

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	48221.68	12415.00	60636.68	82578.00	4185.00	86763.00	26126.32
2	46437.85	12895.00	59332.85	85056.00	4347.00	89403.00	30070.15
3	44845.07	13394.00	58239.07	87607.00	4515.00	92122.00	33882.93
4	43292.51	13911.00	57203.51	90236.00	4689.00	94925.00	37721.49
5	41916.88	14449.00	56365.88	92943.00	4871.00	97814.00	41448.12

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	167328		167328
Year 2	181848		181848
Year 3	197628		197628
Year 4	214778		214778
Year 5	233416		233416

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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 utilizing historical state fiscal year 2022–2023 experience. This experience reflects historical Medicaid waiver enrollee durational patterns for individuals enrolled in the CHC managed care program.

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J-2: Derivation of Estimates (3 of 9)

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:

Factor D was derived from statewide July 2022 to June 2023 Medicaid waiver service costs from waiver participants in the CHC managed care program experience. Factor D was calculated by dividing the costs for these services by the count of unique waiver recipients.

Unit costs were trended forward for all services using a 1.0% annual inflation factor. Unit per user values were trended at 5.5% annually for all services except personal assistance, where units were trended at 2.4% annually. These factors were based on a review of historical utilization and cost increases within the Commonwealth of Pennsylvania (Commonwealth).

The CY 2025 estimated cost for the added waiver service “Chore Services” is 6,300 users with an average cost \$921 per user per year.

In Appendix J-2-d (Estimate of Factor D), the number of projected users for Personal Assistance Services is reduced to 125,000 users for Waiver Years (WY) 1-5 as a temporary fix in order to submit the renewal in WMS. The actual projected number of users is as follows:

WY 1 – 159,899

WY 2 – 173,775

WY 3 – 188,854

WY 4 – 205,243

WY 5 – 223,053

- 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 statewide July 2022 to June 2023 Medicaid acute medical and behavioral health service costs from waiver participants in the CHC managed care program. Factor D' was calculated by dividing the 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 3.9% annual inflation factor. This factor was based on a review of historical cost increases for similar services within the Commonwealth.

Additional cost related to ambulance fee schedule increases and utilization changes for obesity treatment agents were factored into the projected cost. This resulted in an additional 4.4% increase in expected cost.

- 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 July 2022 to June 2023 Medicaid nursing facility service utilization and cost data for individuals whom were determined represented a comparable peer group to CHC waiver participants. For Waiver Years 1–5, costs were trended forward using a 3.0% annual inflation factor, except for Waiver Year 1 which was trended annually at 0.6% given the nursing facility directed payment noted below. This factor was based on a review of historical cost increases for nursing facility services.

An additional adjustment of 13.7% was included to reflect the impacts of nursing facility directed payment effective January 1, 2025.

- 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 representing a comparable peer group to CHC waiver participants (as mentioned in Factor G), Factor G' was derived by analyzing these individuals' associated with non-nursing facility Medicaid service utilization and costs during the time period from July 2022 to June 2023. 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 3.8% inflation rate. This factor was based on a review of historical cost increases for similar services within the Commonwealth.

Similar to Factor D', ambulance fee schedule increases and utilization changes for obesity treatment agents were factored into the projection. The impact to the nursing facility population is 5.9%.

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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	
Chore Services	
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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d. Estimate of Factor D.

ii. Concurrent section 1915(b)/section 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:							82407362.54
Adult Daily Living Services	<input type="checkbox"/>	Day, Half Day	5005	222.05	74.15	82407362.54	
Employment Skills Development Total:							537229.07
Employment Skills Development	<input type="checkbox"/>	15 Min	35	2475.71	6.20	537229.07	
Job Coaching Total:							605896.83
Job Coaching	<input type="checkbox"/>	15 Min	68	712.25	12.51	605896.83	
Personal Assistance Services Total:							7254403162.50
Personal Assistance Services	<input type="checkbox"/>	15 min	125000	10888.41	5.33	7254403162.50	
Residential Habilitation Total:							77952583.45
Residential Habilitation Services	<input type="checkbox"/>	Per Diem, Hour	669	1208.85	96.39	77952583.45	
Respite Total:							1142340.29
Respite Services	<input type="checkbox"/>	15 Min	338	791.50	4.27	1142340.29	
Structured Day Habilitation Services Total:							29594526.49
Structured Day Habilitation	<input type="checkbox"/>	Hour	696	1257.27	33.82	29594526.49	

