

State of Illinois, Department of Healthcare and Family Services CountyCare Health Plan Final Medicaid MLR Report 2020					
1. Medical Loss Ratio Numerator^{1,2}		Regulatory Definitions (42 CFR)	EUM Submission	Adjustments	Value
1.1 Incurred Claims		§ 438.8(e)(2)	\$ 1,821,095,608	\$ 0	\$ 1,821,095,608
1.2 Activities that improve health care quality		§ 438.8(e)(3)	70,270,788	-	70,270,788
1.3 Fraud Recovery (Gross and Net)		§ 438.8(e)(2)(iii)(B)	468,549	-	468,549
1.4 Fraud Prevention Activities		§ 438.8(e)(4)	-	-	-
1.5 MLR numerator		§ 438.8(e)(1)	\$ 1,891,834,945	\$ 0	\$ 1,891,834,945
1.6 Non-Claims costs (not included in numerator)		§ 438.8(e)(2)(v)(A)	\$ 105,597,608	\$ 0	\$ 105,597,608
2. Medical Loss Ratio Denominator^{1,3}		Regulatory Definitions (42 CFR)	EUM Submission	Adjustments	Value
2.1 Premium Revenue		§ 438.8(f)(2)	\$ 2,348,185,888	\$ (248,012,718)	\$ 2,100,173,170
2.2 Federal, State, and local taxes and licensing and regulatory fees		§ 438.8(f)(3)	(247,079,004)	247,079,004	-
2.3 MLR denominator		§ 438.8(f)(1)	\$ 2,101,106,884	\$ (933,714)	\$ 2,100,173,170
3. MLR Calculation⁴		Regulatory Definitions (42 CFR)			Value
3.1 Member Months		§ 438.8(b)			4,181,375
3.2 Unadjusted MLR					90.08%
3.3 Credibility adjustment		§ 438.8(h)			0.00%
3.4 Adjusted MLR		§ 438.8(h)			90.08%
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 CMS purposes (please enter as a percentage)					90.08%
4.4 Remittance dollar amount owed for CMS formula in the MLR reporting period					\$ 0

Notes

- 1 • CY 2020 results reflect MLRs reported base data provided by CountyCare Health Plan as of December 15, 2022.
- 2 • Fraud prevention activities [45 CFR 158.150(c)] are included in "expenditures and activities" that must not be included in quality improving activities; therefore, we have not included it in incurred claims.
- 3 • Revenue Notes:
 - Revenue has been calculated using the capitation file received from HFS on January 13, 2023 which includes capitation payments through December 27, 2022.
 - Calculated earned withhold represents 1.5% of the gross effective capitation since all MCOs earned 100% of the withhold in CY 2020.
 - Premium Revenue and Taxes are reported net of the MCO tax.
- 4 • Rounded to two decimals, per MLR Guarantee Provision.

Incurred Claims		
Tab	Column(s)	CountyCare
Benefit Expense	Direct Paid + Encounter Rejections + Non Encounterable + Ineligible	\$ 1,681,395,071
Benefit Expense	Subcapitated Proxy Paid + Encounter Rejections	203,824,488
Other Claims	All Columns	2,640,643
Financials	Non-Subcap Reserves + Subcap Reserves + Pending Settlements	2,362,664
Financials	Recov Gross Rx Rebates	-
Financials	Recov Gross NonRx	(6,007,068)
Financials	Recov Gross Rx	(1,281,077)
Financials	State Reimbursed EMT	(67,859,306)
Subcontractor	Residual Gain/Loss	6,020,193
Total Incurred Claims		\$ 1,821,095,608

Risk Adjusted Revenue Calculation		
File/Tab	Description	CountyCare
Revenue	Received_Net_Cap_Paymt	\$ 2,078,824,091
Revenue	Received_Withhold_Earned	30,119,031
Revenue	Received_Mat_Risk_Pool	1,377,264
Revenue	Received MCO Taxes	247,079,004
Revenue	Accrued_Net_Cap_Paymt	(9,213,501)
Revenue	Accrued_Withhold_Earned	-
Revenue	Accrued_Risk_Corridor	-
Revenue	Accrued_Maternity_Risk_Pool	-
Revenue	Accrued MCO Taxes	-
Total Revenue		\$ 2,348,185,888

Adjustments:		
Less Reported Revenue		\$ (2,069,610,590)
Less Reported MCO Taxes		(247,079,004)
Less Reported Withhold Earned		(30,119,031)
Less Reported Risk Corridor Settlement Received/(Paid)		-
Less Reported Maternity Risk Pool		(1,377,264)
Add Capitation Revenue		2,067,313,968
Add Final Maternity Risk Pool Transfer Payment		1,377,264
Add Final Risk Corridor Settlement Transfer Payment		-
Add Withhold Earned on Capitation Payments		31,481,939
Total Adjustment		\$ (248,012,718)

Reported Taxes	
Description	CountyCare
App B Reported Taxes, Fees, and Assessments	\$ 0
Schedule of Taxes	247,079,004
Total Reported Taxes	\$ 247,079,004
Adjustments:	
Less MCO Tax	\$ (247,079,004)
Total Adjustment	\$ (247,079,004)

State of Illinois, Department of Healthcare and Family Services 2020 Financial Statement Reconciliation Reconciliation Summary by MCO	
Revenue	CountyCare
Data Request Revenue	\$ 2,342,473,722
Financial Revenue	2,091,442,958
Revenue Reconciliation Items	246,740,807
Reconciled Revenue Variance	\$ 4,289,958
Reconciled Revenue Percent Variance	0.2%
Benefit Expense	CountyCare
Data Request Benefit Expense	\$ 1,859,774,424
Financial Benefit Expense	1,932,577,503
Benefit Expense Reconciliation Items	(70,031,259)
Reconciled Benefit Expense Variance	\$ (2,771,821)
Reconciled Benefit Expense Percent Variance	(0.1%)
Non-Benefit Expense	CountyCare
Data Request Non-Benefit Expense	\$ 427,170,852
Financial Non-Benefit Expense	156,551,381
Non-Benefit Expense Reconciliation Items	270,956,779
Reconciled Non-Benefit Expense Variance	\$ (337,307)
Reconciled Non-Benefit Expense Percent Variance	(0.1%)
Net Underwriting Gain	CountyCare
Data Request Net Underwriting Gain	\$ 55,528,446
Reconciled Financial Net Underwriting Gain	48,129,360
Reconciled Net Underwriting Gain Variance	\$ 7,399,086
Net Underwriting Gain Percent	
Data Request Net Underwriting Gain %	2.4%
Reconciled Financial Net Underwriting Gain %	2.1%
Net Underwriting Gain Variance %	0.3%

Notes

1 • CountyCare does not prepare NAIC Annual Statements. Data Requested reconciled to Audited Financial Statements.

State of Illinois, Department of Healthcare and Family Services CY 2020 Final Medical Loss Ratio Calculation Description of Allocation Methodologies by MCO	
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 on the [Non Benefit Expense] tab. For example, Evolent is under a PMPM contract with CountyCare. We take the invoice amounts by incurred month and allocate them down to the rate cell group categories within Appendix B based on the percentage of revenue received for those same rate cell groups. We follow a similar allocation methodology for other vendors but instead of using percentage of revenue to allocate we use percentage of membership. Dental admin, transportation admin, and pharmacy admin are examples of vendors that we utilize the membership allocation methodology.
Corporate Expenses to Local Plan	N/A
Revenue	N/A