MILLIMAN RESEARCH REPORT

Medicaid managed care financial results for 2018

June 2019

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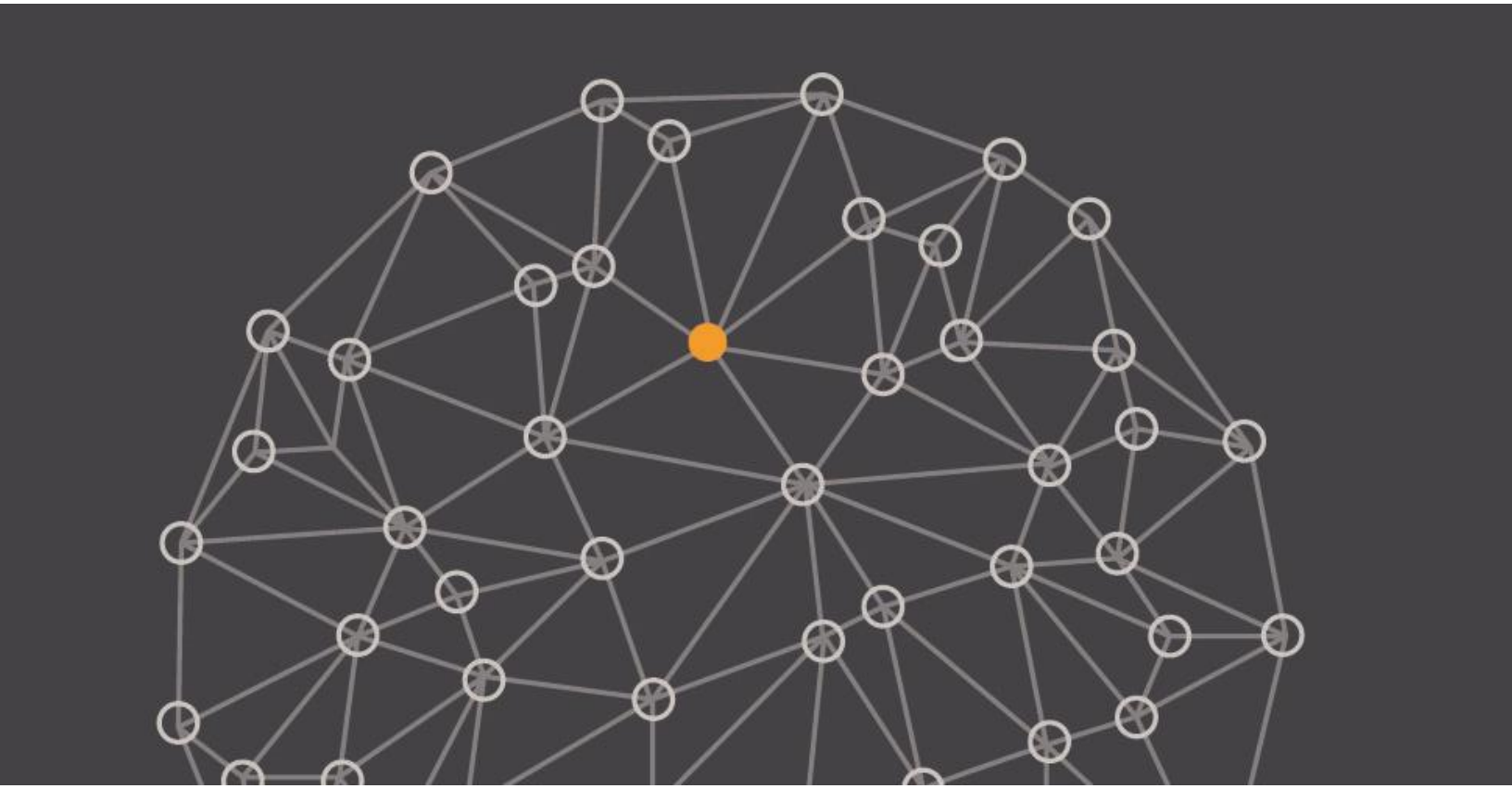

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Introduction

Managed care is a delivery system used by the majority of Medicaid state agencies in the operation of their Medicaid programs. Although managed care has been utilized dating back to Medicaid inception, the magnitude of its use has significantly expanded. Today, nearly every state utilizes some form of managed care, including comprehensive risk-based managed care, primary care case management, or limited-benefit plans. The form that accounts for the majority of Medicaid enrollment coverage is risk-based managed care, with approximately two out of every three members enrolled with a comprehensive managed care health plan.[1] Risk-based managed care continues to expand across the national Medicaid landscape and is the mechanism in which Medicaid recipients receive healthcare benefits, at least in part, in 38 or more states in the United States, the District of Columbia, and Puerto Rico. Managed care organizations (MCOs) of all varieties contract with state Medicaid agencies to deliver and manage the healthcare benefits under the Medicaid program in exchange for predetermined capitation revenue.

Since the inception of the Patient Protection and Affordable Care Act (ACA) in 2010, and subsequent Medicaid expansion efforts in several states, the number of Medicaid beneficiaries and the number of MCOs operating in the Medicaid line of business have increased substantially. We have observed enrollment trends beginning to level out in comparison to recent years but continue to identify year-over-year increases.

Most states require that a contracted MCO also be a licensed health maintenance organization (HMO), which includes the requirement to file a statutory annual statement with the state insurance regulator. The statutory HMO annual statement is a standard reporting structure developed and maintained by the National Association of Insurance Commissioners (NAIC), with prescribed definitions allowing comparisons among various reporting entities.

This report summarizes the calendar year (CY) 2018 experience for selected financial metrics of organizations reporting Medicaid experience under the Title XIX Medicaid line of business on the NAIC annual statement. The information was compiled from the reported annual statements.[2] Individual reporting entities may be excluded from this report for the following reasons:

- Did not submit a health annual statement
- Reported less than $10 million in annual Medicaid (Title XIX) revenue
- Specialized behavioral health plan or long-term services and supports plan
- Premium revenues indicate a limited set of covered services
- Reported values appear to be influenced by unusual circumstances
- Otherwise omitted from the NAIC database of health annual statements utilized for this report.

This report also includes information for seven MCOs operating in the Arizona Medicaid program that were outside of the NAIC annual statement database. We have noted limitations of this information where applicable in the report. A full list of reporting entities included in this analysis is provided in the appendices.

The primary purpose of this report is to provide reference and benchmarking information for certain key financial metrics used in the day-to-day analysis of Medicaid MCO financial performance. The financial results are summarized on a composite basis for all reporting MCOs. Additionally, this report provides differences among various types of MCOs using available segmentation attributes defined from the reported financial statements.

The target audiences of this report include state Medicaid agency and MCO personnel responsible for reviewing and monitoring the financial results of a risk-based managed care program.

This is the 11th annual iteration of the report, reflecting financial information for CY 2018 and analysis related to administrative costs reported by the MCOs. Previous versions of this report and historical companion administrative analysis reports can be obtained from the Milliman website.[3] The methodology used to generate this report is substantially consistent with the previous years' reports.

[1] Medicaid.gov. Enrollment Report: 2017 Managed Care Enrollment Summary. Retrieved June 19, 2019, from https://www.medicaid.gov/medicaid/managed-care/enrollment/index.html.

[2] National Association of Insurance Commissioners. Annual Statement Database, as delivered by S&P Global, Inc, all rights reserved.

[3] See http://www.milliman.com/medicaid-results-2017.

Appendix 1 provides additional detail and stratifications of the financial metrics presented in this report.

Appendix 2 provides the methodology and assumptions utilized in developing the metrics presented in this report.

Appendix 3 provides a mapping of Centers for Medicare and Medicaid Services (CMS) regions.

Appendix 4 provides a summary of state-by-state financial metrics.

Appendix 5 provides the listing of each included MCO as well as the company attributes assumed for purposes of the MCO groupings included in this report.

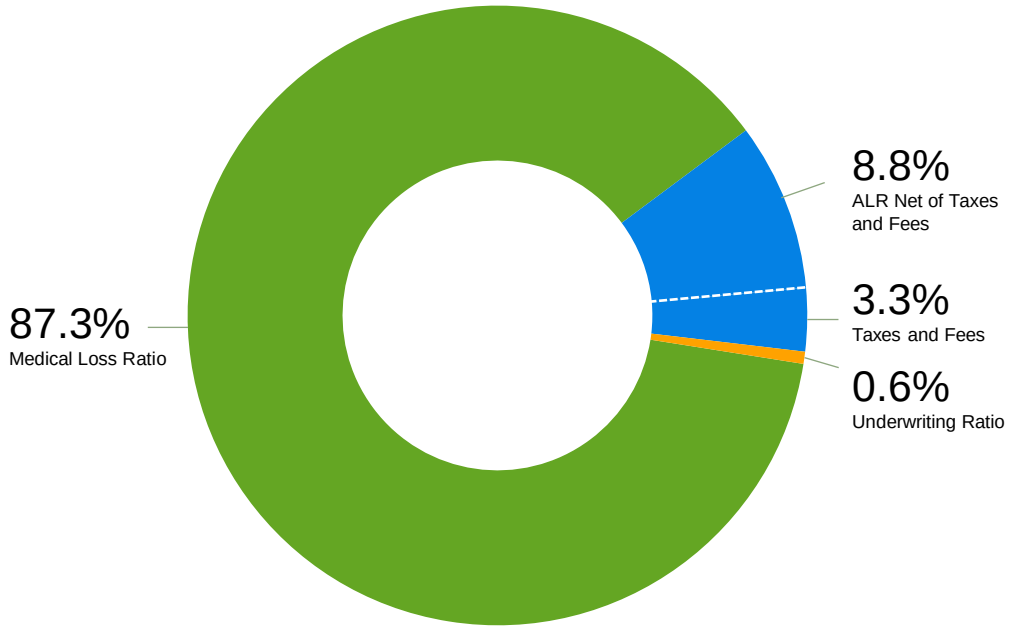
Summary of CY 2018 financial results

The CY 2018 financial information analyzed for this report comprises information for 174 reporting entities across 35 states, the District of Columbia, and Puerto Rico. The financial data for these MCOs were compiled to produce outcomes of key financial metrics for various company groupings. The distribution of results is summarized in this report to allow for user reference and benchmarking purposes.

The primary financial metrics that we have analyzed for this report include the medical loss ratio (MLR), administrative loss ratio (ALR), underwriting ratio (UW ratio), and risk-based capital (RBC) ratio. The selected metrics focus primarily on the income statement values of the financial statement, with the exception of the RBC ratio, which is a capital (or solvency) measure. The methodology and formulas behind these metrics are documented in Appendix 2.

Figure 1 summarizes the composite CY 2018 financial results for the 174 companies meeting the criteria selected for this study. The analyzed MCOs achieved underwriting gains of 0.6%, on a composite annual Medicaid revenue base representing approximately $179.3 billion. While the 0.6% positive underwriting ratio is lower than more recent years, we have observed a positive ratio each year this report has been produced.

FIGURE 1: COMPOSITE CY 2018 FINANCIAL RESULTS

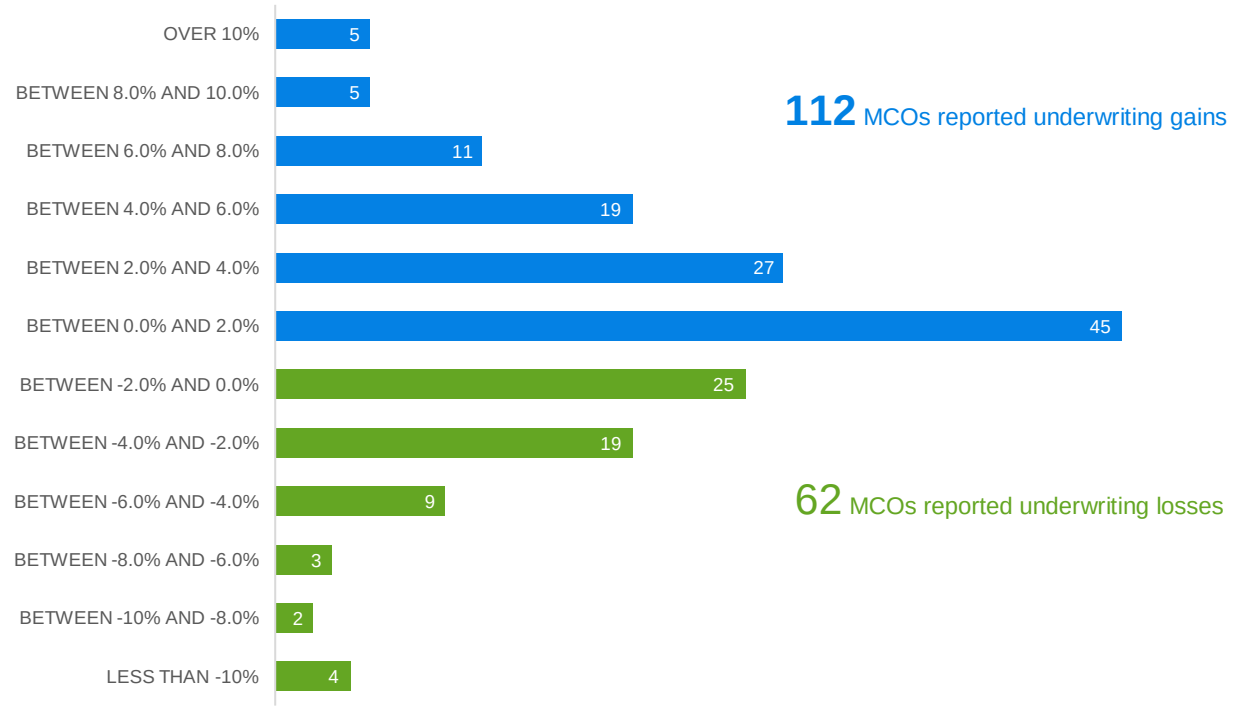


Notes

1. Values have been rounded.
2. Taxes and fees estimated based on a subset of the nationwide results.

The positive underwriting ratio of 0.6% represents a composite across identified MCOs, with considerable variances by individual MCOs. Figure 2 provides a distribution of the number of MCOs within ranges of underwriting ratios specific to CY 2018, indicating that over 60% of the MCOs reported gains, with more than one-third of them reporting gains above 2%.

