

**Washington State Health Insurance Pool  
Year-to-Year Comparisons**

Administrative Costs (Dollars)	2018	2019	2020	2021	2022	2023	2019/2018	2020/2019	2021/2020	2022/2021
	Actual	Actual	Actual	Actual	Projected	Budget	Actual Change	Actual Change	Actual Change	Estimated Change
Member Months (1)	17,149	16,856	15,816	14,369	11,165	9,510	-1.71%	-6.17%	-9.15%	-33.82%
PMPM Administrative Expense (2)	\$963,314	\$967,192	\$918,134	\$863,681	\$712,478	\$777,447	0.40%	-5.07%	-5.93%	-17.51%
Variable Administrative Expense (3)	157,774	95,692	88,597	96,231	100,594	114,530	-39.35%	-7.41%	8.62%	4.53%
Salary and Benefits Expense (4)	389,908	384,509	378,561	403,417	412,944	428,773	-1.38%	-1.55%	6.57%	2.36%
RX Benefit Management Fees	19,311	13,105	11,676	12,289	11,741	9,711	-32.14%	-10.90%	5.25%	-4.46%
Miscellaneous Expense (5)	109,392	118,431	104,063	104,462	111,757	86,750	8.26%	-12.13%	0.38%	6.98%
Professional Fees (6)	220,690	192,020	260,863	139,306	173,959	230,000	-12.99%	35.85%	-46.60%	24.88%
<b>Total Administrative Costs (Dollars)</b>	<b>\$1,860,389</b>	<b>\$1,770,949</b>	<b>\$1,761,894</b>	<b>\$1,619,386</b>	<b>\$1,523,473</b>	<b>\$1,647,211</b>	<b>-5.29%</b>	<b>-0.51%</b>	<b>-8.09%</b>	<b>-5.92%</b>

**Administrative Costs (% of Expenses)**                      **5.6%**                      **4.9%**                      **6.3%**                      **6.4%**                      **5.7%**                      **6.4%**

Administrative Costs (PMPM)	2018	2019	2020	2021	2022	2023	2019/2018	2020/2019	2021/2020	2022/2021
	Actual	Actual	Actual	Actual	Projected	Budget	Actual Change	Actual Change	Actual Change	Estimated Change
Member Months (1)	17,149	16,856	15,816	14,369	11,165	9,510	-1.71%	-6.17%	-9.15%	-33.82%
PMPM Administrative Expense (2)	\$56.17	\$57.38	\$58.05	\$60.11	\$63.81	\$81.75	2.15%	1.17%	3.54%	6.17%
Variable Administrative Expense (3)	9.20	5.68	5.60	6.70	9.01	12.04	-38.29%	-1.33%	19.55%	34.53%
Salary and Benefits Expense (4)	22.74	22.81	23.94	28.08	36.99	45.09	0.33%	4.93%	17.30%	31.74%
RX Benefit Management Fees	1.13	0.78	0.74	0.86	1.05	1.02	-30.96%	-5.05%	15.85%	22.96%
Miscellaneous Expense (5)	6.38	7.03	6.58	7.27	10.01	9.12	10.14%	-6.35%	10.49%	37.68%
Professional Fees (6)	12.87	11.39	16.49	9.69	15.58	24.19	-11.48%	44.79%	-41.22%	60.71%
<b>Total Administrative Costs (PMPM)</b>	<b>\$108.48</b>	<b>\$105.06</b>	<b>\$111.40</b>	<b>\$112.70</b>	<b>\$136.45</b>	<b>\$173.21</b>	<b>2.69%</b>	<b>6.03%</b>	<b>1.17%</b>	<b>21.07%</b>

**Notes:**

- (1) Assumes Non-Medicare enrollment decreases by 1 enrollee per month. Assumes Medicare enrollment decreases by 8 enrollees per month.
- (2) PMPM Administrative Expense includes the combined expenses for Third Party Administration services (including finance and accounting), Provider Network services, and Utilization Management services.
- (3) Variable Administrative Expense includes Case Management & Care Coaching, and miscellaneous administrative expenses such as special mailings.
- (4) Salary and Benefits Expense includes the combined expenses for the Executive Director and staff positions.
- (5) Miscellaneous Expense:
  - \$38,550 for insurance (D&O, E&O, general liability)
  - \$18,500 for Board meetings and travel
  - \$14,500 for bank fees
  - \$15,250 for other miscellaneous expenses
- (6) Professional Fees:
  - \$125,000 for actuarial services (IBNR, rates, projections, PMPM calculations, Med Advantage analysis, studies, & projects, RFP Administrative Services)
  - \$65,000 for consulting services (including IRO)
  - \$15,000 for legal services
  - \$25,000 for auditing services

\*Updated as of 11/1/2022