

State of Illinois, Department of Healthcare and Family Services IlliniCare Health Plan Final Medicaid MLR Report 2019					
1. Medical Loss Ratio Numerator		Regulatory Definitions (42 CFR)	EUM Submission	Adjustments	Value
1.1 Incurred Claims		§ 438.8(e)(2)	\$ 1,808,569,463	\$ 0	\$ 1,808,569,463
1.2 Activities that improve health care quality		§ 438.8(e)(3)	83,901,976	-	83,901,976
1.3 Fraud reduction expenses		§ 438.8(e)(2)(iii)(B)	-	-	-
1.4 MLR numerator		§ 438.8(e)(1)	\$ 1,892,471,439	\$ 0	\$ 1,892,471,439
1.5 Non-Claims costs (not included in numerator)		§ 438.8(e)(2)(v)(A)	\$ 155,237,641	\$ 0	\$ 155,237,641
2. Medical Loss Ratio Denominator		Regulatory Definitions (42 CFR)	EUM Submission	Adjustments	Value
2.1 Premium Revenue		§ 438.8(f)(2)	\$ 2,138,535,995	\$ 1,353,116	\$ 2,139,889,111
2.2 Federal, State, and local taxes and licensing and regulatory fees		§ 438.8(f)(3)	118,963,052	(9,889,905)	109,073,147
2.3 MLR denominator		§ 438.8(f)(1)	\$ 2,019,572,943	\$ 11,243,021	\$ 2,030,815,964
3. MLR Calculation		Regulatory Definitions (42 CFR)			Value
3.1 Member Months		§ 438.8(b)			4,116,106
3.2 Unadjusted MLR					93.19%
3.3 Credibility adjustment		§ 438.8(h)			0.00%
3.4 Adjusted MLR		§ 438.8(h)			93.19%
4. Remittance					Value
4.1 Does the contract include a remittance/payment requirement for being below/above a specified MLR?					Yes
4.2 If yes, what is the state minimum MLR requirement?					85.00%
4.3 Calculated MLR for remittance purposes (please enter as a percentage)					93.19%
4.4 Remittance dollar amount owed for MLR reporting period					\$ 0.00

Notes

- 1 - Rounded to two decimals, per MLR Guarantee Provision.
- 2 - CY 2019 results reflect MLRs reported based on claims paid through Q2 2021. Estimates for IBNR are included.
- 3 - Revenue Notes:
 Revenue is based on capitation payments made to the MCOs as of August 31, 2021.
 Earned withhold is as reported by HFS on February 17, 2021. MCO reported amounts were removed.
 HIF revenue and taxes are based on HIF calculations as of March 10, 2021 and any reported accrued HIF revenue or taxes were removed.

Incurred Claims		
Tab	Column(s)	IlliniCare
Benefit Expense	Direct Paid + Encounter Rejections + Non Encounterable + Ineligible	\$ 1,749,129,039
Benefit Expense	Subcapitated Proxy Paid + Encounter Rejections	78,450,617
Other Claims	All Columns	4,319,951
Financials	Non-Subcap Reserves + Subcap Reserves + Pending Settlements	9,992,099
Financials	Recov Gross Rx Rebates	(9,791,916)
Financials	Recov Gross NonRx	-
Financials	Recov Gross Rx	(5,811,196)
Non Benefit Expense	Pharmacy Spread Admin + Pharmacy Spread HCQI	(23,249,933)
Subcontractor	Residual Gain/Loss	5,530,803
Total Incurred Claims		\$ 1,808,569,463

Risk Adjusted Revenue Calculation		
File/Tab	Description	IlliniCare
Revenue	Received_Net_Cap_Paymt	\$ 2,005,923,093
Revenue	Received_Withhold_Earned	12,855,599
Revenue	Received_Govt_Prov_Risk_Pool	-
Revenue	Accrued_Net_Cap_Paymt	(3,562,260)
Revenue	Accrued_Withhold_Earned	-
Revenue	Accrued MCO Taxes	-
Revenue	Received MCO Taxes	84,828,969
Revenue	Accrued_Govt_Prov_Risk_Pool	561,678
CY2019 EP4 NSPS	Waived Copays	326,346
Revenue	Received_HIF	37,602,570
Revenue	Accrued_HIF	-
Total Revenue		\$ 2,138,535,995
Adjustments:		
Less Reported Revenue		\$ (2,002,360,833)
Less MCO Taxes		(84,828,969)
Less Reported Withhold Earned		(12,855,599)
Less Reported HIF		(37,602,570)
Less Reported GPRP		(561,678)
Add Risk Adjusted Recalculated Revenue		2,003,390,877
Add Final GPRP transfer		561,678
Add MCO Tax		84,828,969
Add Withhold Earned per HFS		12,855,599
Add HIF Revenue from HIF Amendment		37,925,642
Total Adjustment		\$ 1,353,116

