60	1	\$5.60	0.95	\$5.32
	OP HOSP - LAB & RAD	\$29.81	1.060	0.41	1.00	\$12.88		\$12.88	1	\$12.88	0.95	\$12.23
	OP HOSP - MATERNITY	\$2.20	1.060	0.41	1.00	\$0.97	-\$0.97	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	1.060	0.44	1.00	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - PRES DRUGS BASIC	\$4.00	1.060	0.42	1.00	\$1.80		\$1.80	1	\$1.80	1.00	\$1.80
	OP HOSP - PRES DRUGS MH/CD	\$0.02	1.000	0.39	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	OP HOSP - SOMATIC MH	\$0.49	1.060	0.39	1.00	\$0.20		\$0.20	1	\$0.20	0.95	\$0.19
	OTH MED - DME	\$0.54	1.145	0.52	1.00	\$0.32		\$0.32	1	\$0.32	1.00	\$0.32
	OTH MED - HHC/PDN	\$0.04	1.145	0.40	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	OTH MED - HOSPICE	\$0.31	1.145	0.40	1.00	\$0.14		\$0.14	1	\$0.14	1.00	\$0.14
	OTH MED - MATERNITY MGT	\$0.12	1.091	1.00	1.00	\$0.13		\$0.13	1	\$0.13	1.00	\$0.13
	OTH MED - SUPPLIES	\$1.11	1.145	0.52	1.00	\$0.66		\$0.66	1	\$0.66	1.00	\$0.66
	PHYS CONSULTATION, IP & ER VISITS	\$12.28	1.145	0.43	1.00	\$6.11		\$6.11	1	\$6.11	1.00	\$6.11
	PHYS HOME OR LONG-TERM CARE VISIT	\$0.00	1.145	0.58	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	PHYS MATERNITY	\$1.44	1.145	0.57	1.00	\$0.95	-\$0.95	\$0.00	1	\$0.00	1.00	\$0.00
	PHYS NEWBORN	\$0.02	1.145	0.57	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	PHYS OFFICE VISITS	\$29.04	1.145	0.58	1.00	\$19.25		\$19.25	1	\$19.25	1.00	\$19.25
	PHYS OTHER	\$9.00	1.145	0.50	1.00	\$5.15		\$5.15	1	\$5.15	1.00	\$5.15
	PHYS SOMATIC MH	\$2.76	1.145	0.53	1.00	\$1.69		\$1.69	1	\$1.69	1.00	\$1.69

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 2I

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F	H	I = G * H	J	K = I * J	
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM	
OHP Families													
	PRES DRUGS - BASIC	2	\$32.99	1.185	1.06	1.00	\$41.59	\$41.59	1	\$41.59	1.00	\$41.59	
	PRES DRUGS - FP		\$1.30	1.185	1.06	1.00	\$1.64	\$1.64	1	\$1.64	1.00	\$1.64	
	PRES DRUGS - MH/CD		\$0.00	1.000	1.00	1.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	PRES DRUGS - NEURONTIN		\$0.23	1.185	1.06	1.00	\$0.28	\$0.28	1	\$0.28	1.00	\$0.28	
	PRES DRUGS - TOBACCO CESSATION		\$0.35	1.185	1.06	1.00	\$0.44	\$0.44	1	\$0.44	1.00	\$0.44	
	SCHOOL-BASED HEALTH SERVICES		\$0.00	1.145	1.00	1.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	STERILIZATION - ANESTHESIA FEMALE		\$0.24	1.145	0.54	1.00	\$0.15	\$0.15	1	\$0.15	1.00	\$0.15	
	STERILIZATION - ANESTHESIA MALE		\$0.00	1.145	0.54	1.00	\$0.00	\$0.00	1	\$0.00	1.00	\$0.00	
	STERILIZATION - IP HOSP FEMALE		\$0.00	1.386	0.48	1.01	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	STERILIZATION - IP HOSP MALE		\$0.00	1.386	0.48	1.01	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	STERILIZATION - OP HOSP FEMALE		\$1.01	1.060	0.40	1.00	\$0.42	\$0.42	1	\$0.42	0.95	\$0.40	
	STERILIZATION - OP HOSP MALE		\$0.00	1.060	0.36	1.00	\$0.00	\$0.00	1	\$0.00	0.95	\$0.00	
	STERILIZATION - PHY FEMALE		\$0.37	1.145	0.41	1.00	\$0.17	\$0.17	1	\$0.17	1.00	\$0.17	
	STERILIZATION - PHY MALE		\$0.28	1.145	0.63	1.00	\$0.21	\$0.21	1	\$0.21	1.00	\$0.21	
	SURGERY		\$17.72	1.145	0.36	1.00	\$7.37	\$7.37	1	\$7.37	1.00	\$7.37	
	TARGETED CASE MAN - BABIES FIRST		\$0.00	1.145	1.00	1.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	TARGETED CASE MAN - HIV		\$0.00	1.145	1.00	1.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	TARGETED CASE MAN - SUBS ABUSE MO		\$0.00	1.145	1.00	1.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	THERAPEUTIC ABORTION - IP HOSP		\$0.00	1.386	1.00	1.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	THERAPEUTIC ABORTION - OP HOSP		\$0.00	1.060	1.00	1.00	\$0.00	\$0.00	0	\$0.00	0.95	\$0.00	
	THERAPEUTIC ABORTION - PHYS		\$0.00	1.145	1.00	1.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	TOBACCO CES-IP HSP		\$0.00	1.386	0.39	1.01	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	TOBACCO CES-OP HSP		\$0.02	1.060	0.41	1.00	\$0.01	\$0.01	1	\$0.01	0.95	\$0.01	
	TOBACCO CES-PHYS		\$0.14	1.145	0.57	1.00	\$0.09	\$0.09	1	\$0.09	1.00	\$0.09	
	TRANSPORTATION - AMBULANCE		\$2.35	1.145	0.50	1.00	\$1.35	\$1.35	1	\$1.35	1.00	\$1.35	
	TRANSPORTATION - OTHER		\$0.00	1.145	1.00	1.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00	
	VISION CARE - EXAMS & THERAPY		\$0.43	1.145	0.85	1.00	\$0.42	\$0.42	1	\$0.42	1.00	\$0.42	
	VISION CARE - MATERIALS & FITTING		\$0.05	1.145	0.90	1.00	\$0.05	\$0.05	1	\$0.05	1.00	\$0.05	
	PART A DEDUCTIBLE												
	PART B DEDUCTIBLE												
	PART B COINSURANCE ADJUSTMENT												
	Subtotal Physical Health		\$271.20				\$169.32	-\$4.25		\$165.08		\$137.62	
	Subtotal Physical Health w Admin											\$156.91	
	CHEMICAL DEPENDENCY												
	CD SERVICES - ALTERNATIVE TO DETOX		\$0.41	1.115	1.00	1.00	\$0.46	\$0.46	0	\$0.00	1.00	\$0.00	
	CD SERVICES - METHADONE		\$0.10	1.115	1.00	1.00	\$0.12	\$0.12	1	\$0.12	1.00	\$0.12	
	CD SERVICES - OP		\$3.73	1.115	1.00	1.00	\$4.18	\$0.72	\$4.90	1	\$4.90	1.00	\$4.90
	Subtotal Chemical Dependency		\$4.24				\$4.75	\$0.72		\$5.47		\$5.01	
	Subtotal Chemical Dependency w Admin											\$5.79	

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 2I

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F	H	I = G * H	J	K = I * J
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
OHP Families												
	DENTAL											
	DENTAL - ADJUNCTIVE GENERAL	\$0.17	1.099	0.88	1.00	\$0.16		\$0.16	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.04	1.099	0.86	1.00	\$0.04		\$0.04	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$1.60	1.099	0.81	1.00	\$1.44		\$1.44	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$0.18	1.099	0.83	1.00	\$0.16		\$0.16	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.01	1.099	1.00	1.00	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	1.099	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$1.61	1.099	0.91	1.00	\$1.62		\$1.62	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	1.099	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$0.04	1.099	0.96	1.00	\$0.04		\$0.04	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$0.07	1.099	0.98	1.00	\$0.07		\$0.07	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$0.01	1.099	0.90	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$0.51	1.099	0.91	1.00	\$0.51		\$0.51	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.00	1.099	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$4.25				\$4.06		\$4.06		\$0.00		\$0.00
	Subtotal Dental w Admin											\$0.00
	MENTAL HEALTH											
	MH SERVICES ACUTE INPATIENT	\$2.69	1.115	0.44	1.02	\$1.34		\$1.34	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$0.45	1.115	1.00	1.02	\$0.51		\$0.51	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$0.04	1.115	1.00	1.02	\$0.04		\$0.04	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.00	1.115	1.00	1.02	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.02	1.115	1.00	1.02	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$0.04	1.115	1.00	1.02	\$0.05		\$0.05	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.06	1.115	1.00	1.02	\$0.07		\$0.07	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.00	1.115	1.00	1.02	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$0.00	1.115	1.00	1.02	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.00	1.115	1.00	1.02	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$0.50	1.115	1.00	1.02	\$0.56		\$0.56	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$2.34	1.115	1.00	1.02	\$2.65		\$2.65	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$0.12	1.115	1.00	1.02	\$0.14		\$0.14	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$6.25				\$5.38		\$5.38		\$0.00		\$0.00
	Subtotal Mental Health w Admin											\$0.00
	Total Services	\$285.94				\$183.52		\$179.99		\$142.63		\$141.00
	Total Services with Admin											\$162.69

¹ Reflects Maternity Case Rate Carve-Out, DUII programmatic adjustment, and Labor and Delivery reimbursement enhancement.

² Prescription Drug billed charges PMPM exclude Lamictal.

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 2I

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F	H	I = G * H	J	K = I * J
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
OHP Adults and Couples												
PHYSICAL HEALTH												
	ADMINISTRATIVE EXAMS	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	ANESTHESIA	\$6.35	1.145	0.54	1.00	\$3.93		\$3.93	1	\$3.93	1.00	\$3.93
	EXCEPT NEEDS CARE COORDINATION	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	FP - IP HOSP	\$0.00	1.386	0.45	1.03	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	FP - OP HOSP	\$0.04	1.060	0.48	1.00	\$0.02		\$0.02	1	\$0.02	0.95	\$0.02
	FP - PHYS	\$0.20	1.145	0.53	1.00	\$0.12		\$0.12	1	\$0.12	1.00	\$0.12
	HYSTERECTOMY - ANESTHESIA	\$0.03	1.145	0.54	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	HYSTERECTOMY - IP HOSP	\$2.32	1.386	0.46	1.03	\$1.52		\$1.52	0	\$0.00	1.00	\$0.00
	HYSTERECTOMY - OP HOSP	\$0.00	1.060	0.28	1.00	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	HYSTERECTOMY - PHYS	\$0.55	1.145	0.38	1.00	\$0.24		\$0.24	1	\$0.24	1.00	\$0.24
	IP HOSP - ACUTE DETOX	\$0.04	1.386	0.41	1.03	\$0.02		\$0.02	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY	\$0.84	1.386	0.48	1.03	\$0.57	-\$0.57	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MATERNITY / STERILIZATION	\$0.00	1.386	0.48	1.03	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - MEDICAL/SURGICAL	\$133.57	1.386	0.45	1.03	\$86.22		\$86.22	0	\$0.00	1.00	\$0.00
	IP HOSP - NEWBORN	\$0.00	1.386	0.43	1.03	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	IP HOSP - POST HOSP EXTENDED CARE	\$0.00	1.386	0.45	1.03	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	LAB & RAD - DIAGNOSTIC X-RAY	\$20.35	1.145	0.45	1.00	\$10.62		\$10.62	1	\$10.62	1.00	\$10.62
	LAB & RAD - LAB	\$12.51	1.145	0.49	1.00	\$6.99		\$6.99	1	\$6.99	1.00	\$6.99
	LAB & RAD - THERAPEUTIC X-RAY	\$2.73	1.145	0.30	1.00	\$0.93		\$0.93	1	\$0.93	1.00	\$0.93
	OP ER - SOMATIC MH	\$1.50	1.060	0.38	1.00	\$0.60		\$0.60	1	\$0.60	0.95	\$0.57
	OP HOSP - BASIC	\$46.57	1.060	0.41	1.00	\$20.36		\$20.36	1	\$20.36	0.95	\$19.35
	OP HOSP - DENTAL DIAGNOSTIC	\$0.00	1.060	0.41	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL PREVENTIVE	\$0.00	1.060	0.41	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - DENTAL RESTORATIVE	\$0.00	1.060	0.41	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	OP HOSP - EMERGENCY ROOM	\$24.18	1.060	0.39	1.00	\$10.04		\$10.04	1	\$10.04	0.95	\$9.54
	OP HOSP - LAB & RAD	\$52.23	1.060	0.41	1.00	\$22.57		\$22.57	1	\$22.57	0.95	\$21.44
	OP HOSP - MATERNITY	\$0.84	1.060	0.41	1.00	\$0.37	-\$0.37	\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - POST HOSP EXTENDED CARE	\$0.00	1.060	0.44	1.00	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	OP HOSP - PRES DRUGS BASIC	\$4.82	1.060	0.42	1.00	\$2.17		\$2.17	1	\$2.17	1.00	\$2.17
	OP HOSP - PRES DRUGS MH/CD	\$0.17	1.000	0.39	1.00	\$0.07		\$0.07	1	\$0.07	1.00	\$0.07
	OP HOSP - SOMATIC MH	\$1.56	1.060	0.39	1.00	\$0.64		\$0.64	1	\$0.64	0.95	\$0.61
	OTH MED - DME	\$1.20	1.145	0.52	1.00	\$0.71		\$0.71	1	\$0.71	1.00	\$0.71
	OTH MED - HHC/PDN	\$0.13	1.145	0.40	1.00	\$0.06		\$0.06	1	\$0.06	1.00	\$0.06
	OTH MED - HOSPICE	\$0.55	1.145	0.40	1.00	\$0.25		\$0.25	1	\$0.25	1.00	\$0.25
	OTH MED - MATERNITY MGT	\$0.04	1.091	1.00	1.00	\$0.04		\$0.04	1	\$0.04	1.00	\$0.04
	OTH MED - SUPPLIES	\$1.62	1.145	0.52	1.00	\$0.96		\$0.96	1	\$0.96	1.00	\$0.96
	PHYS CONSULTATION, IP & ER VISITS	\$23.57	1.145	0.43	1.00	\$11.74		\$11.74	1	\$11.74	1.00	\$11.74
	PHYS HOME OR LONG-TERM CARE VISITS	\$0.04	1.145	0.58	1.00	\$0.03		\$0.03	1	\$0.03	1.00	\$0.03
	PHYS MATERNITY	\$0.20	1.145	0.57	1.00	\$0.13	-\$0.13	\$0.00	1	\$0.00	1.00	\$0.00
	PHYS NEWBORN	\$0.02	1.145	0.57	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	PHYS OFFICE VISITS	\$42.52	1.145	0.58	1.00	\$28.57		\$28.57	1	\$28.57	1.00	\$28.57
	PHYS OTHER	\$18.57	1.145	0.50	1.00	\$10.65		\$10.65	1	\$10.65	1.00	\$10.65
	PHYS SOMATIC MH	\$5.02	1.145	0.53	1.00	\$3.08		\$3.08	1	\$3.08	1.00	\$3.08

