

Appendix J: Cost Neutrality Demonstration

J-1: Composite Overview and Demonstration of Cost-Neutrality Formula

Composite Overview. Complete the fields in Cols. 3, 5 and 6 in the following table for each waiver year. The fields in Cols. 4, 7 and 8 are auto-calculated based on entries in Cols 3, 5, and 6. The fields in Col. 2 are auto-calculated using the Factor D data from the J-2-d Estimate of Factor D tables. Col. 2 fields will be populated ONLY when the Estimate of Factor D tables in J-2-d have been completed.

Level(s) of Care: Nursing Facility

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Year	Factor D	Factor D'	Total: D+D'	Factor G	Factor G'	Total: G+G'	Difference (Col 7 less Column4)
1	43229.16	8138.00	51367.16	61521.00	2206.00	63727.00	12359.84
2	45001.94	8383.00	53384.94	62136.00	2272.00	64408.00	11023.06
3	46943.86	8634.00	55577.86	62757.00	2340.00	65097.00	9519.14
4	48963.61	8893.00	57856.61	63385.00	2410.00	65795.00	7938.39
5	50970.07	9160.00	60130.07	64019.00	2482.00	66501.00	6370.93

Appendix J: Cost Neutrality Demonstration

J-2: Derivation of Estimates (1 of 9)

a. Number Of Unduplicated Participants Served. Enter the total number of unduplicated participants from Item B-3-a who will be served each year that the waiver is in operation. When the waiver serves individuals under more than one level of care, specify the number of unduplicated participants for each level of care:

Table: J-2-a: Unduplicated Participants

Waiver Year	Total Unduplicated Number of Participants (from Item B-3-a)	Distribution of Unduplicated Participants by Level of Care (if applicable)	
		Level of Care:	
		Nursing Facility	
Year 1	107404		107404
Year 2	115799		115799
Year 3	124194		124194
Year 4	132589		132589
Year 5	140985		140985

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J-2: Derivation of Estimates (2 of 9)

b. Average Length of Stay. Describe the basis of the estimate of the average length of stay on the waiver by participants in item J-2-a.

The average length of stay for the CHC waiver, as outlined in Appendix J-2, was projected based on a review of historical Medicaid waiver enrollee durational patterns for individuals enrolled in one of OLTL’s historic five waivers (Aging, Attendant Care, CommCare, Independence and OBRA). These individuals move into the CHC waiver upon CHC implementation within each geographic zone (effective 1/1/18 in the Southwest Zone, effective 1/1/19 in the Southeast Zone and effective 1/1/20 in the Lehigh/Capital, Northeast and Northwest zones). All CHC zones will be implemented on or before January 1, 2020 (i.e., the beginning of Waiver Year 1).

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c. Derivation of Estimates for Each Factor. Provide a narrative description for the derivation of the estimates of the following factors.

i. Factor D Derivation. The estimates of Factor D for each waiver year are located in Item J-2-d. The basis and methodology for these estimates is as follows:

Appendix J-2 Factor D projections were derived from actual Medicaid waiver user, service utilization and cost data from January 2017 – December 2017. The data was limited to participants within the five historic OLTL waivers (Aging, Attendant Care, CommCare, Independence and OBRA) who move into the CHC waiver upon implementation within each geographic zone. The data was analyzed at a statewide level given all zones will be implemented on or before January 1, 2020 (i.e., the beginning of Waiver Year 1).

For Waiver Years 1 - 5, unit costs were trended forward for all services using a 1.0% annual inflation factor. Unit per user values were trended at 0.5% annually for all services except personal assistance, where units were trended at 3.5% annually. These factors were based on a review of historical utilization and cost increases within the Commonwealth and reflect consideration for CHC being fully phased in to managed care statewide by CY 2020.

ii. Factor D' Derivation. The estimates of Factor D' for each waiver year are included in Item J-1. The basis of these estimates is as follows:

Factor D' was derived from actual January 2017 – December 2017 Medicaid acute medical and behavioral health service costs for participants within the five historic OLTL waivers (Aging, Attendant Care, CommCare, Independence and OBRA) who move into the CHC waiver upon implementation within each geographic zone. Factor D' was calculated by dividing the actual costs for these services by the count of unique waiver recipients. The costs of prescribed drugs that will be furnished to Medicare/Medicaid dual eligibles under the provisions of Part D have been excluded. Per capita costs were trended forward using a 3% annual inflation factor. This factor was based on a review of historical cost increases for similar services within the Commonwealth.

