

# Health Plan Quarterly Update

January 18, 2017

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# DFO Responsibilities

- Review of Health Plan Filings
- Financial Statement Review
- Financial Examinations
- Claims Initiative Exams
- Medical Loss Ratio Exams

# DFO Updates

1. Number of Licensed Plans
2. Enrollment
3. Closely Monitored Plans
4. Tangible Net Equity (TNE) Deficient Plans
5. TNE of Plans

# Knox-Keene Licensed Plans

	12/21/2015	12/21/2016
• Full Service (Health)	72	74
• Dental	15	15
• Behavioral Health	12	12
• Vision	10	11
• Pharmacy (Medicare Part D)	5	4
• Discount	3	3
• Chiropractic	3	3
• Dental/Vision	2	2
<b>Grand Total</b>	<b>122</b>	<b>124</b>

# Full Service Enrollment

## (in Millions)

	9/30/13	9/30/14	9/30/15	9/30/16
<b>Full Service Lives**</b>	19.98	23.38	24.59	25.84
Key Enrollment Blocks:				
Total Commercial	11.25	12.45	12.56	13.10
Total Government	8.73	10.93	12.03	12.74

\*\* Total Service Lives as reported by Plans excluding Plan to Plan, ASO, Med Supp and other minor categories.

# Commercial Enrollment

## (in Millions)

	9/30/13	9/30/14	9/30/15	9/30/16
<b>Total HMO</b>	<b>9.67</b>	<b>9.83</b>	<b>9.89</b>	<b>10.00</b>
Large Group	7.60	7.66	7.57	7.63
Small Group	1.38	1.17	1.20	1.29
Individual	0.59	0.91	1.03	1.01
Point of Service	0.10	0.09	0.09	0.07
<b>PPO/EPO</b>	<b>1.58</b>	<b>2.62</b>	<b>2.67</b>	<b>3.10</b>
<b>Total Commercial</b>	<b>11.25</b>	<b>12.45</b>	<b>12.56</b>	<b>13.10</b>

# Government Enrollment

(in Millions)

	9/30/13	9/30/14	9/30/15	9/30/16
Medi-Cal	6.70	8.81	9.83	10.44
Healthy Families Program	0.03	0	0	0
Medicare Risk	1.98	2.10	2.19	2.29
Other Government Programs	0.02	0.02	0.01	0.01
<b>Total Government</b>	<b>8.73</b>	<b>10.93</b>	<b>12.03</b>	<b>12.74</b>

# Closely Monitored List

- Confidential
- Purpose
- Examples
  - “New” licensees
  - Liquidity and access to capital
  - Financial trend and TNE position
- Period of time considered “Closely Monitored”

# Closely Monitored Plans

(QE 9/30/2016)