Reported Taxes	
Description	IlliniCare
Taxes, Fees, and Assessments	\$ (3,468,487)
HIF	37,602,570
MCO Tax	84,828,969
Total Reported Taxes	\$ 118,963,052
Adjustments:	
Less Reported HIF	\$ (37,602,570)
Add HIF from HIF Amendment	27,712,665
Total Adjustment	\$ (9,889,905)

**State of Illinois, Department of Healthcare and Family Services
2019 NAIC Annual Statement Reconciliation
Reconciliation Summary**

SECTION IV - SUMMARY

The following section summarizes the reconciliation between the [1-DataRequest] and [2-NAICStatement] tabs, along with the reconciliation items entered in the [3_Reconciliation] tabs, are included for Total Revenue, Benefit Expenses, Non-Benefit Expenses, and Net Underwriting Gain. Please note that separate reconciliation calculations are provided for HealthChoice, MMAI-Medicaid, MMAI-Medicare, and in total. The Data Request and NAIC Annual Statement should reconcile within 0.2% for each section (Revenue, Benefit Expenses, Non-Benefit Expenses and Net Underwriting Gain).

Revenue	HealthChoice	MMAI-Medicaid	MMAI-Medicare	Other	Total Revenue
Data Request Revenue	\$ 2,000,988,619	\$ 90,799,019	\$ 144,512,508	\$ 0	\$ 2,236,300,146
NAIC Revenue	\$ 2,095,194,882	\$ 92,193,059	\$ 126,817,824	\$ 4,878,433	\$ 2,314,205,766
Revenue Reconciliation Items	\$ (94,206,263)	\$ (1,394,041)	\$ 17,694,684	\$ (4,878,433)	\$ (77,905,620)
Reconciled Revenue Variance	\$ 0	\$ 0	\$ 0	\$ 0	\$ (0)
Reconciled Revenue Percent Variance	0.0%	0.0%	0.0%	N/A	(0.0%)

Benefit Expense	HealthChoice	MMAI-Medicaid	MMAI-Medicare	Other	Total Benefit Expense
Data Request Benefit Expense	\$ 1,859,277,836	\$ 92,338,683	\$ 111,926,231	\$ 0	\$ 2,063,542,750
NAIC Benefit Expense	\$ 1,937,799,364	\$ 87,163,091	\$ 95,345,138	\$ 941,809	\$ 2,120,307,593
Benefit Expense Reconciliation Items	\$ (78,521,528)	\$ 5,175,592	\$ 16,581,093	\$ (941,809)	\$ (56,764,843)
Reconciled Benefit Expense Variance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Reconciled Benefit Expense Percent Variance	0.0%	0.0%	0.0%	N/A	0.0%

Non-Benefit Expense	HealthChoice	MMAI-Medicaid	MMAI-Medicare	Other	Total Non-Benefit Expense
Data Request Non-Benefit Expense	\$ 271,519,202	\$ 8,302,863	\$ 21,193,034	\$ 0	\$ 301,015,099
NAIC Non-Benefit Expense	\$ 177,319,195	\$ 9,247,315	\$ 14,146,995	\$ 312,172	\$ 200,713,505
Non-Benefit Expense Reconciliation Items	\$ 94,200,006	\$ (944,452)	\$ 7,046,039	\$ (312,172)	\$ 100,301,593
Reconciled Non-Benefit Expense Variance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Reconciled Non-Benefit Expense Percent Variance	0.0%	0.0%	0.0%	N/A	0.0%

Net Underwriting Gain	HealthChoice	MMAI-Medicaid	MMAI-Medicare	Other	Total Net Underwriting Gain
Data Request Net Underwriting Gain	\$ (129,808,419)	\$ (9,842,527)	\$ 11,393,244	\$ 0	\$ (128,257,703)
Reconciled NAIC Net Underwriting Gain	\$ (129,808,418)	\$ (9,842,527)	\$ 11,393,244	\$ 0	\$ (128,257,702)
Reconciled Net Underwriting Gain Variance	\$ (0)	\$ 0	\$ 0	\$ 0	\$ (0)
Net Underwriting Gain Percent					
Data Request Net Underwriting Gain %	(6.5%)	(10.8%)	7.9%	N/A	(5.7%)
Reconciled NAIC Net Underwriting Gain %	(6.5%)	(10.8%)	7.9%	N/A	(5.7%)
Net Underwriting Gain Variance %	(0.0%)	0.0%	0.0%	N/A	(0.0%)

State of Illinois, Department of Healthcare and Family Services CY 2019 Final Medical Loss Ratio Calculation Description of Allocation Methodologies	
ALLOCATED EXPENDITURE	ILLINICARE
IBNR	Aetna Better Health of Illinois (formerly IlliniCare) IBNR allocation methodology is developed at the rate cell/region and service category level
Non Claims Costs	Non Benefit Expenses are incurred at a Population level/rate cell. Hence, allocation are done at the rate cell level or allocated ratably to rate cell groups.
Corporate Expenses to Local Plan	Corporate expenses are tracked separately for IlliniCare, not allocated.
Revenue	All estimates were developed at the rate cell and regional level