



**State of Louisiana**  
Department of Health and Hospitals  
Bureau of Health Services Financing

May 15, 2014

Exposure Draft Comments  
Actuarial Standards Board  
1850 M Street, NW  
Suite 300  
Washington, DC 20036

**RE: Comments on Exposure Draft – Medicaid Managed-Care Capitation Rate  
Development and Certification**

To Whom It May Concern:

Thank you for the opportunity to comment on the “Medicaid Managed Care Capitation Rate Development and Certification” exposure draft. The Louisiana Department of Health and Hospitals supports the goal of establishing guidance and standards for actuaries preparing Medicaid capitation rates.

Our responses to the questions posted in the “Request for Comments” section are as follows:

1. Should the ASOP apply to both actuaries developing actuarial statements of opinion for MCOs and to actuaries developing rates under 42 CFR 438.6(c)?

We agree with Kevin Lurito’s comments (Mercer) that it should be limited to actuaries developing rates under 42 CFR 438.6(c).

2. Should this ASOP apply to Children’s Health Insurance Program (CHIP) managed-care capitation rates?

It should apply to Medicaid and Medicaid-expansion CHIP rates developed under 42 CFR 438.6(c), but not to CHIP standalone programs, which adhere to separate regulations.

3. Is definition of “actuarial soundness” in section 2.1 clear?

Yes.

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4. Is section 3.2.16, which discusses actions required from certifying actuaries if data is determined to be inaccurate, clear and appropriate?

Yes.

5. Does the ASOP restrict practice inappropriately?

It may, if not restricted to actuaries developing rates under 42 CFR 438.6(c).

6. Does the ASOP provide sufficient guidance?

Yes, if limited to actuaries developing rates under 42 CFR 438.6(c).

7. Does the ASOP provide sufficient guidance regarding potential inconsistencies in expectations of actuaries working for State Medicaid agencies and actuaries working for Medicaid MCOs?

No, we agree with Kevin Lurito's comments.

We appreciate the opportunity to provide comments to the Actuarial Standards Board.

Sincerely,



Jen Steele  
Medicaid Deputy Director  
Chief Financial Officer

JLS/JLS

cc: Ruth Kennedy