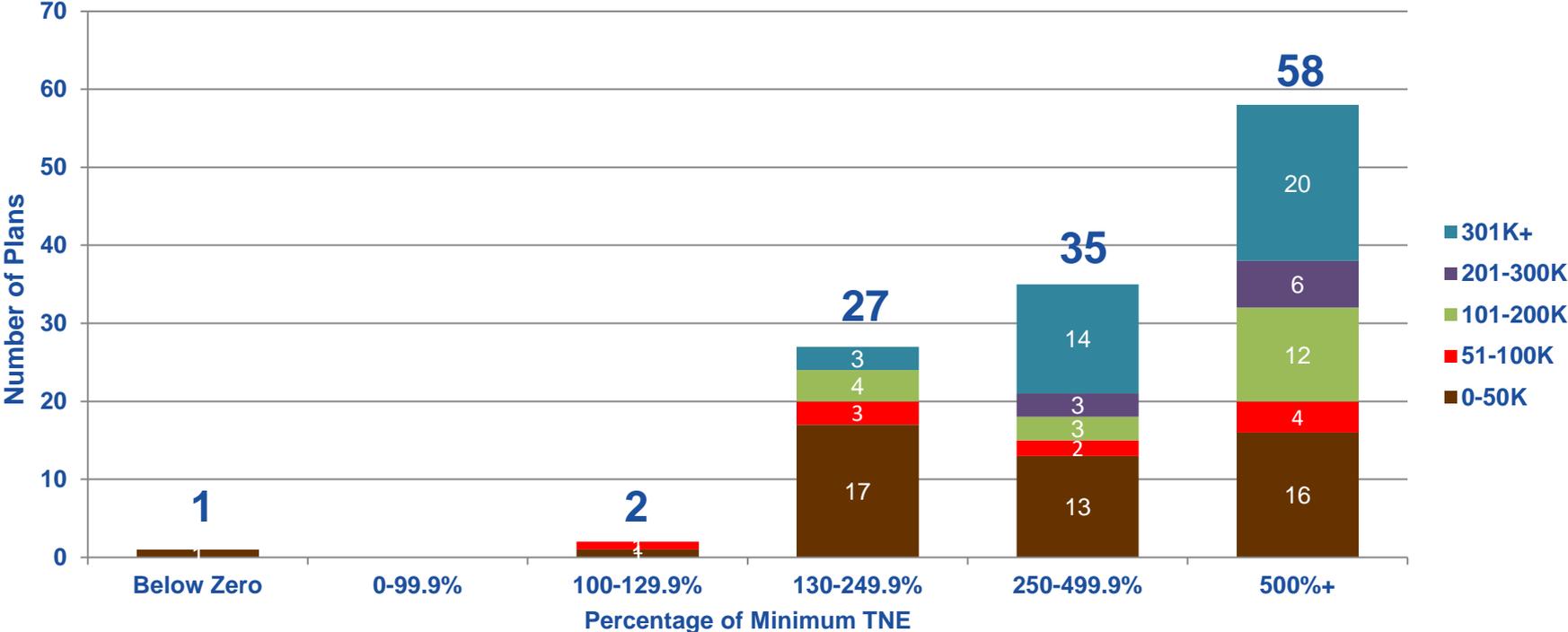
<b>Full Service Plans</b>	<b>17</b>
Medi-Cal	1
Medicare Advantage	9
Commercial	7
<b>Behavioral Health</b>	<b>2</b>
<b>Dental</b>	<b>3</b>
<b>Vision</b>	<b>2</b>
<b>Total</b>	<b>24</b>

