



WASHINGTON STATE HEALTH
INSURANCE POOL

Monthly Financial Report

July 2022

**Washington State Health Insurance Pool
Treasurer's Report
July 2022 Financial Review**

1. 2022 Interim I Assessment Required

An assessment of \$5 M was issued to adequately fund the pool until the next scheduled assessment in July 2022. This assessment was approved by the Board of Directors on January 12, 2022 and generated on March 30, 2022 with invoices due April 30, 2022 except for the carriers who have installment payment arrangements, at which point the invoices are due in total by June 30th, 2022. As of July 31st, \$4.9 M has been collected.

2. 2022 Interim II Assessment Required

An assessment of \$5 M is required to adequately fund the pool until the next scheduled assessment in November 2021. This assessment was approved by the Board of Directors on May 11, 2022 and generated on July 26, 2022 with invoices due August 26, 2022 except for the carriers who have installment payment arrangements, at which point the invoices are due in total by October 26, 2022. As of July, 2021, \$700 K of assessments have been collected, leaving \$4.3 M to be collected.

3. Financial Statements – July 2022

Balance Sheet

Cash on hand decreased by \$222 K or 2.6% from June 2022 to July 2022. The current cash position is \$8.3 M, which is above our current 4-week expense allowance of \$2.3 M. As of the end of July 2022, the entire \$8.3 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 July 2022 is \$4.4 M. This is a decrease of \$380 K or 7.9% from the prior month. Medical IBNR decreased 437 K or 9.5% and pharmacy IBNR increased \$57 K 31.8% from June 2022.

As of July 2022, the equity position of WSHIP is a positive \$9.2 M.

Income Statement

Total member months for July 2022 YTD are lower by 2,111 member months or 23.8% lower than July 2021 YTD. Member months are measured as the cumulative

monthly member count (PMPM) over a period of time. The total incurred claim loss for July 2022 YTD is \$2.6 M or 16.5% lower than July 2021 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 July 2022 YTD, the medical claims portion is \$1.5 M or 15.9% lower than July 2021 YTD, and the pharmacy claims portion is \$1.0 M or 17.5% lower than July 2021 YTD.

July 2022 YTD administrative expenses are \$57 K or 6.1% lower than the administrative expenses for July 2021 YTD. The ratio of administrative expenses as a percentage of total cost is 6.3% for July 2022 YTD as compared to 5.5 % for June YTD of the prior year. Total cost is calculated as total incurred claim loss less pharmacy rebates plus administrative expenses.

4. Budgeted Cash Flow – July 2022

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

The ending cash balance of \$8.5 M is \$2.9 M 26.3% lower than the budgeted cash balance of \$11.3 M. Total net cash receipts for July 2022 are \$2.8 M or 62.8% unfavorable to budget. Total YTD expenses for July 2022 YTD are \$1.2 M or 8.3% unfavorable to budget. The YTD administrative expenses are \$118 K or 12.6% favorable to budget. Total YTD medical claims expense is \$1.1 M or 13.2% unfavorable to budget; while total YTD pharmacy claims expense is \$229 K or 4.3% unfavorable to budget.

5. Medicare vs. Non-Medicare Cash Flow – July 2022

As of July, the YTD Medicare member months total 5,550 and represent 82% of the combined WSHIP member months. The YTD Non-Medicare member months total 1,222 and account for 18% of the combined WSHIP member months. The YTD Medicare Loss Ratio is 206% while the YTD Non-Medicare Loss Ratio is 627%. On a cash basis, the YTD Claims PMPM is \$902 for Medicare members and \$8,244 for Non-Medicare members.

6. Cash Flow Forecast – 2022

The 2022 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 2022 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 July 2022. For August 2022, 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 2022 assessment projection. To ensure adequate funding the current 2022 forecast is projecting an assessment of \$15 M which is \$7.5M lower than the 2021 assessment of \$22.5 M.

7. Administrative Expense Budget

For July 2022, YTD administrative expenses are \$118 K or 12.6% favorable to budget (cash basis).

8. Financial Performance

July 2022 YTD member months are 4.3% lower than expected, average premium receipt PMPM is 9.2% higher than expected, average medical claims expense PMPM is 15% higher than expected and average pharmacy claims expense PMPM is 8.9% higher than anticipated.

