



WASHINGTON STATE HEALTH  
INSURANCE POOL

# Monthly Financial Report

February 2023

**Washington State Health Insurance Pool  
Treasurer's Report  
February 2023 Financial Review**

1. 2023 Interim I Assessment Required

An assessment of \$6 M was issued to adequately fund the pool until the next scheduled assessment in July 2023. This assessment was approved by the Board of Directors on March 8, 2023, and generated on March 30, 2023, with invoices due April 30, 2023 except for the carriers who have installment payment arrangements, at which point the invoices are due in total by June 30, 2023.

2. Financial Statements – February 2023

Balance Sheet

Cash on hand decreased by \$455k or 4.9% from January 2023 to February 2023. The current cash position is \$8.9 M, which is above our current 4-week expense allowance of \$2.0 M. As of the end of February 2023, the entire \$8.9 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 2023 is \$3.4 M. This is a decrease of \$161k or 4.5% from the prior month. Medical IBNR decreased \$313k or 10.4% and pharmacy IBNR increased by \$152k or 26.8% from January 2023.

As of February 2023, the equity position of WSHIP is a positive \$7.7 M.

Income Statement

Total member months for February 2023 YTD are lower by 355 member months or 17.5% lower than February 2022 YTD. Member months are measured as the cumulative monthly member count (MPPM) over a period. The total incurred claim loss for February 2023 YTD is \$739k or 19.6% lower than February 2022 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 2023 YTD, the medical claims portion is \$234k or 10.3% lower than February 2022 YTD, and the pharmacy claims portion is \$505k or 33.7% lower than February 2022 YTD.

February 2023 YTD administrative expenses are \$103k or 59.2% higher than the administrative expenses for January 2023 YTD. The ratio of administrative expenses

as a percentage of total cost is 8.4% for February 2023 YTD as compared to 4.4% for February 2022 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 2023

The Budgeted Cash Flow document contains the budget (upper portion) as established in later 2022 and the actual (lower portion) cash flow results year-to-date.

The ending cash balance of \$8.9 M is \$2.9 M or 47.6% higher than the budgeted cash balance of \$6.1 M. Total net cash receipts for February 2023 are \$1.9 M or 180.8% favorable to budget. Total YTD expenses for February 2023 YTD are \$960k or 23.2% favorable to budget. The YTD administrative expenses are \$10.1k or 3.9% unfavorable to budget. Total YTD medical claims expense is \$377k or 16.1% favorable to budget; while total YTD pharmacy claims expense is \$593k or 38.6% favorable to budget.

### 4. Medicare vs. Non-Medicare Cash Flow – February 2023

As of February 2023, the YTD Medicare member months total 661 and represent 81% of the combined WSHIP member months. The YTD Non-Medicare member months total 162 and account for 19% of the combined WSHIP member months. The YTD Medicare Loss Ratio is 430% while the YTD Non-Medicare Loss Ratio is 327%. On a cash basis, the YTD Claims PMPM is \$906 for Medicare members and \$5,161 for non-Medicare members.

### 5. Cash Flow Forecast – 2023

The 2023 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 2023 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 2023. For March 2023, 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 2023 assessment projection. To ensure adequate funding the current 2023 forecast is projecting an assessment of \$15 M which is the same as the 2022 assessments of \$15 M.

#### 6. Administrative Expense Budget

For February 2023, YTD administrative expenses are \$10.1k or 3.9% unfavorable to budget (cash basis).

#### 7. Financial Performance

February 2023 YTD member months are 0.5% lower than expected, average premium receipt PMPM is 5.6% lower than expected, average medical claims expense PMPM is 16.2% lower than expected and average pharmacy claims expense PMPM is 38.8% lower than anticipated.

On an incurred basis, the average YTD medical claims expense PMPM is \$1,816 as compared to \$1,149 on a cash basis. Also, on an incurred basis, the average YTD pharmacy claims expense PMPM is \$849 as compared to \$562 on a cash basis.

