

State of Illinois, Department of Healthcare and Family Services CountyCare 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)	\$ 1,682,301,222	\$ 0	\$ 1,682,301,222
1.2 Activities that improve health care quality		§ 438.8(e)(3)	64,732,585	-	64,732,585
1.3 Fraud reduction expenses		§ 438.8(e)(2)(iii)(B)	1,322,048	-	1,322,048
1.4 MLR numerator		§ 438.8(e)(1)	\$ 1,748,355,855	\$ 0	\$ 1,748,355,855
1.5 Non-Claims costs (not included in numerator)		§ 438.8(e)(2)(v)(A)	\$ 98,309,003	\$ 0	\$ 98,309,003
2. Medical Loss Ratio Denominator		Regulatory Definitions (42 CFR)	EUM Submission	Adjustments	Value
2.1 Premium Revenue		§ 438.8(f)(2)	\$ 1,899,181,056	\$ (8,158,387)	\$ 1,891,022,670
2.2 Federal, State, and local taxes and licensing and regulatory fees		§ 438.8(f)(3)	61,769,752	-	61,769,752
2.3 MLR denominator		§ 438.8(f)(1)	\$ 1,837,411,304	\$ (8,158,387)	\$ 1,829,252,917
3. MLR Calculation		Regulatory Definitions (42 CFR)			Value
3.1 Member Months		§ 438.8(b)			3,822,939
3.2 Unadjusted MLR					95.58%
3.3 Credibility adjustment		§ 438.8(h)			0.00%
3.4 Adjusted MLR		§ 438.8(h)			95.58%
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)					95.58%
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)	CountyCare
Benefit Expense	Direct Paid + Encounter Rejections + Non Encounterable + Ineligible	\$ 1,672,438,011
Benefit Expense	Subcapitated Proxy Paid + Encounter Rejections	46,066,678
Other Claims	All Columns	10,665,758
Financials	Non-Subcap Reserves + Subcap Reserves + Pending Settlements	1,833,949
Financials	Recov Gross Rx Rebates	(4,136,101)
Financials	Recov Gross NonRx	(14,435,677)
Financials	Recov Gross Rx	(1,939,694)
Non Benefit Expense	Pharmacy Spread Admin + Pharmacy Spread HCQI	(17,176,171)
Subcontractor	Residual Gain/Loss	(11,015,532)
Total Incurred Claims		\$ 1,682,301,222

Risk Adjusted Revenue Calculation		
File/Tab	Description	CountyCare
Revenue	Received_Net_Cap_Paymt	\$ 1,800,587,112
Revenue	Received_Withhold_Earned	21,611,135
Revenue	Received_Govt_Prov_Risk_Pool	-
Revenue	Accrued_Net_Cap_Paymt	8,160,353
Revenue	Accrued_Withhold_Earned	-
Revenue	Accrued MCO Taxes	-
Revenue	Received MCO Taxes	61,769,752
Revenue	Accrued_Govt_Prov_Risk_Pool	-
CY2019 EP4 NSPS	Waived Copays	7,052,704
Revenue	Received_HIF	-
Revenue	Accrued_HIF	-
Total Revenue		\$ 1,899,181,056
Adjustments:		
Less Reported Revenue		\$ (1,808,747,465)
Less MCO Taxes		(61,769,752)
Less Reported Withhold Earned		(21,611,135)
Less Reported HIF		-
Less Reported GPRP		-
Add Risk Adjusted Recalculated Revenue		1,800,589,078
Add Final GPRP transfer		-
Add MCO Tax		61,769,752
Add Withhold Earned per HFS		21,611,135
Add HIF Revenue from HIF Amendment		-
Total Adjustment		\$ (8,158,387)

Reported Taxes	
Description	CountyCare
Taxes, Fees, and Assessments	\$ 0
HIF	-
MCO Tax	61,769,752
Total Reported Taxes	\$ 61,769,752
Adjustments:	
Less Reported HIF	\$ 0
Add HIF from HIF Amendment	-
Total Adjustment	\$ 0