On an incurred basis, the average YTD medical claims expense PMPM is \$1,211 as compared to \$1,361 on a cash basis. Also, on an incurred basis, the average YTD pharmacy claims expense PMPM is \$664 as compared to \$817 on a cash basis.

WASHINGTON STATE HEALTH INSURANCE POOL

Unaudited Balance Sheet as of July 31, 2022

	<u>2022</u>	<u>2021</u>
Assets:		
Cash	\$ 8,320,746	\$ 8,919,960
Premiums Receivable	424,173	890,859
Assessments Receivable	5,311,388	9,107,810
Grants Receivable	-	-
Prepaid Expense	-	-
Total Assets	<u>\$ 14,056,307</u>	<u>\$ 18,918,629</u>
 Liabilities and Unassigned Surplus:		
Reserve for Unpaid Losses - Medical	\$ 4,183,000	\$ 5,389,000
Reserve for Unpaid Losses - Pharmacy	236,000	357,000
Accrued Loss Adjustment	192,000	261,000
Premiums Received in Advance	169,188	108,568
Assessments Payable	-	10,000
Accrued Expenses	119,898	127,075
Abandoned Claim Reserve	-	-
Total Liabilities	<u>\$ 4,900,086</u>	<u>\$ 6,252,643</u>
Unassigned Surplus	9,156,222	12,665,987
Total Liabilities and Unassigned Surplus	<u>\$ 14,056,307</u>	<u>\$ 18,918,629</u>

WASHINGTON STATE HEALTH INSURANCE POOL

Unaudited Statement of Operations January 1 to July 31

	<u>2022</u>	<u>2021</u>
Total Member Months	6,772	8,883
Premium Income Earned	\$ 4,510,733	\$ 5,588,066
Pharmacy Rebate Income	127,916	246,224
Grant Income	-	-
Incurred Claim Loss - Medical	\$ 8,220,642	\$ 9,774,308
Incurred Claim Loss - Pharmacy	4,955,960	6,010,810
Total Incurred Claim Loss	<u>13,176,602</u>	<u>15,785,118</u>
Operating Expenses:		
Fixed (PMPM) Administrative Expense	\$ 435,370	\$ 514,649
Variable Administrative Expense	62,469	49,804
Salary and Benefit Expense	244,022	242,288
Prescription Administrative Expense	6,702	6,765
Miscellaneous Expense	43,063	43,090
Professional Fee Expense	82,488	74,520
Total Operating Expenses	<u>\$ 874,114</u>	<u>\$ 931,116</u>
Underwriting Gain (Loss)	(9,412,068)	(10,881,945)
Investment Income	28,196	1,606
Other Income	-	-
Changes to Unassigned Surplus	<u>\$ (9,383,872)</u>	<u>\$ (10,880,339)</u>

WASHINGTON STATE HEALTH INSURANCE POOL

Unaudited Statement of Changes in Unassigned Surplus January 1 to July 31

	<u>2022</u>	<u>2021</u>
Unassigned Surplus at Beginning of Year	\$ 8,540,094	\$ 6,046,325
Changes to Unassigned Surplus	(9,383,872)	(10,880,339)
Member Assessments	10,000,000	17,500,000
Unassigned Surplus	<u>\$ 9,156,222</u>	<u>\$ 12,665,987</u>

