# Intro

- Budget is based on Date of Service (DOS)
- Providers have a year from the DOS to bill
- Currently 98% of all reimbursement for FY15 paid and 25% of all reimbursement for FY16 paid
- In order to estimate FY16, first you must estimate the end of FY15
- Then estimate the next two FYs – 17 and 18
- Estimates for each provider type by division
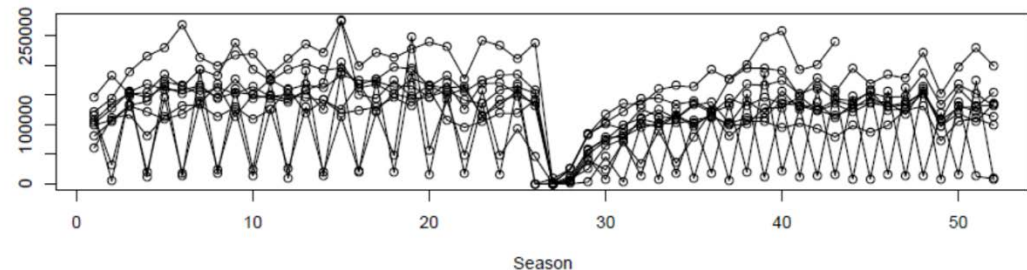
R ARIMA

- Input is current FY reimbursement by each weekly paid date

- Projection calculated by summing over FY

- Estimate of claims paid after end of FY is added

Mid Level Practitioner
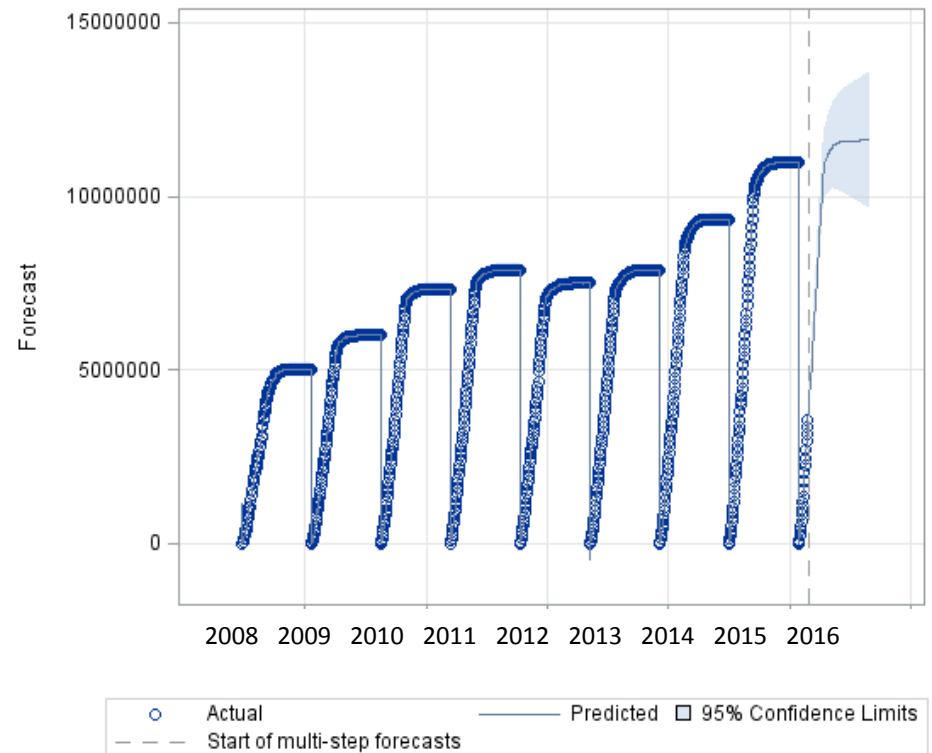
Forecasts from ARIMA(2,1,2)(2,0,2)[52]
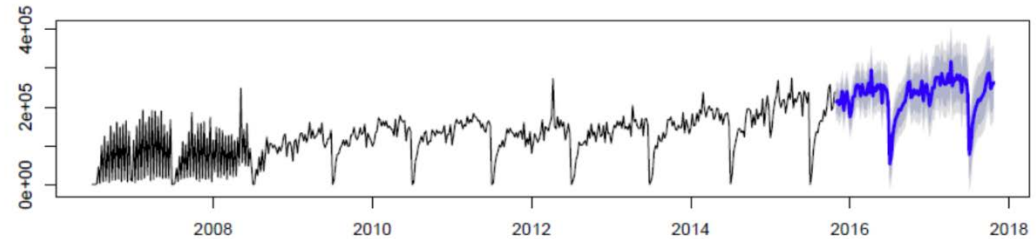
HRD – MID-LEVEL PRACTITIONER (PT44)