GRAND TOTAL: 8068836829.37

Total: Services included in capitation: 8068836829.37

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 167328

Factor D (Divide total by number of participants): 48221.68

Services included in capitation: 48221.68

Services not included in capitation:

Average Length of Stay on the Waiver: 314

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Services							
Counseling Services Total:							39685.11
Counseling Services		15 Min	42	84.44	11.19	39685.11	
Home Health Aide Services Total:							72606.81
Home Health Aide Services		15 Min	4	3294.32	5.51	72606.81	
Nursing Services Total:							178052865.17
Nursing Services		15 Min	1606	9080.04	12.21	178052865.17	
Occupational Therapy Services Total:							723074.97
Occupational Therapy Services		15 Min	154	219.92	21.35	723074.97	
Physical Therapy Services Total:							798030.56
Physical Therapy Services		15 Min	164	239.00	20.36	798030.56	
Specialized Medical Equipment and Supplies Total:							6226184.87
Specialized Medical Equipment and Supplies		Per Purchase	10433	65.58	9.10	6226184.87	
Speech and Language Therapy Services Total:							408099.12
Speech and Language Therapy Services		15 Min	130	145.20	21.62	408099.12	
Assistive Technology Total:							398566.13
Assistive Technology		Per Purchase	94	1.19	3563.08	398566.13	
Behavior Therapy Total:							3278159.43
Behavior Therapy		15 Min	356	438.70	20.99	3278159.43	
Benefits							19599.93

GRAND TOTAL: 8068836829.37

Total: Services included in capitation: 8068836829.37

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 167328

Factor D (Divide total by number of participants): 48221.68

Services included in capitation: 48221.68

Services not included in capitation:

Average Length of Stay on the Waiver: 314

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Counseling Total:							
Benefits Counseling		15 Min	35	31.80	17.61	19599.93	
Career Assessment Total:							5988.46
Career Assessment		15 Min	5	73.03	16.40	5988.46	
Chore Services Total:							5803056.00
Chore Services		15 Min	6300	152.00	6.06	5803056.00	
Cognitive Rehabilitation Therapy Services Total:							8093633.76
Cognitive Rehabilitation Therapy Services		15 Min	713	788.30	14.40	8093633.76	
Community Integration Total:							124054.76
Community Integration		15 Min	27	714.56	6.43	124054.76	
Community Transition Services Total:							816125.77
Community Transition Services		Per Purchase	232	3.99	881.65	816125.77	
Home Adaptations Total:							50409938.95
Home Adaptations		Per Adaptation	4746	2.32	4578.26	50409938.95	
Home Delivered Meals Total:							225757416.34
Home Delivered Meals		Per Purchase	61230	396.03	9.31	225757416.34	
Job Finding Total:							18551.15
Job Finding		15 Min	9	115.67	17.82	18551.15	
Non-Medical Transportation Total:							100810839.36
Non-Medical Transportation		Per Trip	17794	92.80	61.05	100810839.36	

GRAND TOTAL: 8068836829.37

Total: Services included in capitation: 8068836829.37

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 167328

Factor D (Divide total by number of participants): 48221.68

Services included in capitation: 48221.68

Services not included in capitation:

Average Length of Stay on the Waiver:

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Nutritional Consultation Total:							1157.60
Nutritional Consultation		15 Min	10	8.00	14.47	1157.60	
Participant-Directed Community Supports Total:							1409626.42
Participant-Directed Community Supports		Per Purchase	34	8896.91	4.66	1409626.42	
Participant-Directed Goods and Services Total:							140.30
Participant-Directed Goods and Services		Per Purchase	1	1.00	140.30	140.30	
Personal Emergency Response System (PERS) Total:							32570627.04
Personal Emergency Response System (PERS)		Month	97869	11.71	28.42	32570627.04	
Pest Eradication Total:							1147887.95
Pest Eradication		Per Purchase	361	1.50	2119.83	1147887.94	
TeleCare Total:							569187.27
TeleCare		OneTime,Mnthly,Purcha	1030	10.55	52.38	569187.27	
Vehicle Modifications Total:							4638624.96
Vehicle Modifications		Per Adaptation	145	1.30	24608.09	4638624.96	
<p>GRAND TOTAL: 8068836829.37</p> <p>Total: Services included in capitation: 8068836829.37</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 167328</p> <p>Factor D (Divide total by number of participants): 48221.68</p> <p>Services included in capitation: 48221.68</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: 314</p>							

Appendix J: Cost Neutrality Demonstration

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

d. Estimate of Factor D.

ii. Concurrent section 1915(b)/section 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:							95404579.81
Adult Daily Living Services		Day, Half Day	5439	234.19	74.90	95404579.81	
Employment Skills Development Total:							621114.20
Employment Skills Development		15 Min	38	2611.04	6.26	621114.20	
Job Coaching Total:							702067.85
Job Coaching		15 Min	74	751.18	12.63	702067.85	
Personal Assistance Services Total:							7501784575.00
Personal Assistance Services		15 min	125000	11155.07	5.38	7501784575.00	
Residential Habilitation Total:							90231194.61
Residential Habilitation Services		Per Diem, Hour	727	1274.93	97.35	90231194.61	
Respite Total:							1320414.14
Respite Services		15 Min	367	834.77	4.31	1320414.14	
Structured Day Habilitation Services Total:							34278896.78
Structured Day Habilitation Services		Hour	757	1325.99	34.15	34278896.78	
Counseling Services Total:							45287.01
Counseling Services		15 Min	45	89.06	11.30	45287.01	
Home Health Aide Services Total:							77409.63
<p>GRAND TOTAL: 8444629463.84</p> <p>Total: Services included in capitation: 8444629463.84</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 181848</p> <p>Factor D (Divide total by number of participants): 46437.85</p> <p>Services included in capitation: 46437.85</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: 314</p>							

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Home Health Aide Services		15 Min	4	3474.40	5.57	77409.63	
Nursing Services Total:							206161817.11
Nursing Services		15 Min	1746	9576.37	12.33	206161817.11	
Occupational Therapy Services Total:							835104.61
Occupational Therapy Services		15 Min	167	231.94	21.56	835104.61	
Physical Therapy Services Total:							928092.48
Physical Therapy Services		15 Min	179	252.06	20.57	928092.48	
Specialized Medical Equipment and Supplies Total:							7206210.58
Specialized Medical Equipment and Supplies		Per Purchase	11338	69.16	9.19	7206210.58	
Speech and Language Therapy Services Total:							474712.56
Speech and Language Therapy Services		15 Min	142	153.14	21.83	474712.56	
Assistive Technology Total:							458836.80
Assistive Technology		Per Purchase	102	1.25	3598.72	458836.80	
Behavior Therapy Total:							3796011.79
Behavior Therapy		15 Min	387	462.68	21.20	3796011.79	
Benefits Counseling Total:							22660.97
Benefits Counseling		15 Min	38	33.54	17.78	22660.97	
Career Assessment Total:							7652.71
Career						7652.71	
<p>GRAND TOTAL: 8444629463.84</p> <p>Total: Services included in capitation: 8444629463.84</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 181848</p> <p>Factor D (Divide total by number of participants): 46437.85</p> <p>Services included in capitation: 46437.85</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: 314</p>							