FIGURE 2: CY 2018 UNDERWRITING RATIO DISTRIBUTION

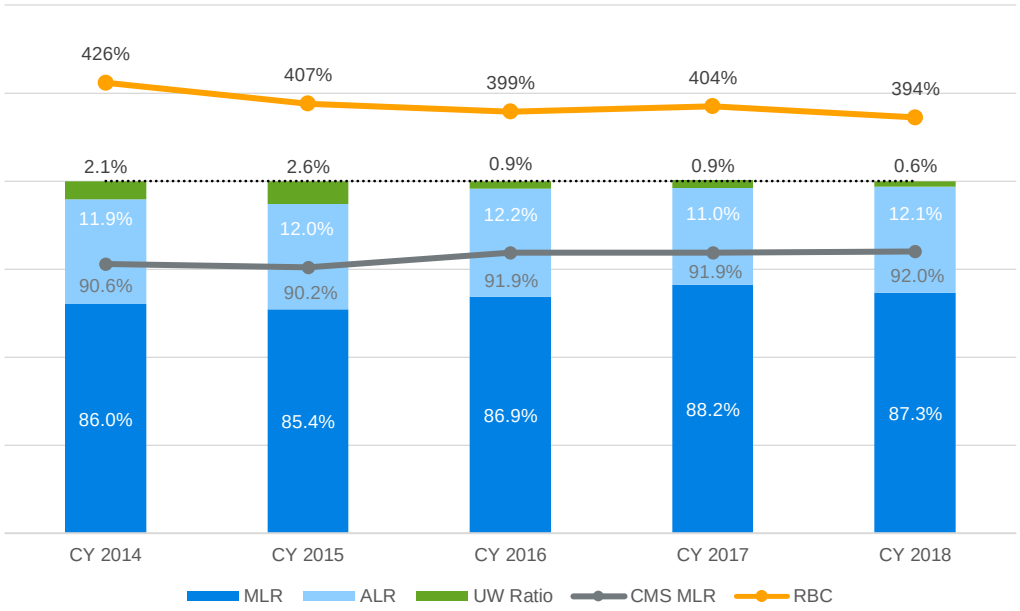


According to a study released by the Society of Actuaries, margin assumptions utilized in capitation rate setting generally vary from 0.5% to 2.5%.[4] Figure 2 illustrates the significant variance in actual reported underwriting results relative to capitation rate-setting assumptions at the individual reporting entity level; however, in aggregate, the CY 2018 underwriting results of 0.6% are within the expected range. Appendix 4 provides a summary of the underwriting ratio and other financial metrics analyzed in our report on a state-by-state basis.

[4] Society of Actuaries (March 2017). Medicaid Managed Care Organizations: Considerations in Calculating Margin in Rate Setting. Retrieved June 19, 2019, from https://www.soa.org/research-reports/2017/medicaid-margins/.

Over the past five years alone, the growth in Medicaid managed care revenue utilized in our analysis reflects over a 50% increase, with enrollment growing by over 33%, even after accounting for the Arizona MCOs for which additional information was first obtained for the 2015 update. Figure 3 summarizes the composite financial results for the most recent five-year period. The companies in each year are not the same; however, the criteria used to select the companies are consistent from year to year.

FIGURE 3: FIVE-YEAR HISTORICAL FINANCIAL RESULTS



Notes
1. Values have been rounded.
2. Estimated CMS MLR developed to be consistent with prescribed CMS MLR calculation.

Several observations on the Medicaid managed care market can be made over the most recent five years. A few takeaways are the following:

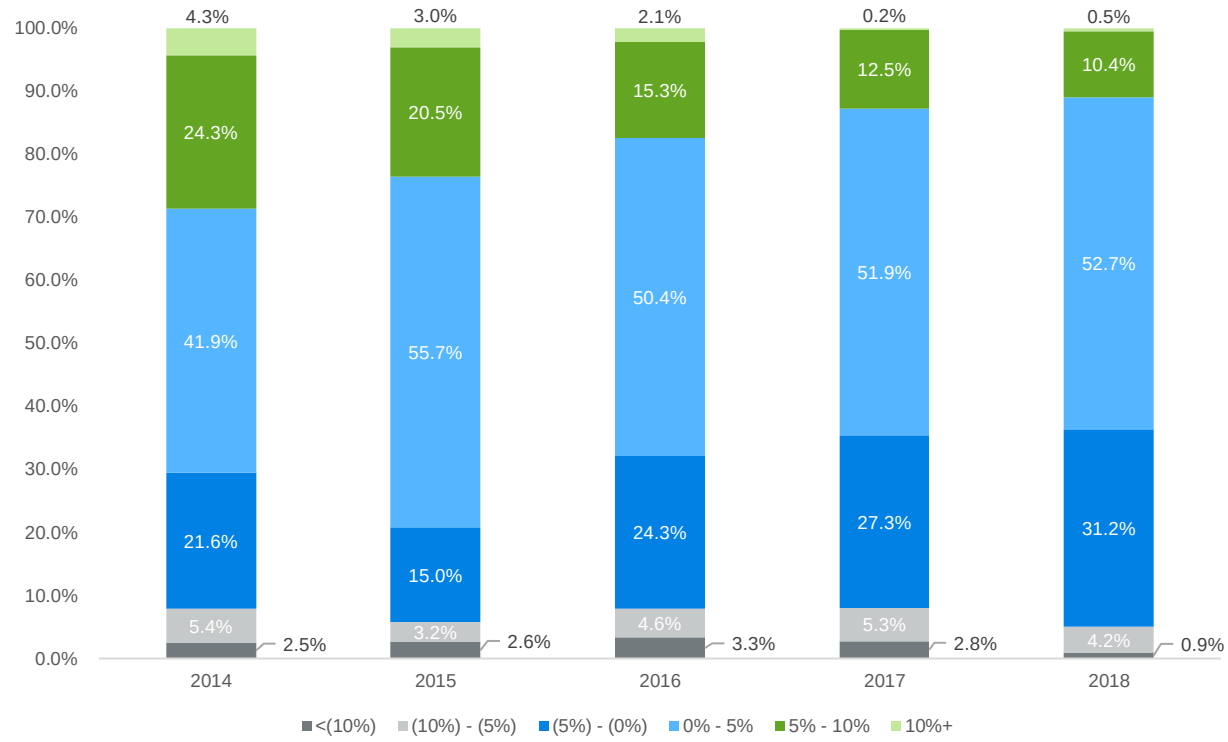
- While the ALR fluctuated by approximately 1% year over year between CY 2016 and CY 2018, the underwriting ratio varied by less than 0.3% over the same time period.
- The change in ALR appears to be primarily attributable to a change in the reported taxes and fees in CY 2017, which may be driven by the health insurance providers fee (HIPF) moratorium that same year.
- Based on timing of the moratorium, we may observe a similar change in reported ALR for CY 2019. Variances in the timing of how state Medicaid agencies reimburse MCOs for taxes and fees incurred and how the MCOs accrue this revenue and associated liability may impact this conclusion.
- Risk-based capital ratios are beginning to stabilize around the 400% level, down from the historical levels above 450% prior to Medicaid expansion efforts.
- The reduction in RBC levels reported in 2018 could be partially due to lower underwriting ratios, where a 1% change in revenue is equivalent to approximately a 7.7% impact to RBC assuming all else remains constant.

Because of the inconsistency between the MLR calculation based on information obtained from page 7 of the annual statement and the MLR calculation as defined by 42 CFR 438.8, we have estimated the CMS MLR, represented by the gray line in Figure 3. Consistent with prior years' reports, we have estimated the CMS MLR under the definition prescribed in CMS-2390-F, by adjusting for quality improvement expenditures in the numerator and removal of applicable taxes and fees in the denominator. This MLR adjustment is based on information available in NAIC annual statements and is a simplified estimate relative to the detailed MLR reporting requirements outlined in 42 CFR 438.8.

This change represents an increase to the composite MLR of approximately 4% to 5%. Based on the CMS MLR calculation, between 85% and 90% of the MCOs analyzed in this report would be at or above an 85% MLR. The 85% threshold is significant in that states may choose to implement a minimum MLR requirement of 85% or above in their MCO contracts, and the certified capitation rates must target an MLR of 85% or higher for rating periods starting July 1, 2019, and after. Please note that the MLR calculated throughout the remainder of this report is the MLR formula as defined in Appendix 2 and not the estimated CMS MLR.

While Figure 3 illustrates the overall changes in the underwriting results over the last five years, it is also important to understand how the underwriting results have varied across insurers. Figure 4 illustrates the distribution of underwriting results in the Medicaid managed care market for each calendar year from the MCOs included in our analysis.

FIGURE 4: DISTRIBUTION OF UNDERWRITING RESULTS BY YEAR



Note: The distribution is weighted by the revenue associated with each MCO's corresponding underwriting results.

It is interesting to note that while the composite UW ratio has varied over the five-year historical period, the percentage of plans reporting gains or losses over 5% appears to be decreasing in volatility over time. In particular, the percentage of plans reporting an underwriting gain of more than 5% has decreased significantly in years following the introduction of the expansion population in CY 2014, and few MCOs are left with gains above 10% in 2017 and 2018. As experience for the expansion populations has emerged, actuaries have had better reliance on appropriate data underlying the capitation rate process. The composite UW ratio reported by the MCOs in CY 2018 represents an aggregate underwriting gain of approximately $1.1 billion dollars in relation to the $179.3 billion of revenue received.

The continued reporting and payment of funds related to the ACA-required HIPF has had a clear impact on MCO financials. It is important to note that the timing of receipt and reporting of the HIPF amounts by the MCOs in this report, and potential corporate income tax gross-ups, vary across states and reporting entities. Therefore, we have not adjusted the values in this report to account for these items. It is likely that this has caused a material variation in the reported revenues, the administrative expenses, and ultimately the reported underwriting gain for a given year, especially due to the HIPF moratorium in the CY 2017 fee year.

Administrative cost analysis

MEDICAID-FOCUSED AND MEDICAID-OTHER MCOS

The previous section of this report contains analysis of key financial metrics for 174 MCOs that reported operations in the Medicaid Title XIX line of business, based on page 7 of the NAIC annual statement (*Analysis of Operations by Line of Business*). This section examines the administrative expenses reported by the MCOs on the *Underwriting and Investment Exhibit Part 3 – Analysis of Expenses* page. Because this information is only reported at an aggregate MCO level, detailed administrative expense information is not stratified by line of business (e.g., Medicaid). Therefore, the results presented in this section of the report are limited to the 78 MCOs that reported 90% or more of their total revenue from the Medicaid line of business[5] and are defined as "Medicaid-focused."

The administrative loss ratios reported by the Medicaid-focused MCOs were relatively consistent with the remaining 96 MCOs, which were defined as non-Medicaid-focused or among the eight state of Arizona plans for which this information was not available. The 78 Medicaid-focused MCOs account for approximately 50% of the Medicaid revenue summarized for purposes of this report, with a 12.2% ALR, 8.8% net of taxes and fees.

