STATE OF MAINE
DIRIGO HEALTH AGENCY

RE: DETERMINATION OF   )
        AGGREGATE MEASURABLE   )
        COST SAVING FOR THE FOURTH   )
   ASSESSMENT YEAR (2009)   )

MAINE CHAMBER EXHIBIT # 3

Appendix

Table1A. Uninsurance Rate among Non-Elderly Residents (Under65) of Maine, Notheast Region and US, 1999-2006

	observed uninsurance rate in		
	I	II	II
	US	Northeast	Maine
1999	16.70%	13.95%	13.25%
2000	15.39%	13.25%	12.40%
2001	15.78%	13.19%	12.07%
2002	16.49%	14.31%	13.04%
2003	16.89%	14.14%	11.79%
2004	17.38%	14.19%	11.64%
2005	17.05%	13.32%	11.67%
2006	17.67%	13.97%	10.67%
Average Growth Rate 1999-2003	0.9957	1.0085	0.9948
post-Dirigo	1.0174	0.9940	0.9511
Average Growth Rate 1999-2007	1.0080	1.0002	0.9696

pre-Dirigo

post-Dirigo

Figure1. Trends in Uninsurance Rate Among Non-Elderly Adults over 1999-2006: US, Northeast and Maine
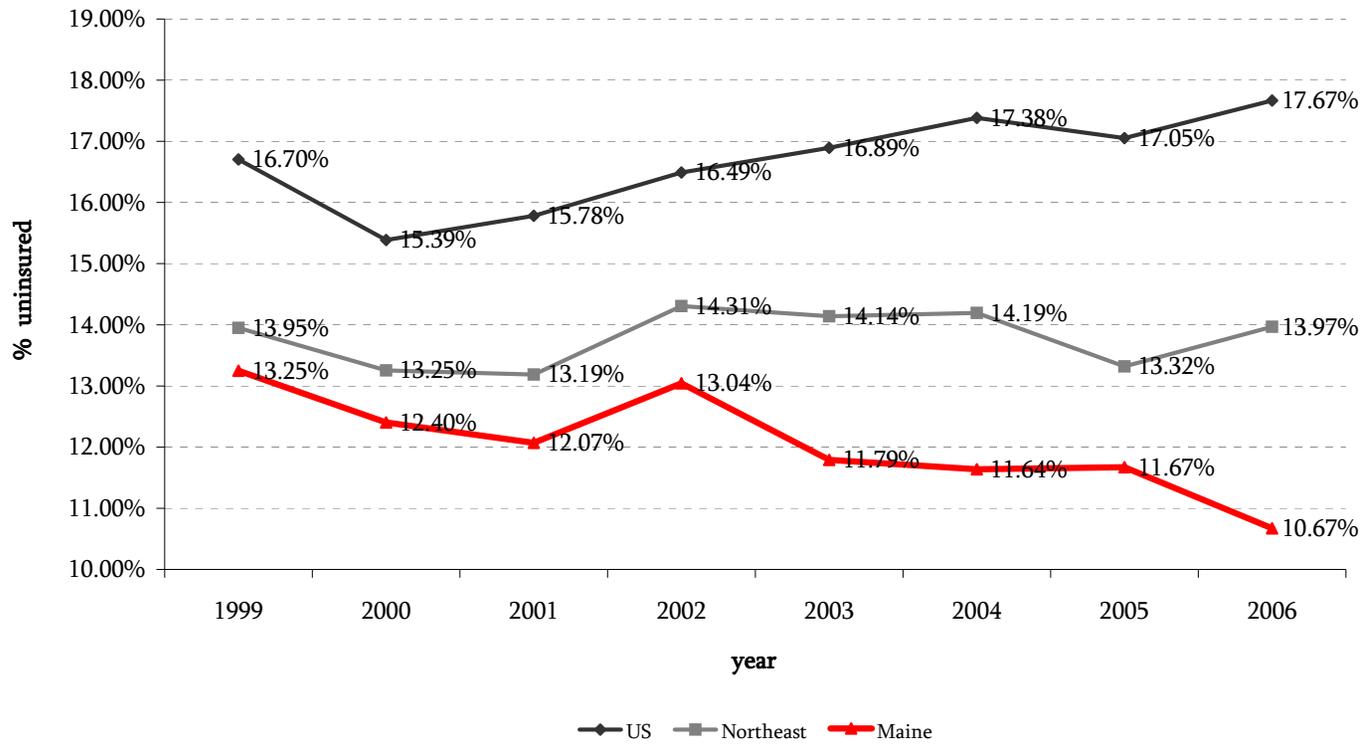
current population survey state averages　　　　　　　　　**thorpe(2005)**

