

Budget neutrality

1. There should not be two separate savings tables for the demonstration (i.e. real-time projections and budget monitoring). The spreadsheet should be constructed based off Attachment A of the original demonstration standard terms and conditions whereas averted birth savings (# of births averted * average cost of a birth) are compared to the CMS 64 expenditures under the demonstration. Please break out each step of these calculations.

Answer: See revised spreadsheets attached.

2. Please provide a detailed breakout of fertility rate information for the baseline year as well as each year of the demonstration, similar to what was provided in February, that is used to calculate averted births.

Answer: Additional detail has been added to the births averted table for each year where actual birth data is being used; also see notes on Births Averted Table in Narrative Attachment..

3. Please use actual data from the current demonstration period to trend forward budget neutrality information for the renewal period (as well as any current demonstration years where you do not have actual data).

Answer: All figures have been trended forward; see notes to budget neutrality table for additional detail.

4. In your narrative explanation, please provide detailed information on the source of data (even if it is actual data) for each of the trend rates you use in the spreadsheet.

Answer: See notes to budget neutrality table.

5. Per the 6/26/03 e-mail from Jeanne Atkins, please clarify whether the 2001 numbers are projections or actual?

Answer: 2001 numbers are actual for the first 9 months and projected for the last 3. We use the term "preliminary" to distinguish from numbers that are projections based only on previous years.

6. The State has assumed the same costs for care of pregnant women and children for an 8-year period. The footnote states that this is an old under-estimate. Does the state not expect that these costs will go up? Please provide us with updated actual data and trend the costs forward based on this data.

The new budget neutrality tables include revised figures for these costs. The Office of Medical Assistance Programs has provided more detailed data regarding expenditures for pregnant women and children for several project years, and projections for the extension period have been made.

7. Why does the cost per client for the demonstration projections remain constant?
Please trend these projections forward using actual data.

As requested, spreadsheets have been adjusted; the cost per client figures have been trended forward based on actual data. However, due to state budget challenges, we are expected to make every effort to maintain costs within the \$239/client budgeted for the current biennium.

8. Please break out for each year the per capita costs for pregnancy (prenatal+delivery), infants under 1, and children ages 1-5.

Oregon's original budget neutrality calculation included only those costs for infants under age 1. The tables include per capita costs for pregnancy and for infants under 1.

9. CMS's current budget neutrality methodology does not allow states to include data/savings for the post project year. Please remove this column.

It has been removed.