

DSL Surcharge Analysis

Variables	Value	Source	FY11-15	FY14-15
M proportion driving pop	0.28	Derivation from DCF data		
Citations issued	78,359	Judicial Bureau	82,257	78,359
Citations paid	70,523	0.90		
Citations not paid	7,836	0.10		

Surcharge calculations	Scenario #1			Scenario #2			Scenario #3		
	CI High	Mean	CI Low	CI High	Mean	CI Low	CI High	Mean	CI Low
Revenue target	\$990,024	\$963,612	\$937,200	\$990,024	\$963,612	\$937,200	\$990,024	\$963,612	\$937,200
Number citations paid	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523	70,523
Proportion MP	0.28	0.28	0.28	0.15	0.15	0.15	0.10	0.10	0.10
Proportion OP	0.72	0.72	0.72	0.85	0.85	0.85	0.90	0.90	0.90
MP	19,553	19,553	19,553	10,578	10,578	10,578	7,052	7,052	7,052
OP	50,970	50,970	50,970	59,944	59,944	59,944	63,470	63,470	63,470
Citations Not Paid	7,836	7,836	7,836	7,836	7,836	7,836	7,836	7,836	7,836
Proportion M	0.28	0.28	0.28	0.50	0.50	0.50	0.90	0.90	0.90
Proportion O	0.72	0.72	0.72	0.50	0.50	0.50	0.10	0.10	0.10
Citations Not Paid by M class	2,173	2,173	2,173	3,918	3,918	3,918	7,052	7,052	7,052
Proportion Induced M	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Number count Induced M	543	543	543	979	979	979	1,763	1,763	1,763
Surcharge	\$16.23	\$15.79	\$15.36	\$15.06	\$14.66	\$14.26	\$14.59	\$14.20	\$13.81
OP surcharge revenue	\$826,996	\$804,933	\$782,871	\$902,973	\$878,883	\$854,793	\$925,737	\$901,040	\$876,343
MP surcharge revenue	\$158,622	\$154,390	\$150,158	\$79,674	\$77,549	\$75,423	\$51,430	\$50,058	\$48,686
IMP surcharge revenue	\$4,406	\$4,289	\$4,171	\$7,377	\$7,180	\$6,984	\$12,857	\$12,514	\$12,171
Total	\$990,024	\$963,612	\$937,200	\$990,024	\$963,612	\$937,200	\$990,024	\$963,612	\$937,200

R = target revenue amount

S = Surcharge

OP = Average number of citations paid by "Other" = Non-Medicaid class

MP = Average number of citations paid by "Medicaid" class under existing waiver penalties

IMP = Average number of "Medicaid" class induced to pay

$$R = S * OP + (1/2)(S * MP) + (1/2)(S * IMP)$$

$$S = R / [OP + (1/2)MP + (1/2)IMP]$$

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