Season

SAS ARIMA

MID-LEVEL PRACTIONER

- Input is weekly cumulative reimbursement for FY

- Projection includes claims paid after the end of FY

- Last estimate is total reimbursement for FY

- Data organized to remove overlap between FY's

3

Series 4

- Scores many different projection methods to determine most accurate method over last 5 years
- Determines best method for each quarter of FY
- Includes count of claims, number of clients served, and DOP data

Mid Level Practitioner

Method 3 uses claim processing speed to adjust amount used for projection	Forecast using last 52 back 13	Forecast using Last26 back 13 project 2	Average Previous 2 year DOS Completion factor
First Quarter of FY			
79	79	79	74
12	28	28	6
15.2%	35.4%	35.4%	8.1%
0.00%	0.00%	0.00%	0.00%
1	21	22	3
1.3%	26.6%	27.8%	4.1%
0	9	12	1
0.0%	11.4%	15.2%	1.4%
5.49	22.57	23.63	4.28
Second Quarter of FY			
78	78	78	78
14	49	18	35
17.9%	62.8%	23.1%	44.9%
0.00%	23.08%	0.00%	0.00%
0	14	9	17
0.0%	17.9%	11.5%	21.8%
0	7	3	2
0.0%	9.0%	3.8%	2.6%
2.99	27.78	11.54	19.66

Director's Office Model

- Uses Monthly DOS reimbursement
- Balances current FY data with long term growth
- Final Projection is adjusted
- Includes projections for offline reimbursement

Offline Projections

- Medicare Buy-In
- Clawback
- Drug Rebate
- DD Waiver
- Disproportionate Share Hospital
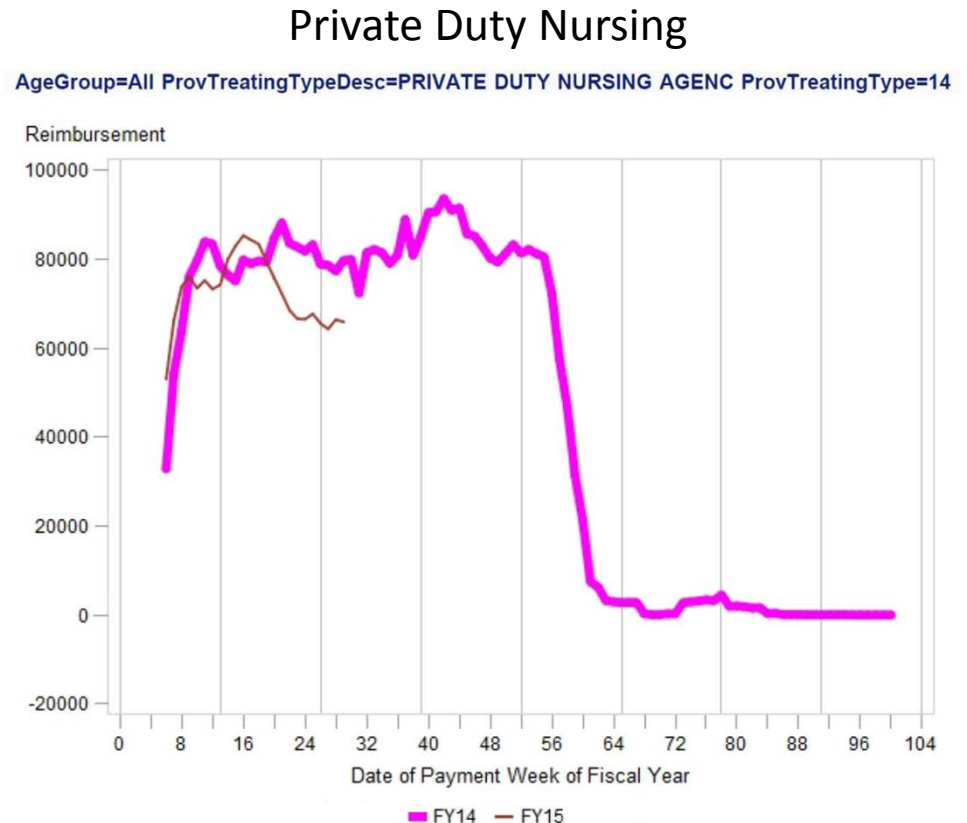- Hospital Utilization Fee