# TNE Deficient Plans

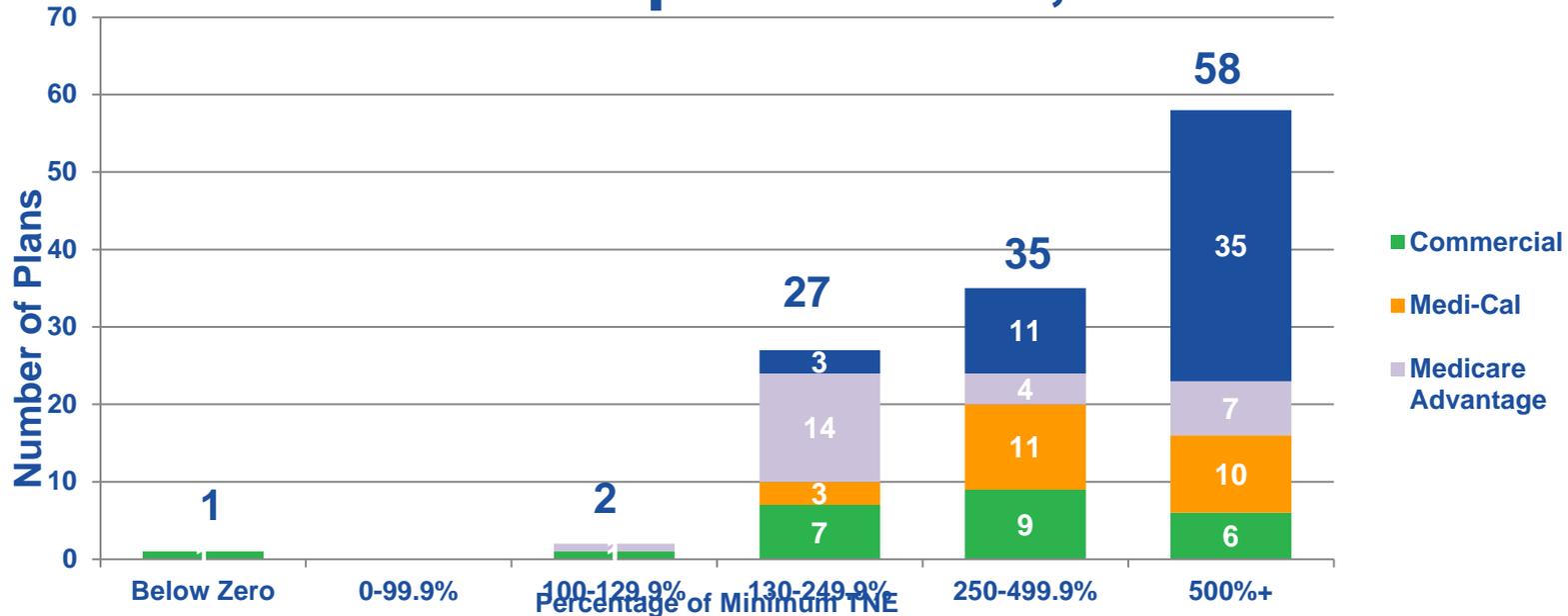
Quarter Ending	9/30/13	9/30/14	9/30/15	9/30/16
Number of Plans	0	1-FS	1-FS	1-FS
Covered Lives	0	2,628	10,575	45,264
Health Plan		Premier Health Plan	Universal Care	Sutter Health Plan

FS=Full Service

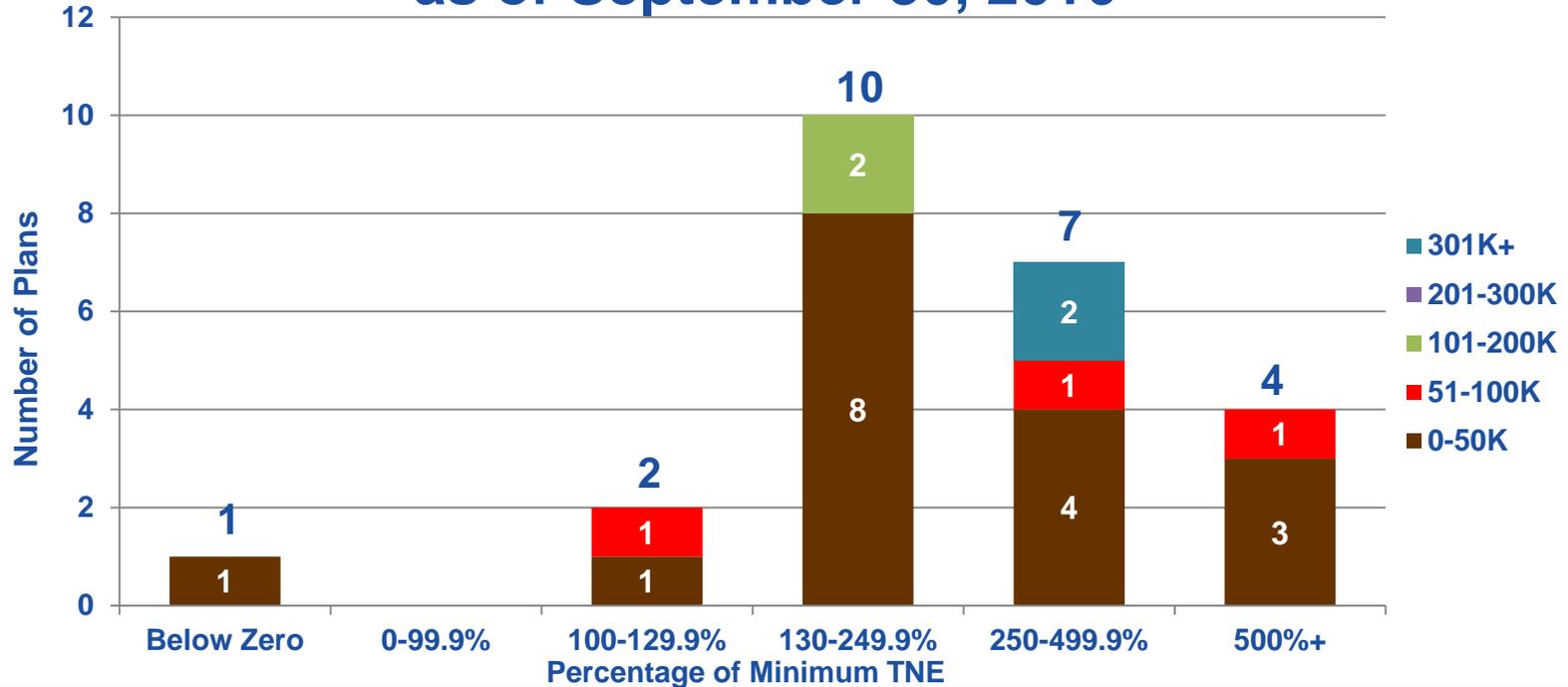
# Tangible Net Equity of All Plans by Enrollment as of September 30, 2016



