

**Washington State Health Insurance Pool
Treasurer's Report
February 2020 Financial Review**

1. 2020 Interim I Assessment

An assessment of \$10.5 M is required to adequately fund the pool until the next scheduled assessment in July 2020. This assessment was approved by the Board of Directors on March 11, 2020 and generated on March 12, 2020 with invoices due April 13, 2020 except for the carriers who have installment payment arrangements, at which point the invoices are due in total by June 13, 2020.

2. Financial Statements – February 2020

Balance Sheet

Cash on hand decreased by \$1.2 M or 20.8% from January 2020 to February 2020. The current cash position is \$4.4 M, which is above our current 4-week expense allowance of \$2.7 M. As of the end of February 2020, the entire \$4.4 M of cash is fully secured either through the FDIC insurance or by collateralized securities pledged by KeyBank. Cash position is discussed further in the Budgeted Cash Flow section below.

Total IBNR as of February 2020 is \$5.2 M. This is a decrease of \$145 K or 2.7% from the prior month. Medical IBNR decreased \$343 K or 6.8% and pharmacy IBNR increased \$198 K or 77% from January 2020.

As of February 2020, the equity position of WSHIP is a positive \$44 K.

Income Statement

Total member months for February 2020 YTD are higher by 24 member months or 0.9% higher than February 2019 YTD. Member months are measured as the cumulative monthly member count (PMPM) over a period of time. The total incurred claim loss for February 2020 YTD is \$328 K or 5.8 lower than February 2019 YTD. Incurred claim loss represents the total medical and pharmacy claims expense as well as the change in unpaid losses (IBNR) and accrued loss adjustment for the period. For February 2020 YTD, the medical claims portion is \$79 K or 2.4% higher than February 2019 YTD, and the pharmacy claims portion is \$408 K or 17.4% lower than February 2019 YTD.

February 2020 YTD administrative expenses are \$46 K or 14.6% lower than the administrative expenses for February 2019 YTD. The ratio of administrative expenses as a percentage of total cost is 4.7% for February 2020 YTD as compared

to 5.1% for February YTD of the prior year. Total cost is calculated as total incurred claim loss less pharmacy rebates plus administrative expenses.

3. Budgeted Cash Flow – February 2020

The Budgeted Cash Flow document contains the budget (upper portion) as established in late 2019 and the actual (lower portion) cash flow results year-to-date.

The ending cash balance of \$4.4 M is \$177 K or 3.9% lower than the budgeted cash balance of \$4.6 M. Total net cash receipts for February 2020 are \$309 K or 36% favorable to budget. Total YTD expenses for February 2020 YTD are \$301 K or 5.1% unfavorable to budget. The YTD administrative expenses are \$36 K or 11.7% favorable to budget. Total YTD medical claims expense is \$613 K or 15.1% favorable to budget; while total YTD pharmacy claims expense is \$950 K or 62.1% unfavorable to budget.

4. Medicare vs. Non-Medicare Cash Flow – February 2020

As of February, the YTD Medicare member months total 2,281 and represent 81.4% of the combined WSHIP member months. The YTD Non-Medicare member months total 520 and account for 18.6% of the combined WSHIP member months. The YTD Medicare Loss Ratio is 194% while the YTD Non-Medicare Loss Ratio is 575%. On a cash basis, the YTD Claims PMPM is \$957 for Medicare members and \$2,113 for Non-Medicare members.

5. Cash Flow Forecast – 2020

The 2020 cash flow forecast was developed using the assumptions developed by Leif & Associates for membership, premium receipts, pharmacy and medical claim cost projections. The key drivers (membership, premiums, medical claims and pharmacy claims) in the budget portion were updated in March 2020 to reflect new projections from Liz Leif. All other projections were trended from previous years with the best information available as of current.

The cash flow re-forecast is a dynamic document and changes are made as better financial information is obtained. Actual results are illustrated through February 2020. For March 2020, preliminary figures for the key financial drivers (Premium Receipts, Assessment Receipts and Refunds, Medical Claims and Pharmacy Claims Expenses) are reported.

Assumptions are noted on this schedule as well as the 2020 assessment projection. To ensure adequate funding the current 2020 forecast is projecting an assessment of \$26.5 M which is a \$1.5 M or 5.4% decrease from the 2019 assessment of \$28 M.