**Washington State Health Insurance Pool
2022 Budgeted Cashflow**

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	July YTD	TOTAL
Budget														
Enrollment Count	1,111	1,104	990	982	972	964	954	946	936	928	918	910	7,077	11,715
Cash Balance														
BEGINNING OF MONTH	12,513,952	11,781,978	10,787,484	9,176,996	11,454,903	10,528,808	8,870,349	11,294,432	10,327,463	9,207,701	7,615,631	10,167,949		
Receipts														
Premium Receipts	569,503	569,341	563,505	559,873	554,037	544,581	540,970	535,135	531,535	525,701	522,111	522,111	3,901,810	6,538,402
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacy Rebate Income	-	100,000	-	-	100,000	-	-	100,000	-	-	100,000	-	200,000	400,000
Claim Refunds Receipts	2,875	10,876	2,336	2,944	4,184	1,493	36,408	37,221	39,751	38,113	37,250	37,250	61,116	250,701
Assessment Receipts	1,000,000	400,000	-	4,000,000	500,000	-	4,000,000	500,000	500,000	-	4,000,000	500,000	9,900,000	15,400,000
Investment Income	250	250	250	250	250	250	250	250	250	250	250	250	1,750	3,000
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	1,572,628	1,080,467	566,091	4,563,066	1,158,471	546,324	4,577,628	1,172,606	1,071,536	564,064	4,659,611	1,059,611	14,064,675	22,592,103
Refunds														
Assessment Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium Refunds	9,338	9,290	9,210	9,162	9,081	9,034	8,953	8,906	8,825	8,778	8,697	8,650	64,069	107,924
Total Refunds	9,338	9,290	9,210	9,162	9,081	9,034	8,953	8,906	8,825	8,778	8,697	8,650	64,069	107,924
Expenses														
Medical Claims	936,831	1,484,244	1,204,775	1,167,342	1,160,686	1,237,904	1,238,783	1,236,192	1,196,253	1,190,134	1,187,324	1,222,399	8,430,565	14,462,867
Pharmacy Claims	735,794	658,168	738,704	768,779	789,138	832,613	781,017	748,215	856,304	802,210	731,855	886,476	5,304,213	9,329,274
Fixed (PMPM) Admin	71,815	71,427	70,910	70,522	70,005	69,617	69,100	68,712	68,195	67,807	67,290	66,902	493,396	832,302
Variable Admin	7,712	7,077	13,531	7,996	6,949	13,531	6,868	6,833	7,786	6,751	15,205	6,670	57,044	100,286
Salary and Benefits	50,137	33,131	33,131	33,131	33,131	33,131	33,262	33,262	33,262	33,262	33,262	33,262	249,052	415,362
Prescription Admin	1,129	1,123	1,115	1,109	1,100	1,094	1,086	1,080	1,072	1,066	1,058	1,052	7,756	13,084
Miscellaneous	7,792	6,667	6,667	6,667	6,667	6,667	6,667	28,564	11,792	12,917	10,792	23,769	47,792	135,625
Professional Fees	7,810	7,810	20,710	21,810	7,810	7,810	7,810	7,810	7,810	33,210	51,810	22,810	81,570	205,020
Total Expense	1,819,019	2,269,646	2,089,541	2,077,355	2,075,485	2,195,749	2,144,592	2,130,669	2,182,474	2,147,356	2,098,595	2,263,339	14,671,386	25,493,820
Month Ending Cash Balance	\$ 12,258,224	\$ 10,583,508	\$ 9,254,824	\$ 11,653,545	\$ 10,528,808	\$ 8,870,349	\$ 11,294,432	\$ 10,327,463	\$ 9,207,701	\$ 7,615,631	\$ 10,167,949	\$ 8,955,571		