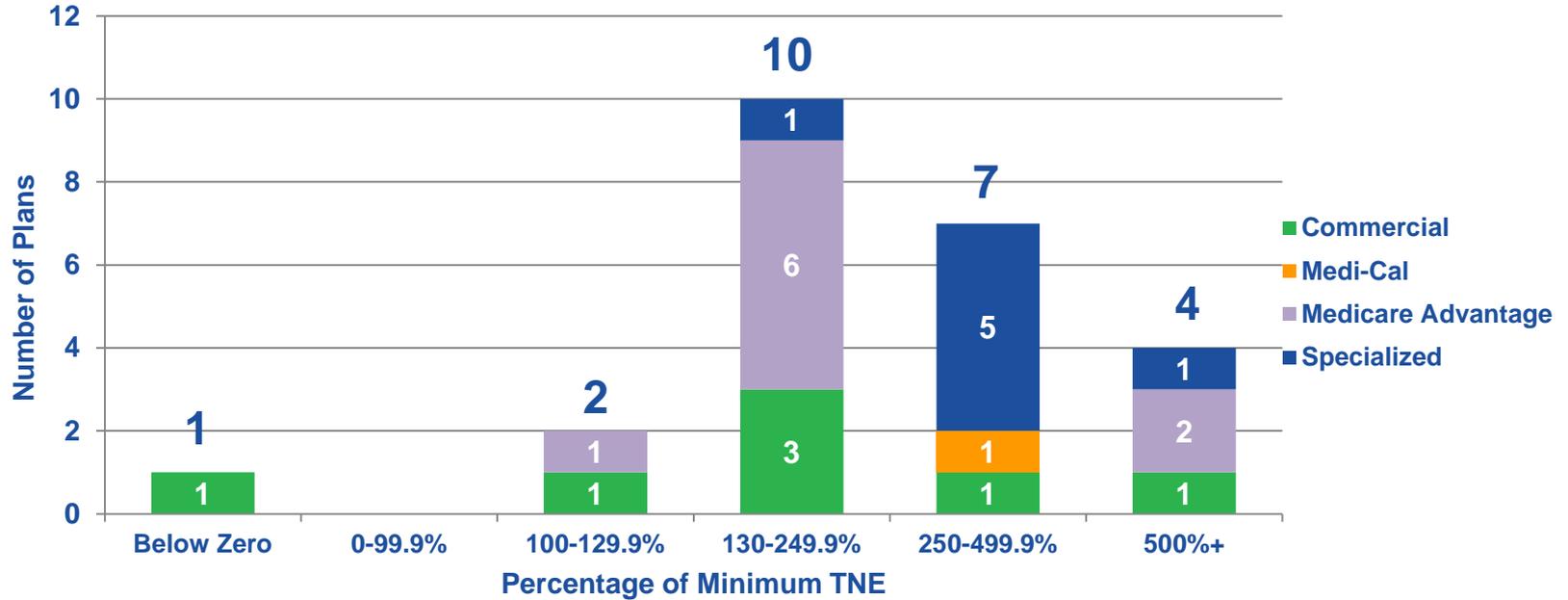
# Tangible Net Equity of All Plans by Line of Business as of September 30, 2016