7. Administrative Expense Budget

For February 2020, YTD administrative expenses are \$36 K or 11.7% favorable to budget (cash basis).

8. Financial Performance

February 2020 YTD member months are 3.5% higher than expected, average premium receipt PMPM is 19% higher than expected, average medical claims expense PMPM is 16.7% lower than expected and average pharmacy claims expense PMPM is 56.6% higher than anticipated.

On an incurred basis, the average YTD medical claims expense PMPM is \$1,557 as compared to \$1,226 on a cash basis. Also, on an incurred basis, the average YTD pharmacy claims expense PMPM is \$776 as compared to \$885 on a cash basis.

WASHINGTON STATE HEALTH INSURANCE POOL

Unaudited Balance Sheet as of February 29, 2020

	<u>2020</u>	<u>2019</u>
Assets:		
Cash	\$ 4,399,095	\$ 4,550,531
Premiums Receivable	699,592	141,146
Assessments Receivable	656,577	-
Grants Receivable	-	-
Prepaid Expense	-	-
Total Assets	<u>\$ 5,755,264</u>	<u>\$ 4,691,677</u>
 Liabilities and Unassigned Surplus:		
Reserve for Unpaid Losses - Medical	\$ 4,702,000	\$ 4,422,000
Reserve for Unpaid Losses - Pharmacy	455,000	322,000
Accrued Loss Adjustment	276,000	280,000
Premiums Received in Advance	167,693	133,744
Assessments Payable	-	-
Accrued Expenses	110,679	147,867
Abandoned Claim Reserve	-	-
Total Liabilities	<u>\$ 5,711,372</u>	<u>\$ 5,305,611</u>
Unassigned Surplus	43,893	(613,934)
Total Liabilities and Unassigned Surplus	<u>\$ 5,755,264</u>	<u>\$ 4,691,677</u>

WASHINGTON STATE HEALTH INSURANCE POOL

Unaudited Statement of Operations January 1 to February 29

	<u>2020</u>	<u>2019</u>
Total Member Months	2,801	2,777
Premium Income Earned	\$ 2,425,919	\$ 2,870,348
Pharmacy Rebate Income	90,479	122,239
Grant Income	-	-
Incurred Claim Loss - Medical	\$ 3,438,476	3,359,206
Incurred Claim Loss - Pharmacy	1,930,061	2,337,615
Total Incurred Claim Loss	<u>5,368,538</u>	<u>5,696,822</u>
Operating Expenses:		
Fixed (PMPM) Administrative Expense	\$ 163,669	\$ 163,919
Variable Administrative Expense	18,205	27,580
Salary and Benefit Expense	59,167	61,214
Prescription Administrative Expense	2,894	1,962
Miscellaneous Expense	11,948	10,780
Professional Fee Expense	11,420	47,414
Total Operating Expenses	<u>\$ 267,302</u>	<u>\$ 312,870</u>
Underwriting Gain (Loss)	(3,119,441)	(3,017,105)
Investment Income	15,434	25,269
Other Income	-	-
Changes to Unassigned Surplus	<u>\$ (3,104,007)</u>	<u>\$ (2,991,836)</u>

WASHINGTON STATE HEALTH INSURANCE POOL

**Unaudited Statement of Changes in Unassigned Surplus
January 1 to February 29**

	<u>2020</u>	<u>2019</u>
Unassigned Surplus at Beginning of Year	\$ 3,147,900	\$ 2,377,902
Changes to Unassigned Surplus	(3,104,007)	(2,991,836)
Member Assessments	-	-
Unassigned Surplus	<u>\$ 43,893</u>	<u>\$ (613,934)</u>