iii. Factor G Derivation. The estimates of Factor G for each waiver year are included in Item J-1. The basis of these estimates is as follows:

Factor G was derived from a review of January 2017 – December 2017 Medicaid nursing facility service utilization and cost data for individuals whom OLTL determined represented a comparable peer group to CHC waiver participants. For Waiver Years 1-5, costs were trended forward using a 1% annual inflation factor. This factor was based on a review of historical cost increases for nursing facility services.

iv. Factor G' Derivation. The estimates of Factor G' for each waiver year are included in Item J-1. The basis of these estimates is as follows:

For the individuals whom OLTL determined represented a comparable peer group to CHC waiver participants (as mentioned in Factor G), Factor G' was derived by analyzing these individuals' associated non-nursing facility Medicaid service utilization and costs during the time period from January 2017 – December 2017. The costs of prescribed drugs that will be furnished to Medicare/Medicaid dual eligibles under the provisions of Part D have been excluded. These costs were trended forward using a 3% inflation rate. This factor was based on a review of historical cost increases for similar services within the Commonwealth.

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J-2: Derivation of Estimates (4 of 9)

Component management for waiver services. If the service(s) below includes two or more discrete services that are reimbursed separately, or is a bundled service, each component of the service must be listed. Select “*manage components*” to add these components.

Waiver Services	
Adult Daily Living	
Employment Skills Development	
Job Coaching	
Personal Assistance Services	
Residential Habilitation	
Respite	
Structured Day Habilitation Services	
Counseling Services	
Home Health Aide Services	
Nursing Services	
Occupational Therapy Services	
Physical Therapy Services	
Specialized Medical Equipment and Supplies	
Speech and Language Therapy Services	
Assistive Technology	
Behavior Therapy	
Benefits Counseling	
Career Assessment	
Cognitive Rehabilitation Therapy Services	
Community Integration	
Community Transition Services	
Home Adaptations	
Home Delivered Meals	
Job Finding	
Non-Medical Transportation	
Nutritional Consultation	
Participant-Directed Community Supports	
Participant-Directed Goods and Services	
Personal Emergency Response System (PERS)	
Pest Eradication	
TeleCare	
Vehicle Modifications	

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J-2: Derivation of Estimates (5 of 9)

d. Estimate of Factor D.

ii. **Concurrent §1915(b)/§1915(c) Waivers, or other authorities utilizing capitated arrangements (i.e., 1915(a), 1932(a), Section 1937).** Complete the following table for each waiver year. Enter data into the Unit, # Users, Avg. Units Per User, and Avg. Cost/Unit fields for all the Waiver Service/Component items. If applicable, check the capitation box next to that service. Select Save and Calculate to automatically calculate and populate the Component Costs and Total Costs fields. All fields in this table must be completed in order to populate the Factor D fields in the J-1 Composite Overview table.