# WASHINGTON STATE HEALTH INSURANCE POOL

## Unaudited Balance Sheet as of February 28, 2023

	<u>2023</u>	<u>2022</u>
<b>Assets:</b>		
Cash	\$ 8,924,230	\$ 10,690,390
Premiums Receivable	198,584	230,198
Assessments Receivable	778,662	1,402,520
Grants Receivable	-	-
Prepaid Expense	-	-
<b>Total Assets</b>	<u>\$ 9,901,476</u>	<u>\$ 12,323,108</u>
 <b>Liabilities and Unassigned Surplus:</b>		
Reserve for Unpaid Losses - Medical	\$ 2,688,000	\$ 5,011,000
Reserve for Unpaid Losses - Pharmacy	720,000	301,000
Accrued Loss Adjustment	175,000	213,000
Premiums Received in Advance	187,616	143,241
Assessments Payable	105,249	330,451
Accrued Expenses	205,567	116,468
Abandoned Claim Reserve	-	-
<b>Total Liabilities</b>	<u>\$ 4,081,433</u>	<u>\$ 6,115,160</u>
<b>Unassigned Surplus</b>	5,820,044	6,207,949
<b>Total Liabilities and Unassigned Surplus</b>	<u>\$ 9,901,476</u>	<u>\$ 12,323,108</u>

# WASHINGTON STATE HEALTH INSURANCE POOL

## Unaudited Statement of Operations January 1st to February 28th

	<u>2023</u>	<u>2022</u>
Total Member Months	1,678	2,033
<b>Premium Income Earned</b>	\$ 1,259,993	\$ 1,609,920
<b>Pharmacy Rebate Income</b>	60,335	-
<b>Grant Income</b>	-	-
<b>Incurred Claim Loss - Medical</b>	\$ 2,035,187	\$ 2,269,054
<b>Incurred Claim Loss - Pharmacy</b>	993,842	1,498,946
<b>Total Incurred Claim Loss</b>	<u>3,029,028</u>	<u>3,768,000</u>
<b>Operating Expenses:</b>		
Fixed (PMPM) Administrative Expense	\$ 127,817	\$ 57,303
Variable Administrative Expense	11,702	11,865
Salary and Benefit Expense	81,602	74,879
Prescription Administrative Expense	1,912	1,782
Miscellaneous Expense	7,750	9,677
Professional Fee Expense	47,293	19,128
<b>Total Operating Expenses</b>	<u>\$ 278,074</u>	<u>\$ 174,632</u>
<b>Underwriting Gain (Loss)</b>	(1,986,775)	(2,332,712)
<b>Investment Income</b>	66,595	567
<b>Other Income</b>	-	-
<b>Changes to Unassigned Surplus</b>	<u>\$ (1,920,181)</u>	<u>\$ (2,332,145)</u>

**WASHINGTON STATE HEALTH INSURANCE POOL**

**Unaudited Statement of Changes in Unassigned Surplus  
January 1st to February 28th**

	<b><u>2023</u></b>	<b><u>2022</u></b>
Unassigned Surplus at Beginning of Year	\$ 7,740,224	\$ 8,540,094
Changes to Unassigned Surplus	(1,920,181)	(2,332,145)
Member Assessments	-	-
<b>Unassigned Surplus</b>	<b><u>\$ 5,820,044</u></b>	<b><u>\$ 6,207,949</u></b>