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 2I

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F	H	I = G * H	J	K = I * J
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
OHP Adults and Couples												
	PRES DRUGS - BASIC	² \$73.45	1.185	1.06	1.00	\$92.61		\$92.61	1	\$92.61	1.00	\$92.61
	PRES DRUGS - FP	\$0.53	1.185	1.06	1.00	\$0.67		\$0.67	1	\$0.67	1.00	\$0.67
	PRES DRUGS - MH/CD	\$0.00	1.000	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	PRES DRUGS - NEURONTIN	\$0.53	1.185	1.06	1.00	\$0.67		\$0.67	1	\$0.67	1.00	\$0.67
	PRES DRUGS - TOBACCO CESSATION	\$0.56	1.185	1.06	1.00	\$0.70		\$0.70	1	\$0.70	1.00	\$0.70
	SCHOOL-BASED HEALTH SERVICES	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA FEMALE	\$0.01	1.145	0.54	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - ANESTHESIA MALE	\$0.00	1.145	0.54	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP FEMALE	\$0.00	1.386	0.48	1.03	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - IP HOSP MALE	\$0.00	1.386	0.48	1.03	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	STERILIZATION - OP HOSP FEMALE	\$0.07	1.060	0.40	1.00	\$0.03		\$0.03	1	\$0.03	0.95	\$0.03
	STERILIZATION - OP HOSP MALE	\$0.00	1.060	0.36	1.00	\$0.00		\$0.00	1	\$0.00	0.95	\$0.00
	STERILIZATION - PHY FEMALE	\$0.01	1.145	0.41	1.00	\$0.00		\$0.00	1	\$0.00	1.00	\$0.00
	STERILIZATION - PHY MALE	\$0.01	1.145	0.63	1.00	\$0.01		\$0.01	1	\$0.01	1.00	\$0.01
	SURGERY	\$34.07	1.145	0.36	1.00	\$14.19		\$14.19	1	\$14.19	1.00	\$14.19
	TARGETED CASE MAN - BABIES FIRST	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - HIV	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TARGETED CASE MAN - SUBS ABUSE MOMS	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - IP HOSP	\$0.00	1.386	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	THERAPEUTIC ABORTION - OP HOSP	\$0.00	1.060	1.00	1.00	\$0.00		\$0.00	0	\$0.00	0.95	\$0.00
	THERAPEUTIC ABORTION - PHYS	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-IP HSP	\$0.00	1.386	0.39	1.03	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	TOBACCO CES-OP HSP	\$0.04	1.060	0.41	1.00	\$0.02		\$0.02	1	\$0.02	0.95	\$0.02
	TOBACCO CES-PHYS	\$0.28	1.145	0.57	1.00	\$0.18		\$0.18	1	\$0.18	1.00	\$0.18
	TRANSPORTATION - AMBULANCE	\$8.07	1.145	0.50	1.00	\$4.66		\$4.66	1	\$4.66	1.00	\$4.66
	TRANSPORTATION - OTHER	\$0.00	1.145	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	VISION CARE - EXAMS & THERAPY	\$0.99	1.145	0.85	1.00	\$0.97		\$0.97	1	\$0.97	1.00	\$0.97
	VISION CARE - MATERIALS & FITTING	\$0.02	1.145	0.90	1.00	\$0.02		\$0.02	1	\$0.02	1.00	\$0.02
	PART A DEDUCTIBLE											
	PART B DEDUCTIBLE											
	PART B COINSURANCE ADJUSTMENT											
	Subtotal Physical Health	\$523.54				\$339.01	-\$1.07	\$337.94		\$250.18		\$247.46
	Subtotal Physical Health w Admin											\$285.54
	CHEMICAL DEPENDENCY											
	CD SERVICES - ALTERNATIVE TO DETOX	\$0.96	1.115	1.00	1.00	\$1.08		\$1.08	0	\$0.00	1.00	\$0.00
	CD SERVICES - METHADONE	\$2.00	1.115	1.00	1.00	\$2.24		\$2.24	1	\$2.24	1.00	\$2.24
	CD SERVICES - OP	\$10.97	1.115	1.00	1.00	\$12.30	\$1.37	\$13.67	1	\$13.67	1.00	\$13.67
	Subtotal Chemical Dependency	\$13.93				\$15.61	\$1.37	\$16.98		\$15.90		\$15.90
	Subtotal Chemical Dependency w Admin											\$18.35

Oregon Health Plan Medicaid Demonstration
Development of January 2006 Statewide PCO Capitation Rates
 Funding Through Line 530 of the 2005-2007 Prioritized List
 Does not include adjustment for Administration Allowance

Exhibit 2I

Eligibility Category	Service Category	A	B	C	D	E = A * B * C * D	F	G = E + F	H	I = G * H	J	K = I * J
		Billed Charges PMPM	Trend Adjustment to Contract Period	Cost to Charge Ratio	IBNR Adjustment	Gross Jan 2006 PCC With Coverage Through Line 530	Program Change Adjustment ¹	Projected Statewide Cost PMPM	Covered Benefit Adjustment (1=Covered, 0=Not covered)	Adjusted Cost	OP Cost Shift Adjustment	Projected Statewide PCO Cost PMPM
OHP Adults and Couples												
DENTAL												
	DENTAL - ADJUNCTIVE GENERAL	\$0.19	1.099	0.88	1.00	\$0.19		\$0.19	0	\$0.00	1.00	\$0.00
	DENTAL - ANESTHESIA SURGICAL	\$0.05	1.099	0.86	1.00	\$0.05		\$0.05	0	\$0.00	1.00	\$0.00
	DENTAL - DIAGNOSTIC	\$1.71	1.099	0.81	1.00	\$1.53		\$1.53	0	\$0.00	1.00	\$0.00
	DENTAL - ENDODONTICS	\$0.11	1.099	0.83	1.00	\$0.10		\$0.10	0	\$0.00	1.00	\$0.00
	DENTAL - I/P FIXED	\$0.00	1.099	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - MAXILLOFACIAL PROS	\$0.00	1.099	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - ORAL SURGERY	\$2.04	1.099	0.91	1.00	\$2.05		\$2.05	0	\$0.00	1.00	\$0.00
	DENTAL - ORTHODONTICS	\$0.00	1.099	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	DENTAL - PERIODONTICS	\$0.01	1.099	0.96	1.00	\$0.01		\$0.01	0	\$0.00	1.00	\$0.00
	DENTAL - PREVENTIVE	\$0.03	1.099	0.98	1.00	\$0.03		\$0.03	0	\$0.00	1.00	\$0.00
	DENTAL - PROS REMOVABLE	\$0.04	1.099	0.90	1.00	\$0.04		\$0.04	0	\$0.00	1.00	\$0.00
	DENTAL - RESTORATIVE	\$0.36	1.099	0.91	1.00	\$0.36		\$0.36	0	\$0.00	1.00	\$0.00
	DENTAL - TOBACCO CES	\$0.00	1.099	1.00	1.00	\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Dental	\$4.56				\$4.37		\$4.37		\$0.00		\$0.00
	Subtotal Dental w Admin											\$0.00
MENTAL HEALTH												
	MH SERVICES ACUTE INPATIENT	\$15.55	1.115	0.44	1.01	\$7.66	\$0.00	\$7.66	0	\$0.00	1.00	\$0.00
	MH SERVICES ASSESS & EVAL	\$1.08	1.115	1.00	1.01	\$1.21	\$0.01	\$1.22	0	\$0.00	1.00	\$0.00
	MH SERVICES CASE MANAGEMENT	\$0.10	1.115	1.00	1.01	\$0.11	\$0.00	\$0.12	0	\$0.00	1.00	\$0.00
	MH SERVICES CONSULTATION	\$0.00	1.115	1.00	1.01	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES ANCILLARY SERVICES	\$0.02	1.115	1.00	1.01	\$0.02	\$0.00	\$0.02	0	\$0.00	1.00	\$0.00
	MH SERVICES MED MANAGEMENT	\$0.19	1.115	1.00	1.01	\$0.21	\$0.00	\$0.21	0	\$0.00	1.00	\$0.00
	MH SERVICES ALTERNATIVE TO IP	\$0.50	1.115	1.00	1.01	\$0.56	\$0.00	\$0.56	0	\$0.00	1.00	\$0.00
	MH SERVICES FAMILY SUPPORT	\$0.05	1.115	1.00	1.01	\$0.06	\$0.00	\$0.06	0	\$0.00	1.00	\$0.00
	MH SERVICES OP THERAPY	\$0.00	1.115	1.00	1.01	\$0.00	\$0.00	\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES OTHER OP	\$0.02	1.115	1.00	1.01	\$0.02	\$0.00	\$0.02	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS IP	\$1.86	1.115	1.00	1.01	\$2.09	\$0.01	\$2.10	0	\$0.00	1.00	\$0.00
	MH SERVICES PHYS OP	\$5.18	1.115	1.00	1.01	\$5.82	\$0.03	\$5.85	0	\$0.00	1.00	\$0.00
	MH SERVICES SUPPORT DAY PROGRAM	\$1.45	1.115	1.00	1.01	\$1.62	\$0.01	\$1.63	0	\$0.00	1.00	\$0.00
	MH SERVICES PSYCH DAY					\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES RESIDENTIAL					\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CARE COORD					\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	MH SERVICES CONS ASSESS					\$0.00		\$0.00	0	\$0.00	1.00	\$0.00
	Subtotal Mental Health	\$25.99				\$19.39		\$19.46		\$0.00		\$0.00
	Subtotal Mental Health w Admin											\$0.00
	Total Services	\$568.02				\$378.38		\$378.75		\$266.08		\$263.37
	Total Services with Admin											\$303.90

¹ Reflects Maternity Case Rate Carve-Out, DUII programmatic adjustment, Labor and Delivery reimbursement enhancement, and adjustments for increase in the number of MH community long term care beds.

² Prescription Drug billed charges PMPM exclude Lamictal.