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Assessment		15 Min	6	77.02	16.56		
Chore Services Total:							6717572.53
Chore Services		15 Min	6847	160.31	6.12	6717572.53	
Cognitive Rehabilitation Therapy Services Total:							9368518.21
Cognitive Rehabilitation Therapy Services		15 Min	775	831.39	14.54	9368518.22	
Community Integration Total:							146049.62
Community Integration		15 Min	30	753.61	6.46	146049.62	
Community Transition Services Total:							944706.82
Community Transition Services		Per Purchase	252	4.21	890.46	944706.82	
Home Adaptations Total:							58434455.88
Home Adaptations		Per Adaptation	5158	2.45	4624.04	58434455.88	
Home Delivered Meals Total:							261260594.26
Home Delivered Meals		Per Purchase	66543	417.68	9.40	261260594.26	
Job Finding Total:							21960.00
Job Finding		15 Min	10	122.00	18.00	21960.00	
Non-Medical Transportation Total:							116698336.30
Non-Medical Transportation		Trip	19338	97.87	61.66	116698336.30	
Nutritional Consultation Total:							1357.32
Nutritional Consultation		15 Min	11	8.44	14.62	1357.32	
Participant-Directed Community							1631743.70

GRAND TOTAL: 8444629463.84

Total: Services included in capitation: 8444629463.84

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 181848

Factor D (Divide total by number of participants): 46437.85

Services included in capitation: 46437.85

Services not included in capitation:

Average Length of Stay on the Waiver: 314

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Supports Total:							
Participant-Directed Community Supports	<input type="checkbox"/>	Per Purchase	37	9383.23	4.70	1631743.70	
Participant-Directed Goods and Services Total:							148.78
Participant-Directed Goods and Services	<input type="checkbox"/>	Per Purchase	1	1.05	141.70	148.78	
Personal Emergency Response System (PERS) Total:							37712614.80
Personal Emergency Response System (PERS)	<input type="checkbox"/>	Month	106362	12.35	28.71	37712614.80	
Pest Eradication Total:							1329451.17
Pest Eradication	<input type="checkbox"/>	Per Purchase	393	1.58	2141.03	1329451.17	
TeleCare Total:							659430.24
TeleCare	<input type="checkbox"/>	OneTime,Mnthly,Purcha	1120	11.13	52.90	659430.24	
Vehicle Modifications Total:							5345885.58
Vehicle Modifications	<input type="checkbox"/>	Per Adaptation	157	1.37	24854.18	5345885.58	
<p>GRAND TOTAL: 8444629463.84</p> <p>Total: Services included in capitation: 8444629463.84</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 181848</p> <p>Factor D (Divide total by number of participants): 46437.85</p> <p>Services included in capitation: 46437.85</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: <input type="text" value="314"/></p>							

Appendix J: Cost Neutrality Demonstration

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

d. Estimate of Factor D.

ii. **Concurrent section 1915(b)/section 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:							110445814.38
Adult Daily Living Services		Day, Half Day	5911	246.99	75.65	110445814.38	
Employment Skills Development Total:							730960.71
Employment Skills Development		15 Min	42	2753.77	6.32	730960.71	
Job Coaching Total:							808718.59
Job Coaching		15 Min	80	792.24	12.76	808718.59	
Personal Assistance Services Total:							7771216800.00
Personal Assistance Services		15 min	125000	11428.26	5.44	7771216800.00	
Residential Habilitation Total:							104440400.34
Residential Habilitation Services		Per Diem, Hour	790	1344.62	98.32	104440400.34	
Respite Total:							1528066.26
Respite Services		15 Min	399	880.40	4.35	1528066.26	
Structured Day Habilitation Services Total:							39659210.73
Structured Day Habilitation Services		Hour	822	1398.47	34.50	39659210.73	
Counseling Services Total:							52555.75
Counseling Services		15 Min	49	93.92	11.42	52555.75	
Home Health Aide Services Total:							102967.11
Home Health Aide Services		15 Min	5	3664.31	5.62	102967.11	
Nursing Services Total:							238534250.00
Nursing Services		15 Min	1897	10099.83	12.45	238534250.00	