**Washington State Health Insurance Pool  
2023 Budgeted Cashflow**

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	February YTD	TOTAL
<b>Budget</b>														
<b>Enrollment Count</b>	839	831	823	813	805	797	789	779	771	763	755	745	1,670	9,510
<b>Cash Balance</b>														
<b>BEGINNING OF MONTH</b>	9,138,243	7,453,248	6,045,437	9,813,222	9,165,971	8,761,303	7,463,032	9,595,834	8,871,105	8,136,849	6,929,267	9,260,714	16,591,491	
<b>Receipts</b>														
Premium Receipts	501,794	498,014	484,576	478,542	474,894	471,247	467,599	461,565	457,918	454,270	450,623	446,976	999,808	5,648,020
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacy Rebate Income	-	-	47,986	-	79,929	-	-	100,000	-	-	100,000	-	-	327,916
Claim Refunds Receipts	44,448	10,997	3,814	3,996	247,828	11,447	4,679	36,408	37,221	39,751	38,113	37,250	55,446	515,954
Assessment Receipts	-	-	5,000,000	500,000	500,000	-	3,500,000	500,000	500,000	-	3,500,000	500,000	-	14,500,000
Investment Income	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	6,580	39,480
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Receipts</b>	<b>549,533</b>	<b>512,301</b>	<b>5,539,667</b>	<b>985,829</b>	<b>1,305,942</b>	<b>485,984</b>	<b>3,975,568</b>	<b>1,101,263</b>	<b>998,429</b>	<b>497,311</b>	<b>4,092,027</b>	<b>987,516</b>	<b>1,061,834</b>	<b>21,031,370</b>
<b>Refunds</b>														
Assessment Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium Refunds	7,527	7,470	7,269	7,178	7,123	7,069	7,014	6,923	6,869	6,814	6,759	6,705	14,997	84,720
<b>Total Refunds</b>	<b>7,527</b>	<b>7,470</b>	<b>7,269</b>	<b>7,178</b>	<b>7,123</b>	<b>7,069</b>	<b>7,014</b>	<b>6,923</b>	<b>6,869</b>	<b>6,814</b>	<b>6,759</b>	<b>6,705</b>	<b>14,997</b>	<b>84,720</b>
<b>Expenses</b>														
Medical Claims	1,227,467	1,117,092	912,630	876,872	885,383	866,144	865,733	861,539	853,620	846,591	839,882	834,082	2,344,559	10,987,035
Pharmacy Claims	860,539	674,703	711,961	614,686	688,794	790,865	849,786	807,239	743,195	701,642	745,107	777,862	1,535,242	8,966,379
Fixed (PMPM) Admin	64,816	64,816	64,816	64,793	64,793	64,793	64,793	64,770	64,770	64,770	64,770	64,747	129,632	777,447
Variable Admin	9,118	8,442	14,867	9,272	8,196	8,121	8,045	7,950	8,875	7,799	16,223	7,628	17,559	114,530
Salary and Benefits	51,624	34,210	34,210	34,210	34,210	34,210	34,350	34,350	34,350	34,350	34,350	34,350	85,834	428,773
Prescription Admin	856	848	840	830	822	814	806	796	788	780	772	761	1,704	9,711
Miscellaneous	2,508	2,458	1,383	1,333	10,383	1,333	1,333	23,592	1,383	10,833	1,383	17,575	4,967	75,500
Professional Fees	10,073	10,073	23,906	23,906	10,906	10,906	10,906	18,835	18,835	31,315	51,335	17,335	20,146	238,333
<b>Total Expense</b>	<b>2,227,001</b>	<b>1,912,642</b>	<b>1,764,613</b>	<b>1,625,901</b>	<b>1,703,487</b>	<b>1,777,186</b>	<b>1,835,752</b>	<b>1,819,069</b>	<b>1,725,815</b>	<b>1,698,079</b>	<b>1,753,821</b>	<b>1,754,341</b>	<b>4,139,643</b>	<b>21,597,708</b>
<b>Month Ending Cash Balance</b>	<b>\$ 7,453,248</b>	<b>\$ 6,045,437</b>	<b>\$ 9,813,222</b>	<b>\$ 9,165,971</b>	<b>\$ 8,761,303</b>	<b>\$ 7,463,032</b>	<b>\$ 9,595,834</b>	<b>\$ 8,871,105</b>	<b>\$ 8,136,849</b>	<b>\$ 6,929,267</b>	<b>\$ 9,260,714</b>	<b>\$ 8,487,185</b>		