Oregon Health Plan Medicaid Demonstration

Exhibit 2m

Capitation Rate Development for January 2006 through December 2006

Adjustments Applied to Develop Plan-specific Capitation Rates from Statewide Capitation Rates

Category of Service	TANF Adults	PLM Adults	PLM, CHIP, and TANF Children Aged 0-1 ¹	PLM, CHIP, and TANF Children Aged 1-5	PLM, CHIP, and TANF Children Aged 6-18	AB/AD without Medicare
Physician						
Basic	CDPS	none	Newborn	CDPS	CDPS	CDPS
Family Planning	CDPS	none	Newborn	CDPS	CDPS	CDPS
Hysterectomy	CDPS	none	Newborn	CDPS	CDPS	CDPS
Maternity	CDPS	none	Newborn	CDPS	CDPS	CDPS
Newborn	CDPS	none	Newborn	CDPS	CDPS	CDPS
Sterilization	CDPS	none	Newborn	CDPS	CDPS	CDPS
Outpatient						
Basic	CDPS, OP Geo	OP Geo	Newborn, OP Geo	CDPS, OP Geo	CDPS, OP Geo	CDPS, OP Geo
Emergency Room	CDPS, OP Geo	OP Geo	Newborn, OP Geo	CDPS, OP Geo	CDPS, OP Geo	CDPS, OP Geo
Family Planning	CDPS, OP Geo	OP Geo	Newborn, OP Geo	CDPS, OP Geo	CDPS, OP Geo	CDPS, OP Geo
Hysterectomy	CDPS, OP Geo	OP Geo	Newborn, OP Geo	CDPS, OP Geo	CDPS, OP Geo	CDPS, OP Geo
Maternity	CDPS, OP Geo	OP Geo	Newborn, OP Geo	CDPS, OP Geo	CDPS, OP Geo	CDPS, OP Geo
Sterilization	CDPS, OP Geo	OP Geo	Newborn, OP Geo	CDPS, OP Geo	CDPS, OP Geo	CDPS, OP Geo
Prescription Drugs						
Basic	CDPS	none	Newborn	CDPS	CDPS	CDPS
Family Planning	CDPS	none	Newborn	CDPS	CDPS	CDPS
Inpatient						
Basic	CDPS, IP Geo	IP Geo	Newborn, IP Geo	CDPS, IP Geo	CDPS, IP Geo	CDPS, IP Geo
Family Planning	CDPS, IP Geo	IP Geo	Newborn, IP Geo	CDPS, IP Geo	CDPS, IP Geo	CDPS, IP Geo
Hysterectomy	CDPS, IP Geo	IP Geo	Newborn, IP Geo	CDPS, IP Geo	CDPS, IP Geo	CDPS, IP Geo
Maternity	CDPS, IP Geo	IP Geo	Newborn, IP Geo	CDPS, IP Geo	CDPS, IP Geo	CDPS, IP Geo
Newborn	CDPS, IP Geo	IP Geo	Newborn, IP Geo	CDPS, IP Geo	CDPS, IP Geo	CDPS, IP Geo
Sterilization	CDPS, IP Geo	IP Geo	Newborn, IP Geo	CDPS, IP Geo	CDPS, IP Geo	CDPS, IP Geo
Miscellaneous						
Chemical Dependency	CDPS	none	Newborn	CDPS	CDPS	CDPS
DME/Supplies	CDPS	none	Newborn	CDPS	CDPS	CDPS
Exceptional Needs Care Coordination	CDPS	none	Newborn	CDPS	CDPS	CDPS
Home Health/PDN/Hospice	CDPS	none	Newborn	CDPS	CDPS	CDPS
Transportation - Ambulance	CDPS	none	Newborn	CDPS	CDPS	CDPS
Vision	CDPS	none	Newborn	CDPS	CDPS	CDPS
Optional Services						
Maternity Management	CDPS	none	none	CDPS	CDPS	CDPS
Mental Health						
Acute Inpatient	MH Risk, MH Geo	MH Risk, MH Geo	MH Geo	MH Risk, MH Geo	MH Risk, MH Geo	MH Risk, MH Geo
Assess & Eval	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Case Management	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Consultation	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Ancillary Services	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Med Management	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Alternative to IP	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Family Support	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
OP Therapy	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Other OP	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Phys IP	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Phys OP	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Support Day Program	MH Risk	MH Risk	none	MH Risk	MH Risk	MH Risk
Psych Day	none	none	none	MH Psych	MH Psych	MH Psych
Residential	none	none	none	none	MH Resid	MH Resid
Care Coordination	none	none	none	none	none	none
CONS Assess	none	none	none	none	none	none
Dental	Dental Geo	Dental Geo	Dental Geo	Dental Geo	Dental Geo	Dental Geo

¹ No Newborn adjustment applied to PCO rates for PLM, CHIP, and TANF Children ages 0 - 1.

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Adjustments Applied to Develop Plan-specific Capitation Rates from Statewide Capitation Rates

Exhibit 2m

Category of Service	AB/AD with Medicare	OAA without Medicare	OAA with Medicare	SCF Children	OHP Families	OHP Adults and Couples
Physician						
Basic	CDPS	none	none	none	CDPS	CDPS
Family Planning	CDPS	none	none	none	CDPS	CDPS
Hysterectomy	CDPS	none	none	none	CDPS	CDPS
Maternity	CDPS	none	none	none	CDPS	CDPS
Newborn	CDPS	none	none	none	CDPS	CDPS
Sterilization	CDPS	none	none	none	CDPS	CDPS
Outpatient						
Basic	CDPS, OP Geo	OP Geo	OP Geo	OP Geo	CDPS, OP Geo	CDPS, OP Geo
Emergency Room	CDPS, OP Geo	OP Geo	OP Geo	OP Geo	CDPS, OP Geo	CDPS, OP Geo
Family Planning	CDPS, OP Geo	OP Geo	OP Geo	OP Geo	CDPS, OP Geo	CDPS, OP Geo
Hysterectomy	CDPS, OP Geo	OP Geo	OP Geo	OP Geo	CDPS, OP Geo	CDPS, OP Geo
Maternity	CDPS, OP Geo	OP Geo	OP Geo	OP Geo	CDPS, OP Geo	CDPS, OP Geo
Sterilization	CDPS, OP Geo	OP Geo	OP Geo	OP Geo	CDPS, OP Geo	CDPS, OP Geo
Prescription Drugs						
Basic	CDPS	none	none	none	CDPS	CDPS
Family Planning	CDPS	none	none	none	CDPS	CDPS
Inpatient						
Basic	CDPS, IP Geo	IP Geo	IP Geo	IP Geo	CDPS, IP Geo	CDPS, IP Geo
Family Planning	CDPS, IP Geo	IP Geo	IP Geo	IP Geo	CDPS, IP Geo	CDPS, IP Geo
Hysterectomy	CDPS, IP Geo	IP Geo	IP Geo	IP Geo	CDPS, IP Geo	CDPS, IP Geo
Hysterectomy	CDPS, IP Geo	IP Geo	IP Geo	IP Geo	CDPS, IP Geo	CDPS, IP Geo
Newborn	CDPS, IP Geo	IP Geo	IP Geo	IP Geo	CDPS, IP Geo	CDPS, IP Geo
Sterilization	CDPS, IP Geo	IP Geo	IP Geo	IP Geo	CDPS, IP Geo	CDPS, IP Geo
Miscellaneous						
Chemical Dependency	CDPS	none	none	none	CDPS	CDPS
DME/Supplies	CDPS	none	none	none	CDPS	CDPS
Exceptional Needs Care Coordination	CDPS	none	none	none	CDPS	CDPS
Home Health/PDN/Hospice	CDPS	none	none	none	CDPS	CDPS
Transportation - Ambulance	CDPS	none	none	none	CDPS	CDPS
Vision	CDPS	none	none	none	CDPS	CDPS
Optional Services						
Maternity Management	CDPS	none	none	none	CDPS	CDPS
Mental Health						
Acute Inpatient	MH Risk, MH Geo	MH Geo	MH Geo	BRS, MH Risk, MH Geo	MH Geo	MH Geo
Assess & Eval	MH Risk	none	none	BRS, MH Risk	none	none
Case Management	MH Risk	none	none	BRS, MH Risk	none	none
Consultation	MH Risk	none	none	BRS, MH Risk	none	none
Ancillary Services	MH Risk	none	none	BRS, MH Risk	none	none
Med Management	MH Risk	none	none	BRS, MH Risk	none	none
Alternative to IP	MH Risk	none	none	BRS, MH Risk	none	none
Family Support	MH Risk	none	none	BRS, MH Risk	none	none
OP Therapy	MH Risk	none	none	BRS, MH Risk	none	none
Other OP	MH Risk	none	none	BRS, MH Risk	none	none
Phys IP	MH Risk	none	none	BRS, MH Risk	none	none
Phys OP	MH Risk	none	none	BRS, MH Risk	none	none
Support Day Program	MH Risk	none	none	BRS, MH Risk	none	none
Psych Day	none	none	none	MH Psych	none	none
Residential	none	none	none	MH Resid	none	none
Care Coordination	none	none	none	none	none	none
CONS Assess	none	none	none	none	none	none
Dental	Dental Geo	Dental Geo	Dental Geo	Dental Geo	Dental Geo	Dental Geo

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
FCHP and PCO Geographic Factors

Exhibit 3a

Contract Type	Plan Name	Region	Inpatient	Outpatient
FCHP	CareOregon, Inc.	Jackson/Josephine/Douglas	0.9626	0.9450
	CareOregon, Inc.	Linn/Benton/Marion/Polk/Yamhill	1.0406	1.0852
	CareOregon, Inc.	Other	1.0432	0.9980
	CareOregon, Inc.	Tri-County (Clackamas, Multnomah, Washington)	0.9690	0.9822
	Cascade Comprehensive Care, Inc.	Other	1.0209	0.9246
	Central Oregon Individual Health Solutions, Inc.	Other	1.1138	1.1179
	Douglas County Individual Practice Association, Inc.	Jackson/Josephine/Douglas	1.0174	0.9813
	Southwest Oregon IPA, Inc., abn Doctors of the Oregon Coast South	Other	1.1217	1.1430
	FamilyCare, Inc.	Jackson/Josephine/Douglas	0.9567	0.9292
	FamilyCare, Inc.	Other	1.1002	1.0190
	FamilyCare, Inc.	Tri-County (Clackamas, Multnomah, Washington)	0.9677	0.9818
	InterCommunity Health Plans, Inc. abn Intercommunity Health Network	Linn/Benton/Marion/Polk/Yamhill	1.0490	0.9743
	Lane Individual Practice Association, Inc.	Lane	0.9528	0.9586
	Marion/Polk Community Health Plan, LLC	Linn/Benton/Marion/Polk/Yamhill	0.9974	1.0308
	Mid Rogue Independent Physician Association, Inc.	Jackson/Josephine/Douglas	0.9578	0.9296
	ODS Community Health, Inc.	Jackson/Josephine/Douglas	0.9854	0.9543
	ODS Community Health, Inc.	Other	1.0855	1.0600
	Grants Pass Management Services, Inc., abn Oregon Health Management Services	Jackson/Josephine/Douglas	0.9575	0.9291
	Providence Health Assurance	Linn/Benton/Marion/Polk/Yamhill	1.2341	1.3184
	Providence Health Assurance	Tri-County (Clackamas, Multnomah, Washington)	0.9692	0.9820
Tuality Health Alliance	Tri-County (Clackamas, Multnomah, Washington)	0.9770	0.9858	
PCO	Kaiser Permanente Oregon Plus, LLC	Linn/Benton/Marion/Polk/Yamhill	N/A	1.0331
	Kaiser Permanente Oregon Plus, LLC	Tri-County (Clackamas, Multnomah, Washington)	N/A	0.9813

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
FCHP and PCO CDPS Risk Adjustment Factors

Exhibit 3b

Contract Type	Plan Name	TANF Adults	AB/AD without Medicare	AB/AD with Medicare	PLM, CHIP, or TANF Children Aged 1-5	PLM, CHIP, or TANF Children Aged 6-18	OHP Adults and Couples	OHP Families
FCHP	CareOregon, Inc.	0.9545	1.0158	1.0159	1.0182	0.9648	1.0664	0.9254
	Cascade Comprehensive Care, Inc.	0.9768	1.0457	1.0458	1.0250	1.0064	1.0695	1.0472
	Central Oregon Individual Health Solutions, Inc.	1.0009	1.0518	1.0519	1.0351	1.0783	1.2000	1.0550
	Douglas County Individual Practice Association, Inc.	1.2797	1.2692	1.2694	1.1077	1.1100	1.2000	1.2000
	Southwest Oregon IPA, Inc., abn Doctors of the Oregon Coast South	1.0255	0.9544	0.9545	1.0450	1.2153	0.9907	1.2000
	FamilyCare, Inc.	0.8608	0.8508	0.8509	0.9387	0.9289	0.8500	0.9834
	InterCommunity Health Plans, Inc. abn Intercommunity Health Network	1.1434	1.0160	1.0161	1.0227	1.0680	0.9616	1.0999
	Lane Individual Practice Association, Inc.	1.0067	0.9020	0.9021	0.9532	1.0247	0.9036	1.0046
	Marion/Polk Community Health Plan, LLC	0.9993	0.9476	0.9478	0.9698	0.9799	1.0575	1.0579
	Mid Rogue Independent Physician Association, Inc.	1.1374	1.1165	1.1166	1.0275	1.0204	1.0993	1.1439
	ODS Community Health, Inc.	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Grants Pass Management Services, Inc., abn Oregon Health Management Service	1.1168	1.0763	1.0765	0.9654	1.0462	1.0376	1.2000
	Providence Health Assurance	0.9321	1.0110	1.0111	0.9405	0.9406	0.8627	0.8995
	Tuality Health Alliance	1.0254	0.8959	0.8960	0.9047	0.9932	1.0817	0.8735
PCO	Kaiser Permanente Oregon Plus, LLC	0.8500	0.8500	0.8500	0.8938	0.8500	1.0000	1.0000

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Newborn Risk Adjustment Factors**