gestfips	over65	noins	noins65	pop	stateabr	statename	gestcen	percapita
1	0.110678	0.133402	0.000193	4512262	AL	Alabama	63	1133.142
2	0.058647	0.142937	0.001304	648622.09	AK	Alaska	94	945.3485
4	0.133749	0.168129	0.002063	5767647.2	AZ	Arizona	86	924.5036
5	0.140937	0.16408	0.000544	2731195.4	AR	Arkansas	71	1042.029
6	0.108752	0.185231	0.002655	35854069	CA	California	93	819.4187
8	0.088064	0.165171	0.001517	4524418.6	CO	Colorado	84	913.8604
9	0.130987	0.112079	0	3492172.5	CT	Connecticut	16	851.8937
10	0.126039	0.138812	0.000602	826286.43	DE	Delaware	51	1060.07
12	0.162829	0.199436	0.002629	17467608	FL	Florida	59	929.7323
13	0.088986	0.172995	0.000574	8706479.6	GA	Georgia	58	904.4193
15	0.145075	0.093575	0.002401	1248778.4	HI	Hawaii	95	939.7278
16	0.092159	0.154066	0.001355	1375295.7	ID	Idaho	82	897.8023
17	0.122775	0.140404	0.002272	12592458	IL	Illinois	33	941.5518
18	0.108424	0.143945	0.000983	6136256.9	IN	Indiana	32	1079.582
19	0.133318	0.095704	0.0018	2905843.4	IA	Iowa	42	1087.3...
20	0.12245	0.110211	0.001532	2674269.2	KS	Kansas	47	953.2...
21	0.124671	0.142591	0	4074266	KY	Kentucky	61	1129.84
22	0.125306	0.166994	0.001125	4421131.4	LA	Louisiana	72	1105.055
23	0.138746	0.101113	0.000893	1294476.4	ME	Maine	11	825.5466
24	0.1151	0.142915	0.00151	5550399.2	MD	Maryland	52	902.3266
25	0.113727	0.117016	0.001432	6369594	MA	Massachusetts	14	813.023
26	0.123365	0.116272	0.001053	9973835	MI	Michigan	34	905.0391
27	0.11017	0.089313	0.001429	5126661.2	MN	Minnesota	41	880.4009
28	0.123738	0.167689	0.002137	2868418.3	MS	Mississippi	64	980.2417
29	0.127131	0.126272	0.001206	5614247.7	MO	Missouri	43	906.1211
30	0.141757	0.170114	0.000756	911752.62	MT	Montana	81	1141.967
31	0.127707	0.106964	0.000771	1728960.4	NE	Nebraska	46	1031.026
32	0.117929	0.187282	0.002543	2391532.6	NV	Nevada	88	839.0719
33	0.116485	0.105895	0.0006	1293146.4	NH	New Hampshire	12	980.3212
34	0.121538	0.144527	0.002102	8662116.6	NJ	New Jersey	22	872.0171
35	0.123871	0.188711	0.001565	1902289.2	NM	New Mexico	85	928.3365
36	0.130334	0.131487	0.003103	19054135	NY	New York	21	817.7127
37	0.111324	0.151655	0.001441	8434611	NC	North Carolina	56	910.3302
38	0.133577	0.081766	0	627021.14	ND	North Dakota	44	924.0658
39	0.121498	0.114605	0.001157	11269611	OH	Ohio	31	991.6376
40	0.143533	0.176013	0.000702	3444193	OK	Oklahoma	73	1073.198
41	0.132904	0.165037	0.002019	3582099	OR	Oregon	92	989.2108
42	0.145912	0.117286	0.001191	12175319	PA	Pennsylvania	23	946.2843
44	0.124256	0.108658	0.001256	1056311.3	RI	Rhode Island	15	849.6942
45	0.133209	0.148287	0.001043	4123536.5	SC	South Carolina	57	1081.275
46	0.135904	0.093618	0.000783	753581.06	SD	South Dakota	45	1017.568
47	0.131771	0.135001	0.000228	5857114.4	TN	Tennessee	62	1223.687
48	0.097679	0.248564	0.001989	22331125	TX	Texas	74	785.2257
49	0.074313	0.142356	0.001169	2393104.2	UT	Utah	87	794.5263
50	0.138507	0.110527	0.002007	616808.71	VT	Vermont	13	758.9155
51	0.11137	0.141604	0.001915	7382509	VA	Virginia	54	923.3367
53	0.113232	0.126338	0.000498	6118131.7	WA	Washington	91	976.6828
54	0.156397	0.161895	0.001996	1791993	WV	West Virginia	55	1321.042
55	0.132181	0.101724	0.000414	5463395.5	WI	Wisconsin	35	909.3744
56	0.123548	0.133721	0.001855	498319.99	WY	Wyoming	83	804.5532