Waiver Year: Year 1

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Adult Daily Living Total:							57176487.90
Adult Daily Living Services		Day, Half Day	5193	147.00	74.90	57176487.90	
Employment Skills Development Total:							2689092.64
Employment Skills Development		15 Min	136	2938.00	6.73	2689092.64	
Job Coaching Total:							807087.60
Job Coaching		15 Min	66	1145.00	10.68	807087.60	
Personal Assistance Services Total:							4184481187.70
Personal Assistance Services		15 min	104453	8690.00	4.61	4184481187.70	
Residential Habilitation Total:							58209891.52
Residential Habilitation Services		Per Diem, Hour	583	1226.00	81.44	58209891.52	
Respite Total:							3454291.20
Respite Services		15 Min	1114	320.00	9.69	3454291.20	
Structured Day Habilitation Services Total:							22927449.60
Structured Day Habilitation Services		Hour	704	999.00	32.60	22927449.60	
Counseling Services Total:							78820.54
Counseling Services		15 Min	106	61.00	12.19	78820.54	
Home Health Aide Services Total:							33860.48
Home Health Aide Services		15 Min	4	1528.00	5.54	33860.48	
Nursing Services Total:							158509776.00
Nursing Services		15 Min	3725	3594.00	11.84	158509776.00	
GRAND TOTAL:							4642984893.44
Total: Services included in capitation:							4642984893.44
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							107404
Factor D (Divide total by number of participants):							43229.16
Services included in capitation:							43229.16
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Occupational Therapy Services Total:							1362873.28
Occupational Therapy Services		15 Min	664	97.00	21.16	1362873.28	
Physical Therapy Services Total:							1262493.00
Physical Therapy Services		15 Min	621	100.00	20.33	1262493.00	
Specialized Medical Equipment and Supplies Total:							5745475.44
Specialized Medical Equipment and Supplies		Per Purchase	9377	6.00	102.12	5745475.44	
Speech and Language Therapy Services Total:							878527.62
Speech and Language Therapy Services		15 Min	243	163.00	22.18	878527.62	
Assistive Technology Total:							82009.80
Assistive Technology		Per Purchase	180	3.00	151.87	82009.80	
Behavior Therapy Total:							3111474.96
Behavior Therapy		15 Min	418	348.00	21.39	3111474.96	
Benefits Counseling Total:							651.60
Benefits Counseling		15 Min	2	30.00	10.86	651.60	
Career Assessment Total:							6538.05
Career Assessment		15 Min	3	167.00	13.05	6538.05	
Cognitive Rehabilitation Therapy Services Total:							12562137.72
Cognitive Rehabilitation Therapy		15 Min	971	891.00	14.52	12562137.72	
GRAND TOTAL:							4642984893.44
Total: Services included in capitation:							4642984893.44
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							107404
Factor D (Divide total by number of participants):							43229.16
Services included in capitation:							43229.16
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Services							
Community Integration Total:							632151.87
Community Integration		15 Min	89	1043.00	6.81	632151.87	
Community Transition Services Total:							250848.90
Community Transition Services		Per Purchase	111	2.00	1129.95	250848.90	
Home Adaptations Total:							44005380.51
Home Adaptations		Per Adaptation	7357	3.00	1993.81	44005380.51	
Home Delivered Meals Total:							27289468.80
Home Delivered Meals		Per Purchase	19360	246.00	5.73	27289468.80	
Job Finding Total:							21889.14
Job Finding		15 Min	13	133.00	12.66	21889.14	
Non-Medical Transportation Total:							30797331.84
Non-Medical Transportation		Per Trip	11174	99.00	27.84	30797331.84	
Nutritional Consultation Total:							110.16
Nutritional Consultation		15 Min	1	8.00	13.77	110.16	
Participant-Directed Community Supports Total:							1979652.07
Participant-Directed Community Supports		Per Purchase	37	11.00	4864.01	1979652.07	
Participant-Directed Goods and Services Total:							61436.70
Participant-Directed Goods and Services		Per Purchase	9	5.00	1365.26	61436.70	
GRAND TOTAL:							4642984893.44
Total: Services included in capitation:							4642984893.44
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							107404
Factor D (Divide total by number of participants):							43229.16
Services included in capitation:							43229.16
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Personal Emergency Response System (PERS) Total:							21637414.70
Personal Emergency Response System (PERS)	<input type="checkbox"/>	Month	60899	10.00	35.53	21637414.70	
Pest Eradication Total:							273000.00
Pest Eradication	<input type="checkbox"/>	Per Purchase	182	1.00	1500.00	273000.00	
TeleCare Total:							393051.15
TeleCare	<input type="checkbox"/>	OneTime,Mnthly,Purcha	811	15.00	32.31	393051.15	
Vehicle Modifications Total:							2263030.95
Vehicle Modifications	<input type="checkbox"/>	Per Adaptation	115	1.00	19678.53	2263030.95	
GRAND TOTAL:							4642984893.44
Total: Services included in capitation:							4642984893.44
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							107404
Factor D (Divide total by number of participants):							43229.16
Services included in capitation:							43229.16
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Appendix J: Cost Neutrality Demonstration

J-2: Derivation of Estimates (6 of 9)

d. Estimate of Factor D.

ii. **Concurrent §1915(b)/§1915(c) Waivers, or other concurrent managed care authorities utilizing capitated payment arrangements.** Complete the following table for each waiver year. Enter data into the Unit, # Users, Avg. Units Per User, and Avg. Cost/Unit fields for all the Waiver Service/Component items. If applicable, check the capitation box next to that service. Select Save and Calculate to automatically calculate and populate the Component Costs and Total Costs fields. All fields in this table must be completed in order to populate the Factor D fields in the J-1 Composite Overview table.