**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	\$ 1,882,495,508	\$ 0	\$ 0	\$ 0	\$ 1,882,495,508
NAIC Revenue	\$ 1,801,788,036	\$ 0	\$ 0	\$ 0	\$ 1,801,788,036
Revenue Reconciliation Items	\$ 83,154,887	\$ 0	\$ 0	\$ 0	\$ 83,154,887
Reconciled Revenue Variance	\$ (2,447,415)	\$ 0	\$ 0	\$ 0	\$ (2,447,415)
Reconciled Revenue Percent Variance	(0.1%)	N/A	N/A	N/A	(0.1%)

Benefit Expense	HealthChoice	MMAI-Medicaid	MMAI-Medicare	Other	Total Benefit Expense
Data Request Benefit Expense	\$ 1,670,176,431	\$ 0	\$ 0	\$ 0	\$ 1,670,176,431
NAIC Benefit Expense	\$ 1,687,505,136	\$ 0	\$ 0	\$ 0	\$ 1,687,505,136
Benefit Expense Reconciliation Items	\$ (14,344,351)	\$ 0	\$ 0	\$ 0	\$ (14,344,351)
Reconciled Benefit Expense Variance	\$ (2,984,354)	\$ 0	\$ 0	\$ 0	\$ (2,984,354)
Reconciled Benefit Expense Percent Variance	(0.2%)	N/A	N/A	N/A	(0.2%)

Non-Benefit Expense	HealthChoice	MMAI-Medicaid	MMAI-Medicare	Other	Total Non-Benefit Expense
Data Request Non-Benefit Expense	\$ 225,375,443	\$ 0	\$ 0	\$ 0	\$ 225,375,443
NAIC Non-Benefit Expense	\$ 145,380,490	\$ 0	\$ 0	\$ 0	\$ 145,380,490
Non-Benefit Expense Reconciliation Items	\$ 79,939,782	\$ 0	\$ 0	\$ 0	\$ 79,939,782
Reconciled Non-Benefit Expense Variance	\$ 55,170	\$ 0	\$ 0	\$ 0	\$ 55,170
Reconciled Non-Benefit Expense Percent Variance	0.0%	N/A	N/A	N/A	0.0%

Net Underwriting Gain	HealthChoice	MMAI-Medicaid	MMAI-Medicare	Other	Total Net Underwriting Gain
Data Request Net Underwriting Gain	\$ (13,056,366)	\$ 0	\$ 0	\$ 0	\$ (13,056,366)
Reconciled NAIC Net Underwriting Gain	\$ (13,538,135)	\$ 0	\$ 0	\$ 0	\$ (13,538,135)
Reconciled Net Underwriting Gain Variance	\$ 481,769	\$ 0	\$ 0	\$ 0	\$ 481,769
Net Underwriting Gain Percent					
Data Request Net Underwriting Gain %	(0.7%)	N/A	N/A	N/A	(0.7%)
Reconciled NAIC Net Underwriting Gain %	(0.7%)	N/A	N/A	N/A	(0.7%)
Net Underwriting Gain Variance %	0.0%	N/A	N/A	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	COUNTYCARE
IBNR	Reserves are developed by service category and population (ACA, DA, etc.), but some services categories are combined together when there is low volume of paid claims. The reserves are then allocated using the distribution of paid dollars. For example, if 5% of professional ACA paid claims are for individuals in the 19-24 Years Female rate cell, then 5% of the estimated professional ACA claims liability is allocated to that rate cell.
Non Claims Costs	CountyCare's allocation methodology utilizes revenue and membership numbers by population (rate cell) to allocate expenses for administrative vendors. For example, an invoice for an incurred month is allocated down to the rate cell group categories based on the percentage of revenue received for those same rate cell groups. We may also use a percentage of membership depending on the vendor.
Corporate Expenses to Local Plan	N/A
Revenue	N/A