Uninsured Over 65 as a percent of all uninsured	State	Cost of Care Not Paid Out of Pocket	Total Population	Number of Uninsured	per capita
0.14%	Alabama	$668,554,000	4,538,000	590,000	$1,133.14
0.91%	Alaska	$124,786,000	661,000	132,000	$945.35
1.23%	Arizona	$899,542,000	5,717,000	973,000	$924.50
0.33%	Arkansas	$472,039,000	2,738,000	453,000	$1,042.03
1.43%	California	$5,835,900,000	36,284,000	7,122,000	$819.42
0.92%	Colorado	$713,725,000	4,593,000	781,000	$913.86
0.00%	Connecticut	$352,684,000	3,507,000	414,000	$851.89
0.43%	Delaware	$91,166,000	841,000	86,000	$1,060.07
1.32%	Florida	$2,920,289,000	17,346,000	3,141,000	$929.73
0.33%	Georgia	$1,305,077,000	8,787,000	1,443,000	$904.42
2.57%	Hawaii	$148,477,000	1,285,000	1,394,00[0]	
0.88%	Idaho	$231,633,000			
1.62%	Illinois		1,961,000	865,000	$941.55
0.68%	Indiana			865,000	$1,079.58
1.88%	Iowa	$322,929,000	2,995,000	297,000	$1,087.30
	Kansas	$299,336,000	2,751,000	314,000	$953.30
0.00%	Kentucky	$679,034,000	4,214,000	601,000	$1,129.84
0.67%	Louisiana	$979,079,000	4,541,000	886,000	$1,105.06
0.88%	Maine	$132,913,000	**1,315,000**	**161,000**	$825.55
1.06%	Maryland	$712,838,000	5,631,000	790,000	$902.33
1.22%	Massachusetts	$601,637,000	6,527,000	740,000	$813.02
0.91%	Michigan	$1,133,109,000	10,167,000	1,252,000	$905.04
1.60%	Minnesota	$373,290,000	5,204,000	424,000	$880.40
1.27%	Mississippi	$498,943,000	2,926,000	509,000	$980.24
0.96%	Missouri	$636,097,000	5,765,000	702,000	$906.12
0.44%	Montana	$172,437,000	940,000	151,000	$1,141.97
0.72%	Nebraska	$196,926,000	1,771,000	191,000	$1,031.03
1.36%	Nevada	$396,881,000	2,307,000	473,000	$839.07
0.57%	New Hampshire	$134,304,000	1,296,000	137,000	$980.32
1.45%	New Jersey	$1,171,991,000	8,795,000	1,344,000	$872.02
0.83%	New Mexico	$394,543,000	1,918,000	425,000	$928.34
2.36%	New York	$2,732,796,000	19,447,000	3,342,000	$817.71
0.95%	North Carolina	$1,340,006,000	8,460,000	1,472,000	$910.33
0.00%	North Dakota	$70,229,000	647,000	76,000	$924.07
1.01%	Ohio	$1,433,908,000	11,530,000	1,446,000	$991.64
0.40%	Oklahoma	$681,481,000	3,525,000	635,000	$1,073.20
1.22%	Oregon	$549,012,000	3,659,000	555,000	$989.21
1.02%	Pennsylvania	$1,414,695,000	12,460,000	1,495,000	$946.28
1.16%	Rhode Island	$102,813,000	1,080,000	121,000	$849.69
0.70%	South Carolina	$606,595,000	4,167,000	561,000	$1,081.27
0.84%	South Dakota	$96,669,000	770,000	95,000	$1,017.57
0.17%	Tennessee	$832,107,000	6,058,000	680,000	$1,223.69
0.80%	Texas	$4,617,127,000	22,408,000	5,880,000	$785.23
0.82%	Utah	$271,728,000	2,412,000	342,000	$794.53
1.82%	Vermont	$53,883,000	627,000	71,000	$758.92
1.35%	Virginia	$995,357,000	7,572,000	1,078,000	$923.34
0.39%	Washington	$948,359,000	6,244,000	971,000	$976.68
1.23%	West Virginia	$376,497,000	1,832,000	285,000	$1,321.04
0.41%	Wisconsin	$539,259,000	5,566,000	593,000	$909.37
1.39%	Wyoming	$75,628,000	500,000	94,000	$804.55