**Washington State Health Insurance Pool
2020 Budgeted Cashflow**

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	February YTD	TOTAL
Budget														
Enrollment Count	1,353	1,354	1,355	1,356	1,357	1,358	1,359	1,360	1,361	1,362	1,363	1,364	2,707	16,302
Cash Balance														
BEGINNING OF MONTH	5,585,895	6,462,480	4,575,739	2,494,786	7,275,056	6,161,215	4,983,187	2,875,305	7,942,099	6,527,957	4,987,604	2,789,809		
Receipts														
Premium Receipts	721,491	723,372	725,334	727,379	729,509	731,724	734,025	736,412	738,886	741,447	744,095	746,831	1,444,863	8,800,505
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacy Rebate Income	-	120,000	-	-	120,000	-	-	120,000	-	-	120,000	-	120,000	480,000
Claim Refunds Receipts	35,958	32,914	33,672	32,189	33,499	32,505	33,804	36,408	37,221	39,751	38,113	37,250	68,872	423,283
Assessment Receipts	3,278,582	-	-	6,800,000	850,000	850,000	-	7,200,000	900,000	900,000	-	5,600,000	3,278,582	26,378,582
Investment Income	100	100	100	100	100	100	100	100	100	100	100	100	200	1,200
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	4,036,131	876,386	759,105	7,559,669	1,733,108	1,614,329	767,929	8,092,920	1,676,206	1,681,298	902,309	6,384,181	4,912,517	36,083,569
Refunds														
Assessment Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium Refunds	18,037	18,084	18,133	18,184	18,238	18,293	18,351	18,410	18,472	18,536	18,602	18,671	36,122	220,013
Total Refunds	18,037	18,084	18,133	18,184	18,238	18,293	18,351	18,410	18,472	18,536	18,602	18,671	36,122	220,013
Expenses														
Medical Claims	2,115,173	1,936,131	1,980,677	1,893,474	1,970,504	1,912,034	1,988,462	2,141,646	2,189,455	2,338,290	2,241,960	2,191,171	4,051,305	24,898,977
Pharmacy Claims	863,589	666,368	667,944	715,626	712,680	726,192	723,560	708,852	732,460	717,353	690,658	698,831	1,529,958	8,624,114
Fixed (PMPM) Admin	73,460	72,317	72,347	72,377	72,407	72,437	72,466	72,496	72,526	72,556	72,585	72,615	145,777	870,589
Variable Admin	8,713	8,118	14,624	9,129	8,135	8,140	8,146	8,151	9,157	8,162	16,668	8,173	16,830	115,310
Salary and Benefits	47,806	32,214	32,214	32,214	32,214	32,214	32,354	32,354	32,354	32,354	32,354	32,354	80,021	403,001
Prescription Admin	1,734	1,735	1,736	1,737	1,738	1,739	1,740	1,740	1,741	1,742	1,743	1,744	3,470	20,870
Miscellaneous	8,525	5,650	9,175	5,650	8,525	6,300	5,725	24,968	9,175	15,650	8,525	22,541	14,175	130,409
Professional Fees	22,508	22,508	43,208	31,008	22,508	15,008	25,008	17,508	25,008	17,008	17,008	25,008	45,017	283,300
Total Expense	3,141,509	2,745,042	2,821,925	2,761,214	2,828,711	2,774,063	2,857,460	3,007,715	3,071,876	3,203,115	3,081,501	3,052,437	5,886,551	35,346,570
Month Ending Cash Balance	\$ 6,462,480	\$ 4,575,739	\$ 2,494,786	\$ 7,275,056	\$ 6,161,215	\$ 4,983,187	\$ 2,875,305	\$ 7,942,099	\$ 6,527,957	\$ 4,987,604	\$ 2,789,809	\$ 6,102,882		

Actual	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL YTD
Enrollment Count	1,441	1,360											2,801
Cash Balance													
BEGINNING OF MONTH	6,076,373	5,556,104	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	
Receipts													
Premium Receipts	1,306,587	468,620											1,775,207
Grant Revenue	-	-											-
Pharmacy Rebate Income	-	90,479											90,479
Claim Refunds Receipts	82	5,755											5,836
Assessment Receipts	2,234,341	636,845											2,871,187
Investment Income	8,891	6,542											15,434
Other Income	-	-											-
Total Receipts	3,549,901	1,208,242	-	-	-	-	-	-	-	-	-	-	4,758,143
Refunds													
Assessment Refunds	206,723	-											206,723
Premium Refunds	-	40,799											40,799
Total Refunds	206,723	40,799	-	-	-	-	-	-	-	-	-	-	247,522
Expenses													
Medical Claims	2,090,275	1,348,201											3,438,476
Pharmacy Claims	1,648,545	831,353											2,479,898
Fixed (PMPM) Admin	81,954	80,839											162,794
Variable Admin	8,936	6,586											15,522
Salary and Benefits	18,406	40,760											59,167
Prescription Admin	1,024	1,003											2,027
Miscellaneous	3,217	7,662											10,879
Professional Fees	11,089	8,047											19,136
Total Expense	3,863,446	2,324,453	-	-	-	-	-	-	-	-	-	-	6,187,899
Available Cash Balance	5,556,104	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	4,399,095	
Inc(Dec) in Abandoned Property Reserve													
Month Ending Cash Balance	\$ 5,556,104	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	\$ 4,399,095	