Adjustments

- Enrollment
- Provider Rates
- Program Changes
- Billing Issues
- Payment Methodology
- Outlier Costs
- Claim Processing

Division Projection

- Separate from Director's Office
- Prepared by Division staff with expert knowledge of program
- Differences with Director's Office Model generate analysis and discussion
- Highlights areas that are challenging to project
- Offline Projection Gurus

Example Adjustment

- Pink line represents how much reimbursement was paid for the FY in that payment week
- Brown line is the comparable line for FY15
- We can see that while FY15 started out being more than FY14 in the last few weeks FY15 reimbursement has decreased significantly

Private Duty Nursing

AgeGroup=All ProvTreatingTypeDesc=PRIVATE DUTY NURSING AGENC ProvTreatingType=14

Reimbursement

Date of Payment Week of Fiscal Year

FY14 — FY15

Projection Reaction

- Statistical Models respond by lowering their projection

- The Director's Office Model is adjusted back to the level of previous estimates

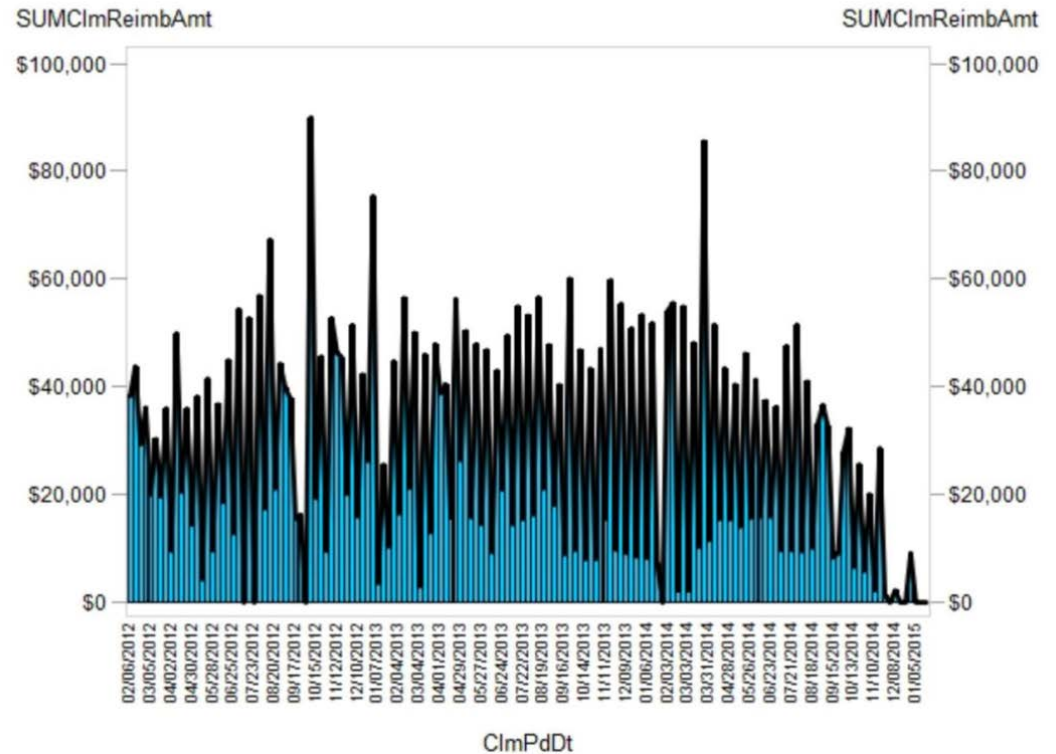Private Duty Nursing