Maine calculation area (right of table):

7465　　**$120,458,628**　129,7...

percap	$755
%undr	0.991168314
%ovr	0.008831686

Margin notes:

Dobson | DaVanzo:
The $755 figure is derived from information in the Families USA report. The $825.55 "not paid" costs are adjusted for both the percentage of uninsureds under 65 and over 65. The %ovr is adjusted by 11.603, which is explained in the report as follows:

Estimates of uncompensated care in Maine were derived from uncompensated care projections presented in Thorpe (2005). Maine totals for 2005 were divided by the estimates of the number of uninsured to obtain per capita figure for the full population. Estimates of the mean uncompensated care per uninsured elderly persons and uninsured non-elderly were computed by applying the methodology developed in Thorpe (2005) to 2002 MEPS data. The ratio of the two estimates (11.603) solved the following equation yield a 2005 per capita uncompensated care among the non-elderly uninsured in Maine equal to $755 at a full population mean of...

Dobson | DaVanzo: See Families USA paper, Table 4.

Dobson | DaVanzo: See Families USA paper, Table 4.

Dobson | DaVanzo: $825.55 = Costs of Care Not Paid Out of Pocket / Number of Uninsured

Dobson | DaVanzo: See Families USA paper, Table 3.

Dobson | DaVanzo: = 1 - (% over)

Dobson | DaVanzo: = % over / total percent (cell d21 / cell c21)

Table1. Uninsurance Rate and Uninsurance Rate Simulations among Non-Elderly in Maine: 1999-2006

	Year	Maine Uninsuarance Rate	Maine Population	Uninsured Non-Elderly Mainers	US uninsurance trend to 2002 Maine base	NE uninsurance trend to 2002 Maine base	V — 1999-2006 Average Annual Growth Rate from US to 2002 Maine base	VI — 1999-2006 Average Annual Growth Rate from NE to 2002 Maine base	VII — Pre-Dirigo Average Annual Growth Rate from Maine to 2002 base	VIII	IX	X
pre-Dirigo	1999	13.25%	1,103,652	146,220								
	2000	12.40%	1,126,144	139,670								
	2001	12.07%	1,081,270	130,501								
	2002	13.04%	1,067,611	139,250								
post-Dirigo	2003	11.79%	1,073,084	126,538	13.36%	12.89%	13.15%	13.05%	12.98%	14.37%	12.72%	13.37%
	2004	11.64%	1,087,397	126,536	13.75%	12.94%	13.25%	13.05%	12.91%	13.73%	12.04%	12.51%
	2005	11.67%	1,114,873	130,133	13.49%	12.14%	13.36%	13.05%	12.84%	13.96%	12.26%	12.52%
	2006	10.67%	1,146,038	122,296	13.97%	12.73%	13.47%	13.05%	12.77%	13.53%	11.87%	12.32%
Annual Growth Pre-Dirigo		0.9948										
Post-		0.9511										
1999-2006		0.9696										
	2007*	10.15%	1,131,955		14.22%	12.66%	13.58%	13.06%	12.71%	13.66%	11.60%	
	2008*	9.65%	1,135,544		14.46%	12.58%	13.68%	13.06%	12.64%	13.78%	11.33%	11.98%

Header spanning note: "...ate in Maine computed by applying" (over columns V, VI, VII) and "predicted uninsurance rate from" (over columns VIII, IX, X)

Table2. Estimates of Uncompensated Care in Maine Pre and Post Dirigo

	2002				2005				2008			
	Population	Uninsured	Uncompensated Care Per Uninsured*	Total Uncompensated Care	Per Capita	Population	Uninsured			Uninsured	Uncompensated Care Per Uninsured*	Total Uncompensated Care
Maine Population	1,278,804	141,032	$690	$97,341,675	$826		117,731			$977	$115,011,242	
Maine Population Under 65	1,067,611	139,250	$631	$87,881,844	$755	1,135,544	109,605			$893		
					$747							

Dobson | DaVanzo:
See worksheet "uncomp calcs" cell r22.