GRAND TOTAL: 8862642390.69

Total: Services included in capitation: 8862642390.69

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 197628

Factor D (Divide total by number of participants): 44845.07

Services included in capitation: 44845.07

Services not included in capitation:

Average Length of Stay on the Waiver: 314

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Occupational Therapy Services Total:							969663.90
Occupational Therapy Services		15 Min	182	244.62	21.78	969663.90	
Physical Therapy Services Total:							1071170.38
Physical Therapy Services		15 Min	194	265.84	20.77	1071170.38	
Specialized Medical Equipment and Supplies Total:							8340554.79
Specialized Medical Equipment and Supplies		Per Purchase	12322	72.94	9.28	8340554.79	
Speech and Language Therapy Services Total:							548439.51
Speech and Language Therapy Services		15 Min	154	161.51	22.05	548439.51	
Assistive Technology Total:							532556.24
Assistive Technology		Per Purchase	111	1.32	3634.70	532556.24	
Behavior Therapy Total:							4387923.83
Behavior Therapy		15 Min	420	487.97	21.41	4387923.83	
Benefits Counseling Total:							26680.30
Benefits Counseling		15 Min	42	35.37	17.96	26680.30	
Career Assessment Total:							8153.87
Career Assessment		15 Min	6	81.23	16.73	8153.87	
Chore Services Total:							7774748.20
Chore Services		15 Min	7441	169.07	6.18	7774748.20	
Cognitive							10845492.73
<p>GRAND TOTAL: 8862642390.69</p> <p>Total: Services included in capitation: 8862642390.69</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 197628</p> <p>Factor D (Divide total by number of participants): 44845.07</p> <p>Services included in capitation: 44845.07</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: 314</p>							

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Rehabilitation Therapy Services Total:							
Cognitive Rehabilitation Therapy Services		15 Min	842	876.83	14.69	10845492.73	
Community Integration Total:							166846.52
Community Integration		15 Min	32	794.81	6.56	166846.52	
Community Transition Services Total:							1094137.57
Community Transition Services		Per Purchase	274	4.44	899.37	1094137.57	
Home Adaptations Total:							67548501.37
Home Adaptations		Per Adaptation	5606	2.58	4670.28	67548501.37	
Home Delivered Meals Total:							302635435.87
Home Delivered Meals		Per Purchase	72317	440.51	9.50	302635435.86	
Job Finding Total:							25729.43
Job Finding		15 Min	11	128.66	18.18	25729.43	
Non-Medical Transportation Total:							135080537.55
Non-Medical Transportation		Trip	21016	103.22	62.27	135080537.55	
Nutritional Consultation Total:							1576.37
Nutritional Consultation		15 Min	12	8.90	14.76	1576.37	
Participant-Directed Community Supports Total:							1880266.60
Participant-Directed Community Supports		Per Purchase	40	9896.14	4.75	1880266.60	
Participant-Directed Goods							158.86
<p>GRAND TOTAL: 8862642390.69</p> <p>Total: Services included in capitation: 8862642390.69</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 197628</p> <p>Factor D (Divide total by number of participants): 44845.07</p> <p>Services included in capitation: 44845.07</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: 314</p>							

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
and Services Total:							
Participant-Directed Goods and Services	<input type="checkbox"/>	Per Purchase	1	1.11	143.12	158.86	
Personal Emergency Response System (PERS) Total:							43663687.40
Personal Emergency Response System (PERS)	<input type="checkbox"/>	Month	115592	13.03	28.99	43663687.40	
Pest Eradication Total:							1532780.72
Pest Eradication	<input type="checkbox"/>	Per Purchase	427	1.66	2162.44	1532780.72	
TeleCare Total:							763385.40
TeleCare	<input type="checkbox"/>	OneTime,Mnthly,Purcha	1217	11.74	53.43	763385.40	
Vehicle Modifications Total:							6224219.42
Vehicle Modifications	<input type="checkbox"/>	Per Adaptation	171	1.45	25102.72	6224219.42	
<p>GRAND TOTAL: 8862642390.69</p> <p>Total: Services included in capitation: 8862642390.69</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 197628</p> <p>Factor D (Divide total by number of participants): 44845.07</p> <p>Services included in capitation: 44845.07</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: <input type="text" value="314"/></p>							