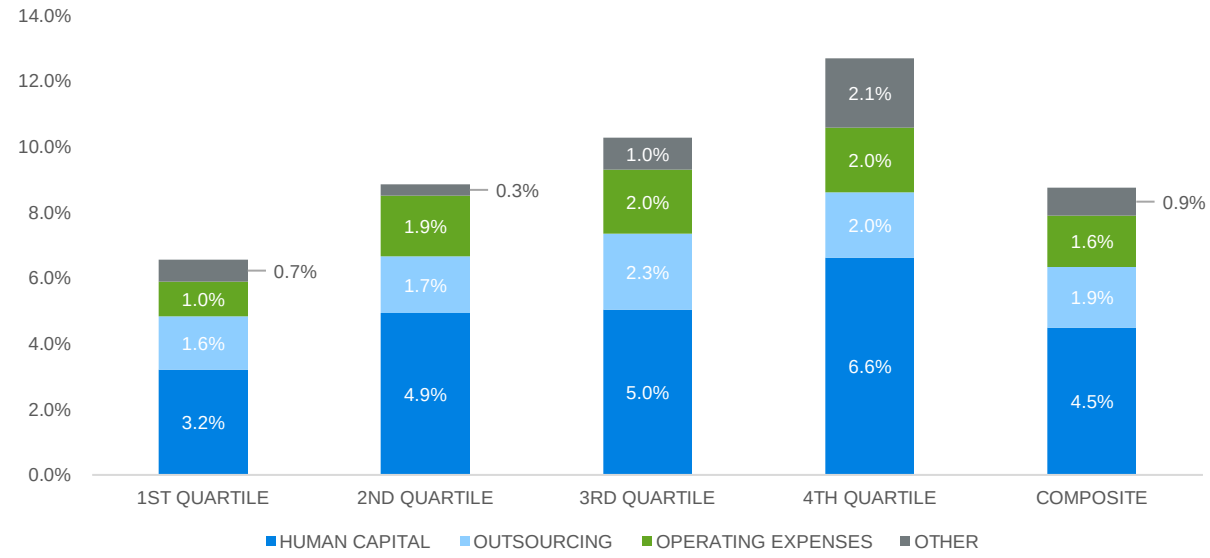
The remainder of this section summarizes the reported administrative costs for only the Medicaid-focused MCOs. The information received for the Arizona MCOs was obtained outside of the NAIC annual statement information and did not contain the level of administrative cost detail necessary to develop the metrics illustrated in this report.

SUMMARY OF RESULTS

The primary expense categories that are used in the *Analysis of Operations by Line of Business* page include the claim adjustment expenses (CAE) and general administrative expenses (GAE). The CAE and GAE categories are further stratified by additional subcategories of expenses in the *Underwriting and Investment Exhibit Part 3 – Analysis of Expenses* page, which is the basis of the administrative expense categories illustrated in this administrative cost analysis.

Figure 5 summarizes the CY 2018 administrative expenses by quartile of ALR performance for the 78 companies meeting the criteria selected for this study. The administrative expenses are stratified by administrative cost categories summarized from the *Underwriting and Investment Exhibit Part 3 – Analysis of Expenses* page.[6]

FIGURE 5: ADMINISTRATIVE LOSS RATIO BY QUARTILE OF ALR PERFORMANCE



Note: The ALR net of taxes and fees excludes taxes and fees from the numerator and denominator of the ALR calculation.

[5] Revenue amounts not listed under the Title XIX Medicaid line of business are considered non-Medicaid for purposes of this report. To the extent that CHIP or other Medicaid revenue is reported in a line of business other than Medicaid, a plan may be excluded from the administrative cost section of this report.

[6] Further information on the administrative expense category classification is available in Appendix 2.

In composite, MCOs grouped in the fourth quartile have higher administrative loss ratios across all expense types compared to MCOs grouped in the first quartile. Human capital (costs related to salaries, wages, and other items specific to in-house staffing resources) accounts for the majority of the increase in administrative costs relative to premium revenue among MCOs between the first and second quartile as well as between the third and fourth quartiles.

Figures 6 and 7 summarize the composite revenue and administrative expenses for the most recent five-year period for all companies matching the inclusion criteria indicated in this report. Unlike other figures in this report illustrating multiple years of financial results across all MCOs, the financial information included in Figures 6 and 7 has been limited to a consistent set of 58 MCOs that were in operation between CY 2014 and CY 2018. This limitation facilitates a more consistent review of the year-over-year administrative cost changes experienced by a cohort group of MCOs.

FIGURE 6: ADMINISTRATIVE COST PMPM NET OF TAXES AND FEES BY YEAR

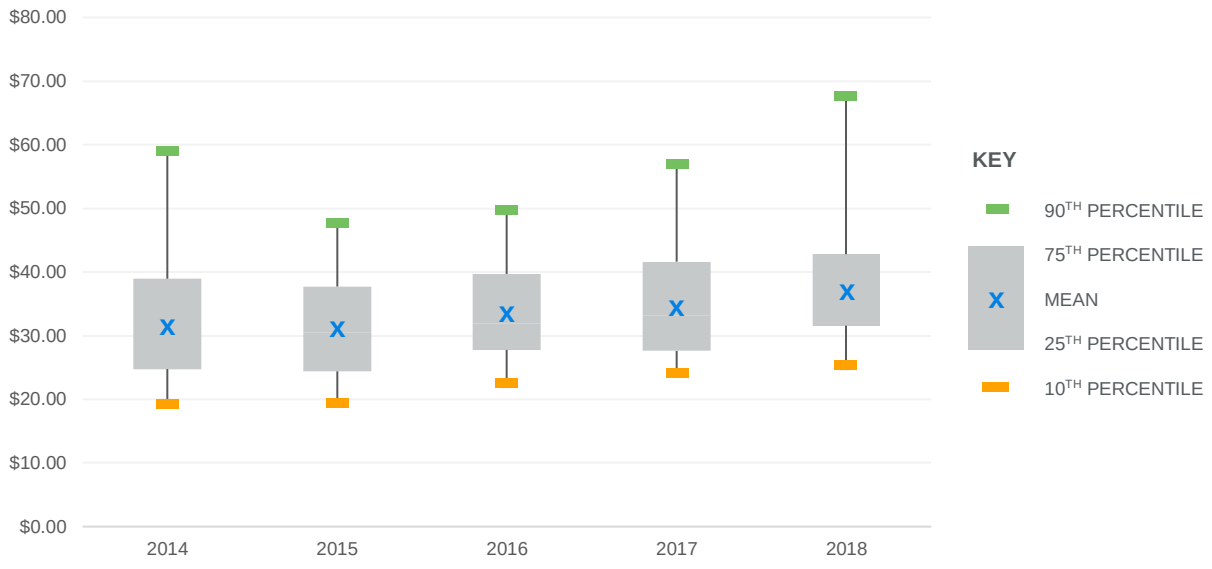
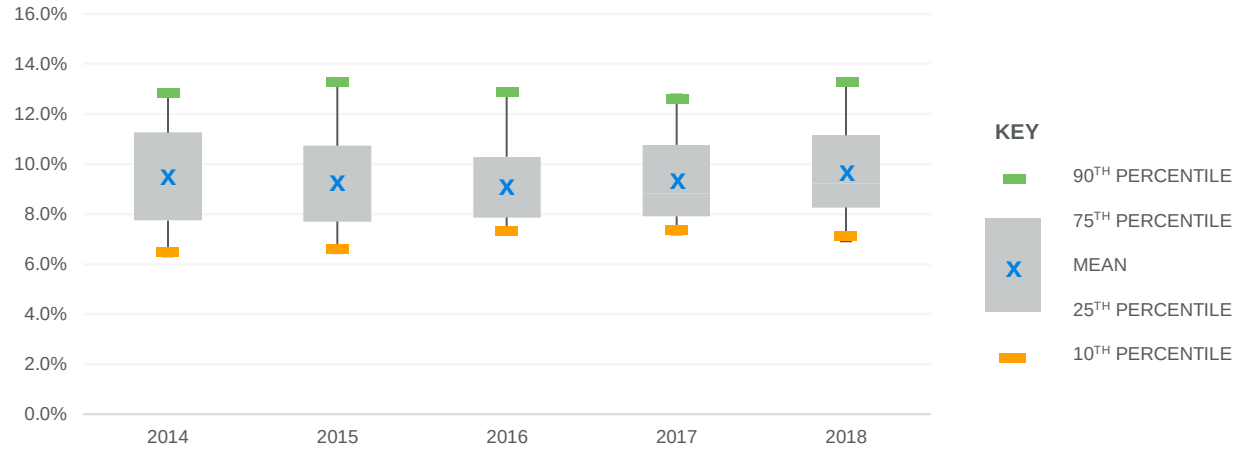


FIGURE 7: ALR NET OF TAXES AND FEES BY YEAR



Note: The ALR net of taxes and fees excludes taxes and fees from the numerator and denominator of the ALR calculation.

Figure 6 illustrates an increase in the reported administrative cost on a per member per month (PMPM) basis from CY 2014 to CY 2018. The average annualized increase is over 4% from CY 2014 to CY 2018; however, the ALRs net of taxes and fees observed in Figure 7 are relatively consistent over the same period, except for an increase from an average of 8.8% in CY 2017 to 9.2% in CY 2018.

The PMPM increase from CY 2014 to CY 2018 is likely attributable to general inflationary trends as well as changes in the membership covered by the MCOs in this study, such as the introduction of Medicaid expansion members, disabled members, and members requiring long-term services and supports, all of which have higher claim and administrative costs. The ALR net of taxes and fees has not increased at the same rate, which may be attributable to the introduction of more costly populations into managed care. While more costly populations generally require greater administrative resources on a per member basis, the administrative expense is generally a lesser proportion of the total premium for these populations.

Corporate-level financial metrics

We have historically stratified key financial metrics for the annual Medicaid revenue reported by the MCOs analyzed in our study. We are able to review the stratified data to understand how certain factors, such as economies of scale, may influence the reported financial metrics. A limitation of using the NAIC annual statements as a means for this analysis is that the collected organizations may be part of a larger parent company than the individual reporting entity. This structure would limit the ability to understand how certain costs may be spread across the larger organization's book of business. The business in other Medicaid programs or lines of business may provide additional economies of scale not captured in an analysis at the granularity in which the NAIC annual statements are filed.

To adjust for this reporting limitation, we have rolled up MCO financial statements to a parent organization level based on reported affiliations in the NAIC statements. We further analyzed the reported Medicaid revenue and expenditures to discern if there are additional observations that can be made. Revenue from other lines of business (non-Medicaid) were excluded to maintain consistency with the Medicaid focus of this report. The following figures illustrate the ALR net of taxes and UW ratio for CY 2017 and CY 2018 stratified by the annual Medicaid revenue for the parent organization. The exercise of aggregating the individual reporting entities to the corporate level reduced the number of organizations from 78 to 36.

FIGURE 8: ALR NET OF TAXES AND FEES BY CORPORATE REVENUE

	2017 DATA AND PERCENTILES					2018 DATA AND PERCENTILES				
ANNUAL REVENUE	N	MEAN	10TH	90TH	90/10 SPREAD	N	MEAN	10TH	90TH	90/10 SPREAD
$10 TO $250 MILLION	7	11.4%	9.1%	16.7%	7.5%	6	12.9%	9.0%	18.0%	9.0%
$250 TO $600 MILLION	6	8.5%	6.5%	9.9%	3.4%	7	11.3%	8.3%	16.6%	8.3%
$600 M TO $1.2 BILLION	7	7.8%	5.5%	11.3%	5.8%	5	8.9%	5.3%	11.4%	6.0%
$1.2 TO $3 BILLION	7	8.7%	6.7%	10.7%	4.0%	8	8.5%	6.7%	10.2%	3.6%
MORE THAN $3 BILLION	9	8.7%	7.9%	10.0%	2.1%	8	8.6%	6.9%	9.7%	2.8%

Note: Parent organizations were categorized based on total Medicaid revenue; however, the ALR net of taxes only represents the values reported by Medicaid-focused subsidiaries of the parent organization.

Figure 8 illustrates that while the ALR net of taxes does decrease from the smallest organization to larger corporations, the ALR net of taxes tends to stabilize once the MCO achieves a certain level of annual revenue. For instance, the mean ALR net of taxes is stable starting at $250 million in annual revenue in CY 2017 and $600 million in CY 2018.

Additionally, the difference between the 10th and 90th percentiles primarily decreases as the MCO revenue increases. For example, the difference in the 10th and 90th percentiles in CY 2017 is 7.5% for MCOs with $10 to $250 million in annual revenue, and that difference decreases to 2.1% for MCOs with more than $3 billion in annual revenue. A similar pattern may be observed using the CY 2018 financial statement data. This trend indicates a certain amount of uniformity in operational costs as the size of the MCO increases.

While economies of scale appear to have a measurable impact on the ALR net of taxes, the relationship of MCO scale and UW ratio is less clear. Figure 9 illustrates the CY 2017 and CY 2018 UW ratio stratified by the corporate-level annual Medicaid revenue. The additional number of organizations included in Figure 9 relative to Figure 8 reflects the inclusion of non-Medicaid-focused MCOs.

FIGURE 9: UNDERWRITING RATIO BY CORPORATE REVENUE

	2017 DATA AND PERCENTILES					2018 DATA AND PERCENTILES				
ANNUAL REVENUE	N	MEAN	10TH	90TH	90/10 SPREAD	N	MEAN	10TH	90TH	90/10 SPREAD
$10 TO $250 MILLION	27	1.1%	(10.3%)	6.3%	16.6%	19	2.9%	(3.9%)	11.7%	15.6%
$250 TO $600 MILLION	16	(2.4%)	(10.5%)	3.2%	13.7%	19	(1.2%)	(6.4%)	2.5%	8.9%
$600 M TO $1.2 BILLION	20	0.5%	(3.8%)	3.9%	7.7%	16	(0.6%)	(3.2%)	4.3%	7.5%
$1.2 TO $3 BILLION	16	0.8%	(2.5%)	3.5%	6.0%	17	(1.2%)	(4.8%)	2.3%	7.1%
MORE THAN $3 BILLION	9	1.1%	(1.1%)	3.1%	4.2%	9	1.2%	0.1%	3.2%	3.1%

Other than an interesting anomaly of a positive underwriting ratio for the smallest and largest MCOs in both CY 2017 and CY 2018, the mean UW ratio does not suggest a defined relationship pattern between the MCO annual revenue and the UW ratio. However, the spread between the 10th and 90th percentiles does indicate that the volatility of the UW ratio decreases as the annual Medicaid revenue of the corporation increases. This result is intuitive, as one would expect the effect of random claim fluctuation to decrease as more lives are covered by the MCO.