# Tangible Net Equity of Closely Monitored Plans by Enrollment as of September 30, 2016



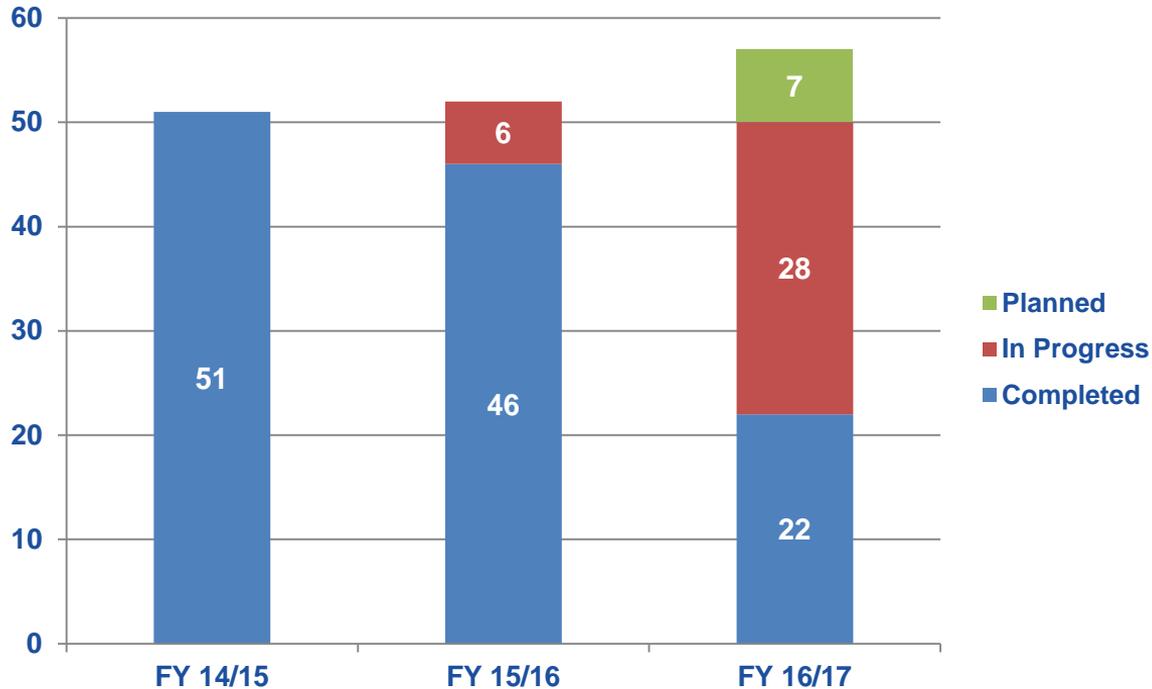
# Tangible Net Equity of Closely Monitored Plans by Line of Business as of September 30, 2016



# Corrective Action Plans

CAP	Total
Pending Oversight Approval	6
In Progress	17
<b>Total</b>	<b>23</b>

# Number of Examinations



FY=Fiscal Year

# Questions