Appendix J: Cost Neutrality Demonstration

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

d. Estimate of Factor D.

ii. Concurrent section 1915(b)/section 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:							127846824.86
Adult Daily Living Services		Day, Half Day	6424	260.49	76.40	127846824.86	
Employment Skills Development Total:							833821.66
Employment Skills Development		15 Min	45	2904.29	6.38	833821.66	
Job Coaching Total:							937010.84
Job Coaching		15 Min	87	835.55	12.89	937010.84	
Personal Assistance Services Total:							8034711075.00
Personal Assistance Services		15 min	125000	11708.14	5.49	8034711075.00	
Residential Habilitation Total:							120975974.09
Residential Habilitation Services		Per Diem, Hour	859	1418.12	99.31	120975974.09	
Respite Total:							1769016.30
Respite Services		15 Min	433	928.52	4.40	1769016.30	
Structured Day Habilitation Services Total:							45939274.24
Structured Day Habilitation Services		Hour	894	1474.92	34.84	45939274.24	
Counseling Services Total:							61676.74
Counseling Services		15 Min	54	99.06	11.53	61676.74	
Home Health Aide Services Total:							109754.92
Home Health Aide Services		15 Min	5	3864.61	5.68	109754.92	
Nursing Services Total:							276310119.32
Nursing Services		15 Min	2062	10651.91	12.58	276310119.32	

GRAND TOTAL: 9298279310.72

Total: Services included in capitation: 9298279310.72

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 214778

Factor D (Divide total by number of participants): 43292.51

Services included in capitation: 43292.51

Services not included in capitation:

Average Length of Stay on the Waiver: 314

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Occupational Therapy Services Total:							1118128.66
Occupational Therapy Services		15 Min	197	257.99	22.00	1118128.66	
Physical Therapy Services Total:							1241136.31
Physical Therapy Services		15 Min	211	280.37	20.98	1241136.31	
Specialized Medical Equipment and Supplies Total:							9652689.43
Specialized Medical Equipment and Supplies		Per Purchase	13391	76.93	9.37	9652689.43	
Speech and Language Therapy Services Total:							633509.79
Speech and Language Therapy Services		15 Min	167	170.34	22.27	633509.79	
Assistive Technology Total:							617433.90
Assistive Technology		Per Purchase	121	1.39	3671.05	617433.90	
Behavior Therapy Total:							5084916.98
Behavior Therapy		15 Min	457	514.65	21.62	5084916.98	
Benefits Counseling Total:							30447.99
Benefits Counseling		15 Min	45	37.30	18.14	30447.99	
Career Assessment Total:							10128.76
Career Assessment		15 Min	7	85.67	16.89	10128.76	
Chore Services Total:							8998036.13
Chore Services		15 Min	8087	178.31	6.24	8998036.13	
Cognitive							12562198.77
<p>GRAND TOTAL: 9298279310.72</p> <p>Total: Services included in capitation: 9298279310.72</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 214778</p> <p>Factor D (Divide total by number of participants): 43292.51</p> <p>Services included in capitation: 43292.51</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: 314</p>							