Waiver Year: Year 2

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Adult Daily Living Total:							62687523.80
Adult Daily	<input type="checkbox"/>					62687523.80	
GRAND TOTAL:							5211179440.79
Total: Services included in capitation:							5211179440.79
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							115799
Factor D (Divide total by number of participants):							45001.94
Services included in capitation:							45001.94
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Living Services		Day, Half Day	5599	148.00	75.65		
Employment Skills Development Total:							2926435.68
Employment Skills Development		15 Min	146	2952.00	6.79	2926435.68	
Job Coaching Total:							894188.88
Job Coaching		15 Min	72	1151.00	10.79	894188.88	
Personal Assistance Services Total:							4709921257.80
Personal Assistance Services		15 min	112618	8994.00	4.65	4709921257.80	
Residential Habilitation Total:							63636496.00
Residential Habilitation Services		Per Diem, Hour	628	1232.00	82.25	63636496.00	
Respite Total:							3774250.59
Respite Services		15 Min	1201	321.00	9.79	3774250.59	
Structured Day Habilitation Services Total:							25093845.48
Structured Day Habilitation Services		Hour	759	1004.00	32.93	25093845.48	
Counseling Services Total:							87770.30
Counseling Services		15 Min	115	62.00	12.31	87770.30	
Home Health Aide Services Total:							42903.25
Home Health Aide Services		15 Min	5	1535.00	5.59	42903.25	
Nursing Services Total:							173489272.32
Nursing Services		15 Min	4016	3612.00	11.96	173489272.32	
Occupational Therapy Services Total:							1500191.84
GRAND TOTAL:							5211179440.79
Total: Services included in capitation:							5211179440.79
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							115799
Factor D (Divide total by number of participants):							45001.94
Services included in capitation:							45001.94
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Occupational Therapy Services		15 Min	716	98.00	21.38	1500191.84	
Physical Therapy Services Total:							1375510.00
Physical Therapy Services		15 Min	670	100.00	20.53	1375510.00	
Specialized Medical Equipment and Supplies Total:							6257079.00
Specialized Medical Equipment and Supplies		Per Purchase	10110	6.00	103.15	6257079.00	
Speech and Language Therapy Services Total:							962483.20
Speech and Language Therapy Services		15 Min	262	164.00	22.40	962483.20	
Assistive Technology Total:							89272.98
Assistive Technology		15 min	194	3.00	153.39	89272.98	
Behavior Therapy Total:							3402000.00
Behavior Therapy		15 Min	450	350.00	21.60	3402000.00	
Benefits Counseling Total:							1303.20
Benefits Counseling		15 Min	4	30.00	10.86	1303.20	
Career Assessment Total:							6603.18
Career Assessment		15 Min	3	167.00	13.18	6603.18	
Cognitive Rehabilitation Therapy Services Total:							13762103.04
Cognitive Rehabilitation Therapy Services		15 Min	1047	896.00	14.67	13762103.04	
Community Integration							685626.40
GRAND TOTAL:							5211179440.79
Total: Services included in capitation:							5211179440.79
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							115799
Factor D (Divide total by number of participants):							45001.94
Services included in capitation:							45001.94
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Total:							
Community Integration		15 Min	95	1049.00	6.88	685626.40	
Community Transition Services Total:							271617.50
Community Transition Services		Per Purchase	119	2.00	1141.25	271617.50	
Home Adaptations Total:							47918957.04
Home Adaptations		Per Adaptation	7932	3.00	2013.74	47918957.04	
Home Delivered Meals Total:							29852533.62
Home Delivered Meals		Per Purchase	20874	247.00	5.79	29852533.62	
Job Finding Total:							23994.04
Job Finding		15 Min	14	134.00	12.79	23994.04	
Non-Medical Transportation Total:							33537402.36
Non-Medical Transportation		Trip	12047	99.00	28.12	33537402.36	
Nutritional Consultation Total:							110.16
Nutritional Consultation		15 Min	1	8.00	13.77	110.16	
Participant-Directed Community Supports Total:							2161566.00
Participant-Directed Community Supports		Per Purchase	40	11.00	4912.65	2161566.00	
Participant-Directed Goods and Services Total:							68945.50
Participant-Directed Goods and Services		Per Purchase	10	5.00	1378.91	68945.50	
Personal Emergency Response System (PERS) Total:							23558449.20
GRAND TOTAL:							5211179440.79
Total: Services included in capitation:							5211179440.79
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							115799
Factor D (Divide total by number of participants):							45001.94
Services included in capitation:							45001.94
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Personal Emergency Response System (PERS)		Month	65659	10.00	35.88	23558449.20	
Pest Eradication Total:							296940.00
Pest Eradication		Per Purchase	196	1.00	1515.00	296940.00	
TeleCare Total:							428268.75
TeleCare		OneTime,Mnthly,Purcha	875	15.00	32.63	428268.75	
Vehicle Modifications Total:							2464539.68
Vehicle Modifications		Per Adaptation	124	1.00	19875.32	2464539.68	
GRAND TOTAL:							5211179440.79
Total: Services included in capitation:							5211179440.79
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							115799
Factor D (Divide total by number of participants):							45001.94
Services included in capitation:							45001.94
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Appendix J: Cost Neutrality Demonstration