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL YTD
Actual													
Enrollment Count	1,033	1,000	976	972	958	930	903						6,772
Cash Balance													
BEGINNING OF MONTH	12,521,734	11,384,007	10,690,390	10,031,211	11,115,553	9,699,693	8,542,345						73,984,933
Receipts													
Premium Receipts	845,293	439,943	768,587	537,838	226,459	853,736	372,965						4,044,821
Grant Revenue	-	-	-	-	-	-	-						-
Pharmacy Rebate Income	-	-	47,986	-	79,929	-	-						127,916
Claim Refunds Receipts	44,448	10,997	3,814	3,996	247,828	11,447	4,679						327,211
Assessment Receipts	120,348	1,321,137	494,064	2,795,186	894,012	427,989	1,479,880						7,532,617
Investment Income	306	260	667	1,645	5,596	8,193	11,527						28,196
Other Income	-	-	-	-	-	-	-						-
Total Receipts	1,010,396	1,772,337	1,315,119	3,338,665	1,453,825	1,301,366	1,869,052						12,060,760
Refunds													
Assessment Refunds	-	-	-	330,451	-	-	-						330,451
Premium Refunds	-	9,070	-	15,305	-	5,711	5,784						35,870
Total Refunds	-	9,070	-	345,756	-	5,711	5,784						366,321
Expenses													
Medical Claims	990,786	1,734,359	1,169,555	1,195,315	2,169,012	1,170,169	1,114,359						9,543,555
Pharmacy Claims	1,090,436	666,865	611,897	593,488	575,075	1,145,590	849,907						5,533,258
Fixed (PMPM) Admin	14,617	1,155	116,458	58,318	64,376	65,820	64,634						385,377
Variable Admin	9,124	-	18,469	10,934	9,304	9,802	-						57,633
Salary and Benefits	32,971	41,908	33,941	33,795	33,805	33,803	33,799						244,021
Prescription Admin	913	887	895	896	473	1,801	1,749						7,614
Miscellaneous	4,649	4,727	11,145	5,669	4,503	6,153	6,251						43,097
Professional Fees	4,628	6,984	11,939	10,151	13,136	19,865	14,167						80,870
Total Expense	2,148,123	2,456,885	1,974,298	1,908,566	2,869,686	2,453,003	2,084,866						15,895,427
Available Cash Balance	11,384,007	10,690,390	10,031,211	11,115,553	9,699,693	8,542,345	8,320,746						
Inc(Dec) In Abandoned Property Reserve													
Month Ending Cash Balance	\$ 11,384,007	\$ 10,690,390	\$ 10,031,211	\$ 11,115,553	\$ 9,699,693	\$ 8,542,345	\$ 8,320,746	\$ -	\$ -	\$ -	\$ -	\$ -	

**Washington State Health Insurance Pool
2022 Budgeted Cashflow**

Variance to Budget	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL YTD
Favorable/(Unfavorable)													
Enrollment Count	(78)	(104)	(14)	(10)	(14)	(34)	(51)						(305)
Receipts													
Premium Receipts	275,790	(129,398)	205,083	(22,035)	(327,578)	309,155	(168,005)						143,011
Grant Revenue	-	-	-	-	-	-	-						-
Pharmacy Rebate Income	-	(100,000)	47,986	-	(20,071)	-	-						(72,084)
Claim Refunds Receipts	41,573	121	1,478	1,053	243,644	9,954	(31,729)						266,095
Assessment Receipts	(879,652)	921,137	494,064	(1,204,814)	394,012	427,989	(2,520,120)						(2,367,384)
Investment Income	56	10	417	1,395	5,346	7,943	11,277						26,446
Other Income	-	-	-	-	-	-	-						-
Total Receipts	(562,232)	691,870	749,028	(1,224,401)	295,354	755,042	(2,708,577)						(2,003,916)
Refunds													
Assessment Refunds	-	-	-	(330,451)	-	-	-						(330,451)
Premium Refunds	9,338	220	9,210	(6,143)	9,081	3,323	3,169						28,199
Total Refunds	9,338	220	9,210	(336,594)	9,081	3,323	3,169						(302,252)
Expenses													
Medical Claims	(53,955)	(250,115)	35,220	(27,972)	(1,008,326)	67,735	124,424						(1,112,990)
Pharmacy Claims	(354,642)	(8,697)	126,808	175,291	214,062	(312,977)	(68,890)						(229,045)
Fixed (PMPM) Admin	57,198	70,272	(45,548)	12,204	5,630	3,797	4,466						108,019
Variable Admin	(1,412)	7,077	(4,938)	(2,939)	(2,356)	(2,888)	6,868						(590)
Salary and Benefits	17,166	(8,777)	(810)	(664)	(675)	(672)	(536)						5,030
Prescription Admin	216	236	220	212	627	(707)	(663)						142
Miscellaneous	3,143	1,940	(4,479)	998	2,164	514	415						4,694
Professional Fees	3,182	826	8,771	11,659	(5,326)	(12,055)	(6,357)						700
Total Expense	(329,104)	(187,239)	115,243	168,789	(794,201)	(257,254)	59,726						(1,224,040)
Available Cash Balance	(874,217)	106,882	776,387	(537,993)	(829,115)	(328,003)	(2,973,686)						
Inc(Dec) in Abandoned Property Reserve													
Month Ending Cash Balance	(874,217)	106,882	776,387	(537,993)	(829,115)	(328,003)	(2,973,686)						

2022 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 9%. Assumes a Medicare pharmacy claim expense trend of 3%.
- (3) Assumes a Non-medicare premium rate trended at a .3% increase per month. Assumes a Medicare premium rate increase of 5%.
- (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 (\$5.0 M), July (\$5.0 M) and November (\$5.0 M) TOTAL \$15.0 M
- (6) 4-Week expense allowance is \$2.3 M based upon the projected data for the 12-month period ending in Dec of 2022.