**Washington State Health Insurance Pool
2020 Budgeted Cashflow**

Variance to Budget	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL YTD
Favorable/(Unfavorable)													
Enrollment Count	88	6	(1,355)	(1,356)	(1,357)	(1,358)	(1,359)	(1,360)	(1,361)	(1,362)	(1,363)	(1,364)	(13,501)
Receipts													
Premium Receipts	585,096	(254,752)											330,344
Grant Revenue	-	-											-
Pharmacy Rebate Income	-	(29,521)											(29,521)
Claim Refunds Receipts	(35,876)	(27,159)											(63,036)
Assessment Receipts	(1,044,240)	636,845											(407,395)
Investment Income	8,791	6,442											15,234
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	(486,230)	331,856											(154,373)
Refunds													
Assessment Refunds	(206,723)	-	-	-	-	-	-	-	-	-	-	-	(206,723)
Premium Refunds	18,037	(22,715)											(4,677)
Total Refunds	(188,686)	(22,715)											(211,400)
Expenses													
Medical Claims	24,898	587,930											612,828
Pharmacy Claims	(784,956)	(164,985)											(949,940)
Fixed (PMPM) Admin	(8,494)	(8,522)											(17,017)
Variable Admin	(224)	1,532											1,308
Salary and Benefits	29,400	(8,546)											20,854
Prescription Admin	711	732											1,443
Miscellaneous	5,308	(2,012)											3,296
Professional Fees	11,419	14,461											25,880
Total Expense	(721,937)	420,589											(301,348)
Available Cash Balance	(906,375)	(176,644)											
Inc(Dec) in Abandoned Property Reserve													
Month Ending Cash Balance	(906,375)	(176,644)	-	-	-	-	-	-	-	-	-	-	

2020 Budgeted Cashflow Notes

- (1) Assumes a Non-medicare medical claim expense trend of 8%. Assumes a Medicare medical claim expense trend of 6%.
- (2) Assumes a Non-medicare pharmacy claim expense trend of 8%. Assumes a Medicare pharmacy claim expense trend of 1%.
- (3) Assumes a Non-medicare premium rate trended at a 41.4% decrease. Assumes a Medicare premium rate increase of 5%.
- (4) Non-medicare enrollment projected to decrease by 2 members per month. Medicare enrollment projected to increase by 3 members per month.
- (5) Assumes assessments in March (\$8.5 M), July (\$9.0 M) and November (\$7.0 M) TOTAL \$24.5 M
- (6) 4-Week expense allowance is \$2.7 M based upon the projected data for the 12-month period ending in Dec of 2020.
- (7) WSHIP has access to a \$5 M line of credit in the event cash on hand is exhausted.

