

State of Illinois, Department of Healthcare and Family Services Aetna Health Plan Final Medicaid MLR Report 2021					
1. Medical Loss Ratio Numerator^{1,2}		Regulatory Definitions (42 CFR)	EUM Submission	Adjustments	Value
1.1 Incurred Claims		§ 438.8(e)(2)	\$ 2,297,975,577	\$ 0	\$ 2,297,975,577
1.2 Activities that improve health care quality		§ 438.8(e)(3)	71,506,188	-	71,506,188
1.3 Fraud Recovery (Gross and Net)		§ 438.8(e)(2)(iii)(B)	-	-	-
1.4 Fraud Prevention Activities		§ 438.8(e)(4)	-	-	-
1.5 MLR numerator		§ 438.8(e)(1)	\$ 2,369,481,765	\$ 0	\$ 2,369,481,765
1.6 Non-Claims costs (not included in numerator)		§ 438.8(e)(2)(v)(A)	\$ 192,480,331	\$ 0	\$ 192,480,331
2. Medical Loss Ratio Denominator^{1,3}		Regulatory Definitions (42 CFR)	EUM Submission	Adjustments	Value
2.1 Premium Revenue		§ 438.8(f)(2)	\$ 2,895,223,990	\$ (229,823,831)	\$ 2,665,400,159
2.2 Federal, State, and local taxes and licensing and regulatory fees		§ 438.8(f)(3)	(288,660,554)	240,325,830	(48,334,724)
2.3 MLR denominator		§ 438.8(f)(1)	\$ 2,606,563,436	\$ 10,501,999	\$ 2,617,065,435
3. MLR Calculation⁴		Regulatory Definitions (42 CFR)			Value
3.1 Member Months		§ 438.8(b)			4,932,177
3.2 Unadjusted MLR					90.54%
3.3 Credibility adjustment		§ 438.8(h)			0.00%
3.4 Adjusted MLR		§ 438.8(h)			90.54%
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)					90.54%
4.4 Remittance dollar amount owed for CMS formula in the MLR reporting period					\$ 0

Notes

- 1 • CY 2021 results reflect MLRs reported data provided by Aetna Health Plan as of November 3, 2023.
- 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 for all MCOs has been calculated using the capitation file received from HFS on July 14, 2023 which includes capitation payments through June 30, 2023.
 - Earned withhold adjusted to reflect 100% of the calculated withhold amounts based on the HFS provided earned withhold representing 1.5% from May 2, 2023 report; and earned withhold representing 0.5% calculated based on paid capitation through June 30, 2023.
 - MCO revenue and taxes are net of the MCO tax.
- 4 • Rounded to two decimals, per MLR Guarantee Provision.

Incurred Claims		
Tab	Column(s)	Aetna
Benefit Expense	Direct Paid + Encounter Rejections + Non Encounterable + Ineligible	\$ 2,220,001,267
Benefit Expense	Subcapitated Proxy Paid + Encounter Rejections	46,717,711
Other Claims	All Columns	28,292,223
Financials	Non-Subcap Reserves + Subcap Reserves + Pending Settlements	18,278,045
Financials	Recov Gross Rx Rebates	-
Financials	Recov Gross NonRx	(4,892,121)
Financials	Recov Gross Rx	-
Financials	State Reimbursed EMT	(10,421,548)
Subcontractor	Residual Gain/Loss	-
Total Incurred Claims		\$ 2,297,975,577

Risk Adjusted Revenue Calculation		
File/Tab	Description	Aetna
Revenue	Received_Net_Cap_Paymt	\$ 2,643,462,974
Revenue	Received_Withhold_Earned	13,420,355
Revenue	Received_Mat_Risk_Pool	-
Revenue	Received MCO Taxes	240,325,830
Revenue	Accrued_Net_Cap_Paymt	(13,622,380)
Revenue	Accrued_Withhold_Earned	34,064,751
Revenue	Accrued_Risk_Corridor	(17,746,940)
Revenue	Accrued_Maternity_Risk_Pool	(4,680,601)
Revenue	Accrued MCO Taxes	-
Total Revenue		\$ 2,895,223,990
Adjustments:		
	Less Reported Revenue	\$ (2,629,840,594)
	Less Reported MCO Taxes	(240,325,830)
	Less Reported Withhold Earned	(47,485,106)
	Less Reported Risk Corridor Settlement Received/(Paid)	17,746,940
	Less Reported Maternity Risk Pool	4,680,601
	Add Adjusted Revenue	2,642,676,981
	Add Final Maternity Risk Pool Transfer Payment	(4,680,601)
	Add Risk Corridor Settlement Transfer Payment	(20,349,343)
	Add Withhold Provided from HFS	47,753,123
Total Adjustment		\$ (229,823,831)

Reported Taxes		
Description	Aetna	
App B Reported Taxes, Fees, and Assessments	\$ 48,334,724	
Schedule of Taxes	240,325,830	
Total Reported Taxes	\$ 288,660,554	
Adjustments:		
	Less MCO Tax	\$ (240,325,830)
Total Adjustment	\$ (240,325,830)	

State of Illinois, Department of Healthcare and Family Services 2021 NAIC Annual Statement Reconciliation Reconciliation Summary	
Revenue	Aetna
Data Request Revenue	\$ 2,894,946,222
NAIC Revenue	3,375,438,460
Revenue Reconciliation Items	(480,492,238)
Reconciled Revenue Variance	\$ 0
Reconciled Revenue Percent Variance	0.0%
Benefit Expense	Aetna
Data Request Benefit Expense	\$ 2,336,238,662
NAIC Benefit Expense	2,870,673,048
Benefit Expense Reconciliation Items	(534,434,386)
Reconciled Benefit Expense Variance	\$ 0
Reconciled Benefit Expense Percent Variance	0.0%
Non-Benefit Expense	Aetna
Data Request Non-Benefit Expense	\$ 521,978,611
NAIC Non-Benefit Expense	412,047,900
Non-Benefit Expense Reconciliation Items	109,930,711
Reconciled Non-Benefit Expense Variance	\$ 0
Reconciled Non-Benefit Expense Percent Variance	0.0%
Net Underwriting Gain	Aetna
Data Request Net Underwriting Gain	\$ 36,728,949
Reconciled NAIC Net Underwriting Gain	36,728,949
Reconciled Net Underwriting Gain Variance	\$ (0)
Net Underwriting Gain Percent	
Data Request Net Underwriting Gain %	1.3%
Reconciled NAIC Net Underwriting Gain %	1.3%
Net Underwriting Gain Variance %	(0.0%)

State of Illinois, Department of Healthcare and Family Services CY 2021 Final Medical Loss Ratio Calculation Description of Allocation Methodologies	
ALLOCATED EXPENDITURE	AETNA
IBNR	Aetna Better Health of Illinois IBNR 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	N/A
Revenue	All estimates were developed at the rate cell and regional level.