<b>Actual</b>	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL YTD
<b>Enrollment Count</b>	855	823											1,678
<b>Cash Balance</b>													
<b>BEGINNING OF MONTH</b>	9,138,243	9,379,202											18,517,446
<b>Receipts</b>													
Premium Receipts	685,156	266,074											951,230
Grant Revenue	-	-											-
Pharmacy Rebate Income	-	60,335											60,335
Claim Refunds Receipts	27,101	12,008											39,109
Assessment Receipts	1,012,096	852,769											1,864,865
Investment Income	34,317	32,277											66,595
Other Income	-	-											-
<b>Total Receipts</b>	<b>1,758,670</b>	<b>1,223,463</b>											<b>2,982,133</b>
<b>Refunds</b>													
Assessment Refunds	-	-											-
Premium Refunds	-	16,058											16,058
<b>Total Refunds</b>	<b>-</b>	<b>16,058</b>											<b>16,058</b>
<b>Expenses</b>													
Medical Claims	951,675	1,015,800											1,967,476
Pharmacy Claims	440,368	502,294											942,662
Fixed (PMPM) Admin	63,928	63,916											127,843
Variable Admin	12,534	9,285											21,819
Salary and Benefits	33,928	47,674											81,602
Prescription Admin	790	818											1,608
Miscellaneous	3,303	4,059											7,362
Professional Fees	11,186	18,530											29,716
<b>Total Expense</b>	<b>1,517,711</b>	<b>1,662,377</b>											<b>3,180,089</b>
<b>Available Cash Balance</b>	<b>9,379,202</b>	<b>8,924,230</b>											
<b>Inc(Dec) in Abandoned Property Reserve</b>													
<b>Month Ending Cash Balance</b>	<b>\$ 9,379,202</b>	<b>\$ 8,924,230</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**Washington State Health Insurance Pool  
2023 Budgeted Cashflow**

<b>Variance to Budget</b>	<b>JANUARY</b>	<b>FEBRUARY</b>	<b>MARCH</b>	<b>APRIL</b>	<b>MAY</b>	<b>JUNE</b>	<b>JULY</b>	<b>AUGUST</b>	<b>SEPTEMBER</b>	<b>OCTOBER</b>	<b>NOVEMBER</b>	<b>DECEMBER</b>	<b>TOTAL YTD</b>
Favorable/(Unfavorable)													
<b>Enrollment Count</b>	16	(8)											8
<b>Receipts</b>													
Premium Receipts	183,362	(231,940)											(48,578)
Grant Revenue	-	-											-
Pharmacy Rebate Income	-	60,335											60,335
Claim Refunds Receipts	(17,347)	1,011											(16,337)
Assessment Receipts	1,012,096	852,769											1,864,865
Investment Income	31,027	28,987											60,015
Other Income	-	-											-
<b>Total Receipts</b>	<b>1,209,138</b>	<b>711,162</b>											<b>1,920,299</b>
<b>Refunds</b>													
Assessment Refunds	-	-											-
Premium Refunds	7,527	(8,588)											(1,061)
<b>Total Refunds</b>	<b>7,527</b>	<b>(8,588)</b>											<b>(1,061)</b>
<b>Expenses</b>													
Medical Claims	275,792	101,292											377,083
Pharmacy Claims	420,171	172,409											592,580
Fixed (PMPM) Admin	888	900											1,789
Variable Admin	(3,417)	(843)											(4,260)
Salary and Benefits	17,697	(13,465)											4,232
Prescription Admin	66	30											96
Miscellaneous	(794)	(1,601)											(2,395)
Professional Fees	(1,113)	(8,457)											(9,570)
<b>Total Expense</b>	<b>709,290</b>	<b>250,264</b>											<b>959,554</b>
<b>Available Cash Balance</b>	<b>1,925,955</b>	<b>2,878,793</b>											
<b>Inc(Dec) in Abandoned Property Reserve</b>													
<b>Month Ending Cash Balance</b>	<b>1,925,955</b>	<b>2,878,793</b>											

**2023 Cashflow Forecast Notes**

- (1) Assumes a Non-medicare medical claim expense trend of 5%. Assumes a Medicare medical claim expense trend of 5%.
- (2) Assumes a Non-medicare pharmacy claim expense trend of 5%. Assumes a Medicare pharmacy claim expense trend of 8%.
- (3) Assumes a Non-medicare premium rate trended at a 1% increase. Assumes a Medicare premium rate increase of 3%.
- (4) Non-medicare enrollment projected to decrease by 1 members per month. Medicare enrollment projected to decrease by 8 members per month.
- (5) Assumes assessments in March (\$6.0 M), July (\$4.5 M) and November (\$4.5M) TOTAL \$15.0 M
- (6) 4-Week expense allowance is \$2.0 M based upon the projected data for the 12-month period ending in Dec of 2023.