Washington State Health Insurance Pool
2020 Medicare vs. Non-Medicare Cash Flow

	January	February	March	April	May	June	July	August	September	October	November	December	YTD	Historical Annual			
														2019	2018	2017	
Medicare																	
Enrollment Count	1,124	1,157												2,281			
Premiums	717,403	407,849												1,125,252			
Medical Claims	1,063,236	907,653												1,970,889			
RX Claims	124,309	87,038												211,346			
Total Claims	1,187,545	994,691	-	-	-	-	-	-	-	-	-	-	-	2,182,235			
Income/Loss	(470,141)	(586,842)	-	-	-	-	-	-	-	-	-	-	-	(1,056,983)			
Loss Ratio	166%	244%												194%	219%	191%	201%
Claims PMPM	1,057	860												957	846	815	792
Non Medicare																	
Enrollment Count	317	203												520			
Premiums	589,184	60,771												649,955			
Medical Claims	1,027,039	440,548												1,467,588			
RX Claims	1,524,236	744,315												2,268,551			
Total Claims	2,551,275	1,184,864	-	-	-	-	-	-	-	-	-	-	-	3,736,139			
Income/Loss	(1,962,091)	(1,124,093)	-	-	-	-	-	-	-	-	-	-	-	(3,086,184)			
Loss Ratio	433%	1950%												575%	471%	350%	434%
Claims PMPM	8,048	5,837												7,185	7,398	7,047	6,340
Combined Medicare/Non Medicare																	
Enrollment Count	1,441	1,360	-	-	-	-	-	-	-	-	-	-	-	2,801			
Premiums	1,306,587	468,620	-	-	-	-	-	-	-	-	-	-	-	1,775,207			
Medical Claims	2,090,275	1,348,201	-	-	-	-	-	-	-	-	-	-	-	3,438,479			
RX Claims	1,648,545	831,353	-	-	-	-	-	-	-	-	-	-	-	2,479,898			
Total Claims	3,738,820	2,179,554	-	-	-	-	-	-	-	-	-	-	-	5,918,376			
Income/Loss	(2,432,233)	(1,710,934)	-	-	-	-	-	-	-	-	-	-	-	(4,143,169)			
Loss Ratio	286%	465%												333%	351%	285%	333%
Claims PMPM	2,595	1,603												2,113	2,250	2,277	2,235

Medicare vs NonMedicare Notes:

1) Premiums, Medical Claims and RX Claims are cash basis figures.

**Washington State Health Insurance Pool
2020 Cash Flow Forecast**

Forecast - Updated 2/28/20

	Actual		Forecast										TOTAL
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
Enrollment:													
Non-Medicare Enrollment	317	260	212	210	208	206	204	202	200	198	196	194	2,607
Medicare Enrollment	1,124	1,100	1,161	1,165	1,169	1,173	1,177	1,181	1,185	1,189	1,193	1,197	14,014
Total Enrollment Count	1,441	1,360	1,373	1,375	1,377	1,379	1,381	1,383	1,385	1,387	1,389	1,391	16,621
Cash Balance													
BEGINNING OF MONTH	6,076,373	5,556,104	4,399,095	3,248,697	8,411,617	7,211,194	6,576,587	4,537,847	9,688,992	8,307,159	6,838,663	4,904,467	
Receipts													
Premium Receipts	1,306,587	468,620	810,967	710,151	708,545	706,939	705,332	703,726	702,120	700,514	698,907	697,301	8,919,709
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacy Rebate Income	-	90,479	-	-	120,000	-	-	120,000	-	-	120,000	-	450,479
Claim Refunds Receipts	82	5,755	33,672	32,189	33,499	32,505	33,804	36,408	37,221	39,751	38,113	37,250	360,247
Assessment Receipts	2,234,341	636,845	830,269	7,800,000	1,350,000	1,350,000	-	7,200,000	900,000	900,000	-	5,600,000	28,801,456
Investment Income	8,891	6,542	100	100	100	100	100	100	100	100	100	100	16,434
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	3,549,901	1,208,242	1,675,007	8,542,440	2,212,144	2,089,543	739,236	8,060,234	1,639,441	1,640,364	857,121	6,334,651	38,548,325
Refunds													
Assessment Refunds	206,723	-	-	-	-	-	-	-	-	-	-	-	206,723
Premium Refunds	-	40,799	18,133	18,184	18,238	18,293	18,351	18,410	18,472	18,536	18,602	18,671	224,690
Total Refunds	206,723	40,799	18,133	18,184	18,238	18,293	18,351	18,410	18,472	18,536	18,602	18,671	431,413
Expenses													
Medical Claim Expense	2,090,275	1,348,201	1,762,075	2,492,586	2,530,942	1,849,038	1,889,007	2,025,483	2,126,893	2,229,066	1,935,588	1,974,185	24,253,341
Pharmacy Claim Expense	1,648,545	831,353	871,893	716,634	717,860	720,982	725,179	707,978	725,948	713,787	688,243	721,082	9,789,485
PMPM Administrative Expense	81,954	80,839	72,347	72,377	72,407	72,437	72,466	72,496	72,526	72,556	72,585	72,615	887,606
Variable Administrative Expense	8,936	6,586	14,624	9,129	8,135	8,140	8,146	8,151	9,157	8,162	16,668	8,173	114,002
Salary and Benefits Expense	18,406	40,760	32,214	32,214	32,214	32,214	32,354	32,354	32,354	32,354	32,354	32,354	382,148
Prescription Administrative Expense	1,024	1,003	1,736	1,737	1,738	1,739	1,740	1,740	1,741	1,742	1,743	1,744	19,427
Miscellaneous Expense	3,217	7,662	9,175	5,650	8,525	6,300	5,725	24,968	9,175	15,650	8,525	22,541	127,113
Professional Fees	11,089	8,047	43,208	31,008	22,508	15,008	25,008	17,508	25,008	17,008	17,008	25,008	257,420
Total Expense	3,863,446	2,324,453	2,807,273	3,361,336	3,394,329	2,705,858	2,759,625	2,890,679	3,002,802	3,090,325	2,772,714	2,857,703	35,830,541
Available Cash Balance	5,556,104	4,399,095	3,248,697	8,411,617	7,211,194	6,576,587	4,537,847	9,688,992	8,307,159	6,838,663	4,904,467	8,362,744	
Inc(Dec) in Abandoned Property Reserve	-	-	-	-	-	-	-	-	-	-	-	-	
Month Ending Cash Balance	5,556,104	4,399,095	3,248,697	8,411,617	7,211,194	6,576,587	4,537,847	9,688,992	8,307,159	6,838,663	4,904,467	8,362,744	

