

State of Illinois, Department of Healthcare and Family Services NextLevel Health Partners Final Medicaid MLR Report 2020				
<b>1. Medical Loss Ratio Numerator<sup>1,2</sup></b>				
	<b>Regulatory Definitions (42 CFR)</b>	<b>EUM Submission</b>	<b>Adjustments</b>	<b>Value</b>
1.1 Incurred Claims	§ 438.8(e)(2)	\$ 133,781,223	\$ 0	\$ 133,781,223
1.2 Activities that improve health care quality	§ 438.8(e)(3)	9,731,625	-	9,731,625
1.3 Fraud Recovery (Gross and Net)	§ 438.8(e)(2)(iii)(B)	-	-	-
1.4 Fraud Prevention Activities	§ 438.8(e)(4)	-	-	-
<b>1.5 MLR numerator</b>	<b>§ 438.8(e)(1)</b>	<b>\$ 143,512,848</b>	<b>\$ 0</b>	<b>\$ 143,512,848</b>
1.6 Non-Claims costs (not included in numerator)	§ 438.8(e)(2)(v)(A)	\$ 13,705,820	\$ 0	\$ 13,705,820
<b>2. Medical Loss Ratio Denominator<sup>1,3</sup></b>				
	<b>Regulatory Definitions (42 CFR)</b>	<b>EUM Submission</b>	<b>Adjustments</b>	<b>Value</b>
2.1 Premium Revenue	§ 438.8(f)(2)	\$ 159,528,451	\$ 12,927,108	\$ 172,455,559
2.2 Federal, State, and local taxes and licensing and regulatory fees	§ 438.8(f)(3)	(3,761,651)	-	(3,761,651)
<b>2.3 MLR denominator</b>	<b>§ 438.8(f)(1)</b>	<b>\$ 155,766,800</b>	<b>\$ 12,927,108</b>	<b>\$ 168,693,908</b>
<b>3. MLR Calculation<sup>4</sup></b>				
	<b>Regulatory Definitions (42 CFR)</b>			<b>Value</b>
<b>3.1 Member Months</b>	<b>§ 438.8(b)</b>			<b>340,199</b>
3.2 Unadjusted MLR				85.07%
3.3 Credibility adjustment	§ 438.8(h)			1.11%
<b>3.4 Adjusted MLR</b>	<b>§ 438.8(h)</b>			<b>86.18%</b>
<b>4. Remittance</b>				
				<b>Value</b>
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)				86.18%
<b>4.4 Remittance dollar amount owed for CMS formula in the MLR reporting period</b>				<b>\$ 0</b>

Notes

- 1 • CY 2020 results reflect MLRs reported base data provided by NextLevel Health Partners as of October 26, 2021.
- 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:
  - January 2020 revenue has been calculated using the January 2020 risk adjusted and rebled rates delivered on November 24, 2020 and April 23, 2021 multiplied by the capitation member months for January 2020 as of October 31, 2021.
  - February through June 2020 revenue has been calculated using the February through June 2020 risk adjusted and rebled rates delivered on January 8, 2021 and April 23, 2021 multiplied by the capitation member months for February through June 2020 as of October 31, 2021.
  - 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)	NextLevel
Benefit Expense	Direct Paid + Encounter Rejections + Non Encounterable + Ineligible	\$ 121,714,952
Benefit Expense	Subcapitated Proxy Paid + Encounter Rejections	1,028,540
Other Claims	All Columns	13,023,239
Financials	Non-Subcap Reserves + Subcap Reserves + Pending Settlements	-
Financials	Recov Gross Rx Rebates	(226,249)
Financials	Recov Gross NonRx	-
Financials	Recov Gross Rx	-
Financials	State Reimbursed EMT	(1,759,260)
Subcontractor	Residual Gain/Loss	-
<b>Total Incurred Claims</b>		<b>\$ 133,781,223</b>

Risk Adjusted Revenue Calculation		
File/Tab	Description	NextLevel
Revenue	Received_Net_Cap_Paymt	\$ 157,076,044
Revenue	Received_Withhold_Earned	-
Revenue	Received_Mat_Risk_Pool	-
Revenue	Received MCO Taxes	-
Revenue	Accrued_Net_Cap_Paymt	-
Revenue	Accrued_Withhold_Earned	2,452,407
Revenue	Accrued_Risk_Corridor	-
Revenue	Accrued_Maternity_Risk_Pool	-
Revenue	Accrued MCO Taxes	-
<b>Total Revenue</b>		<b>\$ 159,528,451</b>
<b>Adjustments:</b>		
	Less Reported Revenue	\$ (157,076,044)
	Less Reported MCO Taxes	-
	Less Reported Withhold Earned	(2,452,407)
	Less Reported Risk Corridor Settlement Received/(Paid)	-
	Less Reported Maternity Risk Pool	-
	Add Capitation Revenue	169,868,726
	Add Final Maternity Risk Pool Transfer Payment	-
	Add Final Risk Corridor Settlement Transfer Payment	-
	Add Withhold Earned on Capitation Payments	2,586,833
<b>Total Adjustment</b>		<b>\$ 12,927,108</b>

Reported Taxes	
Description	NextLevel
App B Reported Taxes, Fees, and Assessments	\$ 3,761,651
Schedule of Taxes	-
<b>Total Reported Taxes</b>	<b>\$ 3,761,651</b>
<b>Adjustments:</b>	
	Less MCO Tax
<b>Total Adjustment</b>	<b>\$ 0</b>

State of Illinois, Department of Healthcare and Family Services CY 2020 Final Medical Loss Ratio Calculation Description of Allocation Methodologies by MCO	
ALLOCATED EXPENDITURE	NEXTLEVEL
IBNR	Reserves are recorded separately for each product. Each products' reserve amounts were then allocated to each rate cell based on a pro rata share of membership for each product.
Non Claims Costs	Expenses were allocated based on a pro rata share of revenue for the populations.
Corporate Expenses to Local Plan	N/A
Revenue	Revenue is recorded at the rate cell level.