## Washington State Health Insurance Pool 2023 Cash Flow Forecast

	Actual		Forecast										TOTAL
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
<b>Enrollment:</b>													
Non-Medicare Enrollment	165	162	160	160	160	160	160	158	158	158	158	158	1,917
Medicare Enrollment	690	661	653	645	637	629	621	613	605	597	589	581	7,521
<b>Total Enrollment Count</b>	<b>855</b>	<b>823</b>	813	805	797	789	781	771	763	755	747	739	9,438
<b>Cash Balance</b>													
BEGINNING OF MONTH	9,138,243	9,379,202	8,924,231	7,647,149	11,111,984	9,541,117	8,742,847	10,875,648	9,839,319	8,648,405	6,991,546	8,978,218	
<b>Receipts</b>													
Premium Receipts	685,156	266,074	693,906	478,542	474,894	471,247	467,599	461,565	457,918	454,270	450,623	446,976	5,808,771
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacy Rebate Income	-	60,335	-	-	79,929	-	-	100,000	-	-	100,000	-	340,264
Claim Refunds Receipts	27,101	12,008	3,814	3,996	247,828	11,447	4,679	36,408	37,221	39,751	38,113	37,250	499,617
Assessment Receipts	1,012,096	852,769	-	5,000,000	500,000	500,000	3,500,000	500,000	500,000	-	3,500,000	500,000	16,364,865
Investment Income	34,317	32,277	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	99,495
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Receipts</b>	<b>1,758,670</b>	<b>1,223,463</b>	701,010	5,485,829	1,305,942	985,984	3,975,568	1,101,263	998,429	497,311	4,092,027	987,516	23,113,012
<b>Refunds</b>													
Assessment Refunds	-	-	-	105,249	-	-	-	-	-	-	-	-	105,249
Premium Refunds	-	16,058	3,793	7,178	7,123	7,069	7,014	6,923	6,869	6,814	6,759	6,705	82,306
<b>Total Refunds</b>	<b>-</b>	<b>16,058</b>	<b>3,793</b>	112,427	7,123	7,069	7,014	6,923	6,869	6,814	6,759	6,705	187,555
<b>Expenses</b>													
Medical Claim Expense	951,675	1,015,800	928,850	876,872	885,383	866,144	865,733	861,539	853,620	846,591	839,882	834,082	10,626,171
Pharmacy Claim Expense	440,368	502,294	464,399	614,686	688,794	790,865	849,786	807,239	743,195	701,642	745,107	777,862	8,126,237
PMPM Administrative Expense	63,928	63,916	64,816	64,793	64,793	64,793	64,793	64,770	64,770	64,770	64,770	64,747	775,658
Variable Administrative Expense	12,534	9,285	14,867	9,272	8,196	8,121	8,045	7,950	8,875	7,799	16,223	7,628	118,790
Salary and Benefits Expense	33,928	47,674	34,210	34,210	34,210	34,210	34,350	34,350	34,350	34,350	34,350	34,350	424,541
Prescription Administrative Expense	790	818	840	830	822	814	806	796	788	780	772	761	9,615
Miscellaneous Expense	3,303	4,059	1,383	1,333	10,383	1,333	1,333	23,592	1,383	10,833	1,383	17,575	77,895
Professional Fees	11,186	18,530	23,906	23,906	10,906	10,906	10,906	18,835	18,835	31,315	51,335	17,335	247,904
<b>Total Expense</b>	<b>1,517,711</b>	<b>1,662,377</b>	1,974,298	1,908,566	2,869,686	1,777,186	1,835,752	2,130,669	2,182,474	2,147,356	2,098,595	2,263,339	24,368,011
Available Cash Balance	9,379,203	8,924,231	7,647,149	11,111,984	9,541,117	8,742,847	10,875,648	9,839,319	8,648,405	6,991,546	8,978,218	7,695,690	
Inc(Dec) in Abandoned Property Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Month Ending Cash Balance</b>	<b>9,379,203</b>	<b>8,924,231</b>	7,647,149	11,111,984	9,541,117	8,742,847	10,875,648	9,839,319	8,648,405	6,991,546	8,978,218	7,695,690	

### 2023 Cashflow Forecast Notes

- (1) Assumes a Non-medicare medical claim expense trend of 5%. Assumes a Medicare medical claim expense trend of 5%.
- (2) Assumes a Non-medicare pharmacy claim expense trend of 5%. Assumes a Medicare pharmacy claim expense trend of 8%.
- (3) Assumes a Non-medicare premium rate trended at a 1% increase. Assumes a Medicare premium rate increase of 3%.
- (4) Non-medicare enrollment projected to decrease by 1 members per month. Medicare enrollment projected to decrease by 8 members per month.
- (5) Assumes assessments in March (\$6.0 M), July (\$4.5 M) and November (\$4.5M) TOTAL \$15.0 M
- (6) 4-Week expense allowance is \$2.0 M based upon the projected data for the 12-month period ending in Dec of 2023.