**Washington State Health Insurance Pool
2022 Cash Flow Forecast**

	Actual							Forecast					TOTAL
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
Enrollment:													
Non-Medicare Enrollment	175	175	175	175	174	174	174	169	167	167	165	165	2,055
Medicare Enrollment	858	825	801	797	784	756	729	777	769	761	753	745	9,355
Total Enrollment Count	1,033	1,000	976	972	958	930	903	946	936	928	918	910	11,410
Cash Balance													
BEGINNING OF MONTH	12,521,734	11,384,007	10,690,390	10,031,211	11,115,553	9,699,693	8,542,345	8,320,746	9,241,879	8,123,186	7,038,588	5,595,360	
Receipts													
Premium Receipts	845,293	439,943	768,587	537,838	226,459	853,736	372,965	372,564	535,135	531,535	525,701	522,111	6,531,867
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	515,954
Assessment Receipts	120,348	1,321,137	494,064	2,795,186	894,012	427,989	1,479,880	2,555,703	500,000	-	400,000	500,000	11,488,320
Investment Income	306	260	667	1,645	5,596	8,193	11,527	250	250	250	250	250	29,445
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	1,010,396	1,772,337	1,315,119	3,338,665	1,453,825	1,301,365	1,869,052	3,064,925	1,072,606	1,071,536	664,064	4,159,611	22,093,501
Refunds													
Assessment Refunds	-	-	-	330,451	-	-	-	-	-	-	-	-	330,451
Premium Refunds	-	9,070	-	15,305	-	5,711	5,784	13,124	8,825	8,778	8,697	8,650	83,944
Total Refunds	-	9,070	-	345,756	-	5,711	5,784	13,124	8,825	8,778	8,697	8,650	414,394
Expenses													
Medical Claim Expense	990,786	1,734,359	1,169,555	1,195,315	2,169,012	1,170,169	1,114,359	1,412,832	1,196,253	1,190,134	1,187,324	1,222,399	15,752,497
Pharmacy Claim Expense	1,090,436	666,865	611,897	593,488	575,075	1,145,590	849,907	748,215	856,304	802,210	731,855	886,476	9,558,319
PMPM Administrative Expense	14,617	1,155	116,458	58,318	64,376	65,820	64,634	68,712	68,195	67,807	67,290	66,902	724,283
Variable Administrative Expense	9,124	-	18,469	10,934	9,304	9,802	-	6,833	7,786	6,751	15,205	6,670	100,876
Salary and Benefits Expense	32,971	41,908	33,941	33,795	33,805	33,803	33,799	33,262	33,262	33,262	33,262	33,262	410,332
Prescription Administrative Expense	913	887	895	896	473	1,801	1,749	1,080	1,072	1,066	1,058	1,052	12,942
Miscellaneous Expense	4,649	4,727	11,145	5,669	4,503	6,153	6,251	28,564	11,792	12,917	10,792	23,769	130,930
Professional Fees	4,628	6,984	11,939	10,151	13,136	19,865	14,167	7,810	7,810	33,210	51,810	22,810	204,320
Total Expense	2,148,123	2,456,885	1,974,298	1,908,566	2,869,686	2,453,003	2,084,866	2,130,669	2,182,474	2,147,356	2,098,595	2,263,339	26,717,860
Available Cash Balance	11,384,007	10,690,390	10,031,211	11,115,553	9,699,693	8,542,345	8,320,746	9,241,879	8,123,186	7,038,588	5,595,360	7,482,982	
Inc(Dec) in Abandoned Property Reserve	-	-	-	-	-	-	-	-	-	-	-	-	
Month Ending Cash Balance	11,384,007	10,690,390	10,031,211	11,115,553	9,699,693	8,542,345	8,320,746	9,241,879	8,123,186	7,038,588	5,595,360	7,482,982	

2022 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 9%. Assumes a Medicare pharmacy claim expense trend of 3%.
- (3) Assumes a Non-medicare premium rate trended at a .3% increase per month . Assumes a Medicare premium rate increase of 5%.
- (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 (\$5.0 M), July (\$5.0 M) and November (\$5.0 M) TOTAL \$15.0 M
- (6) 4-Week expense allowance is \$2.3 M based upon the projected data for the 12-month period ending in Dec of 2022.