Conclusion

Risk-based managed care represents a large portion of total Medicaid expenditures for CY 2018 and the amount of expenditures will continue to grow as Medicaid programs are anticipated to continue shifting membership to managed care organizations. Additional transition of members is also occurring for other populations that have traditionally operated under fee-for-service arrangements. MCOs are an integral part of this delivery system and their financial results will help us understand the continued sustainability of risk-based managed care.

We continue to review emerging trends in the Medicaid managed care market and observe the impact these items have on the financial performance of the participating MCOs. Initiatives that may materially impact the Medicaid managed care market financials include the following:

- Increased usage of value-based purchasing and payments
- The focus on using social determinants of health to provide better care
- The integration of physical and behavioral health programs and goals
- The ever-changing environment of prescription drugs coverage and therapy

The results provide reference and benchmarking information for certain key financial metrics used in the day-to-day analysis of Medicaid MCO financial performance. It will be important to continue monitoring the results over time as the world of healthcare finance continues to evolve and pose new challenges.

Limitations and data reliance

The results contained in this report were compiled using data and information obtained from the statutory annual statements for Medicaid MCOs filed with the respective state insurance regulators. The annual statements were retrieved as of May 13, 2019, from an online database. In addition to the limiting criteria used to select companies in this report, certain MCOs may be omitted from this report because of the timing of annual statement submissions or their exclusions from the online database. For example, California is known to operate managed care programs, but they are not included in this report because there were no annual statements found in the online database for them. Additionally, a limited number of annual statements are included in the database for MCOs operating in the New York Medicaid program.

The information was relied upon as reported and without audit. We performed a limited review of the data for reasonableness and consistency. To the extent that the data reported contained material errors or omissions, the values contained within this report would likewise contain similar reporting errors.

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The views expressed in this research paper are made by the authors and do not represent the opinions of Milliman, Inc. Other Milliman consultants may hold alternative views and reach different conclusions from those shown.

Qualifications

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. The authors are members of the American Academy of Actuaries, and meet the qualification standards for performing the analyses in this report.

Appendix 1: Financial metrics and MCO characteristics

In addition to the figures illustrated in the body of this report, we have analyzed the financial metrics stratified by certain MCO characteristics to understand the potential impact these characteristics have on the reported financial results. The figures in Appendix 1 illustrate the following financial metrics and MCO characteristics:

Financial metrics

- Medical loss ratio
- Underwriting ratio
- Risk-based capital ratio
- Administrative loss ratio
- Administrative loss ratio net of taxes and fees (Medicaid-focused MCOs only)
- Administrative cost per member per month (PMPM) net of taxes and fees (Medicaid-focused MCOs only)

MCO characteristics

- CMS region (see chart in Appendix 3)
- Annual Medicaid revenue
- Annual Medicaid revenue PMPM
- MCO type (Medicaid-focused versus all other MCOs)
- MCOs operating in five or more states
- MCO financial structure
- State Medicaid expansion status
- Underwriting gain/loss

FIGURE 10: MEDICAL LOSS RATIO: CY 2018 RESULTS

			REVENUE	PERCENTILE					
MCO GROUPING	CATEGORY	N	(IN $ BILLIONS)	MEAN	10TH	25TH	50TH	75TH	90TH
COMPOSITE	COMPOSITE	174	179.3	87.3%	78.8%	83.3%	86.6%	90.5%	93.2%
CMS REGION	REGION 1	8	6.8	92.7%	86.7%	89.5%	91.5%	93.7%	97.4%
	REGION 2	15	14.7	87.9%	84.5%	86.3%	87.6%	88.4%	93.0%
	REGION 3	23	25.0	87.6%	76.7%	79.1%	87.1%	91.1%	94.9%
	REGION 4	27	38.5	87.1%	81.3%	83.2%	86.3%	88.8%	93.2%
	REGION 5	40	40.4	86.3%	78.3%	79.3%	85.6%	89.0%	92.5%
	REGION 6	28	31.8	87.3%	81.7%	84.0%	86.4%	89.8%	94.2%
	REGION 7	8	6.6	87.5%	82.2%	83.6%	86.2%	90.9%	92.1%
	REGION 8	4	0.9	84.5%	77.6%	78.4%	81.3%	87.0%	90.7%
	REGION 9	14	9.2	87.5%	81.7%	84.4%	86.7%	93.5%	95.0%
	REGION 10	7	5.3	86.2%	80.8%	81.7%	87.0%	90.8%	91.4%
ANNUAL REVENUE	$10 TO $250 MILLION	33	4.5	83.9%	72.7%	78.5%	84.4%	88.0%	94.1%
	$250 TO $600 MILLION	42	17.9	87.2%	81.7%	83.9%	87.6%	90.8%	92.2%
	$600 MILLION TO $1.2 BILLION	43	37.9	85.1%	78.8%	80.8%	85.3%	88.1%	92.6%
	MORE THAN $1.2 BILLION	56	118.9	88.2%	82.7%	85.3%	88.5%	91.9%	94.1%
REVENUE PMPM	LESS THAN $290	43	21.2	85.0%	77.6%	80.4%	85.1%	87.7%	92.3%
	$290 TO $425	57	51.4	86.9%	78.5%	81.7%	86.2%	90.7%	94.7%
	MORE THAN $425	74	106.7	88.0%	82.2%	84.7%	87.6%	91.0%	93.2%
MCO TYPE	MEDICAID FOCUSED	85	89.4	87.2%	79.1%	82.8%	85.8%	90.7%	92.2%
	MEDICAID OTHER	89	89.9	87.4%	78.5%	83.4%	87.0%	90.1%	94.9%
MULTISTATE OPERATIONS	FIVE OR MORE	95	115.3	86.2%	78.5%	81.7%	84.7%	88.4%	91.3%
	LESS THAN FIVE	79	64.0	89.4%	80.1%	85.7%	88.4%	92.2%	95.1%
MCO FINANCIAL STRUCTURE	FOR-PROFIT	122	130.9	86.3%	78.5%	81.7%	85.1%	88.4%	91.9%
	NONPROFIT	52	48.3	90.2%	83.9%	87.1%	89.8%	92.7%	95.1%
EXPANSION STATUS	EXPANSION STATE	100	111.3	87.1%	78.8%	82.8%	86.6%	91.1%	94.1%
	NON-EXPANSION STATE	74	68.0	87.6%	79.2%	83.4%	86.7%	89.8%	93.1%
GAIN/(LOSS) POSITION	REPORTED A GAIN	112	114.2	85.5%	78.5%	80.8%	84.4%	87.6%	89.9%
	REPORTED A LOSS	62	65.0	90.5%	85.7%	87.1%	90.8%	93.3%	97.0%

FIGURE 11: UNDERWRITING RATIO: CY 2018 RESULTS

			REVENUE	PERCENTILE					
MCO GROUPING	CATEGORY	N	(IN $ BILLIONS)	MEAN	10TH	25TH	50TH	75TH	90TH
COMPOSITE	COMPOSITE	174	179.3	0.6%	(4.1%)	(1.5%)	1.1%	3.5%	6.2%
CMS REGION	REGION 1	8	6.8	(1.4%)	(4.1%)	(3.2%)	(1.4%)	(0.9%)	1.7%
	REGION 2	15	14.7	0.1%	(1.6%)	(0.5%)	0.9%	2.4%	3.1%
	REGION 3	23	25.0	1.1%	(5.2%)	(2.5%)	0.8%	5.8%	6.8%
	REGION 4	27	38.5	0.2%	(4.9%)	(1.7%)	1.6%	3.5%	4.6%
	REGION 5	40	40.4	1.9%	(3.0%)	0.3%	2.8%	5.9%	8.9%
	REGION 6	28	31.8	(0.5%)	(6.2%)	(2.4%)	(0.4%)	1.3%	5.7%
	REGION 7	8	6.6	0.8%	(4.8%)	(0.1%)	1.3%	2.6%	4.7%
	REGION 8	4	0.9	5.1%	1.7%	3.4%	6.9%	10.1%	11.6%
	REGION 9	14	9.2	0.9%	(8.7%)	(2.8%)	0.4%	2.3%	4.0%
	REGION 10	7	5.3	0.8%	(4.6%)	(2.5%)	1.0%	3.8%	4.5%
ANNUAL REVENUE	$10 TO $250 MILLION	33	4.5	3.3%	(5.3%)	(2.5%)	2.7%	7.8%	11.6%
	$250 TO $600 MILLION	42	17.9	0.8%	(4.6%)	(1.8%)	1.4%	3.2%	4.8%
	$600 MILLION TO $1.2 BILLION	43	37.9	1.6%	(2.8%)	0.0%	1.5%	4.0%	6.0%
	MORE THAN $1.2 BILLION	56	118.9	0.2%	(4.6%)	(1.7%)	0.2%	1.9%	4.3%
REVENUE PMPM	LESS THAN $290	43	21.2	2.0%	(3.4%)	0.4%	2.7%	4.5%	9.3%
	$290 TO $425	57	51.4	0.6%	(5.8%)	(2.7%)	1.0%	4.7%	6.8%
	MORE THAN $425	74	106.7	0.4%	(3.6%)	(1.6%)	0.4%	2.4%	4.5%
MCO TYPE	MEDICAID FOCUSED	85	89.4	0.6%	(4.6%)	(1.2%)	1.4%	3.5%	6.0%
	MEDICAID OTHER	89	89.9	0.6%	(3.8%)	(1.6%)	0.9%	3.2%	7.7%
MULTISTATE OPERATIONS	FIVE OR MORE	95	115.3	1.4%	(2.7%)	(0.3%)	1.9%	4.7%	6.6%
	LESS THAN FIVE	79	64.0	(0.7%)	(5.2%)	(2.7%)	0.4%	2.2%	4.5%
MCO FINANCIAL STRUCTURE	FOR-PROFIT	122	130.9	1.2%	(2.7%)	(0.4%)	2.1%	4.6%	7.2%
	NONPROFIT	52	48.3	(0.8%)	(5.2%)	(3.4%)	0.1%	1.4%	2.4%
EXPANSION STATUS	EXPANSION STATE	100	111.3	0.9%	(4.2%)	(1.3%)	1.0%	3.7%	6.1%
	NON-EXPANSION STATE	74	68.0	0.2%	(3.8%)	(2.0%)	1.3%	3.4%	7.8%
GAIN/(LOSS) POSITION	REPORTED A GAIN	112	114.2	2.6%	0.4%	1.3%	2.8%	5.0%	7.7%
	REPORTED A LOSS	62	65.0	(2.8%)	(7.1%)	(4.6%)	(2.7%)	(1.2%)	(0.4%)

FIGURE 12: RISK-BASED CAPITAL RATIO: CY 2018 RESULTS

			REVENUE	PERCENTILE					
MCO GROUPING	CATEGORY	N	(IN $ BILLIONS)	MEAN	10TH	25TH	50TH	75TH	90TH
COMPOSITE	COMPOSITE	167	173.5	394%	242.6%	313%	399%	515%	670%
CMS REGION	REGION 1	8	6.8	336%	205%	268%	333%	366%	670%
	REGION 2	15	14.7	403%	204%	284%	349%	502%	727%
	REGION 3	23	25.0	414%	281%	321%	408%	525%	577%
	REGION 4	27	38.5	350%	163%	235%	325%	519%	705%
	REGION 5	40	40.4	420%	258%	343%	436%	535%	591%
	REGION 6	28	31.8	350%	223%	279%	364%	441%	687%
	REGION 7	8	6.6	364%	214%	328%	384%	423%	459%
	REGION 8	4	0.9	499%	474%	526%	599%	644%	667%
	REGION 9	7	3.5	481%	278%	378%	504%	688%	916%
	REGION 10	7	5.3	527%	322%	386%	507%	922%	936%
ANNUAL REVENUE	$10 TO $250 MILLION	32	4.3	609%	341%	406%	564%	677%	936%
	$250 TO $600 MILLION	39	16.4	450%	246%	321%	396%	529%	688%
	$600 MILLION TO $1.2 BILLION	42	37.0	422%	252%	345%	429%	464%	588%
	MORE THAN $1.2 BILLION	54	115.7	342%	215%	258%	321%	405%	473%
REVENUE PMPM	LESS THAN $290	41	19.8	454%	246%	372%	459%	576%	705%
	$290 TO $425	53	47.3	391%	223%	314%	425%	500%	588%
	MORE THAN $425	73	106.4	381%	248%	299%	349%	442%	670%
MCO TYPE	MEDICAID FOCUSED	78	83.7	377%	221%	291%	391%	464%	687%
	MEDICAID OTHER	89	89.9	401%	246%	321%	407%	524%	655%
MULTISTATE OPERATIONS	FIVE OR MORE	92	112.7	373%	243%	314%	395%	468%	620%
	LESS THAN FIVE	75	60.8	418%	246%	287%	407%	525%	674%
MCO FINANCIAL STRUCTURE	FOR-PROFIT	117	127.1	380%	243%	314%	395%	473%	660%
	NONPROFIT	50	46.4	420%	234%	286%	434%	529%	681%
EXPANSION STATUS	EXPANSION STATE	93	105.5	416%	261%	323%	425%	525%	688%
	NON-EXPANSION STATE	74	68.0	361%	222%	281%	391%	468%	655%
GAIN/(LOSS) POSITION	REPORTED A GAIN	107	110.1	415%	261%	330%	433%	550%	688%
	REPORTED A LOSS	60	63.4	357%	215%	255%	351%	427%	553%

Note: Arizona MCOs were excluded from this table, as RBC ratio information was not available.