Exhibit 3c

Plan Name	Adjustment
CareOregon, Inc.	0.9379
Cascade Comprehensive Care, Inc.	1.1457
Central Oregon Individual Health Solutions, Inc.	1.0498
Douglas County Individual Practice Association, Inc.	1.1689
Southwest Oregon IPA, Inc., abn Doctors of the Oregon Coast South	1.1410
FamilyCare, Inc.	1.0044
InterCommunity Health Plans, Inc. abn Intercommunity Health Network	1.0723
Lane Individual Practice Association, Inc.	1.1129
Marion/Polk Community Health Plan, LLC	0.9736
Mid Rogue Independent Physician Association, Inc.	1.1972
ODS Community Health, Inc.	1.0000
Grants Pass Management Services, Inc., abn Oregon Health Management Services	1.1318
Providence Health Assurance	0.9655
Tuality Health Alliance	0.9648

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Maternity Case Rates for FCHPs

Exhibit 3d

Jan 2006 Statewide Case Rate				Administrative Allowance
IP HOSPITAL	OP HOSPITAL	PHYS MATERNITY	Total	
\$2,898.53	\$491.53	\$2,560.10	\$5,950.16	13.34%

Plan Name	Region	Jan 2006 Geographic Adjustment Factors		Jan 2006 Adjusted Case Rate				
		IP HOSPITAL	OP HOSPITAL	IP HOSPITAL	OP HOSPITAL	PHYS MATERNITY	Total	Total w/ Admin
CareOregon, Inc.	JJD	0.9228	0.9406	\$2,674.73	\$462.31	\$2,560.10	\$5,697.14	\$6,573.83
CareOregon, Inc.	LBMPY	1.0666	1.0801	\$3,091.53	\$530.89	\$2,560.10	\$6,182.53	\$7,133.91
CareOregon, Inc.	OTHER	1.0034	0.9933	\$2,908.26	\$488.22	\$2,560.10	\$5,956.59	\$6,873.20
CareOregon, Inc.	Tri-County	0.9689	0.9776	\$2,808.40	\$480.51	\$2,560.10	\$5,849.01	\$6,749.07
Cascade Comprehensive Care, Inc.	OTHER	1.0080	0.9202	\$2,921.62	\$452.31	\$2,560.10	\$5,934.03	\$6,847.17
Central Oregon Independent Health Services, Inc.	OTHER	1.1447	1.1126	\$3,317.88	\$546.87	\$2,560.10	\$6,424.85	\$7,413.51
Douglas County Individual Practice Association	JJD	0.9367	0.9766	\$2,714.98	\$480.05	\$2,560.10	\$5,755.13	\$6,640.74
Doctors of the Oregon Coast South	OTHER	1.0659	1.1376	\$3,089.55	\$559.15	\$2,560.10	\$6,208.81	\$7,164.23
FamilyCare, Inc.	JJD	0.9077	0.9248	\$2,630.96	\$454.59	\$2,560.10	\$5,645.65	\$6,514.41
FamilyCare, Inc.	OTHER	1.0205	1.0142	\$2,957.92	\$498.53	\$2,560.10	\$6,016.55	\$6,942.39
FamilyCare, Inc.	Tri-County	0.9682	0.9772	\$2,806.24	\$480.31	\$2,560.10	\$5,846.66	\$6,746.35
InterCommunity Health Plans, Inc.	LBMPY	1.0363	0.9697	\$3,003.74	\$476.66	\$2,560.10	\$6,040.51	\$6,970.03
Lane Individual Practice Association, Inc.	LANE	0.9458	0.9540	\$2,741.42	\$468.94	\$2,560.10	\$5,770.47	\$6,658.44
Marion-Polk Community Health Plan	LBMPY	1.0097	1.0260	\$2,926.54	\$504.29	\$2,560.10	\$5,990.94	\$6,912.83
Mid-Rogue Independent Practice Association	JJD	0.9081	0.9252	\$2,632.04	\$454.78	\$2,560.10	\$5,646.92	\$6,515.88
ODS Community Health, Inc.	JJD	0.9240	0.9522	\$2,678.27	\$468.05	\$2,560.10	\$5,706.43	\$6,584.54
ODS Community Health, Inc.	OTHER	1.0766	1.0577	\$3,120.57	\$519.91	\$2,560.10	\$6,200.58	\$7,154.74
Oregon Health Management Services	JJD	0.9074	0.9248	\$2,630.10	\$454.55	\$2,560.10	\$5,644.75	\$6,513.38
Providence Health Plan, Inc.	LBMPY	1.3479	1.3122	\$3,906.97	\$644.99	\$2,560.10	\$7,112.06	\$8,206.48
Providence Health Plan, Inc.	Tri-County	0.9687	0.9774	\$2,807.90	\$480.40	\$2,560.10	\$5,848.40	\$6,748.37
Tuality Health Alliance	Tri-County	0.9732	0.9811	\$2,820.92	\$482.24	\$2,560.10	\$5,863.26	\$6,765.51

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Maternity Case Rates for PCOs

Exhibit 3e

Jan 2006 Statewide Case Rate			Administrative Allowance
OP HOSPITAL	PHYS MATERNITY	Total	
\$466.95	\$2,560.10	\$3,027.06	13.34%

Plan Name	Region	Jan 2006 Geographic Adjustment Factors
		OP HOSPITAL
Kaiser Permanente Oregon Plus, LLC	LBMPY	1.0282
Kaiser Permanente Oregon Plus, LLC	Tri-County	0.9766

Jan 2006 Adjusted Case Rate			
OP HOSPITAL	PHYS MATERNITY	Total	Total w/ Admin
\$480.13	\$2,560.10	\$3,040.23	\$3,508.07
\$456.05	\$2,560.10	\$3,016.15	\$3,480.28

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

Statewide FCHP Rates			
Eligibility Category	January 2006	October 2005	% Change
TANF Adults	\$247.64	\$310.90	-20.3%
PLM Adults	\$235.15	\$285.23	-17.6%
PLM, CHIP, or TANF Children Aged 0-1	\$385.23	\$419.65	-8.2%
PLM, CHIP, or TANF Children Aged 1-5	\$78.11	\$83.61	-6.6%
PLM, CHIP, or TANF Children Aged 6-18	\$68.43	\$72.32	-5.4%
AB/AD with Medicare	\$138.72	\$437.87	-68.3%
AB/AD without Medicare	\$636.69	\$763.64	-16.6%
OAA with Medicare	\$148.52	\$364.64	-59.3%
OAA without Medicare	\$483.51	\$677.83	-28.7%
SCF Children	\$133.04	\$127.17	4.6%

Statewide FCHP Rates			
Eligibility Category	January 2006	October 2005	% Change
OHP Families	\$196.79	\$215.88	-8.8%
OHP Adults and Couples	\$409.54	\$396.83	3.2%

Weighted Average ¹	\$200.52	\$252.16	-20.5%
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¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Includes Maternity Management and excludes per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

CareOregon, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults	\$228.64	\$291.17	-21.5%				\$238.51	\$297.81	-19.9%	\$234.57	\$299.45	-21.7%	\$230.64	\$296.25	-22.1%
PLM Adults	\$207.00	\$265.06	-21.9%				\$214.09	\$269.08	-20.4%	\$211.64	\$272.72	-22.4%	\$208.33	\$263.79	-21.0%
PLM, CHIP, or TANF Children Aged 0-1	\$352.86	\$385.01	-8.3%				\$371.12	\$402.17	-7.7%	\$369.32	\$412.61	-10.5%	\$355.02	\$383.46	-7.4%
PLM, CHIP, or TANF Children Aged 1-5	\$78.21	\$84.97	-8.0%				\$81.43	\$86.12	-5.4%	\$79.87	\$87.35	-8.6%	\$78.94	\$84.46	-6.5%
PLM, CHIP, or TANF Children Aged 6-18	\$64.47	\$69.57	-7.3%				\$66.83	\$70.46	-5.1%	\$65.76	\$71.36	-7.9%	\$64.99	\$69.22	-6.1%
AB/AD with Medicare	\$139.07	\$447.25	-68.9%				\$142.14	\$447.72	-68.3%	\$140.23	\$448.57	-68.7%	\$139.88	\$449.33	-68.9%
AB/AD without Medicare	\$634.97	\$768.38	-17.4%				\$660.71	\$790.95	-16.5%	\$653.26	\$797.42	-18.1%	\$639.40	\$777.04	-17.7%
OAA with Medicare	\$147.43	\$364.64	-59.6%				\$150.14	\$364.90	-58.9%	\$148.45	\$365.70	-59.4%	\$148.15	\$364.14	-59.3%
OAA without Medicare	\$473.71	\$667.82	-29.1%				\$496.46	\$685.97	-27.6%	\$488.95	\$699.38	-30.1%	\$477.88	\$664.38	-28.1%
SCF Children	\$128.57	\$126.53	1.6%				\$132.46	\$127.77	3.7%	\$131.00	\$129.00	1.6%	\$129.33	\$126.06	2.6%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families	\$178.85	\$204.12	-12.4%				\$186.30	\$206.96	-10.0%	\$183.16	\$209.68	-12.6%	\$180.41	\$203.11	-11.2%
OHP Adults and Couples	\$428.81	\$422.87	1.4%				\$446.99	\$430.60	3.8%	\$441.20	\$436.87	1.0%	\$432.09	\$420.98	2.6%
Weighted Average ¹	\$170.28	\$208.14	-18.2%				\$166.75	\$198.11	-15.8%	\$194.13	\$254.08	-23.6%	\$195.21	\$245.99	-20.6%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 3f

Cascade Comprehensive Care, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults										\$239.24	\$307.16	-22.1%			
PLM Adults										\$233.75	\$287.81	-18.8%			
PLM, CHIP, or TANF Children Aged 0-1										\$443.75	\$503.01	-11.8%			
PLM, CHIP, or TANF Children Aged 1-5										\$78.86	\$85.26	-7.5%			
PLM, CHIP, or TANF Children Aged 6-18										\$68.05	\$73.55	-7.5%			
AB/AD with Medicare										\$142.06	\$456.11	-68.9%			
AB/AD without Medicare										\$662.38	\$812.45	-18.5%			
OAA with Medicare										\$147.06	\$363.64	-59.6%			
OAA without Medicare										\$479.45	\$695.88	-31.1%			
SCF Children										\$132.13	\$127.77	3.4%			

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families										\$203.62	\$222.10	-8.3%			
OHP Adults and Couples										\$435.00	\$432.00	0.7%			
Weighted Average ¹										\$221.98	\$285.75	-22.3%			

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
 Note: Includes Maternity Management and excludes per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

Central Oregon Individual Health Solutions, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults										\$255.00	\$315.36	-19.1%			
PLM Adults										\$217.86	\$275.55	-20.9%			
PLM, CHIP, or TANF Children Aged 0-1										\$431.73	\$474.64	-9.0%			
PLM, CHIP, or TANF Children Aged 1-5										\$84.03	\$87.83	-4.3%			
PLM, CHIP, or TANF Children Aged 6-18										\$75.79	\$77.89	-2.7%			
AB/AD with Medicare										\$146.90	\$466.71	-68.5%			
AB/AD without Medicare										\$699.85	\$845.45	-17.2%			
OAA with Medicare										\$150.77	\$365.55	-58.8%			
OAA without Medicare										\$508.92	\$713.96	-28.7%			
SCF Children										\$134.40	\$129.82	3.5%			

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families										N/A	N/A	N/A			
OHP Adults and Couples										N/A	N/A	N/A			
Weighted Average ¹										\$193.10	\$249.23	-22.5%			

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 3f

Douglas County Individual Practice Association, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults	\$311.95	\$384.71	-18.9%												
PLM Adults	\$210.16	\$267.92	-21.6%												
PLM, CHIP, or TANF Children Aged 0-1	\$453.75	\$487.45	-6.9%												
PLM, CHIP, or TANF Children Aged 1-5	\$86.32	\$93.76	-7.9%												
PLM, CHIP, or TANF Children Aged 6-18	\$75.18	\$81.70	-8.0%												
AB/AD with Medicare	\$167.60	\$545.61	-69.3%												
AB/AD without Medicare	\$808.92	\$965.44	-16.2%												
OAA with Medicare	\$148.13	\$364.47	-59.4%												
OAA without Medicare	\$484.09	\$682.69	-29.1%												
SCF Children	\$130.23	\$127.35	2.3%												

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families	\$235.73	\$258.82	-8.9%												
OHP Adults and Couples	\$492.03	\$476.04	3.4%												
Weighted Average ¹	\$250.92	\$321.77	-22.0%												

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
 Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

Southwest Oregon IPA, Inc., abn Doctors of the Oregon Coast South															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults										\$262.88	\$333.55	-21.2%			
PLM Adults										\$218.90	\$280.89	-22.1%			
PLM, CHIP, or TANF Children Aged 0-1										\$471.81	\$513.36	-8.1%			
PLM, CHIP, or TANF Children Aged 1-5										\$85.37	\$93.74	-8.9%			
PLM, CHIP, or TANF Children Aged 6-18										\$85.88	\$86.58	-0.8%			
AB/AD with Medicare										\$136.46	\$422.25	-67.7%			
AB/AD without Medicare										\$638.41	\$765.08	-16.6%			
OAA with Medicare										\$151.26	\$367.98	-58.9%			
OAA without Medicare										\$512.20	\$726.76	-29.5%			
SCF Children										\$134.98	\$131.84	2.4%			