Washington State Health Insurance Pool
2022 Medicare vs. Non-Medicare Cash Flow

	January	February	March	April	May	June	July	August	September	October	November	December	YTD	Historical Annual			
														2021	2020	2019	
Medicare																	
Enrollment Count	858	825	801	797	784	756	729										
Premiums	393,411	358,528	338,971	438,094	188,223	412,100	298,158										
Medical Claims	542,346	806,730	639,405	615,840	697,978	731,413	581,144										
RX Claims	90,071	64,718	41,120	38,282	41,842	67,418	46,365										
Total Claims	632,417	871,448	680,525	654,122	739,820	798,831	627,509										
Income/Loss	(239,006)	(512,920)	(341,553)	(216,028)	(551,597)	(386,731)	(329,351)										
Loss Ratio	161%	243%	201%	149%	393%	194%	210%										
Claims PMPM	737	1,056	850	821	944	1,057	861										
Non Medicare																	
Enrollment Count	175	175	175	175	174	174	174										
Premiums	451,882	87,436	428,467	89,278	39,113	437,884	73,523										
Medical Claims	448,439	927,629	530,150	579,475	1,471,034	438,756	533,215										
RX Claims	1,000,365	602,147	570,777	557,211	533,224	1,078,072	803,542										
Total Claims	1,448,804	1,529,776	1,100,927	1,136,686	2,004,258	1,516,828	1,336,757										
Income/Loss	(996,922)	(1,442,340)	(672,460)	(1,047,408)	(1,965,145)	(1,078,944)	(1,263,234)										
Loss Ratio	321%	1750%	257%	1273%	5124%	346%	1818%										
Claims PMPM	8,279	8,742	6,291	6,495	11,519	8,717	7,683										
Combined Medicare/Non Medicare																	
Enrollment Count	1,033	1,000	976	972	958	930	903										
Premiums	845,293	445,964	767,438	527,372	227,336	849,984	371,681										
Medical Claims	990,786	1,734,359	1,169,555	1,195,315	2,169,012	1,170,169	1,114,359										
RX Claims	1,090,436	666,865	611,897	595,493	575,065	1,145,490	849,907										
Total Claims	2,081,221	2,401,224	1,781,452	1,790,808	2,744,077	2,315,659	1,964,266										
Income/Loss	(1,235,928)	(1,955,260)	(1,014,014)	(1,263,436)	(2,516,742)	(1,465,675)	(1,592,585)										
Loss Ratio	246%	538%	232%	340%	1207%	272%	528%										
Claims PMPM	2,015	2,401	1,825	1,842	2,864	2,490	2,175										

Medicare vs NonMedicare Notes:

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

**Washington State Health Insurance Pool
2022 Administrative Expense
Budget Variance Analysis**

Budget	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Member Months: (1)													
Non-Medicare	178	177	173	173	171	171	169	169	167	167	165	165	2,045
Medicare Basic	578	571	500	493	486	479	472	465	458	451	444	437	5,834
Medicare Basic Plus	109	108	107	106	105	104	103	102	101	100	99	98	1,242
Medicare Supplement	210	210	210	210	210	210	210	210	210	210	210	210	2,520
Total Membership	1,075	1,066	990	982	972	964	954	946	936	928	918	910	11,641
PMPM Administrative Expense (2)	71,815	71,427	70,910	70,522	70,005	69,617	69,100	68,712	68,195	67,807	67,290	66,902	832,302
Variable Administrative Expense (3)	7,712	7,077	13,531	7,996	6,949	6,914	6,868	6,833	7,786	6,751	15,205	6,670	100,286
Salary and Benefits Expense (4)	50,137	33,131	33,131	33,131	33,131	33,131	33,262	33,262	33,262	33,262	33,262	33,262	415,362
RX Benefit Management Fees	1,129	1,123	1,115	1,109	1,100	1,094	1,086	1,080	1,072	1,066	1,058	1,052	13,084
Miscellaneous Expense (5)	7,208	6,083	6,083	6,083	6,083	6,083	6,083	27,981	11,208	12,333	10,208	23,186	128,625
Professional Fees (6)	7,810	7,810	20,710	21,810	7,810	7,810	7,810	7,810	7,810	33,210	51,810	22,810	205,020
Total Budget Operating Expenses	\$145,811	\$126,650	\$145,479	\$140,650	\$125,078	\$124,649	\$124,209	\$145,678	\$129,333	\$154,429	\$178,833	\$153,881	\$1,694,679