FIGURE 13: ADMINISTRATIVE LOSS RATIO: CY 2018 RESULTS

			REVENUE	PERCENTILE					
MCO GROUPING	CATEGORY	N	(IN $ BILLIONS)	MEAN	10TH	25TH	50TH	75TH	90TH
COMPOSITE	COMPOSITE	174	179.3	12.1%	7.8%	10.0%	12.2%	14.5%	16.8%
CMS REGION	REGION 1	8	6.8	8.8%	6.2%	6.9%	8.8%	13.8%	14.8%
	REGION 2	15	14.7	12.0%	8.0%	9.3%	11.1%	12.7%	14.6%
	REGION 3	23	25.0	11.2%	7.5%	9.5%	12.0%	16.1%	19.1%
	REGION 4	27	38.5	12.7%	10.1%	11.0%	12.5%	13.6%	15.9%
	REGION 5	40	40.4	11.8%	7.3%	8.9%	12.2%	14.9%	17.2%
	REGION 6	28	31.8	13.2%	9.8%	11.8%	14.4%	15.9%	19.1%
	REGION 7	8	6.6	11.7%	7.4%	10.7%	12.7%	13.8%	14.9%
	REGION 8	4	0.9	10.4%	7.6%	8.4%	10.4%	12.7%	13.7%
	REGION 9	14	9.2	11.6%	7.6%	9.9%	11.7%	13.5%	16.3%
	REGION 10	7	5.3	13.0%	6.9%	11.1%	12.0%	13.9%	18.8%
ANNUAL REVENUE	$10 TO $250 MILLION	33	4.5	12.8%	8.0%	9.9%	13.4%	15.7%	19.2%
	$250 TO $600 MILLION	42	17.9	12.1%	7.4%	9.5%	12.4%	14.5%	16.1%
	$600 MILLION TO $1.2 BILLION	43	37.9	13.3%	9.4%	10.8%	12.8%	15.5%	17.4%
	MORE THAN $1.2 BILLION	56	118.9	11.6%	8.2%	9.8%	11.7%	14.0%	15.7%
REVENUE PMPM	LESS THAN $290	43	21.2	13.0%	8.0%	10.4%	12.8%	15.1%	17.7%
	$290 TO $425	57	51.4	12.6%	7.6%	10.1%	12.4%	15.3%	16.8%
	MORE THAN $425	74	106.7	11.6%	7.8%	9.5%	11.9%	14.4%	15.7%
MCO TYPE	MEDICAID FOCUSED	85	89.4	12.1%	8.5%	10.6%	12.6%	14.5%	16.6%
	MEDICAID OTHER	89	89.9	12.0%	7.4%	9.5%	11.9%	14.5%	17.0%
MULTISTATE OPERATIONS	FIVE OR MORE	95	115.3	12.5%	10.1%	11.4%	12.7%	15.3%	17.0%
	LESS THAN FIVE	79	64.0	11.3%	7.2%	8.5%	10.9%	13.8%	16.6%
MCO FINANCIAL STRUCTURE	FOR-PROFIT	122	130.9	12.6%	9.2%	11.2%	12.7%	15.3%	17.1%
	NONPROFIT	52	48.3	10.6%	7.2%	8.1%	10.2%	12.6%	14.8%
EXPANSION STATUS	EXPANSION STATE	100	111.3	12.0%	7.4%	9.5%	12.0%	14.8%	17.1%
	NON-EXPANSION STATE	74	68.0	12.2%	9.2%	10.4%	12.5%	14.4%	16.6%
GAIN/(LOSS) POSITION	REPORTED A GAIN	112	114.2	11.9%	7.6%	10.3%	12.1%	14.5%	17.0%
	REPORTED A LOSS	62	65.0	12.3%	8.3%	9.8%	12.5%	15.0%	16.3%

FIGURE 14: ADMINISTRATIVE LOSS RATIO NET OF TAXES (MEDICAID-FOCUSED MCOS): CY 2018 RESULTS

			REVENUE	PERCENTILE					
MCO GROUPING	CATEGORY	N	(IN $ BILLIONS)	MEAN	10TH	25TH	50TH	75TH	90TH
COMPOSITE	COMPOSITE	78	83.7	8.8%	6.9%	8.2%	9.4%	11.1%	13.4%
CMS REGION	REGION 1	2	1.6	8.1%	7.7%	7.7%	8.7%	9.7%	9.7%
	REGION 2	5	5.0	9.6%	8.5%	9.2%	9.4%	9.6%	12.1%
	REGION 3	11	11.9	7.6%	8.0%	8.5%	10.3%	12.0%	12.0%
	REGION 4	16	19.6	9.8%	8.1%	8.6%	9.9%	11.0%	13.4%
	REGION 5	16	22.2	8.0%	6.4%	6.9%	8.4%	12.3%	13.9%
	REGION 6	16	15.9	9.2%	7.0%	8.1%	9.2%	10.9%	14.0%
	REGION 7	6	4.9	8.1%	6.2%	6.5%	9.0%	10.9%	11.0%
	REGION 8	1	0.1	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%
	REGION 9	2	1.0	12.3%	11.6%	11.6%	12.1%	12.6%	12.6%
	REGION 10	3	1.6	9.8%	9.2%	9.2%	9.7%	10.5%	10.5%
ANNUAL REVENUE	$10 TO $250 MILLION	8	1.2	11.8%	7.6%	9.0%	11.0%	13.8%	22.1%
	$250 TO $600 MILLION	21	9.0	10.8%	9.2%	9.4%	10.3%	11.6%	14.0%
	$600 MILLION TO $1.2 BILLION	27	23.7	9.5%	7.0%	8.1%	9.3%	11.2%	12.6%
	MORE THAN $1.2 BILLION	22	49.7	7.9%	6.4%	6.9%	8.3%	10.2%	10.8%
REVENUE PMPM	LESS THAN $290	15	8.5	10.9%	8.5%	9.1%	10.2%	13.4%	14.2%
	$290 TO $425	34	32.8	9.5%	8.0%	8.5%	9.7%	11.1%	13.4%
	MORE THAN $425	29	42.4	7.8%	6.4%	7.0%	8.8%	11.0%	12.0%
MULTISTATE OPERATIONS	FIVE OR MORE	51	56.1	8.9%	7.0%	8.3%	9.6%	11.0%	12.1%
	LESS THAN FIVE	27	27.5	8.6%	6.8%	7.7%	9.4%	11.6%	15.0%
MCO FINANCIAL STRUCTURE	FOR-PROFIT	59	60.6	9.0%	7.0%	8.3%	9.6%	11.1%	13.4%
	NONPROFIT	19	23.0	8.2%	6.4%	6.9%	9.4%	11.1%	13.6%
EXPANSION STATUS	EXPANSION STATE	44	55.3	8.2%	6.8%	7.9%	9.3%	10.9%	13.4%
	NON-EXPANSION STATE	34	28.3	9.8%	7.6%	8.6%	9.9%	11.1%	13.4%
GAIN/(LOSS) POSITION	REPORTED A GAIN	51	53.1	8.4%	6.9%	8.1%	9.4%	11.3%	13.4%
	REPORTED A LOSS	27	30.5	9.5%	7.0%	8.3%	9.5%	10.9%	12.0%

Note: This table is limited to Medicaid-focused MCOs. Arizona MCOs were additionally excluded from this table, as detailed administrative cost information was not available.

FIGURE 15: ADMINISTRATIVE COSTS PMPM NET OF TAXES (MEDICAID-FOCUSED MCOS): CY 2018 RESULTS

			REVENUE	PERCENTILE					
MCO GROUPING	CATEGORY	N	(IN $ BILLIONS)	MEAN	10TH	25TH	50TH	75TH	90TH
COMPOSITE	COMPOSITE	78	83.7	$ 34.15	$ 22.73	$ 28.14	$ 34.74	$ 41.37	$ 65.66
CMS REGION	REGION 1	2	1.6	$ 43.30	$ 37.80	$ 37.80	$ 41.46	$ 45.13	$ 45.13
	REGION 2	5	5.0	$ 33.04	$ 15.84	$ 16.41	$ 43.27	$ 50.64	$ 91.15
	REGION 3	11	11.9	$ 35.16	$ 26.85	$ 29.93	$ 37.44	$ 65.66	$ 79.87
	REGION 4	16	19.6	$ 35.26	$ 25.18	$ 32.16	$ 36.27	$ 41.18	$ 47.07
	REGION 5	16	22.2	$ 33.32	$ 18.51	$ 30.62	$ 33.17	$ 38.12	$ 69.66
	REGION 6	16	15.9	$ 33.52	$ 22.28	$ 27.45	$ 32.32	$ 38.55	$ 60.78
	REGION 7	6	4.9	$ 32.98	$ 24.66	$ 25.50	$ 36.28	$ 47.50	$ 48.23
	REGION 8	1	0.1	$ 23.82	$ 23.82	$ 23.82	$ 23.82	$ 23.82	$ 23.82
	REGION 9	2	1.0	$ 40.79	$ 37.09	$ 37.09	$ 43.73	$ 50.38	$ 50.38
	REGION 10	3	1.6	$ 28.65	$ 23.17	$ 23.17	$ 28.14	$ 41.23	$ 41.23
ANNUAL REVENUE	$10 TO $250 MILLION	8	1.2	$ 41.12	$ 20.65	$ 27.04	$ 36.02	$ 59.01	$ 79.87
	$250 TO $600 MILLION	21	9.0	$ 35.01	$ 23.17	$ 28.14	$ 38.13	$ 44.62	$ 50.64
	$600 MILLION TO $1.2 BILLION	27	23.7	$ 32.99	$ 22.28	$ 26.17	$ 32.89	$ 37.44	$ 73.38
	MORE THAN $1.2 BILLION	22	49.7	$ 34.42	$ 25.18	$ 30.98	$ 34.62	$ 41.37	$ 47.07
REVENUE PMPM	LESS THAN $290	15	8.5	$ 26.12	$ 16.41	$ 20.65	$ 25.50	$ 30.26	$ 37.42
	$290 TO $425	34	32.8	$ 32.55	$ 24.80	$ 31.44	$ 33.75	$ 38.53	$ 41.63
	MORE THAN $425	29	42.4	$ 39.42	$ 29.00	$ 34.41	$ 43.27	$ 50.64	$ 86.53
MULTISTATE OPERATIONS	FIVE OR MORE	51	56.1	$ 34.57	$ 24.80	$ 29.93	$ 36.31	$ 41.37	$ 50.64
	LESS THAN FIVE	27	27.5	$ 33.30	$ 18.51	$ 26.17	$ 33.26	$ 45.13	$ 69.66
MCO FINANCIAL STRUCTURE	FOR-PROFIT	59	60.6	$ 34.35	$ 23.82	$ 29.93	$ 34.82	$ 41.37	$ 69.66
	NONPROFIT	19	23.0	$ 33.59	$ 18.51	$ 26.17	$ 34.41	$ 45.13	$ 65.66
EXPANSION STATUS	EXPANSION STATE	44	55.3	$ 35.25	$ 26.85	$ 31.97	$ 37.14	$ 43.94	$ 69.66
	NON-EXPANSION STATE	34	28.3	$ 32.51	$ 22.28	$ 25.18	$ 32.24	$ 38.98	$ 60.78
GAIN/(LOSS) POSITION	REPORTED A GAIN	51	53.1	$ 32.75	$ 22.73	$ 27.83	$ 34.41	$ 41.24	$ 69.66
	REPORTED A LOSS	27	30.5	$ 36.56	$ 23.17	$ 29.00	$ 35.22	$ 43.27	$ 48.23

Note: This table is limited to Medicaid-focused MCOs. Arizona MCOs were additionally excluded from this table, as detailed administrative cost information was not available.

Appendix 2: Definition of financial metrics

The financial metrics calculated for purposes of this report include the medical loss ratio (MLR), underwriting ratio (UW ratio), risk-based capital ratio (RBC ratio), administrative loss ratio (ALR), and administrative cost PMPM. These selected metrics focus primarily on the income statement values of the financial statement, with the exception of the RBC ratio, which is a capital (or solvency) measure.

The financial metrics selected encompass five of the primary ratios used by MCOs, state Medicaid agencies, and other stakeholders to evaluate the financial performance of an MCO. The metrics are defined in greater detail below.