2020 Cashflow Forecast Notes

- (1) Assumes a Non-medicare medical claim expense trend of 8%. Assumes a Medicare medical claim expense trend of 6%.
- (2) Assumes a Non-medicare pharmacy claim expense trend of 8%. Assumes a Medicare pharmacy claim expense trend of 1%.
- (3) Assumes a Non-medicare premium rate trended at a 41.4% decrease. Assumes a Medicare premium rate increase of 5%.
- (4) Non-medicare enrollment projected to decrease by 2 members per month. Medicare enrollment projected to increase by 3 members per month
- (5) Assumes assessments in March (\$10.5 M), July (\$9.0 M) and November (\$7.0 M) TOTAL \$26.5 M
- (6) 4-Week expense allowance is \$2.7 M based upon the projected data for the 12-month period ending in Dec of 2020.
- (7) WSHIP has access to a \$5 M line of credit in the event cash on hand is exhausted.

**Washington State Health Insurance Pool
2020 Administrative Expense
Budget Variance Analysis**

Budget	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Member Months: (1)													
Non-Medicare	297	295	293	291	289	287	285	283	281	279	277	275	3,432
Medicare Basic	900	904	908	912	916	920	924	928	932	936	940	944	11,063
Medicare Basic Plus	156	154	152	150	148	146	144	142	140	138	136	134	1,741
Total Membership	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	16,236
PMPM Administrative Expense (2)	73,460	72,317	72,347	72,377	72,407	72,437	72,466	72,496	72,526	72,556	72,585	72,615	870,589
Variable Administrative Expense (3)	8,713	8,118	14,624	9,129	8,135	8,140	8,146	8,151	9,157	8,162	16,668	8,173	115,310
Salary and Benefits Expense (4)	47,806	32,214	32,214	32,214	32,214	32,214	32,354	32,354	32,354	32,354	32,354	32,354	403,001
RX Benefit Management Fees	1,734	1,735	1,736	1,737	1,738	1,739	1,740	1,740	1,741	1,742	1,743	1,744	20,870
Miscellaneous Expense (5)	8,525	5,650	9,175	5,650	8,525	6,300	5,725	24,968	9,175	15,650	8,525	22,541	130,409
Professional Fees (6)	22,508	22,508	43,208	31,008	22,508	15,008	25,008	17,508	25,008	17,008	17,008	25,008	283,300
Total Budget Operating Expenses	\$162,747	\$142,542	\$173,304	\$152,115	\$145,527	\$135,838	\$145,438	\$157,217	\$149,961	\$147,472	\$148,883	\$162,435	\$1,823,479