J-2: Derivation of Estimates (7 of 9)

d. Estimate of Factor D.

ii. **Concurrent §1915(b)/§1915(c) Waivers, or other concurrent managed care authorities utilizing capitated payment arrangements.** Complete the following table for each waiver year. Enter data into the Unit, # Users, Avg. Units Per User, and Avg. Cost/Unit fields for all the Waiver Service/Component items. If applicable, check the capitation box next to that service. Select Save and Calculate to automatically calculate and populate the Component Costs and Total Costs fields. All fields in this table must be completed in order to populate the Factor D fields in the J-1 Composite Overview table.

Waiver Year: Year 3

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Adult Daily Living Total:							68358518.00
Adult Daily Living Services		Day, Half Day	6005	149.00	76.40	68358518.00	
Employment Skills							3195518.34
GRAND TOTAL:							5830145881.30
Total: Services included in capitation:							5830145881.30
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							124194
Factor D (Divide total by number of participants):							46943.86
Services included in capitation:							46943.86
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Development Total:							
Employment Skills Development		15 Min	157	2967.00	6.86	3195518.34	
Job Coaching Total:							971070.10
Job Coaching		15 Min	77	1157.00	10.90	971070.10	
Personal Assistance Services Total:							5284490298.60
Personal Assistance Services		15 min	120782	9309.00	4.70	5284490298.60	
Residential Habilitation Total:							69322948.96
Residential Habilitation Services		Per Diem, Hour	674	1238.00	83.08	69322948.96	
Respite Total:							4114477.36
Respite Services		15 Min	1288	323.00	9.89	4114477.36	
Structured Day Habilitation Services Total:							27317302.76
Structured Day Habilitation Services		Hour	814	1009.00	33.26	27317302.76	
Counseling Services Total:							94791.18
Counseling Services		15 Min	123	62.00	12.43	94791.18	
Home Health Aide Services Total:							43589.75
Home Health Aide Services		15 Min	5	1543.00	5.65	43589.75	
Nursing Services Total:							188863672.80
Nursing Services		15 Min	4307	3630.00	12.08	188863672.80	
Occupational Therapy Services Total:							1624949.76
Occupational Therapy Services		15 Min	768	98.00	21.59	1624949.76	
Physical							1504023.32
GRAND TOTAL:							5830145881.30
Total: Services included in capitation:							5830145881.30
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							124194
Factor D (Divide total by number of participants):							46943.86
Services included in capitation:							46943.86
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Therapy Services Total:							
Physical Therapy Services		15 Min	718	101.00	20.74	1504023.32	
Specialized Medical Equipment and Supplies Total:							677742.44
Specialized Medical Equipment and Supplies		Per Purchase	10843	6.00	104.18	677742.44	
Speech and Language Therapy Services Total:							1049239.95
Speech and Language Therapy Services		15 Min	281	165.00	22.63	1049239.95	
Assistive Technology Total:							96676.32
Assistive Technology		Per Purchase	208	3.00	154.93	96676.32	
Behavior Therapy Total:							3709749.12
Behavior Therapy		15 Min	483	352.00	21.82	3709749.12	
Benefits Counseling Total:							1954.80
Benefits Counseling		15 Min	6	30.00	10.86	1954.80	
Career Assessment Total:							6713.28
Career Assessment		15 Min	3	168.00	13.32	6713.28	
Cognitive Rehabilitation Therapy Services Total:							14978574.00
Cognitive Rehabilitation Therapy Services		15 Min	1123	900.00	14.82	14978574.00	
Community Integration Total:							747180.60
Community Integration		15 Min	102	1054.00	6.95	747180.60	
GRAND TOTAL:							5830145881.30
Total: Services included in capitation:							5830145881.30
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							124194
Factor D (Divide total by number of participants):							46943.86
Services included in capitation:							46943.86
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Community Transition Services Total:							295080.96
Community Transition Services		Per Purchase	128	2.00	1152.66	295080.96	
Home Adaptations Total:							51912753.12
Home Adaptations		Per Adaptation	8508	3.00	2033.88	51912753.12	
Home Delivered Meals Total:							32554279.92
Home Delivered Meals		Per Purchase	22387	249.00	5.84	32554279.92	
Job Finding Total:							26163.00
Job Finding		15 Min	15	135.00	12.92	26163.00	
Non-Medical Transportation Total:							36695640.00
Non-Medical Transportation		Trip	12921	100.00	28.40	36695640.00	
Nutritional Consultation Total:							110.16
Nutritional Consultation		15 Min	1	8.00	13.77	110.16	
Participant-Directed Community Supports Total:							2346921.94
Participant-Directed Community Supports		Per Purchase	43	11.00	4961.78	2346921.94	
Participant-Directed Goods and Services Total:							69635.00
Participant-Directed Goods and Services		Per Purchase	10	5.00	1392.70	69635.00	
Personal Emergency Response System (PERS) Total:							25519845.60
Personal Emergency Response System		Month	70419	10.00	36.24	25519845.60	
GRAND TOTAL:							5830145881.30
Total: Services included in capitation:							5830145881.30
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							124194
Factor D (Divide total by number of participants):							46943.86
Services included in capitation:							46943.86
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
(PERS)							
Pest Eradication Total:							322861.65
Pest Eradication	<input type="checkbox"/>	Per Purchase	211	1.00	1530.15	322861.65	
TeleCare Total:							463747.20
TeleCare	<input type="checkbox"/>	OneTime,Mnthly,Purcha	938	15.00	32.96	463747.20	
Vehicle Modifications Total:							2669851.31
Vehicle Modifications	<input type="checkbox"/>	Per Adaptation	133	1.00	20074.07	2669851.31	
GRAND TOTAL:							5830145881.30
Total: Services included in capitation:							5830145881.30
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							124194
Factor D (Divide total by number of participants):							46943.86
Services included in capitation:							46943.86
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Appendix J: Cost Neutrality Demonstration

