

State of Illinois, Department of Healthcare and Family Services CountyCare 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)	\$ 2,257,277,913	\$ 0	\$ 2,257,277,913
1.2 Activities that improve health care quality		§ 438.8(e)(3)	66,832,805	-	66,832,805
1.3 Fraud Recovery (Gross and Net)		§ 438.8(e)(2)(iii)(B)	51,500	-	51,500
1.4 Fraud Prevention Activities		§ 438.8(e)(4)	-	-	-
1.5 MLR numerator		§ 438.8(e)(1)	\$ 2,324,162,218	\$ 0	\$ 2,324,162,218
1.6 Non-Claims costs (not included in numerator)		§ 438.8(e)(2)(v)(A)	\$ 127,314,858	\$ 0	\$ 127,314,858
2. Medical Loss Ratio Denominator^{1,3}		Regulatory Definitions (42 CFR)	EUM Submission	Adjustments	Value
2.1 Premium Revenue		§ 438.8(f)(2)	\$ 2,839,588,434	\$ (254,411,542)	\$ 2,585,176,892
2.2 Federal, State, and local taxes and licensing and regulatory fees		§ 438.8(f)(3)	(260,553,898)	260,553,898	-
2.3 MLR denominator		§ 438.8(f)(1)	\$ 2,579,034,537	\$ 6,142,356	\$ 2,585,176,892
3. MLR Calculation⁴		Regulatory Definitions (42 CFR)			Value
3.1 Member Months		§ 438.8(b)			4,823,721
3.2 Unadjusted MLR					89.90%
3.3 Credibility adjustment		§ 438.8(h)			0.00%
3.4 Adjusted MLR		§ 438.8(h)			89.90%
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)					89.90%
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 CountyCare 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)	CountyCare
Benefit Expense	Direct Paid + Encounter Rejections + Non Encounterable + Ineligible	\$ 1,984,828,795
Benefit Expense	Subcapitated Proxy Paid + Encounter Rejections	271,157,152
Other Claims	All Columns	12,061,451
Financials	Non-Subcap Reserves + Subcap Reserves + Pending Settlements	10,673,914
Financials	Recov Gross Rx Rebates	-
Financials	Recov Gross NonRx	(15,827,667)
Financials	Recov Gross Rx	(1,133,732)
Financials	State Reimbursed EMT	(16,470,976)
Subcontractor	Residual Gain/Loss	11,988,976
Total Incurred Claims		\$ 2,257,277,913

Risk Adjusted Revenue Calculation		
File/Tab	Description	CountyCare
Revenue	Received_Net_Cap_Paymt	\$ 2,540,341,223
Revenue	Received_Withhold_Earned	31,837,302
Revenue	Received_Mat_Risk_Pool	1,039,930
Revenue	Received MCO Taxes	260,565,920
Revenue	Accrued_Net_Cap_Paymt	5,804,059
Revenue	Accrued_Withhold_Earned	-
Revenue	Accrued_Risk_Corridor	-
Revenue	Accrued_Maternity_Risk_Pool	-
Revenue	Accrued MCO Taxes	-
Total Revenue		\$ 2,839,588,434
Adjustments:		
	Less Reported Revenue	\$ (2,546,145,282)
	Less Reported MCO Taxes	(260,565,920)
	Less Reported Withhold Earned	(31,837,302)
	Less Reported Risk Corridor Settlement Received/(Paid)	-
	Less Reported Maternity Risk Pool	(1,039,930)
	Add Adjusted Revenue	2,539,147,544
	Add Final Maternity Risk Pool Transfer Payment	1,039,930
	Add Risk Corridor Settlement Transfer Payment	-
	Add Withhold Provided from HFS	44,989,419
Total Adjustment		\$ (254,411,542)

Reported Taxes		
Description	CountyCare	
App B Reported Taxes, Fees, and Assessments	\$ 0	
Schedule of Taxes	260,553,898	
Total Reported Taxes	\$ 260,553,898	
Adjustments:		
	Less MCO Tax	\$ (260,553,898)
Total Adjustment	\$ (260,553,898)	

State of Illinois, Department of Healthcare and Family Services 2021 Financial Statement Reconciliation Reconciliation Summary	
Revenue	CountyCare
Data Request Revenue	\$ 2,832,354,679
Financial Revenue	2,531,908,917
Revenue Reconciliation Items	302,856,832
Reconciled Revenue Variance	\$ (2,411,070)
Reconciled Revenue Percent Variance	(0.1%)
Benefit Expense	CountyCare
Data Request Benefit Expense	\$ 2,208,914,144
Financial Benefit Expense	2,267,370,640
Benefit Expense Reconciliation Items	(58,350,204)
Reconciled Benefit Expense Variance	\$ (106,292)
Reconciled Benefit Expense Percent Variance	(0.0%)
Non-Benefit Expense	CountyCare
Data Request Non-Benefit Expense	\$ 450,424,770
Financial Non-Benefit Expense	183,472,213
Non-Benefit Expense Reconciliation Items	266,798,872
Reconciled Non-Benefit Expense Variance	\$ 153,685
Reconciled Non-Benefit Expense Percent Variance	0.0%
Net Underwriting Gain	CountyCare
Data Request Net Underwriting Gain	\$ 173,015,765
Reconciled Financial Net Underwriting Gain	175,474,227
Reconciled Net Underwriting Gain Variance	\$ (2,458,462)
Net Underwriting Gain Percent	
Data Request Net Underwriting Gain %	6.1%
Reconciled Financial Net Underwriting Gain %	6.2%
Net Underwriting Gain Variance %	(0.1%)

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 2021 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 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