Actual	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Member Months: (1)													
Non-Medicare	287	203											490
Medicare Basic	983	958											1,941
Medicare Basic Plus	141	142											
Medical Supplement	30	57											87
Total Membership	1,441	1,360	-	-	-	-	-	-	-	-	-	-	2,801
PMPM Administrative Expense (2)	81,954	80,839											\$162,794
Variable Administrative Expense (3)	8,936	6,586											\$15,522
Salary and Benefits Expense (4)	18,406	40,760											\$59,167
RX Benefit Management Fees	1,024	1,003											\$2,027
Miscellaneous Expense (5)	3,217	7,662											\$10,879
Professional Fees (6)	11,089	8,047											\$19,136
Total Actual Operating Expenses	\$124,627	\$144,898	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$269,525

Variance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Member Months: (1)													
Non-Medicare	(10)	(92)											(102)
Medicare Basic	83	54											137
Medicare Basic Plus	(15)	(12)											
Medical Supplement	30	57											87
Total Membership	88	7	-	-	-	-	-	-	-	-	-	-	95
PMPM Administrative Expense (2)	8,494	8,522											\$17,017
Variable Administrative Expense (3)	224	(1,532)											(\$1,308)
Salary and Benefits Expense (4)	(29,400)	8,546											(\$20,854)
RX Benefit Management Fees	(711)	(732)											(\$1,443)
Miscellaneous Expense (5)	(5,308)	2,012											(\$3,296)
Professional Fees (6)	(11,419)	(14,461)											(\$25,880)
Total Variance Expenses	(\$38,120)	\$2,356	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$35,764)

**Washington State Health Insurance Pool
2020 Financial Performance**

CASH BASIS	Month Ending February 29, 2020			
	Projected	Actual	Variance	% Change
Membership	1,354	1,360	6	0.4%
Avg Premium Receipt PMPM	\$521	\$315	(\$206)	-39.5%
Avg Medical Claim Expense PMPM	\$1,406	\$987	\$419	-29.8%
Avg Pharmacy Claim Expense PMPM	\$492	\$611	(\$119)	24.2%
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,377)	(\$1,283)	\$94	6.8%
Avg Premium Receipt Less Avg Claim Expense Total	(\$1,864,458)	(\$1,744,880)	\$119,578	6.4%
Variance Due to Changes in Membership			(\$7,698)	
Variance Due to Changes in Claim Expenses			\$127,276	

CASH BASIS	Year-To-Date February 29, 2020			
	Projected	Actual	Variance	% Change
Member Months	2,707	2,801	94	3.5%
Avg Premium Receipt PMPM	\$520	\$619	\$99	19.0%
Avg Medical Claim Expense PMPM	\$1,471	\$1,226	(\$245)	-16.7%
Avg Pharmacy Claim Expense PMPM	\$565	\$885	\$320	56.6%
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,516)	(\$1,492)	\$24	1.6%
Avg Premium Receipt Less Avg Claim Expense Total	(\$4,103,812)	(\$4,179,092)	(\$75,280)	-1.8%
Variance Due to Changes in Membership			(\$140,248)	
Variance Due to Changes in Claim Expenses			\$64,968	

INCURRED BASIS	Year-To-Date February 29, 2020	Year-To-Date February 28, 2019
	Actual	Actual - Prior Year
Member Months	2,801	2,777
Avg Premium Income PMPM	\$866	\$1,034
Avg Medical Claim Expense PMPM (1)	\$1,557	\$1,571
Avg Pharmacy Claim Expense PMPM (2)	\$776	\$737
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,467)	(\$1,274)
Avg Premium Receipt Less Avg Claim Expense Total	(\$4,109,067)	(\$3,537,898)

(1) Incurred medical claims data totals \$4,359,856 which is derived from \$857,856 actual paid claims with dates of service between 01-01-20 and 02-29-20 and \$3,502,000 IBNR reserve.

(2) Incurred pharmacy claims data totals \$2,173,803 which is derived from \$1,718,803 actual paid claims with dates of service between 01-01-20 and 02-29-20 and \$455,000 IBNR reserve.