FY 2015 as of January '15
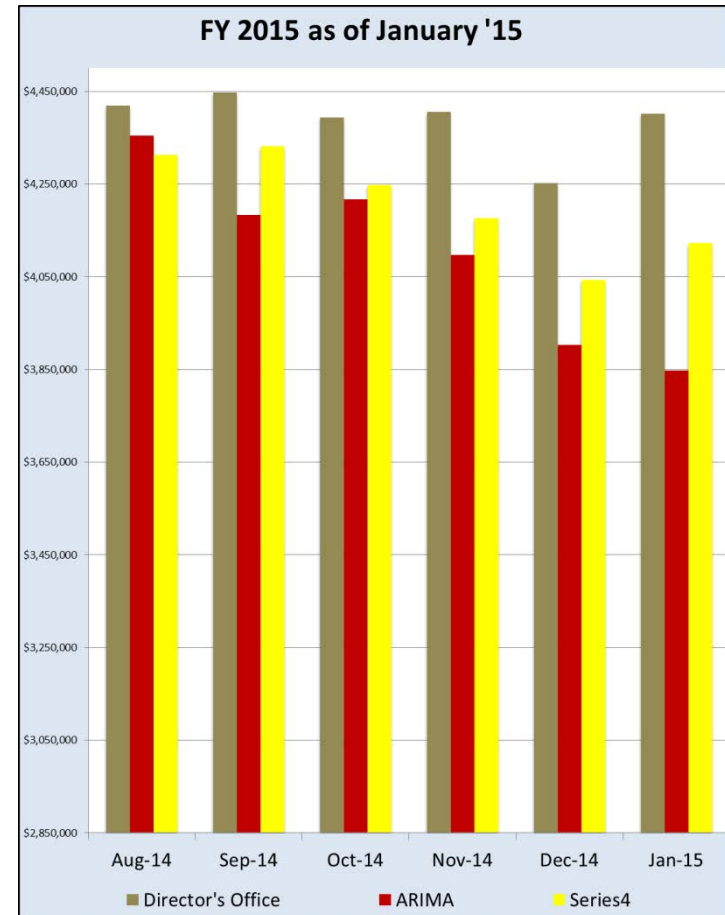
Provider Billing Issue

- Weekly, we look at how much each provider is being reimbursed
- The decrease traced to one provider who had recently stopped billing
- Division confirmed that the provider reported problems billing
- The amount of the unbilled services was calculated and the projection adjusted
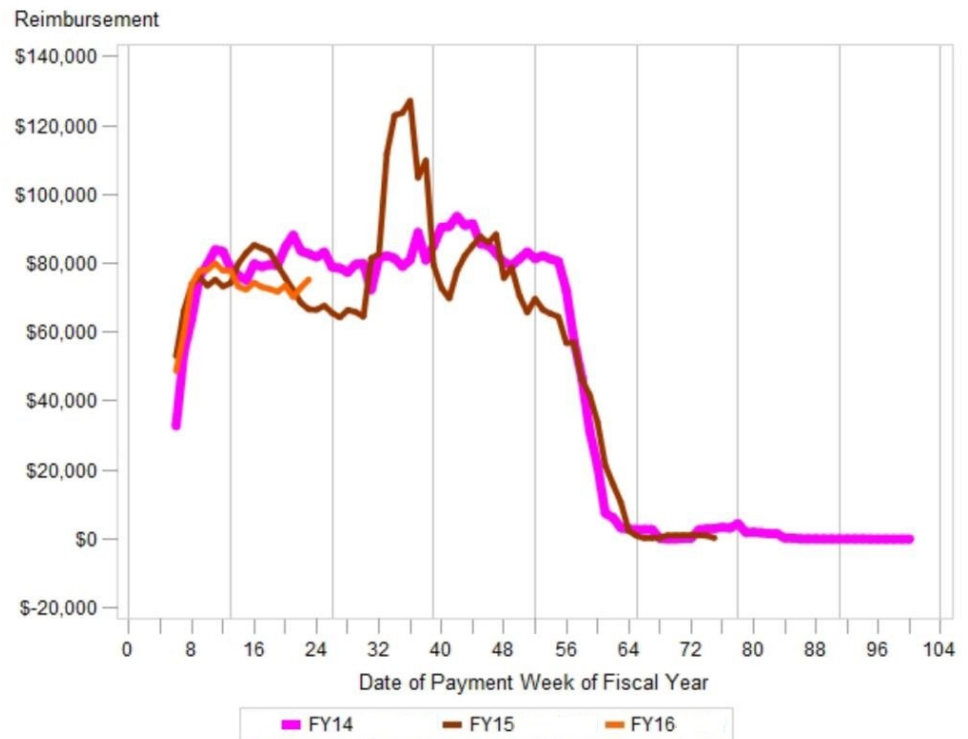
Private Duty Nursing

Future Implications

- Models may expect same large bump in FY16

- This one time outlier billing issue will need to be accounted for in future projections until it is not in historical data

Private Duty Nursing

AgeGroup=All ProvTreatingTypeDesc=PRIVATE DUTY NURSING AGENC ProvTreatingType=14

SUMMARY

- Several models are used to develop estimates for claim based provider types

- These projections are adjusted when historical data does not sufficiently describe what is currently happening or going to happen

- Projections for non-claim (Offline) services

- When models differ this generates further analysis and discussion

- A final projection is agreed upon