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families										\$247.43	\$271.28	-8.8%			
OHP Adults and Couples										\$427.14	\$428.69	-0.4%			
Weighted Average ¹										\$241.67	\$314.08	-23.1%			

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 3f

FamilyCare, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults	\$205.31	\$264.71	-22.4%							\$214.65	\$281.97	-23.9%	\$207.93	\$267.05	-22.1%
PLM Adults	\$206.31	\$263.47	-21.7%							\$214.46	\$281.44	-23.8%	\$208.26	\$263.79	-21.0%
PLM, CHIP, or TANF Children Aged 0-1	\$376.29	\$404.76	-7.0%							\$407.58	\$458.24	-11.1%	\$379.95	\$402.93	-5.7%
PLM, CHIP, or TANF Children Aged 1-5	\$71.79	\$76.93	-6.7%							\$74.44	\$82.49	-9.8%	\$72.76	\$77.11	-5.6%
PLM, CHIP, or TANF Children Aged 6-18	\$61.83	\$66.53	-7.1%							\$63.99	\$70.83	-9.7%	\$62.55	\$66.65	-6.2%
AB/AD with Medicare	\$120.84	\$375.37	-67.8%							\$122.49	\$379.17	-67.7%	\$121.81	\$376.65	-67.7%
AB/AD without Medicare	\$529.78	\$633.55	-16.4%							\$556.73	\$684.08	-18.6%	\$535.29	\$649.03	-17.5%
OAA with Medicare	\$147.13	\$363.78	-59.6%							\$148.86	\$367.78	-59.5%	\$148.14	\$364.14	-59.3%
OAA without Medicare	\$471.52	\$664.75	-29.1%							\$498.27	\$730.56	-31.8%	\$477.67	\$664.34	-28.1%
SCF Children	\$128.18	\$125.90	1.8%							\$132.44	\$131.97	0.4%	\$129.30	\$126.06	2.6%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families	\$189.25	\$222.49	-14.9%							\$197.25	\$237.29	-16.9%	\$191.66	\$222.85	-14.0%
OHP Adults and Couples	\$340.41	\$333.99	1.9%							\$357.75	\$358.32	-0.2%	\$344.27	\$334.13	3.0%
Weighted Average ¹	\$174.25	\$206.17	-15.5%							\$177.39	\$234.51	-24.4%	\$187.77	\$224.20	-16.3%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
 Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 3f

InterCommunity Health Plans, Inc. abn Intercommunity Health Network															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults							\$279.99	\$359.39	-22.1%						
PLM Adults							\$211.18	\$272.39	-22.5%						
PLM, CHIP, or TANF Children Aged 0-1							\$422.83	\$475.82	-11.1%						
PLM, CHIP, or TANF Children Aged 1-5							\$79.83	\$86.79	-8.0%						
PLM, CHIP, or TANF Children Aged 6-18							\$72.51	\$79.41	-8.7%						
AB/AD with Medicare							\$139.73	\$442.24	-68.4%						
AB/AD without Medicare							\$652.21	\$795.18	-18.0%						
OAA with Medicare							\$148.00	\$364.63	-59.4%						
OAA without Medicare							\$487.59	\$703.64	-30.7%						
SCF Children							\$130.70	\$128.71	1.5%						

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families							\$216.86	\$225.44	-3.8%						
OHP Adults and Couples							\$396.93	\$391.64	1.4%						
Weighted Average ¹							\$216.96	\$280.63	-22.7%						

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
 Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

Lane Individual Practice Association, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults				\$241.36	\$305.32	-21.0%									
PLM Adults				\$207.01	\$265.47	-22.0%									
PLM, CHIP, or TANF Children Aged 0-1				\$416.95	\$455.52	-8.5%									
PLM, CHIP, or TANF Children Aged 1-5				\$73.37	\$78.54	-6.6%									
PLM, CHIP, or TANF Children Aged 6-18				\$68.57	\$73.99	-7.3%									
AB/AD with Medicare				\$126.97	\$390.97	-67.5%									
AB/AD without Medicare				\$563.47	\$668.54	-15.7%									
OAA with Medicare				\$147.69	\$364.45	-59.5%									
OAA without Medicare				\$473.65	\$670.86	-29.4%									
SCF Children				\$128.61	\$126.62	1.6%									

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families				\$194.38	\$207.05	-6.1%									
OHP Adults and Couples				\$363.25	\$353.20	2.8%									
Weighted Average ¹				\$199.81	\$249.66	-20.0%									

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

Marion/Polk Community Health Plan, LLC															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults							\$245.10	\$306.63	-20.1%						
PLM Adults							\$210.84	\$267.00	-21.0%						
PLM, CHIP, or TANF Children Aged 0-1							\$375.37	\$408.85	-8.2%						
PLM, CHIP, or TANF Children Aged 1-5							\$76.26	\$80.55	-5.3%						
PLM, CHIP, or TANF Children Aged 6-18							\$66.85	\$70.86	-5.7%						
AB/AD with Medicare							\$133.41	\$414.71	-67.8%						
AB/AD without Medicare							\$605.02	\$714.52	-15.3%						
OAA with Medicare							\$149.09	\$364.95	-59.1%						
OAA without Medicare							\$485.95	\$675.61	-28.1%						
SCF Children							\$130.70	\$127.16	2.8%						

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families							\$209.25	\$228.16	-8.3%						
OHP Adults and Couples							\$434.86	\$411.12	5.8%						
Weighted Average ¹							\$184.85	\$232.61	-20.5%						

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 3f

Mid Rogue Independent Physician Association, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults	\$271.33	\$346.11	-21.6%												
PLM Adults	\$206.36	\$263.50	-21.7%												
PLM, CHIP, or TANF Children Aged 0-1	\$448.79	\$479.86	-6.5%												
PLM, CHIP, or TANF Children Aged 1-5	\$78.60	\$84.69	-7.2%												
PLM, CHIP, or TANF Children Aged 6-18	\$67.94	\$71.25	-4.6%												
AB/AD with Medicare	\$149.64	\$468.96	-68.1%												
AB/AD without Medicare	\$695.49	\$809.57	-14.1%												
OAA with Medicare	\$147.13	\$363.76	-59.6%												
OAA without Medicare	\$471.69	\$665.03	-29.1%												
SCF Children	\$128.21	\$125.90	1.8%												

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families	\$220.19	\$220.30	-0.1%												
OHP Adults and Couples	\$440.41	\$425.80	3.4%												
Weighted Average ¹	\$239.14	\$304.03	-21.3%												

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
 Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 3f

ODS Community Health, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults	\$241.01	N/A	N/A							\$250.68	N/A	N/A			
PLM Adults	\$208.15	N/A	N/A							\$215.08	N/A	N/A			
PLM, CHIP, or TANF Children Aged 0-1	\$381.06	N/A	N/A							\$403.98	N/A	N/A			
PLM, CHIP, or TANF Children Aged 1-5	\$77.17	N/A	N/A							\$79.90	N/A	N/A			
PLM, CHIP, or TANF Children Aged 6-18	\$67.13	N/A	N/A							\$69.30	N/A	N/A			
AB/AD with Medicare	\$137.54	N/A	N/A							\$139.82	N/A	N/A			
AB/AD without Medicare	\$629.67	N/A	N/A							\$655.59	N/A	N/A			
OAA with Medicare	\$147.61	N/A	N/A							\$149.65	N/A	N/A			
OAA without Medicare	\$477.51	N/A	N/A							\$500.04	N/A	N/A			
SCF Children	\$129.16	N/A	N/A							\$132.87	N/A	N/A			

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families	\$194.36	N/A	N/A							\$201.74	N/A	N/A			
OHP Adults and Couples	\$405.03	N/A	N/A							\$422.06	N/A	N/A			
Weighted Average ¹	\$206.34	N/A	N/A							\$200.80	N/A	N/A			

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
 Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

Grants Pass Management Services, Inc., abn Oregon Health Management Services															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults	\$266.38	\$341.11	-21.9%												
PLM Adults	\$206.34	\$263.48	-21.7%												
PLM, CHIP, or TANF Children Aged 0-1	\$424.18	\$458.85	-7.6%												
PLM, CHIP, or TANF Children Aged 1-5	\$73.84	\$82.49	-10.5%												
PLM, CHIP, or TANF Children Aged 6-18	\$69.65	\$75.29	-7.5%												
AB/AD with Medicare	\$145.28	\$463.20	-68.6%												
AB/AD without Medicare	\$670.36	\$800.66	-16.3%												
OAA with Medicare	\$147.13	\$363.75	-59.6%												
OAA without Medicare	\$471.61	\$664.95	-29.1%												
SCF Children	\$128.20	\$125.90	1.8%												

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families	\$230.96	\$254.72	-9.3%												
OHP Adults and Couples	\$415.63	\$392.25	6.0%												
Weighted Average ¹	\$218.33	\$274.64	-20.5%												

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

Providence Health Assurance															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults							\$251.64	\$281.48	-10.6%				\$225.22	\$267.16	-15.7%
PLM Adults							\$228.34	\$276.61	-17.4%				\$208.33	\$263.74	-21.0%
PLM, CHIP, or TANF Children Aged 0-1							\$425.62	\$475.05	-10.4%				\$365.53	\$414.39	-11.8%
PLM, CHIP, or TANF Children Aged 1-5							\$80.68	\$78.34	3.0%				\$72.91	\$75.11	-2.9%
PLM, CHIP, or TANF Children Aged 6-18							\$69.46	\$68.17	1.9%				\$63.35	\$65.47	-3.2%
AB/AD with Medicare							\$146.69	\$429.71	-65.9%				\$139.35	\$428.93	-67.5%
AB/AD without Medicare							\$710.82	\$783.59	-9.3%				\$636.38	\$730.92	-12.9%
OAA with Medicare							\$154.64	\$364.85	-57.6%				\$148.15	\$364.13	-59.3%
OAA without Medicare							\$542.60	\$722.98	-24.9%				\$477.89	\$664.15	-28.0%
SCF Children							\$140.13	\$130.01	7.8%				\$129.33	\$126.04	2.6%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families							\$194.96	\$189.57	2.8%				\$175.35	\$181.49	-3.4%
OHP Adults and Couples							\$391.64	\$364.39	7.5%				\$349.57	\$344.14	1.6%
Weighted Average ¹							\$198.64	\$224.44	-11.5%				\$205.26	\$250.74	-18.1%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 FCHP Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3f

Tuality Health Alliance															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults													\$248.31	\$307.76	-19.3%
PLM Adults													\$208.74	\$263.89	-20.9%
PLM, CHIP, or TANF Children Aged 0-1													\$366.88	\$391.87	-6.4%
PLM, CHIP, or TANF Children Aged 1-5													\$70.26	\$77.63	-9.5%
PLM, CHIP, or TANF Children Aged 6-18													\$67.01	\$69.99	-4.3%
AB/AD with Medicare													\$126.82	\$407.23	-68.9%
AB/AD without Medicare													\$565.36	\$691.46	-18.2%
OAA with Medicare													\$148.22	\$364.14	-59.3%
OAA without Medicare													\$479.24	\$664.87	-27.9%
SCF Children													\$129.54	\$126.09	2.7%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families													\$170.62	\$211.74	-19.4%
OHP Adults and Couples													\$439.42	\$374.95	17.2%
Weighted Average ¹													\$169.21	\$219.45	-22.9%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 PCO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3g

Statewide PCO Rates			
Eligibility Category	January 2006	October 2005	% Change
TANF Adults	\$199.71	\$254.86	-21.6%
PLM Adults	\$195.27	\$240.73	-18.9%
PLM, CHIP, or TANF Children Aged 0-1	\$184.24	\$198.87	-7.4%
PLM, CHIP, or TANF Children Aged 1-5	\$68.79	\$71.82	-4.2%
PLM, CHIP, or TANF Children Aged 6-18	\$59.81	\$62.41	-4.2%
AB/AD with Medicare	\$121.07	\$414.40	-70.8%
AB/AD without Medicare	\$466.99	\$568.88	-17.9%
OAA with Medicare	\$117.25	\$329.12	-64.4%
OAA without Medicare	\$349.10	\$466.24	-25.1%
SCF Children	\$113.31	\$113.72	-0.4%

Statewide PCO Rates			
Eligibility Category	January 2006	October 2005	% Change
OHP Families	\$162.69	\$183.33	-11.3%
OHP Adults and Couples	\$303.90	\$314.22	-3.3%

Weighted Average ¹	\$183.96	\$243.08	-24.3%
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¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Includes Maternity Management and excludes per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 PCO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 3g

Kaiser Permanente Oregon Plus, LLC															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults							\$167.81	\$253.00	-33.7%				\$165.87	\$250.79	-33.9%
PLM Adults							\$170.98	\$223.29	-23.4%				\$169.70	\$221.57	-23.4%
PLM, CHIP, or TANF Children Aged 0-1							\$185.07	\$199.34	-7.2%				\$183.77	\$198.14	-7.3%
PLM, CHIP, or TANF Children Aged 1-5							\$61.97	\$72.09	-14.0%				\$61.21	\$71.39	-14.3%
PLM, CHIP, or TANF Children Aged 6-18							\$50.67	\$62.41	-18.8%				\$50.15	\$61.91	-19.0%
AB/AD with Medicare							\$104.71	\$414.66	-74.7%				\$103.95	\$413.77	-74.9%
AB/AD without Medicare							\$398.71	\$570.07	-30.1%				\$395.21	\$566.54	-30.2%
OAA with Medicare							\$117.72	\$329.44	-64.3%				\$116.93	\$328.64	-64.4%
OAA without Medicare							\$351.78	\$467.84	-24.8%				\$347.58	\$463.77	-25.1%
SCF Children							\$111.01	\$113.94	-2.6%				\$110.19	\$113.28	-2.7%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families							N/A	N/A	N/A				N/A	N/A	N/A
OHP Adults and Couples							N/A	N/A	N/A				N/A	N/A	N/A
Weighted Average ¹							\$168.63	\$250.96	-32.8%				\$157.21	\$238.38	-34.1%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.
Note: Excludes Maternity Management and per capita value of maternity services.