J-2: Derivation of Estimates (8 of 9)

d. Estimate of Factor D.

ii. Concurrent §1915(b)/§1915(c) Waivers, or other concurrent managed care authorities utilizing capitated payment arrangements. Complete the following table for each waiver year. Enter data into the Unit, # Users, Avg. Units Per User, and Avg. Cost/Unit fields for all the Waiver Service/Component items. If applicable, check the capitation box next to that service. Select Save and Calculate to automatically calculate and populate the Component Costs and Total Costs fields. All fields in this table must be completed in order to populate the Factor D fields in the J-1 Composite Overview table.

Waiver Year: Year 4

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Adult Daily Living Total:							74210530.50
Adult Daily Living Services	<input type="checkbox"/>	Day, Half Day	6411	150.00	77.17	74210530.50	
Employment Skills Development Total:							3471763.68
Employment Skills	<input type="checkbox"/>	15 Min				3471763.68	
GRAND TOTAL:							6492035676.73
Total: Services included in capitation:							6492035676.73
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							132589
Factor D (Divide total by number of participants):							48963.61
Services included in capitation:							48963.61
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Development			168	2982.00	6.93		
Job Coaching Total:							1049026.00
Job Coaching		15 Min	82	1163.00	11.00	1049026.00	
Personal Assistance Services Total:							5901374872.50
Personal Assistance Services		15 min	128946	9635.00	4.75	5901374872.50	
Residential Habilitation Total:							75052124.76
Residential Habilitation Services		Per Diem, Hour	719	1244.00	83.91	75052124.76	
Respite Total:							4450545.00
Respite Services		15 Min	1375	324.00	9.99	4450545.00	
Structured Day Habilitation Services Total:							29598365.94
Structured Day Habilitation Services		Hour	869	1014.00	33.59	29598365.94	
Counseling Services Total:							102012.32
Counseling Services		15 Min	131	62.00	12.56	102012.32	
Home Health Aide Services Total:							44203.50
Home Health Aide Services		15 Min	5	1551.00	5.70	44203.50	
Nursing Services Total:							204681254.40
Nursing Services		15 Min	4599	3648.00	12.20	204681254.40	
Occupational Therapy Services Total:							1769724.00
Occupational Therapy Services		15 Min	820	99.00	21.80	1769724.00	
Physical Therapy Services Total:							1622933.65
Physical						1622933.65	
GRAND TOTAL:							6492035676.73
Total: Services included in capitation:							6492035676.73
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							132589
Factor D (Divide total by number of participants):							48963.61
Services included in capitation:							48963.61
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Therapy Services		15 Min	767	101.00	20.95		
Specialized Medical Equipment and Supplies Total:							7308160.32
Specialized Medical Equipment and Supplies		Per Purchase	11576	6.00	105.22	7308160.32	
Speech and Language Therapy Services Total:							1141723.10
Speech and Language Therapy Services		15 Min	301	166.00	22.85	1141723.10	
Assistive Technology Total:							104215.68
Assistive Technology		Per Purchase	222	3.00	156.48	104215.68	
Behavior Therapy Total:							4006761.80
Behavior Therapy		15 Min	515	353.00	22.04	4006761.80	
Benefits Counseling Total:							2606.40
Benefits Counseling		15 Min	8	30.00	10.86	2606.40	