Dobson | DaVanzo:
The calculated unpaid amount (see cell g8) inflated for three years (see cell i17)

Dobson | DaVanzo:
Source: http://www.cms.hhs.gov/NationalHealthExpendData/downloads/proj2007.pdf

2007 pop in

http://www.cms.hhs.gov/NationalHealthExpendData/downloads/proj2007.pdf

year	2	3	4	5		8	7	6	5
per Capita Exp	$5,559	$5,952	$6,301	$6,649		$7,868	$7,439	$7,026	$6,649
per Capita Growth	0.933971774	0.944611966	0.947661302			1.057669042	1.058781668	1.056700256	
Inflation Factor	0.836065574					1.18333584			
	0.163934426					0.347270266			
						1.415362475			

Dobson | DaVanzo:
The inflation factor from 2005 to 2008.

5

Table3. Dirigo Induced Simulated Reductions in Uncompensated Care Incurred by the Non-Elderly in Maine (in thousands) as of 2008

predicted uninsurance rate in Maine

Dobson | DaVanzo: The number of insured (line 12) multiplied by the "uncompensated care" (line 14)

Dobson | DaVanzo: Line 14 / 1000

Dobson | DaVanzo: See cell e10.

Dobson | DaVanzo: Uinsurance rate times population

Dobson | DaVanzo: See worksheet "Table 2" cell k8

Dobson | DaVanzo: Cell b16

Dobson | DaVanzo: Line 16 minus line 17

Dobson | DaVanzo: Line 10

Dobson | DaVanzo: Cell c10

Dobson | DaVanzo: Line 22 minus line 23

Dobson | DaVanzo: Line 24 times line 25

Dobson | DaVanzo: Cell e10

Dobson | DaVanzo: See worksheet "Table 2" cell k8

Dobson | DaVanzo: Line 26 times line 27

Dobson | DaVanzo: Line 28 / 1000

		I Maine Uninsurance Rate	II Maine Population	III US uninsurance trend to 2002 Maine base	IV NE uninsurance trend to 2002 Maine base	V 1999-2006 Average Annual Growth Rate from US to 2002 Maine base	VI 1999-2006 Average Annual Growth Rate from NE to 2002 Maine base	VII Pre-Dirigo Average Annual Growth Rate from Maine to 2002 base	VIII 1999-2006 US Model	IX 1999-2006 NE Model	X 1999-2006 Maine Model
Uninsurance Rate	2008	9.65%	1,135,544	14.46%	12.58%	13.68%	13.06%	12.64%	13.78%	11.33%	11.98%
Maine Populaton				1,135,544	1,135,544	1,135,544	1,135,544	1,135,544	1,135,544	1,135,544	1,135,544
Maine Uninsured				164,251	142,863	155,397	148,275	143,549	156,516	128,605	136,041
"Uncompensated Care" per person		893		893	893	893	893	893	893	893	893
Total uncompensated care		97,904,784		146,716,740	127,612,703	138,808,685	132,446,686	128,225,002	139,808,059	114,876,469	121,518,961
Total uncompensated care (1000s)		97,905		146,717	127,613	138,809	132,447	128,225	139,808	114,876	121,519
Total Uncompensated Care (in thousands)	2008	$97,905		$146,717	$127,613	$138,809	$132,447	$128,225	$139,808	$114,876	$121,519
Dirigo Effect				$97,905	$97,905	$97,905	$97,905	$97,905	$97,905	$97,905	$97,905
				$48,812	$29,708	$40,904	$34,542	$30,320	$41,903	$16,972	$23,614
Dirigo Effect (in thousands)	2008			$48,812	$29,708	$40,904	$34,542	$30,320	$41,903	$16,972	$23,614
Alterate approach											
Estimate uninsurance rate w/o Dirigo				14.5%	12.6%	13.7%	13.1%	12.6%	13.8%	11.3%	12.0%
Estimated uninsurance rate w/ Dirigo				9.7%	9.7%	9.7%	9.7%	9.7%	9.7%	9.7%	9.7%
Estimated reductin in uninsurance due to Dirigo				4.8%	2.9%	4.0%	3.4%	3.0%	4.1%	1.7%	2.3%
Maine Population				1,135,544	1,135,544	1,135,544	1,135,544	1,135,544	1,135,544	1,135,544	1,135,544
Number of Mainers insured because of Dirigo				54,645	33,258	45,792	38,670	33,944	46,911	19,000	26,436
Uncompensated costs per capital				893	893	893	893	893	893	893	893
Uncompensated costs because of Dirigo				48,811,956	29,707,920	40,903,901	34,541,903	30,320,219	41,903,276	16,971,686	23,614,177
Uncompensated care (1000s)				48,812	29,708	40,904	34,542	30,320	41,903	16,972	23,614
Credibility Weighting	2008								75%	25%	
Recommended Savings	2008								$ 35,670		

6