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Mental Health Acute Inpatient Geographic Factors

Exhibit 4a

Plan Name	Region	Adjustment
Accountable Behavioral Health Alliance	Linn/Benton/Marion/Polk/Yamhill	0.996
Accountable Behavioral Health Alliance	Other	0.990
Clackamas County Mental Health	Other	1.043
Clackamas County Mental Health	Tri-County (Clackamas, Multnomah, Washington)	1.010
FamilyCare, Inc.	Tri-County (Clackamas, Multnomah, Washington)	1.010
Greater Oregon Behavioral Health, Inc.	Other	1.010
Jefferson Behavioral Health	Jackson/Josephine/Douglas	0.963
Jefferson Behavioral Health	Other	1.027
Lane County d.b.a. LaneCare	Lane	0.984
Mid-Valley Behavioral Care Network	Linn/Benton/Marion/Polk/Yamhill	1.000
Mid-Valley Behavioral Care Network	Other	1.001
Dept. of County Human Services, Multnomah County abn Verity Integrated Behavioral Health Services	Tri-County (Clackamas, Multnomah, Washington)	1.010
Washington County Health and Human Services	Tri-County (Clackamas, Multnomah, Washington)	1.010

**Oregon Health Plan Medicaid Demonstration
 Capitation Rate Development for January 2006 through December 2006
 Mental Health Diagnostic Risk Adjustment Factors**

Exhibit 4b

Plan Name	TANF	PLMA	CHILDREN 01-05	CHILDREN 06-18	ABAD-MED	ABAD	SCF
Accountable Behavioral Health Alliance	1.000	0.973	0.934	1.079	0.946	0.946	1.027
Dept. of County Human Services, Multnomah County abn Verity Integrated Behavioral Health Services	0.957	0.974	1.062	0.907	1.079	1.080	1.109
Clackamas County Mental Health	0.984	0.903	0.888	0.931	0.987	0.988	0.944
FamilyCare, Inc.	0.920	0.652	0.996	0.894	1.000	1.000	0.968
Greater Oregon Behavioral Health, Inc.	1.016	1.041	0.878	1.009	0.925	0.925	0.917
Jefferson Behavioral Health	0.999	0.992	0.967	1.015	0.936	0.937	0.922
Lane County d.b.a. LaneCare	1.081	1.095	1.179	1.157	1.033	1.034	1.010
Mid-Valley Behavioral Care Network	1.042	1.097	1.082	1.058	0.997	0.997	1.000
Washington County Health and Human Services	0.933	0.960	0.852	0.879	1.029	1.029	0.996

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Mental Health Diagnostic and BRS Risk Adjustment Factors - SCF Children

Exhibit 4c

Relative Cost Factors				
Non-BRS	BRS			Total
	CAF	OYA	Total BRS	
A	B	C	D= [(SxB)+(TxC)] / U	E= [(AxR)+(UxD)] / V
0.898	4.861	1.623	3.230	1.000

Plan Name	Region	Average Monthly Members 200407 ~ 200412					Relative Risk Factors				Composite MH/BRS Risk Adjustment	August 2005 Enrollees	Normalized Risk Adjustment Factors
		Non-BRS	BRS			Total	Non-BRS	BRS					
		F	G	H	I= G+H	J= F+I	K	L= B/D	M= C/D	N= [(GxL)+(HxM)] / I	O= [(FxKxA)+(IxNxM)] / J	P	Q= O/W
ABHA	LBMPY	112	7	-	7	119	1.027	1.505	0.503	1.505	1.168	136	1.169
ABHA	OTHER	632	6	19	26	658	1.027	1.505	0.503	0.746	0.980	759	0.981
Verity	Tri-County	2,431	114	78	193	2,624	1.109	1.505	0.503	1.098	1.183	2,794	1.184
Clackamas	OTHER	139	3	10	12	151	0.944	1.505	0.503	0.739	0.975	164	0.976
Clackamas	Tri-County	964	3	18	21	985	0.944	1.505	0.503	0.662	0.876	1,011	0.877
FamilyCare BH	Tri-County	141	6	0	6	146	0.968	1.505	0.503	1.473	1.021	147	1.022
GOBH	OTHER	966	24	12	36	1,001	0.917	1.505	0.503	1.165	0.928	1,102	0.929
JBH	JJD	1,225	29	26	55	1,280	0.922	1.505	0.503	1.031	0.937	1,439	0.938
JBH	OTHER	779	3	27	30	809	0.922	1.505	0.503	0.608	0.870	814	0.871
LaneCare	LANE	1,360	11	28	39	1,399	1.010	1.505	0.503	0.778	0.952	1,570	0.953
MVBCN	LBMPY	2,175	37	30	67	2,242	1.000	1.505	0.503	1.056	0.974	2,503	0.975
MVBCN	OTHER	69	1	-	1	69	1.000	1.505	0.503	1.505	0.940	72	0.941
Washington County DHHS	Tri-County	947	25	25	50	997	0.996	1.505	0.503	1.003	1.013	1,158	1.014
Plan Average		11,939	270	274	544	12,482	1.000	1.505	0.503	1.000	0.999	13,669	1.000
		R	S	T	U	V					W		

- Notes: 1 Non-BRS risk factors based on diagnostic risk model.
 2 The Composite MH/BRS Risk Adjustment factors are calculated as follows:

$$\frac{[(\text{Non-BRS Relative Cost Factor} \times \text{Non-BRS Relative Risk Factor} \times \text{Non-BRS Ave Monthly Members}) + (\text{Total BRS Relative Cost Factor} \times \text{Total BRS Relative Risk Factor} \times \text{Total BRS Ave Monthly Members})]}{\text{Total Ave Monthly Members}}$$

 3 The BRS Relative Risk Factor for each program represents the cost of each BRS program relative to Total BRS costs. For example, the Relative Risk Factor for CAF = 4.861 / 3.230. The Total BRS Relative Risk Factor for each plan/region represents the relative risk based on their distribution of BRS users among CAF and OYA.

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006

Exhibit 4d

Unadjusted MHO Psychiatric Day Treatment Services and Psychiatric Residential Treatment Services Relative Utilization Factors

Plan Name	Region	Psychiatric Day Treatment Services				Psychiatric Residential Treatment Services			
		Children 01-05	Children 06-18	ABAD	SCF	Children 01-05	Children 06-18	ABAD	SCF
Accountable Behavioral Health Alliance	Linn/Benton/Marion/Polk/Yamhill	11.901	1.500	0.060	0.919	N/A	2.036	3.265	6.352
Accountable Behavioral Health Alliance	Other	0.486	2.471	0.912	0.818	N/A	0.841	2.148	0.753
Dept. of County Human Services, Multnomah County abn Verity Integrated Behavioral Health Services	Tri-County (Clackamas, Multnomah, Washington)	0.733	0.755	0.895	1.550	N/A	1.989	1.157	1.505
Clackamas County Mental Health	Tri-County (Clackamas, Multnomah, Washington)	-	0.025	0.157	0.474	N/A	0.992	2.841	1.719
Clackamas County Mental Health	Other	6.638	3.164	3.682	0.497	N/A	-	-	0.349
FamilyCare, Inc.	Tri-County (Clackamas, Multnomah, Washington)	0.045	0.539	0.414	1.744	N/A	1.838	3.388	3.020
Greater Oregon Behavioral Health, Inc.	Other	1.146	0.140	1.036	0.181	N/A	0.034	0.519	0.514
Jefferson Behavioral Health	Jackson/Josephine/Douglas	0.729	1.871	0.893	1.156	N/A	1.412	1.019	1.080
Jefferson Behavioral Health	Other	-	3.404	2.272	1.832	N/A	0.248	0.145	0.597
Lane County d.b.a. LaneCare	Lane	3.595	0.683	1.491	1.057	N/A	0.071	0.530	0.563
Mid-Valley Behavioral Care Network	Linn/Benton/Marion/Polk/Yamhill	-	0.392	0.638	0.463	N/A	1.116	0.483	0.576
Mid-Valley Behavioral Care Network	Other	¹ -	-	-	-	N/A	5.134	-	1.565
Washington County Health and Human Services	Tri-County (Clackamas, Multnomah, Washington)	0.941	0.732	0.903	1.384	N/A	0.010	0.704	0.644
Statewide		1.000	1.000	1.000	1.000	N/A	1.000	1.000	1.000

¹ MHO did not have any psychiatric day utilization during the data period.

Oregon Health Plan Medicaid Demonstration
Capitation Rate Development for January 2006 through December 2006
Final MHO Psychiatric Day Treatment Services and Psychiatric Residential Treatment Services Relative Utilization Factors

Exhibit 4e

Plan Name	Region	Psychiatric Day Treatment Services				Psychiatric Residential Treatment Services			
		Children 01-05	Children 06-18	ABAD	SCF	Children 01-05	Children 06-18	ABAD	SCF
Accountable Behavioral Health Alliance	Linn/Benton/Marion/Polk/Yamhill	10.811	1.450	0.154	0.927	N/A	1.518	2.132	3.676
Accountable Behavioral Health Alliance	Other	0.537	2.324	0.921	0.836	N/A	0.920	1.574	0.877
Dept. of County Human Services, Multnomah County abn Verity Integrated Behavioral Health Services	Tri-County (Clackamas, Multnomah, Washington)	0.760	0.780	0.905	1.495	N/A	1.494	1.078	1.253
Clackamas County Mental Health	Tri-County (Clackamas, Multnomah, Washington)	0.100	0.122	0.241	0.527	N/A	0.996	1.920	1.359
Clackamas County Mental Health	Other	6.074	2.947	3.413	0.547	N/A	0.500	0.500	0.674
FamilyCare, Inc.	Tri-County (Clackamas, Multnomah, Washington)	0.140	0.585	0.473	1.670	N/A	1.419	2.194	2.010
Greater Oregon Behavioral Health, Inc.	Other	1.132	0.226	1.032	0.263	N/A	0.517	0.760	0.757
Jefferson Behavioral Health	Jackson/Josephine/Douglas	0.756	1.784	0.904	1.140	N/A	1.206	1.010	1.040
Jefferson Behavioral Health	Other	0.100	3.164	2.145	1.749	N/A	0.624	0.572	0.798
Lane County d.b.a. LaneCare	Lane	3.335	0.714	1.442	1.051	N/A	0.536	0.765	0.781
Mid-Valley Behavioral Care Network	Linn/Benton/Marion/Polk/Yamhill	0.100	0.453	0.674	0.516	N/A	1.058	0.742	0.788
Mid-Valley Behavioral Care Network	Other	0.100	0.100	0.100	0.100	N/A	3.067	0.500	1.283
Washington County Health and Human Services	Tri-County (Clackamas, Multnomah, Washington)	0.947	0.759	0.912	1.345	N/A	0.505	0.852	0.822
Statewide		1.000	1.000	1.000	1.000	N/A	1.000	1.000	1.000

Note: Final Psychiatric Day Treatment relative utilization factors are calculated using 90% of unadjusted plan/region-specific historical utilization shown in Exhibit 4d and 10% of the statewide average (1.000). Similarly, adjusted Psychiatric Residential Treatment utilization factors are calculated using 50% of unadjusted plan/region-specific historical utilization shown in Exhibit 4d and 50% of the statewide average (1.000).