Career Assessment Total:							9092.20
Career Assessment		15 Min	4	169.00	13.45	9092.20	
Cognitive Rehabilitation Therapy Services Total:							16219482.40
Cognitive Rehabilitation Therapy Services		15 Min	1198	905.00	14.96	16219482.40	
Community Integration Total:							810325.62
Community Integration		15 Min	109	1059.00	7.02	810325.62	
Community Transition Services Total:							318988.06
GRAND TOTAL:							6492035676.73
Total: Services included in capitation:							6492035676.73
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							132589
Factor D (Divide total by number of participants):							48963.61
Services included in capitation:							48963.61
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Community Transition Services		Per Purchase	137	2.00	1164.19	318988.06	
Home Adaptations Total:							55975440.78
Home Adaptations		Per Adaptation	9083	3.00	2054.22	55975440.78	
Home Delivered Meals Total:							35252500.00
Home Delivered Meals		Per Purchase	23900	250.00	5.90	35252500.00	
Job Finding Total:							28188.00
Job Finding		15 Min	16	135.00	13.05	28188.00	
Non-Medical Transportation Total:							39574986.00
Non-Medical Transportation		Trip	13794	100.00	28.69	39574986.00	
Nutritional Consultation Total:							110.16
Nutritional Consultation		15 Min	1	8.00	13.77	110.16	
Participant-Directed Community Supports Total:							2535763.34
Participant-Directed Community Supports		Per Purchase	46	11.00	5011.39	2535763.34	
Participant-Directed Goods and Services Total:							77364.65
Participant-Directed Goods and Services		Per Purchase	11	5.00	1406.63	77364.65	
Personal Emergency Response System (PERS) Total:							27515514.00
Personal Emergency Response System (PERS)		Month	75179	10.00	36.60	27515514.00	
Pest Eradication Total:							347726.25
GRAND TOTAL:							6492035676.73
Total: Services included in capitation:							6492035676.73
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							132589
Factor D (Divide total by number of participants):							48963.61
Services included in capitation:							48963.61
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Pest Eradication		Per Purchase	225	1.00	1545.45	347726.25	
TeleCare Total:							500348.70
TeleCare		OneTime,Mnthly,Purcha	1002	15.00	33.29	500348.70	
Vehicle Modifications Total:							2879023.02
Vehicle Modifications		Per Adaptation	142	1.00	20274.81	2879023.02	
GRAND TOTAL:							6492035676.73
Total: Services included in capitation:							6492035676.73
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							132589
Factor D (Divide total by number of participants):							48963.61
Services included in capitation:							48963.61
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Appendix J: Cost Neutrality Demonstration

J-2: Derivation of Estimates (9 of 9)

d. Estimate of Factor D.

ii. **Concurrent §1915(b)/§1915(c) Waivers, or other concurrent managed care authorities utilizing capitated payment arrangements.** Complete the following table for each waiver year. Enter data into the Unit, # Users, Avg. Units Per User, and Avg. Cost/Unit fields for all the Waiver Service/Component items. If applicable, check the capitation box next to that service. Select Save and Calculate to automatically calculate and populate the Component Costs and Total Costs fields. All fields in this table must be completed in order to populate the Factor D fields in the J-1 Composite Overview table.