**Washington State Health Insurance Pool**  
**2023 Medicare vs. Non-Medicare Cash Flow**

	January	February	March	April	May	June	July	August	September	October	November	December	YTD	Historical Annual			
														2022	2021	2020	
<b>Medicare</b>																	
Enrollment Count	690	661												1,351			
Premiums	220,274	64,364												284,638			
Medical Claims	554,497	500,291												1,054,788			
RX Claims	95,815	72,839												168,654			
Total Claims	650,312	573,130												1,223,442			
Income/Loss	(430,038)	(508,766)												(938,804)			
Loss Ratio	295%	890%												430%	202%	205%	206%
Claims PMPM	942	867												906	831	717	833
<b>Non Medicare</b>																	
Enrollment Count	165	162												327			
Premiums	466,811	49,307												516,118			
Medical Claims	398,179	515,509												913,688			
RX Claims	344,552	429,455												774,008			
Total Claims	742,731	944,964												1,687,695			
Income/Loss	(275,920)	(895,657)												(1,171,577)			
Loss Ratio	159%	1916%												327%	727%	676%	713%
Claims PMPM	4,501	5,833												5,161	7,841	6,743	8,004
<b>Combined Medicare/Non Medicare</b>																	
Enrollment Count	855	823												1,678			
Premiums	687,085	113,671												800,756			
Medical Claims	952,675	1,015,800												1,968,478			
RX Claims	344,552	502,294												846,846			
Total Claims	1,297,228	1,518,094												2,815,324			
Income/Loss	(610,143)	(1,404,424)												(2,014,568)			
Loss Ratio	189%	1336%												352%	397%	367%	374%
Claims PMPM	1,517	1,845												1,678	2,127	1,653	1,919

**Medicare vs NonMedicare Notes:**

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

**Washington State Health Insurance Pool  
2023 Administrative Expense  
Budget Variance Analysis**

<b>Budget</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Total</b>
Member Months: (1)													
Non-Medicare	170	170	170	168	168	168	168	166	166	166	166	164	2,010
Medicare Basic	388	382	376	370	364	358	352	346	340	334	328	322	4,260
Medicare Basic Plus	99	98	97	96	95	94	93	92	91	90	89	88	1,122
Medicare Supplement	182	181	180	179	178	177	176	175	174	173	172	171	2,118
Total Membership	839	831	823	813	805	797	789	779	771	763	755	745	9,510
PMPM Administrative Expense (2)	64,816	64,816	64,816	64,793	64,793	64,793	64,793	64,770	64,770	64,770	64,770	64,747	777,447
Variable Administrative Expense (3)	9,118	8,442	14,867	9,272	8,196	8,121	8,045	7,950	8,875	7,799	16,223	7,628	114,530
Salary and Benefits Expense (4)	51,624	34,210	34,210	34,210	34,210	34,210	34,350	34,350	34,350	34,350	34,350	34,350	428,773
RX Benefit Management Fees	856	848	840	830	822	814	806	796	788	780	772	761	9,711
Miscellaneous Expense (5)	2,508	2,458	2,508	2,458	11,508	2,458	2,458	24,717	2,508	11,958	2,508	18,700	86,750
Professional Fees (6)	10,073	10,073	23,073	23,073	10,073	10,073	10,073	18,002	18,002	30,482	50,502	16,502	230,000
<b>Total Budget Operating Expenses</b>	<b>\$138,995</b>	<b>\$120,847</b>	<b>\$140,314</b>	<b>\$134,636</b>	<b>\$129,602</b>	<b>\$120,469</b>	<b>\$120,525</b>	<b>\$150,583</b>	<b>\$129,292</b>	<b>\$150,138</b>	<b>\$169,124</b>	<b>\$142,687</b>	<b>\$1,647,211</b>