MEDICAL LOSS RATIO (MLR)

MLR is a common financial metric used to report and benchmark the financial performance of an MCO. The MLR represents the proportion of revenue that was used by the MCO to fund claim expenses. The MLR is stated as a percentage, with claim expense in the numerator and revenue in the denominator.

In terms of the statutory annual statement, the MLR was defined as follows:

MLR=	TOTAL HOSPITAL AND MEDICAL EXPENSES + INCREASE IN RESERVES FOR A&H CONTRACTS	
	TOTAL REVENUE	
WHERE:	TOTAL HOSPITAL AND MEDICAL EXPENSES: TITLE XIX–MEDICAID (P.7, L.17, C.8)	
	INCREASE IN RESERVES FOR ACCIDENT AND HEALTH (A&H) CONTRACTS: TITLE XIX–MEDICAID (P.7, L.21, C.8)	
	TOTAL REVENUE: TITLE XIX–MEDICAID (P.7, L.7, C.8)	

Certain states include pass-through type programs such as franchise fees or provider taxes. This would also include amounts related to the health insurer assessment fee and applicable income tax gross-ups. These items may or may not be included in the total revenue reported by the MCO because the reporting practices vary among plans. If reported in the total revenue, there should be a corresponding offset amount included in the administrative costs for this as well.

Actuaries and financial analysts use the MLR as a measure of premium adequacy and often compare the resulting MLR with a “target” level. The MLR alone is not sufficient to compare MCO financial results among various states and programs. The target loss ratios (the claim cost included in the premium or capitation rate) vary by state and populations enrolled. Additionally, there may be reporting differences among MCOs as to what is classified as medical expense versus administrative expense.

As previously noted, the definition of MLR for purposes of this report may not be consistent with other definitions, in particular the Medicaid and Children's Health Insurance Program (CHIP) managed care final rule (CMS-2390-F). The Medicaid and CHIP managed care final rule allows for the reduction of taxes, licensing, and regulatory fees from the revenue and a credibility adjustment, as well as the addition of quality improvement expenditures to the hospital and medical expenses in the numerator. The estimated CMS MLR in Figure 3 of this report above includes a 2% adjustment for quality improvement expenditures and removal of estimated Medicaid taxes, licensing, and regulatory fees from the revenue, which generally results in an additional 2% to 3% increase in the CMS MLR. However, other provisions, such as the exclusion of pass-through payments from the numerator and denominator of the MLR formula, could decrease the MLR percentage.

UNDERWRITING RATIO

The UW ratio is the sum of the MLR and the ALR (defined below) subtracted from 100%. A positive UW ratio indicates a financial gain, while a negative UW ratio indicates a loss. This financial metric is used to report and benchmark the financial performance of an MCO in consideration of both medical and administrative expenses. The UW ratio represents the proportion of revenue that was “left over” to fund the MCO’s contribution to surplus and profit after funding medical and administrative expenses. The UW ratio is stated as a percentage, with total underwriting gain or loss in the numerator and revenue in the denominator.

In terms of the statutory annual statement, the UW ratio was defined as follows:

UW RATIO=	NET UNDERWRITING GAIN OR (LOSS) / TOTAL REVENUE
WHERE:	NET UNDERWRITING GAIN OR (LOSS): TITLE XIX–MEDICAID (P.7, L.24, C.8) TOTAL REVENUE: TITLE XIX–MEDICAID (P.7, L.7, C.8)

The UW ratio is focused on the income from operations and excludes consideration of investment income and income taxes. The UW ratio requires interpretation and considerations similar in nature to the MLR and ALR metrics outlined above.

RISK-BASED CAPITAL RATIO (RBC RATIO)

The RBC ratio is a financial metric used by many insurance regulators to monitor the solvency of the MCOs. The RBC ratio represents the proportion of the required minimum capital that is held by the MCO as of a specific date (the end of the financial reporting period). The RBC ratio is stated as a percentage or a ratio, with total adjusted capital (TAC) in the numerator and authorized control level (ACL) in the denominator.

The NAIC prescribes a specific formula to develop both the TAC and the ACL. Further, the MCO is subjected to various action levels based on the resulting RBC ratio, as follows:

- Company action level (TAC is between 150% and 200% of the ACL RBC)
- Regulatory action level (TAC is between 100% and 150% of the ACL RBC)
- Authorized control level (TAC is between 70% and 100% of the ACL RBC)
- Mandatory control level (TAC is less than 70% of the ACL RBC)

Further details and discussion of the RBC requirements may be found at the NAIC website.[7]

In terms of the statutory annual statement, the RBC ratio was defined as follows:

RBC RATIO=	TOTAL ADJUSTED CAPITAL / AUTHORIZED CONTROL LEVEL
WHERE:	TOTAL ADJUSTED CAPITAL: TOTAL ADJUSTED CAPITAL–CURRENT YEAR (P.28, L.14, C.1) AUTHORIZED CONTROL LEVEL: AUTHORIZED CONTROL LEVEL–CURRENT YEAR (P.28, L.15, C.1)

Note: The RBC ratio is not unique to the Medicaid Title XIX line of business as it is calculated at the company level. Therefore, companies reporting non-Medicaid business will reflect composite RBC ratios for all lines of business within the reported legal entity.

ADMINISTRATIVE LOSS RATIO (ALR)

ALR is also a common financial metric used to report and benchmark the financial performance of an MCO. The ALR represents the proportion of revenue that was used by the MCO to fund administrative expenses. The ALR is stated as a percentage, with administrative expense in the numerator and revenue in the denominator.

In terms of the statutory annual statement, the ALR was defined as follows:

ALR=	CLAIM ADJUSTMENT EXPENSES + GENERAL ADMINISTRATIVE EXPENSES / TOTAL REVENUE
WHERE:	CLAIM ADJUSTMENT EXPENSES: TITLE XIX–MEDICAID (P.7, L.19, C.8) GENERAL ADMINISTRATIVE EXPENSES: TITLE XIX–MEDICAID (P.7, L.20, C.8) TOTAL REVENUE: TITLE XIX–MEDICAID (P.7, L.7, C.8)

[7] See https://www.naic.org/.

The ALR requires interpretation and considerations similar in nature to the MLR metric outlined above, most notably impacted by the state and federal taxes levied on MCOs across the different states. The ALR net of taxes and fees was estimated for Medicaid-focused MCOs by distributing the total Medicaid CAE and GAE expenses by the expense allocation reported on the *Underwriting and Investment Exhibit Part 3 – Analysis of Expenses* page, and then subtracting out the estimated taxes. The ALR values net of taxes and fees illustrated in this report were calculated by excluding taxes and fees from both the numerator and denominator of the ALR formula.

ADMINISTRATIVE COST PMPM

The administrative cost PMPM is the second metric for analyzing administrative expenses because of the fixed cost nature of certain components of the administrative expense. The administrative cost PMPM was defined as follows:

ADMIN PMPM =	CLAIM ADJUSTMENT EXPENSES + GENERAL ADMINISTRATIVE EXPENSES	
	CURRENT YEAR MEMBER MONTHS	
WHERE:	CLAIM ADJUSTMENT EXPENSES: TITLE XIX-MEDICAID (P.7, L.19, C.8)	
	GENERAL ADMINISTRATIVE EXPENSES: TITLE XIXI-MEDICAID (P.7, L.20, C.8)	
	CURRENT YEAR MEMBER MONTHS: TITLE XIX-MEDICAID (P.30 GT, L.6, C.9)	

The administrative cost PMPM net of taxes and fees illustrated in this report estimated the taxes and fees consistently with the methodology utilized for the ALR net of taxes and fees.

ADMINISTRATIVE EXPENSE CATEGORIES

The administrative expenses reported on the *Underwriting and Investment Exhibit Part 3 – Analysis of Expenses* page are broken out into 25 specific line items. These line items were grouped into five administrative expense categories to better illustrate the components of administrative cost incurred by the MCOs. The subcategories were selected to be intuitive groupings as well as meaningful with respect to their relative magnitudes. The following descriptions outline each administrative expense category:

- Human capital: Administrative costs associated with the employment of MCO staff.
- Outsourcing: Administrative costs associated with functions outsourced to a third party.
- Operating expenses: Administrative costs associated with the day-to-day costs of running the MCO.
- Taxes and fees: Administrative costs associated with taxes and fees incurred by the MCO. Payroll taxes were assigned to the human capital category. Real estate taxes were assigned to the operating expenses category. Federal and state income taxes are not included on the *Underwriting and Investment Exhibit Part 3 – Analysis of Expenses* page, and are not included in this administrative expense category.
- Other expenses: Administrative costs for aggregate write-ins.

The *Underwriting and Investment Exhibit Part 3 – Analysis of Expenses* page illustrates administrative expenses across all lines of business. Throughout the figures illustrated in this report, the administrative costs in each administrative expense category were proportionally adjusted so the total Medicaid administrative expenses would match the amounts reported on the *Analysis of Operations by Line of Business* page.

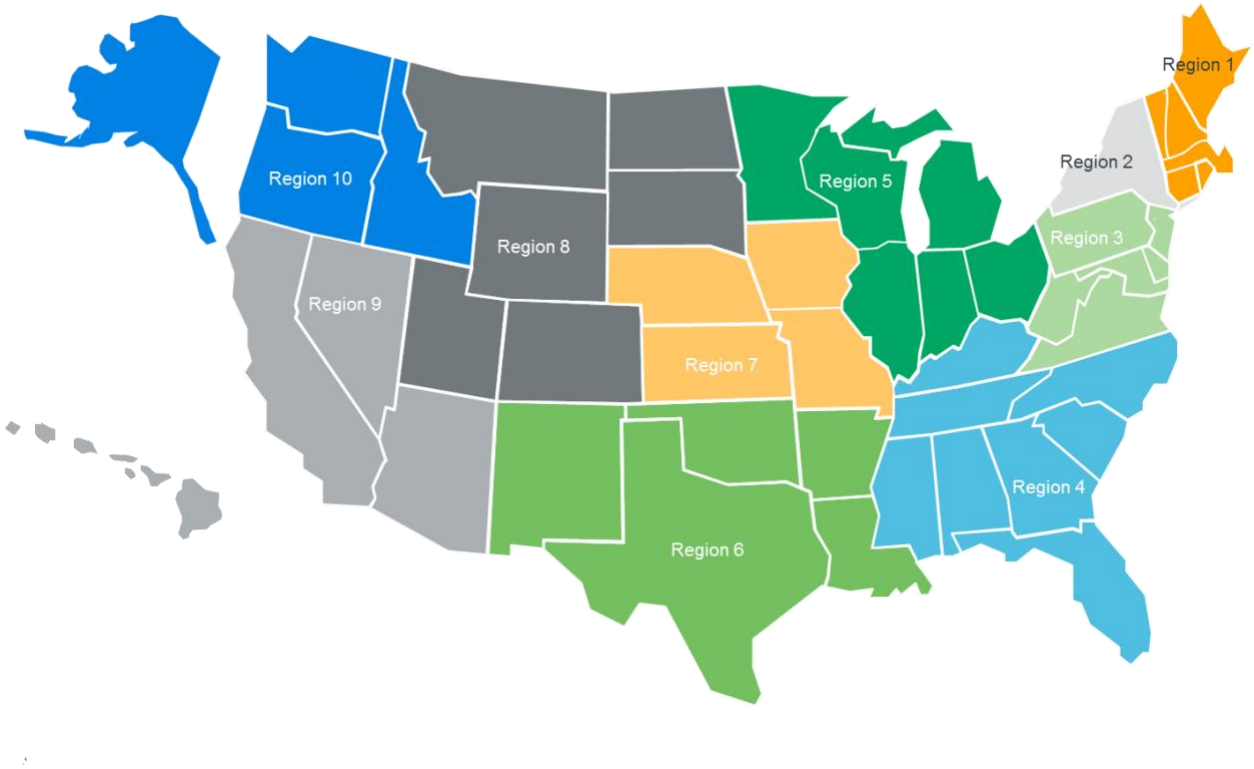
Additionally, line 19 and line 20 of the *Underwriting and Investment Exhibit Part 3 – Analysis of Expenses* page, "Reimbursements by uninsured plans" and "Reimbursements from fiscal intermediaries," were excluded from the administrative cost grouping, because these lines would likely be attributable to non-Medicaid business.