Waiver Year: Year 5

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Adult Daily Living Total:							79697547.00
Adult Daily Living Services		Day, Half Day	6817	150.00	77.94	79697547.00	
Employment Skills Development Total:							3734262.00
Employment Skills Development		15 Min	178	2997.00	7.00	3734262.00	
Job Coaching Total:							1128953.76
GRAND TOTAL:							7186015899.40
Total: Services included in capitation:							7186015899.40
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							140985
Factor D (Divide total by number of participants):							50970.07
Services included in capitation:							50970.07
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Job Coaching		15 Min	87	1168.00	11.11	1128953.76	
Personal Assistance Services Total:							6549275338.56
Personal Assistance Services		15 min	137112	9972.00	4.79	6549275338.56	
Residential Habilitation Total:							81107021.25
Residential Habilitation Services		Per Diem, Hour	765	1251.00	84.75	81107021.25	
Respite Total:							4809015.08
Respite Services		15 Min	1462	326.00	10.09	4809015.08	
Structured Day Habilitation Services Total:							31937579.52
Structured Day Habilitation Services		Hour	924	1019.00	33.92	31937579.52	
Counseling Services Total:							111038.76
Counseling Services		15 Min	139	63.00	12.68	111038.76	
Home Health Aide Services Total:							53844.48
Home Health Aide Services		15 Min	6	1558.00	5.76	53844.48	
Nursing Services Total:							220857436.80
Nursing Services		15 Min	4890	3666.00	12.32	220857436.80	
Occupational Therapy Services Total:							1898762.58
Occupational Therapy Services		15 Min	871	99.00	22.02	1898762.58	
Physical Therapy Services Total:							1759030.80
Physical Therapy Services		15 Min	815	102.00	21.16	1759030.80	
Specialized Medical Equipment and							7848464.58
GRAND TOTAL:							7186015899.40
Total: Services included in capitation:							7186015899.40
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							140985
Factor D (Divide total by number of participants):							50970.07
Services included in capitation:							50970.07
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Supplies Total:							
Specialized Medical Equipment and Supplies		Per Purchase	12309	6.00	106.27	7848464.58	
Speech and Language Therapy Services Total:							1233395.20
Speech and Language Therapy Services		15 Min	320	167.00	23.08	1233395.20	
Assistive Technology Total:							111892.32
Assistive Technology		Per Purchase	236	3.00	158.04	111892.32	
Behavior Therapy Total:							4330460.40
Behavior Therapy		15 Min	548	355.00	22.26	4330460.40	
Benefits Counseling Total:							3258.00
Benefits Counseling		15 Min	10	30.00	10.86	3258.00	
Career Assessment Total:							9234.40
Career Assessment		15 Min	4	170.00	13.58	9234.40	
Cognitive Rehabilitation Therapy Services Total:							17498377.26
Cognitive Rehabilitation Therapy Services		15 Min	1274	909.00	15.11	17498377.26	
Community Integration Total:							875076.16
Community Integration		15 Min	116	1064.00	7.09	875076.16	
Community Transition Services Total:							340990.70
Community Transition Services		Per Purchase	145	2.00	1175.83	340990.70	
Home Adaptations							60114096.24
GRAND TOTAL:							7186015899.40
Total: Services included in capitation:							7186015899.40
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							140985
Factor D (Divide total by number of participants):							50970.07
Services included in capitation:							50970.07
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Total:							
Home Adaptations		Per Adaptation	9658	3.00	2074.76	60114096.24	
Home Delivered Meals Total:							38018327.44
Home Delivered Meals		Per Purchase	25414	251.00	5.96	38018327.44	
Job Finding Total:							30472.16
Job Finding		15 Min	17	136.00	13.18	30472.16	
Non-Medical Transportation Total:							42918127.96
Non-Medical Transportation		Trip	14668	101.00	28.97	42918127.96	
Nutritional Consultation Total:							110.16
Nutritional Consultation		15 Min	1	8.00	13.77	110.16	
Participant-Directed Community Supports Total:							2672477.28
Participant-Directed Community Supports		Per Purchase	48	11.00	5061.51	2672477.28	
Participant-Directed Goods and Services Total:							85242.00
Participant-Directed Goods and Services		Per Purchase	12	5.00	1420.70	85242.00	
Personal Emergency Response System (PERS) Total:							29553818.00
Personal Emergency Response System (PERS)		Month	79940	10.00	36.97	29553818.00	
Pest Eradication Total:							373057.49
Pest Eradication		Per Purchase	239	1.00	1560.91	373057.49	
TeleCare Total:							537079.50
GRAND TOTAL:						7186015899.40	
Total: Services included in capitation:						7186015899.40	
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:						140985	
Factor D (Divide total by number of participants):						50970.07	
Services included in capitation:						50970.07	
Services not included in capitation:							
Average Length of Stay on the Waiver:							338

Waiver Service/ Component	Capi- tation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
TeleCare		OneTime,Mnthly,Purcha	1065	15.00	33.62	537079.50	
Vehicle Modifications Total:							3092111.56
Vehicle Modifications		Per Adaptation	151	1.00	20477.56	3092111.56	
GRAND TOTAL:							7186015899.40
Total: Services included in capitation:							7186015899.40
Total: Services not included in capitation:							
Total Estimated Unduplicated Participants:							140985
Factor D (Divide total by number of participants):							50970.07
Services included in capitation:							50970.07
Services not included in capitation:							
Average Length of Stay on the Waiver:							338