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 4f

Statewide MHO Rates			
Eligibility Category	January 2006	October 2005	% Change
TANF Adults	\$19.02	\$26.46	-28.1%
PLM Adults	\$4.97	\$7.28	-31.8%
PLM, CHIP, or TANF Children Aged 0-1	\$0.05	\$0.70	-93.2%
PLM, CHIP, or TANF Children Aged 1-5	\$3.57	\$5.53	-35.5%
PLM, CHIP, or TANF Children Aged 6-18	\$19.26	\$23.85	-19.2%
AB/AD with Medicare	\$81.35	\$74.75	8.8%
AB/AD without Medicare	\$123.38	\$136.01	-9.3%
OAA with Medicare	\$8.36	\$9.36	-10.8%
OAA without Medicare	\$7.69	\$8.67	-11.3%
SCF Children	\$225.32	\$251.99	-10.6%

Statewide MHO Rates			
Eligibility Category	January 2006	October 2005	% Change
OHP Families	\$6.21	\$13.01	-52.3%
OHP Adults and Couples	\$22.45	\$32.68	-31.3%

Weighted Average ¹	\$37.14	\$42.46	-12.5%
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¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 4f

Accountable Behavioral Health Alliance															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults							\$19.02	\$26.14	-27.2%	\$19.01	\$26.23	-27.5%			
PLM Adults							\$4.84	\$7.25	-33.3%	\$4.83	\$7.27	-33.5%			
PLM, CHIP, or TANF Children Aged 0-1							\$0.05	\$0.70	-93.2%	\$0.05	\$0.70	-93.2%			
PLM, CHIP, or TANF Children Aged 1-5							\$10.48	\$12.70	-17.5%	\$3.05	\$4.92	-38.1%			
PLM, CHIP, or TANF Children Aged 6-18							\$22.69	\$27.48	-17.4%	\$25.30	\$30.30	-16.5%			
AB/AD with Medicare							\$76.94	\$70.02	9.9%	\$76.92	\$70.08	9.8%			
AB/AD without Medicare							\$125.14	\$135.97	-8.0%	\$122.64	\$134.35	-8.7%			
OAA with Medicare							\$8.35	\$9.37	-10.8%	\$8.35	\$9.38	-10.9%			
OAA without Medicare							\$7.69	\$8.67	-11.3%	\$7.68	\$8.68	-11.5%			
SCF Children							\$517.79	\$522.95	-1.0%	\$206.81	\$231.32	-10.6%			

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families							\$6.20	\$13.02	-52.3%	\$6.19	\$13.07	-52.6%			
OHP Adults and Couples							\$22.42	\$32.70	-31.5%	\$22.36	\$32.89	-32.0%			
Weighted Average ¹							\$47.15	\$51.41	-8.3%	\$36.21	\$41.42	-12.6%			

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 4f

Clackamas County Mental Health															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults										\$18.80	\$26.45	-28.9%	\$18.73	\$26.02	-28.0%
PLM Adults										\$4.50	\$6.67	-32.4%	\$4.49	\$6.58	-31.8%
PLM, CHIP, or TANF Children Aged 0-1										\$0.05	\$0.70	-93.1%	\$0.05	\$0.70	-93.1%
PLM, CHIP, or TANF Children Aged 1-5										\$6.92	\$8.98	-22.9%	\$2.60	\$4.44	-41.4%
PLM, CHIP, or TANF Children Aged 6-18										\$25.16	\$29.60	-15.0%	\$14.96	\$18.73	-20.1%
AB/AD with Medicare										\$80.47	\$73.70	9.2%	\$80.37	\$73.37	9.5%
AB/AD without Medicare										\$127.95	\$142.57	-10.3%	\$128.23	\$139.59	-8.1%
OAA with Medicare										\$8.38	\$9.42	-11.0%	\$8.36	\$9.36	-10.7%
OAA without Medicare										\$7.71	\$8.73	-11.6%	\$7.70	\$8.67	-11.2%
SCF Children										\$179.05	\$239.18	-25.1%	\$239.76	\$262.97	-8.8%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families										\$6.28	\$13.27	-52.7%	\$6.23	\$13.01	-52.1%
OHP Adults and Couples										\$22.83	\$33.65	-32.2%	\$22.54	\$32.65	-31.0%
Weighted Average ¹										\$33.07	\$39.11	-15.4%	\$39.75	\$44.51	-10.7%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 4f

FamilyCare, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults													\$17.52	\$23.44	-25.2%
PLM Adults													\$3.24	\$6.88	-52.8%
PLM, CHIP, or TANF Children Aged 0-1													\$0.05	\$0.70	-93.1%
PLM, CHIP, or TANF Children Aged 1-5													\$2.93	\$4.51	-34.9%
PLM, CHIP, or TANF Children Aged 6-18													\$16.68	\$20.92	-20.3%
AB/AD with Medicare													\$81.40	\$72.36	12.5%
AB/AD without Medicare													\$133.30	\$141.67	-5.9%
OAA with Medicare													\$8.36	\$9.36	-10.7%
OAA without Medicare													\$7.70	\$8.67	-11.2%
SCF Children													\$347.82	\$369.91	-6.0%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families													\$6.23	\$13.00	-52.1%
OHP Adults and Couples													\$22.54	\$32.65	-31.0%
Weighted Average ¹													\$28.64	\$33.24	-13.8%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 4f

Greater Oregon Behavioral Health, Inc.															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults										\$19.35	\$27.00	-28.3%			
PLM Adults										\$5.18	\$7.59	-31.8%			
PLM, CHIP, or TANF Children Aged 0-1										\$0.05	\$0.70	-93.1%			
PLM, CHIP, or TANF Children Aged 1-5										\$3.32	\$5.19	-36.1%			
PLM, CHIP, or TANF Children Aged 6-18										\$15.91	\$20.29	-21.6%			
AB/AD with Medicare										\$75.31	\$68.94	9.2%			
AB/AD without Medicare										\$113.18	\$124.16	-8.8%			
OAA with Medicare										\$8.36	\$9.36	-10.7%			
OAA without Medicare										\$7.70	\$8.66	-11.2%			
SCF Children										\$176.23	\$191.12	-7.8%			

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families										\$6.23	\$13.00	-52.1%			
OHP Adults and Couples										\$22.54	\$32.62	-30.9%			
Weighted Average ¹										\$32.60	\$37.13	-12.2%			

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 4f

Jefferson Behavioral Health															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults	\$18.91	\$26.39	-28.3%							\$19.06	\$26.46	-28.0%			
PLM Adults	\$4.92	\$6.97	-29.4%							\$4.94	\$6.98	-29.2%			
PLM, CHIP, or TANF Children Aged 0-1	\$0.05	\$0.70	-93.2%							\$0.05	\$0.70	-93.1%			
PLM, CHIP, or TANF Children Aged 1-5	\$3.30	\$5.15	-36.0%							\$2.82	\$4.65	-39.3%			
PLM, CHIP, or TANF Children Aged 6-18	\$22.63	\$27.38	-17.4%							\$27.30	\$32.22	-15.3%			
AB/AD with Medicare	\$76.06	\$70.07	8.6%							\$76.26	\$70.11	8.8%			
AB/AD without Medicare	\$115.40	\$127.55	-9.5%							\$117.47	\$129.05	-9.0%			
OAA with Medicare	\$8.34	\$9.35	-10.9%							\$8.37	\$9.36	-10.6%			
OAA without Medicare	\$7.67	\$8.66	-11.4%							\$7.70	\$8.66	-11.1%			
SCF Children	\$226.38	\$252.17	-10.2%							\$209.28	\$233.06	-10.2%			

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families	\$6.15	\$12.96	-52.5%							\$6.25	\$13.00	-51.9%			
OHP Adults and Couples	\$22.13	\$32.48	-31.9%							\$22.69	\$32.62	-30.4%			
Weighted Average ¹	\$36.96	\$42.34	-12.7%							\$43.31	\$48.84	-11.3%			

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 4f

Lane County d.b.a. LaneCare															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults				\$20.52	\$28.45	-27.9%									
PLM Adults				\$5.43	\$7.84	-30.7%									
PLM, CHIP, or TANF Children Aged 0-1				\$0.05	\$0.70	-93.2%									
PLM, CHIP, or TANF Children Aged 1-5				\$5.76	\$8.00	-28.1%									
PLM, CHIP, or TANF Children Aged 6-18				\$19.84	\$24.97	-20.6%									
AB/AD with Medicare				\$84.02	\$77.40	8.6%									
AB/AD without Medicare				\$126.19	\$140.37	-10.1%									
OAA with Medicare				\$8.35	\$9.37	-10.9%									
OAA without Medicare				\$7.68	\$8.68	-11.5%									
SCF Children				\$199.07	\$228.99	-13.1%									

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families				\$6.19	\$13.05	-52.6%									
OHP Adults and Couples				\$22.31	\$32.81	-32.0%									
Weighted Average ¹				\$41.45	\$47.82	-13.3%									

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 4f

Mid-Valley Behavioral Care Network															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults							\$19.83	\$27.77	-28.6%	\$19.83	\$27.75	-28.5%			
PLM Adults							\$5.45	\$7.93	-31.3%	\$5.45	\$7.93	-31.2%			
PLM, CHIP, or TANF Children Aged 0-1							\$0.05	\$0.70	-93.2%	\$0.05	\$0.70	-93.2%			
PLM, CHIP, or TANF Children Aged 1-5							\$3.15	\$5.25	-40.0%	\$3.15	\$5.25	-40.0%			
PLM, CHIP, or TANF Children Aged 6-18							\$18.08	\$22.81	-20.7%	\$19.08	\$23.74	-19.6%			
AB/AD with Medicare							\$81.11	\$74.56	8.8%	\$81.12	\$74.54	8.8%			
AB/AD without Medicare							\$119.16	\$131.88	-9.6%	\$114.42	\$126.85	-9.8%			
OAA with Medicare							\$8.36	\$9.37	-10.8%	\$8.36	\$9.36	-10.8%			
OAA without Medicare							\$7.69	\$8.67	-11.3%	\$7.69	\$8.67	-11.3%			
SCF Children							\$189.65	\$208.74	-9.1%	\$228.11	\$249.80	-8.7%			

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families							\$6.21	\$13.02	-52.3%	\$6.21	\$13.01	-52.3%			
OHP Adults and Couples							\$22.45	\$32.72	-31.4%	\$22.46	\$32.69	-31.3%			
Weighted Average ¹							\$32.93	\$37.94	-13.2%	\$34.79	\$39.52	-12.0%			

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 4f

Dept. of County Human Services, Multnomah County abn Verity Integrated Behavioral Health Services															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults													\$18.23	\$25.23	-27.8%
PLM Adults													\$4.84	\$7.15	-32.3%
PLM, CHIP, or TANF Children Aged 0-1													\$0.05	\$0.70	-93.1%
PLM, CHIP, or TANF Children Aged 1-5													\$3.57	\$5.63	-36.6%
PLM, CHIP, or TANF Children Aged 6-18													\$17.70	\$21.80	-18.8%
AB/AD with Medicare													\$87.85	\$80.88	8.6%
AB/AD without Medicare													\$132.69	\$146.38	-9.4%
OAA with Medicare													\$8.36	\$9.36	-10.7%
OAA without Medicare													\$7.70	\$8.67	-11.2%
SCF Children													\$281.05	\$306.90	-8.4%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families													\$6.23	\$13.01	-52.1%
OHP Adults and Couples													\$22.54	\$32.65	-31.0%
Weighted Average ¹													\$42.84	\$48.13	-11.0%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 MHO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 4f

Washington County Health and Human Services															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults													\$17.77	\$25.32	-29.8%
PLM Adults													\$4.77	\$6.60	-27.6%
PLM, CHIP, or TANF Children Aged 0-1													\$0.05	\$0.70	-93.1%
PLM, CHIP, or TANF Children Aged 1-5													\$3.11	\$4.81	-35.3%
PLM, CHIP, or TANF Children Aged 6-18													\$16.07	\$20.52	-21.7%
AB/AD with Medicare													\$83.76	\$77.27	8.4%
AB/AD without Medicare													\$124.96	\$138.25	-9.6%
OAA with Medicare													\$8.36	\$9.36	-10.7%
OAA without Medicare													\$7.70	\$8.67	-11.2%
SCF Children													\$216.28	\$271.89	-20.5%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families													\$6.23	\$13.00	-52.1%
OHP Adults and Couples													\$22.54	\$32.65	-31.0%
Weighted Average ¹													\$30.57	\$36.51	-16.3%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Note: Tuality Health Alliance enrollees are rolled up to Washington County DHHS for January 2006 Rate Setting

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 DCO Capitation Rates
 Includes Adjustment for Administration Allowance

Exhibit 5

Statewide DCO Rates			
Eligibility Category	January 2006	October 2005	% Change
TANF Adults	\$32.00	\$31.70	0.9%
PLM Adults	\$18.81	\$16.06	17.1%
PLM, CHIP or TANF Children Aged 0-1	\$0.10	\$0.10	2.5%
PLM, CHIP or TANF Children Aged 1-5	\$17.43	\$13.81	26.2%
PLM, CHIP or TANF Children Aged 6-18	\$23.32	\$20.57	13.4%
AB/AD with Medicare	\$32.24	\$27.03	19.3%
AB/AD without Medicare	\$28.33	\$25.01	13.3%
OAA with Medicare	\$20.46	\$17.32	18.1%
OAA without Medicare	\$29.71	\$28.93	2.7%
SCF Children	\$22.52	\$19.80	13.7%

Statewide DCO Rates			
Eligibility Category	January 2006	October 2005	% Change
OHP Families	\$4.69	\$8.94	-47.5%
OHP Adults and Couples	\$5.04	\$11.26	-55.3%

Weighted Average ¹	\$21.59	\$19.49	10.8%
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¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 DCO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 5