FIGURE 16: ADMINISTRATIVE CATEGORY DEFINITION

ADMINISTRATIVE EXPENSE BREAKDOWN		U&I EXHIBIT PART 3 EXPENSES (COLUMNS 3-4)
HUMAN CAPITAL	SALARIES, WAGES, AND OTHER BENEFITS	LINE 2
	BOARDS, BUREAUS, AND ASSOCIATION FEES	LINE 15
	INSURANCE, EXCEPT ON REAL ESTATE	LINE 16
	PAYROLL TAXES	LINE 23 .4
OUTSOURCING	AUDITING, ACTUARIAL, AND OTHER CONSULTING SERVICES	LINE 6
	OUTSOURCED SERVICES INCLUDING EDP, CLAIMS, AND OTHER SERVICES	LINE 14
OPERATING EXPENSES	RENT	LINE 1
	COMMISSIONS	LINE 3
	LEGAL FEES AND EXPENSES	LINE 4
	CERTIFICATIONS AND ACCREDIDATION FEES	LINE 5
	TRAVELING EXPENSES	LINE 7
	MARKETING AND ADVERTISING	LINE 8
	POSTAGE, EXPRESS, AND TELEPHONE	LINE 9
	PRINTING AND OFFICE SUPPLIES	LINE 10
	OCCUPANCY, DEPRECIATION, AND AMORTIZATION	LINE 11
	EQUIPMENT	LINE 12
	COST OR DEPRECIATION OF EDP EQUIPMENT AND SOFTWARE	LINE 13
	COLLECTION AND BANK SERVICE CHARGES	LINE 17
	GROUP SERVICE AND ADMINISTRATION FEES	LINE 18
	REAL ESTATE EXPENSES	LINE 21
	REAL ESTATE TAXES	LINE 22
	INVESTMENT EXPENSES NOT INCLUDED ELSEWHERE	LINE 24
TAXES AND FEES	STATE AND LOCAL INSURANCE TAXES	LINE 23 .1
	STATE PREMIUM TAXES	LINE 23 .2
	REGULATORY AUTHORITY LICENSES AND FEES	LINE 23 .3
	OTHER (EXCLUDING FEDERAL INCOME AND REAL ESTATE TAXES)	LINE 23 .5
OTHER EXCLUDED[8]	AGGREGATE WRITE-INS FOR EXPENSES	LINE 25
	REIMBURSEMENTS BY UNINSURED PLANS	LINE 19
	REIMBURSEMENTS FROM FISCAL INTERMEDIARIES	LINE 20

[8] These administrative expenses are excluded for purposes of allocating the expenses only; the actual Medicaid administrative expenses reported were not adjusted.

Appendix 3: CMS regions



Appendix 4: Financial results by state

While the Medicaid managed care financial results are relatively stable at a nationwide level, the financial results may vary significantly from state to state. Figure 17 provides the average MLR, ALR, and UW ratio for each state or territory with at least one MCO included in this analysis. Please note that MCOs were assigned to their states of domicile, and results for MCOs that report operations from multiple states within one entity would therefore be included within a single state. For a limited number of MCOs, the state of domicile was manually adjusted to represent the state where the Medicaid business is currently operated. Additionally, the state of domicile, in certain cases, may contain only a limited number of MCOs operating in the state Medicaid managed care market to the extent certain MCOs operating in the state are excluded for reasons cited earlier in this report.

FIGURE 17: STATE OF DOMICILE

STATE	N	MLR	ALR	UW RATIO	RBC RATIO
ARIZONA	7	87.7%	11.1%	1.2%	N/A
COLORADO	1	83.3%	11.6%	5.0%	578%
DISTRICT OF COLUMBIA	3	74.3%	17.7%	8.1%	477%
FLORIDA	9	87.7%	12.0%	0.3%	308%
GEORGIA	4	82.8%	14.4%	2.8%	411%
HAWAII	4	91.9%	11.7%	(3.6%)	491%
IOWA	1	91.9%	7.4%	0.7%	317%
ILLINOIS	5	90.5%	11.3%	(1.8%)	315%
INDIANA	3	86.3%	10.1%	3.5%	415%
KANSAS	2	85.1%	14.1%	0.8%	415%
KENTUCKY	4	88.4%	10.6%	1.0%	443%
LOUISIANA	5	85.2%	15.3%	(0.5%)	346%
MARYLAND	5	83.5%	12.7%	3.8%	514%
MASSACHUSETTS	5	93.7%	7.7%	(1.4%)	354%
MICHIGAN	9	85.0%	12.6%	2.4%	408%
MINNESOTA	4	91.0%	7.8%	1.2%	586%
MISSISSIPPI	2	87.0%	14.1%	(1.1%)	299%
MISSOURI	2	87.8%	11.3%	0.9%	422%
NEBRASKA	3	86.3%	13.0%	0.7%	327%
NEVADA	3	82.7%	13.3%	3.9%	467%
NEW HAMPSHIRE	1	89.8%	13.1%	(2.9%)	360%
NEW JERSEY	4	87.4%	12.7%	(0.1%)	311%
NEW MEXICO	4	84.9%	17.5%	(2.4%)	406%
NEW YORK	7	88.0%	12.5%	(0.5%)	429%
OHIO	5	84.2%	13.4%	2.4%	338%
OREGON	2	90.8%	10.0%	(0.8%)	710%
PENNSYLVANIA	7	87.5%	11.1%	1.4%	377%
PUERTO RICO	4	88.6%	9.4%	2.1%	359%
RHODE ISLAND	2	90.5%	10.8%	(1.3%)	275%
SOUTH CAROLINA	5	86.4%	11.7%	1.9%	526%
TENNESSEE	3	87.7%	14.2%	(1.9%)	315%
TEXAS	19	88.6%	11.5%	(0.0%)	340%
UTAH	3	85.0%	9.9%	5.1%	491%
VIRGINIA	4	92.3%	10.3%	(2.6%)	374%
WASHINGTON	5	85.5%	13.4%	1.1%	480%
WEST VIRGINIA	4	87.8%	9.3%	2.8%	464%
WISCONSIN	14	80.6%	13.4%	6.0%	446%

Appendix 5: MCO groupings

STATE	MCO	CMS REGION	ANNUAL REVENUE	REVENUE PMPM	MCO TYPE	MULTISTATE OPERATIONS	FINANCIAL STRUCTURE	GAIN OR LOSS	EXPANSION STATUS
ARIZONA	ARIZONA COMPLETE HEALTH	REGION 9	$250M TO $600M	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	EXPANSION STATE
ARIZONA	BANNER-UNIVERSITY FAMILY CARE	REGION 9	$250M TO $600M	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
ARIZONA	CARE1ST	REGION 9	$250M TO $600M	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
ARIZONA	MERCY CARE PLAN	REGION 9	$1.2 B+	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
ARIZONA	STEWARD HEALTH CHOICE	REGION 9	$600M TO $1.2 B	$0 TO $290	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	EXPANSION STATE
ARIZONA	UNITEDHEALTHCARE COMMUNITY	REGION 9	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
ARIZONA	UNITED-CRS	REGION 9	$10M TO $250M	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
COLORADO	ROCKY MTN HLTH MAINTENANCE ORG	REGION 8	$10M TO $250M	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
DISTRICT OF COLUMBIA	AMERIGROUP DISTRICT	REGION 3	$10M TO $250M	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
DISTRICT OF COLUMBIA	AMERIHEALTH CARITAS DISTRICT	REGION 3	$250M TO $600M	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
DISTRICT OF COLUMBIA	TRUSTED HEALTH PLAN	REGION 3	$10M TO $250M	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	EXPANSION STATE
FLORIDA	COVENTRY HEALTH CARE OF FL INC	REGION 4	$250M TO $600M	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
FLORIDA	FLORIDA MHS INC.	REGION 4	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
FLORIDA	FLORIDA TRUE HEALTH INC.	REGION 4	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
FLORIDA	HUMANA MEDICAL PLAN INC.	REGION 4	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
FLORIDA	MOLINA HEALTHCARE OF FL INC.	REGION 4	$1.2 B+	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
FLORIDA	SIMPLY HEALTHCARE PLANS INC.	REGION 4	$1.2 B+	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
FLORIDA	SUNSHINE STATE HEALTH PLAN INC	REGION 4	$1.2 B+	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
FLORIDA	UNITEDHEALTHCARE OF FL INC.	REGION 4	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
FLORIDA	WELLCARE OF FLORIDA INC.	REGION 4	$1.2 B+	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
GEORGIA	AMGP GEORGIA MANAGED CARE CO.	REGION 4	$600M TO $1.2 B	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
GEORGIA	CARESOURCE GEORGIA CO.	REGION 4	$600M TO $1.2 B	$0 TO $290	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
GEORGIA	PEACH STATE HEALTH PLAN INC.	REGION 4	$600M TO $1.2 B	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
GEORGIA	WELLCARE OF GEORGIA INC.	REGION 4	$1.2 B+	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
HAWAII	ALOHACARE	REGION 9	$250M TO $600M	$425+	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
HAWAII	HAWAII MEDICAL SERVICE ASSN.	REGION 9	$600M TO $1.2 B	$290 TO $425	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE

STATE	MCO	CMS REGION	ANNUAL REVENUE	REVENUE PMPM	MCO TYPE	MULTISTATE OPERATIONS	FINANCIAL STRUCTURE	GAIN OR LOSS	EXPANSION STATUS
HAWAII	KAISER FNDTN HLTH PLAN INC. HI	REGION 9	$10M TO $250M	$290 TO $425	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
HAWAII	WELLCARE HEALTH INS OF AZ INC.	REGION 9	$250M TO $600M	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
ILLINOIS	HARMONY HEALTH PLAN INC.	REGION 5	$600M TO $1.2 B	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
ILLINOIS	ILLINICARE HEALTH PLAN INC.	REGION 5	$1.2 B+	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
ILLINOIS	MERIDIAN HEALTH PLAN OF IL INC	REGION 5	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
ILLINOIS	MOLINA HEALTHCARE OF IL INC	REGION 5	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
ILLINOIS	NEXTLEVEL HLTH PTNRS INC	REGION 5	$250M TO $600M	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	EXPANSION STATE
INDIANA	ANTHEM INSURANCE COMPANIES INC	REGION 5	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
INDIANA	CARESOURCE INDIANA INC.	REGION 5	$250M TO $600M	$290 TO $425	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
INDIANA	COORDINATED CARE CORP.	REGION 5	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
IOWA	AMERIGROUP IOWA INC.	REGION 7	$1.2 B+	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
KANSAS	AMERIGROUP KANSAS INC.	REGION 7	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
KANSAS	SUNFLOWER STATE HLTH PLAN INC.	REGION 7	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
KENTUCKY	AETNA BETTER HLTH OF KY INS CO	REGION 4	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
KENTUCKY	ANTHEM KY MNGD CARE PLAN INC.	REGION 4	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
KENTUCKY	UNIVERSITY HEALTH CARE INC.	REGION 4	$1.2 B+	$425+	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
KENTUCKY	WELLCARE HLTH INS CO. OF KY	REGION 4	$1.2 B+	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
LOUISIANA	AETNA BETTER HEALTH INC. (LA)	REGION 6	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
LOUISIANA	AMERIHEALTH CARITAS LA INC.	REGION 6	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
LOUISIANA	CMNTY CARE HLTH PLAN OF LA INC	REGION 6	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
LOUISIANA	LA HEALTHCARE CONNECTIONS INC.	REGION 6	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
LOUISIANA	UNITEDHEALTHCARE OF LA INC.	REGION 6	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
MARYLAND	AETNA HEALTH INC. (A PA CORP.)	REGION 3	$10M TO $250M	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
MARYLAND	AMERIGROUP MARYLAND INC.	REGION 3	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
MARYLAND	KAISER FOUNDATION HEALTH PLAN	REGION 3	$250M TO $600M	$290 TO $425	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
MARYLAND	MEDSTAR FAMILY CHOICE INC.	REGION 3	$250M TO $600M	$425+	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	LOSS	EXPANSION STATE
MARYLAND	UNITEDHEALTHCARE	REGION 3	$600M TO $1.2 B	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE

STATE	MCO	CMS REGION	ANNUAL REVENUE	REVENUE PMPM	MCO TYPE	MULTISTATE OPERATIONS	FINANCIAL STRUCTURE	GAIN OR LOSS	EXPANSION STATUS
MASSACHUSETTS	ALLWAYS HEALTH PARTNERS	REGION 1	$250M TO $600M	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
MASSACHUSETTS	BOSTON MED CENTER HEALTH PLAN	REGION 1	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
MASSACHUSETTS	FALLON CMNTY HLTH PLAN INC	REGION 1	$250M TO $600M	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
MASSACHUSETTS	HEALTH NEW ENGLAND INC.	REGION 1	$250M TO $600M	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
MASSACHUSETTS	TUFTS HEALTH PUBLIC PLANS INC.	REGION 1	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	LOSS	EXPANSION STATE
MICHIGAN	AETNA BETTER HEALTH OF MI INC.	REGION 5	$10M TO $250M	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
MICHIGAN	BLUE CROSS COMPLETE OF MI LLC	REGION 5	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	EXPANSION STATE
MICHIGAN	MCLAREN HEALTH PLAN INC.	REGION 5	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
MICHIGAN	MERIDIAN HEALTH PLAN INC.	REGION 5	$1.2 B+	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
MICHIGAN	MOLINA HEALTHCARE OF MI INC.	REGION 5	$1.2 B+	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
MICHIGAN	PRIORITY HEALTH CHOICE INC.	REGION 5	$250M TO $600M	$0 TO $290	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
MICHIGAN	TOTAL HEALTH CARE INC.	REGION 5	$10M TO $250M	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
MICHIGAN	UNITEDHEALTHCARE CMNTY (MI)	REGION 5	$600M TO $1.2 B	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
MICHIGAN	UPPER PENINSULA HLTH PLAN LLC	REGION 5	$10M TO $250M	$290 TO $425	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	EXPANSION STATE
MINNESOTA	HEALTHPARTNERS INC.	REGION 5	$600M TO $1.2 B	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
MINNESOTA	HENNEPIN HEALTH	REGION 5	$10M TO $250M	$425+	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
MINNESOTA	HMO MINNESOTA	REGION 5	$1.2 B+	$425+	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
MINNESOTA	UCARE MINNESOTA	REGION 5	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
MISSISSIPPI	MAGNOLIA HEALTH PLAN INC.	REGION 4	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
MISSISSIPPI	UNITEDHEALTHCARE OF MS INC.	REGION 4	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
MISSOURI	HOME STATE HEALTH PLAN INC.	REGION 7	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
MISSOURI	MISSOURI CARE INC.	REGION 7	$600M TO $1.2 B	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
NEBRASKA	NEBRASKA TOTAL CARE INC.	REGION 7	$250M TO $600M	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
NEBRASKA	UNITEDHEALTHCARE (MIDLANDS)	REGION 7	$250M TO $600M	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
NEBRASKA	WELLCARE OF NEBRASKA INC.	REGION 7	$250M TO $600M	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
NEVADA	CMNTY CARE HLTH PLAN OF NV INC	REGION 9	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
NEVADA	HEALTH PLAN OF NEVADA INC.	REGION 9	$600M TO $1.2 B	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE

STATE	MCO	CMS REGION	ANNUAL REVENUE	REVENUE PMPM	MCO TYPE	MULTISTATE OPERATIONS	FINANCIAL STRUCTURE	GAIN OR LOSS	EXPANSION STATUS
NEVADA	SILVER SUMMIT HEALTH PLAN	REGION 9	$10M TO $250M	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
NEW HAMPSHIRE	GRANITE STATE HEALTH PLAN INC.	REGION 1	$250M TO $600M	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
NEW JERSEY	AETNA BETTER HEALTH INC. (NJ)	REGION 2	$250M TO $600M	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
NEW JERSEY	AMERICHOICE OF NEW JERSEY INC.	REGION 2	$1.2 B+	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
NEW JERSEY	AMERIGROUP NEW JERSEY INC.	REGION 2	$600M TO $1.2 B	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
NEW JERSEY	WELLCARE HLTH PLANS OF NJ INC.	REGION 2	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
NEW MEXICO	HCSC INSURANCE SERVICES CO.	REGION 6	$600M TO $1.2 B	$425+	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	LOSS	EXPANSION STATE
NEW MEXICO	MOLINA HEALTHCARE OF NM INC.	REGION 6	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
NEW MEXICO	PRESBYTERIAN HEALTH PLAN INC.	REGION 6	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	EXPANSION STATE
NEW MEXICO	UNITEDHEALTHCARE OF NEW MEXICO	REGION 6	$250M TO $600M	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
NEW YORK	CAP DISTRICT PHYSICIANS' HLTH	REGION 2	$250M TO $600M	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
NEW YORK	EXCELLUS HEALTH PLAN INC.	REGION 2	$600M TO $1.2 B	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
NEW YORK	HEALTH INS PLAN OF GREATER NY	REGION 2	$600M TO $1.2 B	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
NEW YORK	HEALTHNOW NEW YORK INC.	REGION 2	$10M TO $250M	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
NEW YORK	INDEPENDENT HEALTH ASSN.	REGION 2	$250M TO $600M	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
NEW YORK	MVP HEALTH PLAN INC.	REGION 2	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
NEW YORK	UNITEDHEALTHCARE OF NY INC.	REGION 2	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
OHIO	BUCKEYE CMNTY HEALTH PLAN INC.	REGION 5	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
OHIO	CARESOURCE	REGION 5	$1.2 B+	$425+	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
OHIO	MOLINA HEALTHCARE OF OHIO INC.	REGION 5	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
OHIO	PARAMOUNT ADVANTAGE	REGION 5	$1.2 B+	$425+	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
OHIO	UNITEDHEALTHCARE CMNTY (OH)	REGION 5	$1.2 B+	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
OREGON	PROVIDENCE HEALTH ASSURANCE	REGION 10	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
OREGON	TRILLIUM CMNTY HEALTH PLAN INC	REGION 10	$250M TO $600M	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
PENNSYLVANIA	AETNA BETTER HEALTH INC. (PA)	REGION 3	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
PENNSYLVANIA	GATEWAY HEALTH PLAN INC.	REGION 3	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
PENNSYLVANIA	GEISINGER HEALTH PLAN	REGION 3	$600M TO $1.2 B	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE

STATE	MCO	CMS REGION	ANNUAL REVENUE	REVENUE PMPM	MCO TYPE	MULTISTATE OPERATIONS	FINANCIAL STRUCTURE	GAIN OR LOSS	EXPANSION STATUS
PENNSYLVANIA	HEALTH PARTNERS PLANS INC.	REGION 3	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
PENNSYLVANIA	UNITEDHEALTHCARE OF PA INC.	REGION 3	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
PENNSYLVANIA	UPMC FOR YOU INC.	REGION 3	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
PENNSYLVANIA	VISTA HEALTH PLAN (PA)	REGION 3	$1.2 B+	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
PUERTO RICO	FIRST MEDICAL HEALTH PLAN INC.	REGION 2	$600M TO $1.2 B	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
PUERTO RICO	MMM MULTI HEALTH LLC	REGION 2	$250M TO $600M	$0 TO $290	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
PUERTO RICO	MOLINA HEALTHCARE OF PR INC.	REGION 2	$600M TO $1.2 B	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
PUERTO RICO	TRIPLE-S SALUD INC.	REGION 2	$600M TO $1.2 B	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
RHODE ISLAND	NEIGHBORHOOD HLTH PLAN RI	REGION 1	$1.2 B+	$425+	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
RHODE ISLAND	UNITEDHEALTHCARE (NEW ENGLAND)	REGION 1	$250M TO $600M	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
SOUTH CAROLINA	ABSOLUTE TOTAL CARE INC.	REGION 4	$250M TO $600M	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
SOUTH CAROLINA	BLUECHOICE HEALTHPLAN OF SC	REGION 4	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
SOUTH CAROLINA	MOLINA HEALTHCARE OF SC LLC	REGION 4	$250M TO $600M	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
SOUTH CAROLINA	SELECT HEALTH OF SC INC.	REGION 4	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
SOUTH CAROLINA	WELLCARE OF SOUTH CAROLINA INC	REGION 4	$250M TO $600M	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TENNESSEE	AMERIGROUP TENNESSEE INC.	REGION 4	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TENNESSEE	UNITEDHEALTHCARE PLAN	REGION 4	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
TENNESSEE	VOLUNTEER STATE HLTH PLAN INC.	REGION 4	$1.2 B+	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
TEXAS	AETNA BETTER HEALTH OF TX INC.	REGION 6	$250M TO $600M	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TEXAS	AMERIGROUP INSURANCE CO.	REGION 6	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TEXAS	AMERIGROUP TEXAS INC.	REGION 6	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TEXAS	BANKERS RESERVE LIFE INS CO.	REGION 6	$1.2 B+	$290 TO $425	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TEXAS	COMMUNITY FIRST HLTH PLANS INC	REGION 6	$250M TO $600M	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
TEXAS	COMMUNITY HEALTH CHOICE TX INC	REGION 6	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
TEXAS	COOK CHILDREN'S HEALTH PLAN	REGION 6	$250M TO $600M	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	GAIN	NON-EXPANSION STATE
TEXAS	DRISCOLL CHILDREN'S HLTH PLAN	REGION 6	$600M TO $1.2 B	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
TEXAS	EL PASO FIRST HEALTH PLANS INC	REGION 6	$10M TO $250M	$0 TO $290	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE

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TEXAS	HEALTHSPRING L&H INSURANCE CO.	REGION 6	$600M TO $1.2 B	$425+	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
TEXAS	MOLINA HLTHCR OF TEXAS INC.	REGION 6	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TEXAS	PARKLAND CMNTY HEALTH PLAN INC	REGION 6	$250M TO $600M	$0 TO $290	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
TEXAS	SCOTT & WHITE HEALTH PLAN	REGION 6	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	NON-EXPANSION STATE
TEXAS	SENDERO HEALTH PLANS INC.	REGION 6	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
TEXAS	SETON HEALTH PLAN INC.	REGION 6	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TEXAS	SHA L.L.C.	REGION 6	$250M TO $600M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
TEXAS	SUPERIOR HEALTHPLAN INC.	REGION 6	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
TEXAS	TEXAS CHILDREN'S HLTH PLAN INC	REGION 6	$1.2 B+	$290 TO $425	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
TEXAS	UNITEDHEALTHCARE CMNTY (TX)	REGION 6	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
UTAH	MOLINA HEALTHCARE OF UTAH INC.	REGION 8	$10M TO $250M	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
UTAH	SELECTHEALTH INC.	REGION 8	$250M TO $600M	$290 TO $425	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	NON-EXPANSION STATE
UTAH	STEWARD HEALTH CHOICE UTAH INC	REGION 8	$10M TO $250M	$0 TO $290	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
VIRGINIA	COVENTRY HLTHCARE OF VA INC.	REGION 3	$600M TO $1.2 B	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
VIRGINIA	HEALTHKEEPERS INC.	REGION 3	$1.2 B+	$425+	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
VIRGINIA	OPTIMA HEALTH PLAN	REGION 3	$1.2 B+	$425+	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
VIRGINIA	VA PREMIER HEALTH PLAN INC.	REGION 3	$1.2 B+	$425+	MEDICAID ONLY	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
WASHINGTON	AMERIGROUP WASHINGTON INC.	REGION 10	$250M TO $600M	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
WASHINGTON	CMNTY HLTH PLAN WA INC	REGION 10	$600M TO $1.2 B	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	EXPANSION STATE
WASHINGTON	COORDINATED CARE OF WA INC.	REGION 10	$250M TO $600M	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	LOSS	EXPANSION STATE
WASHINGTON	MOLINA HLTHCR WA INC	REGION 10	$1.2 B+	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
WASHINGTON	UNITEDHEALTHCARE OF WA INC.	REGION 10	$600M TO $1.2 B	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
WEST VIRGINIA	COVENTRY HEALTH CARE OF WV INC	REGION 3	$250M TO $600M	$290 TO $425	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
WEST VIRGINIA	THE HLTH PLAN THE UPPER OH VAL	REGION 3	$250M TO $600M	$290 TO $425	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	EXPANSION STATE
WEST VIRGINIA	UNICARE HEALTH PLAN OF WV INC.	REGION 3	$250M TO $600M	$0 TO $290	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	EXPANSION STATE
WEST VIRGINIA	WV FAMILY HEALTH PLAN INC.	REGION 3	$250M TO $600M	$425+	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	EXPANSION STATE
WISCONSIN	CHILDREN'S CMNTY HLTH PLAN INC	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	NON-EXPANSION STATE

STATE	MCO	CMS REGION	ANNUAL REVENUE	REVENUE PMPM	MCO TYPE	MULTISTATE OPERATIONS	FINANCIAL STRUCTURE	GAIN OR LOSS	EXPANSION STATUS
WISCONSIN	COMPCARE HEALTH SVCS INS CORP.	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
WISCONSIN	DEAN HEALTH PLAN INC.	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
WISCONSIN	GROUP HEALTH EAU CLAIRE	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	NON-EXPANSION STATE
WISCONSIN	GRP HLTH COOP OF SOUTH CENTRAL	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	LOSS	NON-EXPANSION STATE
WISCONSIN	GUNDERSEN HEALTH PLAN INC.	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
WISCONSIN	INDEPENDENT CARE HEALTH PLAN	REGION 5	$10M TO $250M	$425+	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
WISCONSIN	MNGD HLTH SVCS INS CORP	REGION 5	$10M TO $250M	$425+	MEDICAID ONLY	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
WISCONSIN	MOLINA HEALTHCARE OF WI INC.	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
WISCONSIN	NETWORK HEALTH PLAN	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	LOSS	NON-EXPANSION STATE
WISCONSIN	PHYSICIANS PLUS INS CORP	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
WISCONSIN	SECURITY HEALTH PLAN OF WI INC	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID OTHER	LESS THAN FIVE	NONPROFIT	GAIN	NON-EXPANSION STATE
WISCONSIN	TRILOGY HEALTH INSURANCE INC.	REGION 5	$10M TO $250M	$0 TO $290	MEDICAID ONLY	LESS THAN FIVE	FOR-PROFIT	GAIN	NON-EXPANSION STATE
WISCONSIN	UNITEDHEALTHCARE OF WI INC.	REGION 5	$250M TO $600M	$0 TO $290	MEDICAID OTHER	FIVE OR MORE	FOR-PROFIT	GAIN	NON-EXPANSION STATE

About the authors

Jeremy Palmer is a principal and consulting actuary with the Indianapolis office of Milliman and is a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries. Mr. Palmer joined Milliman in 2004 and currently has over 23 years of healthcare-related actuarial experience.

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The authors have developed an expertise in the financial forecasting, pricing, reporting, and reserving of all types of health insurance, including Medicaid and commercial populations. Much of their experience is focused on Medicaid managed care consulting for both state Medicaid programs and Medicaid managed care plans in more than 15 states and territories.

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