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Rehabilitation Therapy Services Total:							
Cognitive Rehabilitation Therapy Services		15 Min	916	924.76	14.83	12562198.77	
Community Integration Total:							194222.52
Community Integration		15 Min	35	838.25	6.62	194222.52	
Community Transition Services Total:							1266835.19
Community Transition Services		Per Purchase	298	4.68	908.36	1266835.19	
Home Adaptations Total:							78161490.68
Home Adaptations		Per Adaptation	6092	2.72	4716.98	78161490.68	
Home Delivered Meals Total:							350164674.73
Home Delivered Meals		Per Purchase	78593	464.59	9.59	350164674.73	
Job Finding Total:							29897.42
Job Finding		15 Min	12	135.70	18.36	29897.42	
Non-Medical Transportation Total:							156392194.96
Non-Medical Transportation		Trip	22840	108.86	62.90	156392194.96	
Nutritional Consultation Total:							1818.13
Nutritional Consultation		15 Min	13	9.38	14.91	1818.13	
Participant-Directed Community Supports Total:							2204311.30
Participant-Directed Community Supports		Per Purchase	44	10437.08	4.80	2204311.30	
Participant-Directed Goods							169.12

GRAND TOTAL: 9298279310.72

Total: Services included in capitation: 9298279310.72

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 214778

Factor D (Divide total by number of participants): 43292.51

Services included in capitation: 43292.51

Services not included in capitation:

Average Length of Stay on the Waiver: 314

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
and Services Total:							
Participant-Directed Goods and Services		Per Purchase	1	1.17	144.55	169.12	
Personal Emergency Response System (PERS) Total:							50538635.08
Personal Emergency Response System (PERS)		Month	125622	13.74	29.28	50538635.08	
Pest Eradication Total:							1783590.76
Pest Eradication		Per Purchase	464	1.76	2184.06	1783590.76	
TeleCare Total:							883128.79
TeleCare		OneTime,Mnthly,Purcha	1322	12.38	53.96	883128.79	
Vehicle Modifications Total:							7215167.33
Vehicle Modifications		Per Adaptation	186	1.53	25353.74	7215167.33	
<p>GRAND TOTAL: 9298279310.72</p> <p>Total: Services included in capitation: 9298279310.72</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 214778</p> <p>Factor D (Divide total by number of participants): 43292.51</p> <p>Services included in capitation: 43292.51</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: 314</p>							

Appendix J: Cost Neutrality Demonstration

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

d. Estimate of Factor D.

ii. Concurrent section 1915(b)/section 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:							148003581.33
Adult Daily Living Services		Day, Half Day	6981	274.73	77.17	148003581.33	
Employment Skills Development Total:							968076.95
Employment Skills Development		15 Min	49	3063.05	6.45	968076.95	
Job Coaching Total:							1089981.02
Job Coaching		15 Min	95	881.22	13.02	1089981.02	
Personal Assistance Services Total:							8321441062.50
Personal Assistance Services		15 min	125000	11994.87	5.55	8321441062.50	
Residential Habilitation Total:							139961841.64
Residential Habilitation Services		Per Diem, Hour	933	1495.64	100.30	139961841.64	
Respite Total:							2047909.51
Respite Services		15 Min	471	979.28	4.44	2047909.51	
Structured Day Habilitation Services Total:							53152008.47
Structured Day Habilitation Services		Hour	971	1555.54	35.19	53152008.47	
Counseling Services Total:							70529.79
Counseling Services		15 Min	58	104.47	11.64	70529.79	
Home Health Aide Services Total:							116977.18
Home Health Aide Services		15 Min	5	4075.86	5.74	116977.18	
Nursing Services Total:							319732057.51
Nursing Services		15 Min	2241	11234.16	12.70	319732057.51	

GRAND TOTAL: 9784071371.37

Total: Services included in capitation: 9784071371.37

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 233416

Factor D (Divide total by number of participants): 41916.88

Services included in capitation: 41916.88

Services not included in capitation:

Average Length of Stay on the Waiver: 314

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Occupational Therapy Services Total:							1299855.56
Occupational Therapy Services		15 Min	215	272.09	22.22	1299855.56	
Physical Therapy Services Total:							1434838.68
Physical Therapy Services		15 Min	229	295.69	21.19	1434838.68	
Specialized Medical Equipment and Supplies Total:							11181085.91
Specialized Medical Equipment and Supplies		Per Purchase	14553	81.13	9.47	11181085.91	
Speech and Language Therapy Services Total:							735339.79
Speech and Language Therapy Services		15 Min	182	179.65	22.49	735339.79	
Assistive Technology Total:							714003.34
Assistive Technology		Per Purchase	131	1.47	3707.76	714003.34	
Behavior Therapy Total:							5891594.65
Behavior Therapy		15 Min	497	542.78	21.84	5891594.65	
Benefits Counseling Total:							35314.73
Benefits Counseling		15 Min	49	39.34	18.32	35314.73	
Career Assessment Total:							10790.79
Career Assessment		15 Min	7	90.36	17.06	10790.79	
Chore Services Total:							10411829.06
Chore Services		15 Min	8788	188.06	6.30	10411829.06	
Cognitive							14537093.08
<p>GRAND TOTAL: 9784071371.37</p> <p>Total: Services included in capitation: 9784071371.37</p> <p>Total: Services not included in capitation:</p> <p>Total Estimated Unduplicated Participants: 233416</p> <p>Factor D (Divide total by number of participants): 41916.88</p> <p>Services included in capitation: 41916.88</p> <p>Services not included in capitation:</p> <p>Average Length of Stay on the Waiver: 314</p>							

Waiver Service/Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
Rehabilitation Therapy Services Total:							
Cognitive Rehabilitation Therapy Services		15 Min	995	975.31	14.98	14537093.08	
Community Integration Total:							224750.82
Community Integration		15 Min	38	884.08	6.69	224750.82	
Community Transition Services Total:							1468417.77
Community Transition Services		Per Purchase	324	4.94	917.44	1468417.77	
Home Adaptations Total:							90529664.62
Home Adaptations		Per Adaptation	6621	2.87	4764.15	90529664.62	
Home Delivered Meals Total:							405532912.26
Home Delivered Meals		Per Purchase	85413	489.98	9.69	405532912.26	
Job Finding Total:							34492.37
Job Finding		15 Min	13	143.11	18.54	34492.37	
Non-Medical Transportation Total:							181035940.78
Non-Medical Transportation		Trip	24822	114.82	63.52	181035940.78	
Nutritional Consultation Total:							2087.32
Nutritional Consultation		15 Min	14	9.90	15.06	2087.32	
Participant-Directed Community Supports Total:							2504008.85
Participant-Directed Community Supports		Per Purchase	47	11007.60	4.84	2504008.85	
Participant-Directed Goods							181.04

GRAND TOTAL: 9784071371.37

Total: Services included in capitation: 9784071371.37

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 233416

Factor D (Divide total by number of participants): 41916.88

Services included in capitation: 41916.88

Services not included in capitation:

Average Length of Stay on the Waiver: 314

Waiver Service/ Component	Capitation	Unit	# Users	Avg. Units Per User	Avg. Cost/ Unit	Component Cost	Total Cost
and Services Total:							
Participant-Directed Goods and Services		Per Purchase	1	1.24	146.00	181.04	
Personal Emergency Response System (PERS) Total:							58496342.71
Personal Emergency Response System (PERS)		Month	136524	14.49	29.57	58496342.71	
Pest Eradication Total:							2056781.16
Pest Eradication		Per Purchase	504	1.85	2205.90	2056781.16	
TeleCare Total:							1022030.32
TeleCare		OneTime,Mnthly,Purcha	1437	13.05	54.50	1022030.32	
Vehicle Modifications Total:							8327989.84
Vehicle Modifications		Per Adaptation	202	1.61	25607.25	8327989.84	

GRAND TOTAL: 9784071371.37

Total: Services included in capitation: 9784071371.37

Total: Services not included in capitation:

Total Estimated Unduplicated Participants: 233416

Factor D (Divide total by number of participants): 41916.88

Services included in capitation: 41916.88

Services not included in capitation:

Average Length of Stay on the Waiver: 314