<b>Actual</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>YTD Total</b>
Member Months: (1)													
Non-Medicare	165	162											327
Medicare Basic	406	377											783
Medicare Basic Plus	97	98											195
Medical Supplement	187	186											373
Total Membership	855	823											1,678
PMPM Administrative Expense (2)	63,928	63,916											\$127,843
Variable Administrative Expense (3)	12,534	9,285											\$21,819
Salary and Benefits Expense (4)	33,928	47,674											\$81,602
RX Benefit Management Fees	790	818											\$1,608
Miscellaneous Expense (5)	3,303	4,059											\$7,362
Professional Fees (6)	11,186	18,530											\$29,716
<b>Total Actual Operating Expenses</b>	<b>\$125,668</b>	<b>\$144,283</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$269,952</b>

<b>Variance</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>YTD Total</b>
Member Months: (1)													
Non-Medicare	(5)	(8)											(13)
Medicare Basic	18	(5)											13
Medicare Basic Plus	(2)	-											(2)
Medical Supplement	5	5											10
Total Membership	16	(8)											8
PMPM Administrative Expense (2)	(888)	(900)											(\$1,789)
Variable Administrative Expense (3)	3,417	843											\$4,260
Salary and Benefits Expense (4)	(17,697)	13,465											(\$4,232)
RX Benefit Management Fees	(66)	(30)											(\$96)
Miscellaneous Expense (5)	794	1,601											\$2,395
Professional Fees (6)	1,113	8,457											\$9,570
<b>Total Variance Expenses</b>	<b>(\$13,327)</b>	<b>\$23,436</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,109</b>

## Washington State Health Insurance Pool 2023 Financial Performance

CASH BASIS	Month Ending February 28th, 2023			
	Projected	Actual	Variance	% Change
Membership	831	823	(8)	-1.0%
Avg Premium Receipt PMPM	\$590	\$304	(\$286)	-48.5%
Avg Medical Claim Expense PMPM	\$1,331	\$1,220	\$111	-8.3%
Avg Pharmacy Claim Expense PMPM	\$812	\$610	\$202	-24.9%
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,553)	(\$1,526)	\$27	1.7%
Avg Premium Receipt Less Avg Claim Expense Total	(\$1,290,543)	(\$1,255,898)	\$34,645	2.7%
Variance Due to Changes in Membership			\$12,208	
Variance Due to Changes in Claim Expenses			\$22,437	

CASH BASIS	Year-To-Date February 28, 2023			
	Projected	Actual	Variance	% Change
Member Months	1,670	1,678	8	0.5%
Avg Premium Receipt PMPM	\$590	\$557	(\$33)	-5.6%
Avg Medical Claim Expense PMPM	\$1,371	\$1,149	(\$222)	-16.2%
Avg Pharmacy Claim Expense PMPM	\$919	\$562	(\$357)	-38.8%
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,700)	(\$1,154)	\$546	32.1%
Avg Premium Receipt Less Avg Claim Expense Total	(\$2,839,000)	(\$1,936,412)	\$902,588	31.8%
Variance Due to Changes in Membership			(\$9,232)	
Variance Due to Changes in Claim Expenses			\$911,820	

INCURRED BASIS	Year-To-Date February 28, 2023	Year-To-Date February 28, 2022
	Actual	Actual - Prior Year
Member Months	1,678	2,033
Avg Premium Income PMPM	\$751	\$792
Avg Medical Claim Expense PMPM (1)	\$1,816	\$2,474
Avg Pharmacy Claim Expense PMPM (2)	\$849	\$590
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,914)	(\$2,272)
Avg Premium Receipt Less Avg Claim Expense Total	(\$3,211,692)	(\$4,618,976)

(1) Incurred medical claims data totals \$3,047,266 which is derived from \$359,266 actual paid claims with dates of service between 01-01-23 and 02-28-23 and \$2,688,000 IBNR reserve.

(2) Incurred pharmacy claims data totals \$1,424,384 which is derived from \$704,384 actual paid claims with dates of service between 01-01-23 and 02-28-2023 and \$720,000 IBNR reserve.