Dental															
Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
TANF Adults	\$31.08	\$30.81	0.9%	\$31.08	\$30.81	0.9%	\$31.08	\$30.81	0.9%	\$31.08	\$30.81	0.9%	\$33.49	\$33.20	0.9%
PLM Adults	\$18.27	\$15.61	17.1%	\$18.27	\$15.61	17.1%	\$18.27	\$15.61	17.1%	\$18.27	\$15.61	17.1%	\$19.69	\$16.82	17.1%
PLM, CHIP or TANF Children Aged 0-1	\$0.10	\$0.10	2.5%	\$0.10	\$0.10	2.5%	\$0.10	\$0.10	2.5%	\$0.10	\$0.10	2.5%	\$0.11	\$0.10	2.4%
PLM, CHIP or TANF Children Aged 1-5	\$16.93	\$13.42	26.2%	\$16.93	\$13.42	26.2%	\$16.93	\$13.42	26.2%	\$16.93	\$13.42	26.2%	\$18.24	\$14.46	26.2%
PLM, CHIP or TANF Children Aged 6-18	\$22.65	\$19.99	13.3%	\$22.65	\$19.99	13.3%	\$22.65	\$19.99	13.3%	\$22.65	\$19.99	13.3%	\$24.41	\$21.54	13.3%
AB/AD with Medicare	\$31.31	\$26.26	19.2%	\$31.31	\$26.26	19.2%	\$31.31	\$26.26	19.2%	\$31.31	\$26.26	19.2%	\$33.75	\$28.31	19.2%
AB/AD without Medicare	\$27.52	\$24.31	13.2%	\$27.52	\$24.31	13.2%	\$27.52	\$24.31	13.2%	\$27.52	\$24.31	13.2%	\$29.66	\$26.20	13.2%
OAA with Medicare	\$19.88	\$16.83	18.1%	\$19.88	\$16.83	18.1%	\$19.88	\$16.83	18.1%	\$19.88	\$16.83	18.1%	\$21.42	\$18.14	18.1%
OAA without Medicare	\$28.86	\$28.11	2.7%	\$28.86	\$28.11	2.7%	\$28.86	\$28.11	2.7%	\$28.86	\$28.11	2.7%	\$31.10	\$30.30	2.6%
SCF Children	\$21.88	\$19.24	13.7%	\$21.88	\$19.24	13.7%	\$21.88	\$19.24	13.7%	\$21.88	\$19.24	13.7%	\$23.58	\$20.74	13.7%

Eligibility Category	JJD			Lane			LBMPY			Other			Tri-County		
	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change	January 2006	October 2005	% Change
OHP Families	\$4.55	\$8.69	-47.6%	\$4.55	\$8.69	-47.6%	\$4.55	\$8.69	-47.6%	\$4.55	\$8.69	-47.6%	\$4.91	\$9.36	-47.6%
OHP Adults and Couples	\$4.89	\$10.94	-55.3%	\$4.89	\$10.94	-55.3%	\$4.89	\$10.94	-55.3%	\$4.89	\$10.94	-55.3%	\$5.27	\$11.80	-55.3%
Weighted Average ¹	\$21.17	\$19.21	10.2%	\$21.24	\$19.32	9.9%	\$21.07	\$18.95	11.2%	\$21.02	\$18.94	11.0%	\$22.36	\$20.19	10.8%

¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

Oregon Health Plan Medicaid Demonstration
Comparison of January 2006 and October 2005 CDO Capitation Rates
Includes Adjustment for Administration Allowance

Exhibit 6

Chemical Dependency Organizations			
Eligibility Category	January 2006	October 2005	% Change
TANF Adults	\$14.74	\$12.85	14.7%
PLM Adults	\$5.01	\$5.27	-5.0%
PLM, CHIP or TANF Children Aged 0-1	\$0.00	\$0.00	-100.0%
PLM, CHIP or TANF Children Aged 1-5	\$0.00	\$0.00	-34.7%
PLM, CHIP or TANF Children Aged 6-18	\$1.42	\$1.31	8.6%
AB/AD with Medicare	\$4.57	\$1.86	145.8%
AB/AD without Medicare	\$13.32	\$6.34	110.0%
OAA with Medicare	\$0.33	\$0.09	280.2%
OAA without Medicare	\$0.33	\$0.03	889.0%
SCF Children	\$5.52	\$5.27	4.7%

Chemical Dependency Organizations			
Eligibility Category	January 2006	October 2005	% Change
OHP Families	\$6.63	\$8.58	-22.7%
OHP Adults and Couples	\$23.40	\$27.80	-15.8%

Weighted Average ¹	\$5.14	\$4.49	14.6%
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¹ Weighted average capitation rates are based on August 2005 enrollment distributions.

APPENDIX

**Oregon Health Plan Medicaid Demonstration
January 2006 Capitation Rate Development
CMS Medicaid Managed Care Rate Setting Requirements Not Addressed
Elsewhere**

- **AA.1.8 – Limit on payment to other providers** – Payments to providers for services related to managed care contracted services are limited to the amounts paid by managed care plans, with one exception: cost settlements to Federally Qualified Health Centers and Rural Health Centers are made by OMAP. Managed care plan capitation rates are developed to allow for average payments to these providers consistent with the community average payment rate for similar services provided by a comparable provider. For these services, managed care plans are provided sufficient capitation revenue to cover the interim payments that are required by law or regulation, and OMAP takes all responsibility for the final cost settlement.

Other direct payments to providers, such as Graduate Medical Education, are made only for the portion of the population that is covered on a Fee-For-Service basis. Disproportionate Share Hospital payments are also made, and are based on the provision of services to individuals who are uninsured. Health plan utilization of hospitals does not affect the calculation of DSH payment amounts.

- **AA.2.0 – Methods used to exclude invalid data** – A brief description of the process for identifying invalid data is provided in the Per Capita Cost report, pages 9 – 11.

Data from all managed care plans is summarized by eligibility category and service type. Reports are generated that allow for comparison of utilization rates and costs per person per month for each combination of data and are provided to managed care plans for comparison and validation. Managed care plans are specifically asked to confirm that the total billed charges are consistent with their internal reports. Data from plans that are unable to confirm the validity of the information is excluded from the per capita cost calculation. Plans typically attempt to match expenditures to the generated reports by major service category and eligibility type, and significant effort is expended to respond to questions regarding non-matching data.

Managed care plan encounter data is submitted at regular intervals to OMAP. Prior to the data reaching PwC, OMAP staff screen the data to ensure OHP enrollment on the date of the claim. In addition, OMAP staff screen the data for missing data elements and for duplicate claims. PwC repeats these steps to confirm duplicates have been removed and that all encounter records relate to individuals enrolled with the managed care plan and the OHP on the date the service was provided.

- **AA.3.6. – Third Party Liability** – The State allows managed care plans to collect Third Party Liability, and includes documentation of the collected amounts on quarterly financial reports. Collection of TPL is at the managed care plan’s discretion, and the plan retains any amount it collects. Except for Medicare payments, collections for TPL are extraordinarily low in the OHP managed care plans, with total annual collections well below 1% of total health care costs.
- **AA.3.8. – Graduate Medical Education** – GME payments are made in two forms. For services covered on a fee-for-service basis, additional payments are made per discharge to teaching hospitals to cover medical education costs. For services covered through managed care plans, the health plans are paid a capitation rate that is calculated to cover average hospital costs, including education expense. Managed care plans and hospitals negotiate specific payment amounts; the state does not enter into these negotiations.
- **AA.3.9. - FQHC & RHC reimbursement** – Services provided through FQHCs and RHCs are valued in the same manner as services provided by any other comparable provider. Specifically, each service is described based on HCPCS code, which may reference the Current Procedural Terminology (CPT), American Dental Association (ADA), or other coding scheme. OMAP performs a cost settlement with each FQHC or RHC considering total costs and payments made by managed care plans. Managed care plans are required to pay FQHCs a rate that is equivalent to that paid to other community providers for comparable services.
- **AA.3.10 – Cost trending/inflation** – Trend rates were derived from a combination of information on expected changes in health care costs developed by the Centers for Medicare and Medicaid Services Office of the Actuary, combined with PwC experience with Medicaid managed care plans. The trend rates were selected to recognize expected changes in the costs per unit of service based on health policy research, changes in costs in commercial health plans, and typical changes in payment rates. Among the considerations in assessing the cost component of trend were changes under consideration for Fee-for-Service unit costs.

Unit cost trend was derived largely from various CMS cost indices, a well respected indicator of underlying cost trend. Prescription drug cost trend was derived from recent industry reports that describe in detail the factors affecting changes in costs and utilization of those services.

- **AA.3.14 – Financial Experience Adjustment** – No adjustment is made for the financial experience of managed care plans. However, average managed care plan loss ratios are considered in determining appropriate trend rates. OMAP collects financial experience data from managed care plans on a quarterly basis. This

information is used to assess whether managed care plan expenditures are within expected ranges and to determine whether trend rates chosen in prior years were reasonable. To the extent managed care plan expenditures vary significantly from prior projections, trend rates may be reconsidered in the per capita cost development process.

- **AA.5.0 - AA.5.2 – Data Smoothing** – Data smoothing issues are largely addressed by ensuring the rate cells used to develop the per capita costs have sufficient population size. No data smoothing was required for this per capita cost calculation.

Various risk adjustment factors are applied to the statewide per capita costs to derive capitation rates. These adjustments are described in the capitation report. For these calculations, the adjustment factors are explicitly calculated to be budget neutral on the date of the calculation. (Note that when adjustment factors are used to determine payment rates, final budget neutrality cannot be ensured because enrollment patterns throughout the year are unknown. Inevitably, there is some shift in enrollment mix between the time the rates are developed and the end of the contract period.)

- **AA.7.0 / AA.10.1 – Projection of Expenditures** – Per capita expenditures are calculated and compared in Exhibits 3f, 3g, 4f, 5, and 6 of the capitation rate report. The weighted average rate of change calculation uses the most recent population distribution information available at the time the calculation is made.

**Oregon Health Plan
Statewide FCHP Capitation Rates**

**Explanation of Exhibits Showing the Development of Statewide Capitation Rates from
2006-2007 Per Capita Costs**

OHP Plus (Exhibit 2j)

Column	Description	Source	
		Report/Memo	Exhibit or Page Number
A	2006-2007 per capita costs for managed care plans. These costs are representative of coverage up to the prioritized list line in effect during the underlying data period.	2006-2007 Per Capita Cost report	Exhibit 7A
B	Trend adjustment from the midpoint of the 2006-2007 biennium (10/1/06) to the midpoint of the January – December 2006 contract period (7/1/06)	January 2006 Capitation Rate Development report	Exhibit 2a
C	Adjustment to reflect reduced funding for DRG hospitals. The 2006-2007 per capita costs did not include this reduction.	January 2006 Capitation Rate Development report	Page 6
D	Product of Columns A, B, and C		
E	Adjustment for implementation of Medicare prescription drug coverage, adjustment for Lamictal, maternity case rate carve-out, and Children’s Mental Health services.	January 2006 Capitation Rate Development report	Implementation of Medicare prescription drug coverage: Page 7 and Exhibit 2b. Lamictal adjustment: Page 7 and Exhibit 2c. Maternity case rate: Pages 13-14 Children’s Mental Health Services: Pages 7-9 and Exhibits 2d-2f
F	Sum of Columns D and E. Ties to the January 2006 statewide capitation rate for FCHPs, MHOs, DCOs, and CDOs.		

**Oregon Health Plan
Statewide PCO Capitation Rates**

**Explanation of Exhibits Showing the Development of Statewide Capitation Rates from
2006-2007 Per Capita Costs**

OHP Plus (Exhibit 2I)

Column	Description	Source	
		Report/Memo	Exhibit or Page Number
A	2006-2007 per capita costs for managed care plans. These costs are representative of coverage up to the prioritized list line in effect during the underlying data period.	2006-2007 Per Capita Cost report	Exhibit 7A
B	Trend adjustment from the midpoint of the 2006-2007 biennium (10/1/06) to the midpoint of the January – December 2006 contract period (7/1/06)	January 2006 Capitation Rate Development report	Exhibit 2a
C	Adjustment to reflect reduced funding for DRG hospitals. The 2006-2007 per capita costs did not include this reduction.	January 2006 Capitation Rate Development report	Page 6
D	Product of Columns A, B, and C.		
E	Adjustment for implementation of Medicare prescription drug coverage, adjustment for Lamictal, maternity case rate carve-out, and Children’s Mental Health services.	January 2006 Capitation Rate Development report	Implementation of Medicare prescription drug coverage: Page 7 and Exhibit 2b. Lamictal adjustment: Page 7 and Exhibit 2c. Maternity case rate: Pages 13-14 Children’s Mental Health Services: Pages 7-9 and Exhibits 2d-2f
F	Sum of Columns D and E.		
G	Adjustment to reflect services covered under the PCO contract. This adjustment is applied as a multiplier. Covered services receive a factor of 1; non-covered services receive a factor of 0.	January 2006 Capitation Rate Development report	Pages 12-13 and Exhibit 1a

Appendix A-2ii

H	Product of Columns G and H.		
I	Adjustment to reflect an expected shift of services from outpatient hospital to inpatient hospital setting since the PCO is not responsible for inpatient services.	January 2006 Capitation Rate Development report	Pages 12-13
J	Product of Columns H and I. Ties to the January 2006 statewide capitation rate for PCOs.		