Actual	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Member Months: (1)													
Non-Medicare	175	175	175	175	174	174	174						1,222
Medicare Basic	536	507	486	485	477	458	435						3,384
Medicare Basic Plus	108	108	108	107	105	103	104						743
Medical Supplement	214	210	207	205	202	195	190						1,423
Total Membership	1,033	1,000	976	972	958	930	903	-	-	-	-	-	6,772
PMPM Administrative Expense (2)	14,617	1,155	116,458	58,318	64,376	65,820	64,634						\$385,377
Variable Administrative Expense (3)	9,124	-	18,469	10,934	9,304	9,802	-						\$57,633
Salary and Benefits Expense (4)	32,971	41,908	33,941	33,795	33,805	33,803	33,799						\$244,021
RX Benefit Management Fees	913	887	895	896	473	1,801	1,749						\$7,614
Miscellaneous Expense (5)	4,649	4,727	11,145	5,669	4,503	6,153	6,251						\$43,097
Professional Fees (6)	4,628	6,984	11,939	9,214	13,136	19,865	14,167						\$79,932
Total Actual Operating Expenses	\$66,901	\$55,661	\$192,847	\$118,826	\$125,598	\$137,243	\$120,600	\$0	\$0	\$0	\$0	\$0	\$817,676

Variance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Member Months: (1)													
Non-Medicare	(3)	(2)	2	2	3	3	5						10
Medicare Basic	(42)	(64)	(14)	(8)	(9)	(21)	(37)						(195)
Medicare Basic Plus	(1)	-	1	1	-	(1)	1						1
Medical Supplement	4	-	(3)	(5)	(8)	(15)	(20)						(47)
Total Membership	(42)	(66)	(14)	(10)	(14)	(34)	(51)	-	-	-	-	-	(231)
PMPM Administrative Expense (2)	(57,198)	(70,272)	45,548	(12,204)	(5,630)	(3,797)	(4,466)						(\$108,019)
Variable Administrative Expense (3)	1,412	(7,077)	4,938	2,939	2,356	2,888	(6,868)						\$590
Salary and Benefits Expense (4)	(17,166)	8,777	810	664	675	672	536						(\$5,030)
RX Benefit Management Fees	(216)	(236)	(220)	(212)	(627)	707	663						(\$142)
Miscellaneous Expense (5)	(2,559)	(1,356)	5,062	(415)	(1,580)	70	168						(\$611)
Professional Fees (6)	(3,182)	(826)	(8,771)	(12,597)	5,326	12,055	6,357						(\$1,638)
Total Variance Expenses	(\$78,909)	(\$70,989)	\$47,368	(\$21,824)	\$520	\$12,595	(\$3,609)	\$0	\$0	\$0	\$0	\$0	(\$114,849)

Washington State Health Insurance Pool 2022 Financial Performance

CASH BASIS	Month Ending July 31, 2022			
	Projected	Actual	Variance	% Change
Membership	954	903	(51)	-5.3%
Avg Premium Receipt PMPM	\$558	\$407	(\$151)	-27.1%
Avg Medical Claim Expense PMPM	\$1,260	\$1,229	\$31	-2.5%
Avg Pharmacy Claim Expense PMPM	\$819	\$941	(\$122)	14.9%
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,521)	(\$1,763)	(\$242)	-15.9%
Avg Premium Receipt Less Avg Claim Expense Total	(\$1,451,034)	(\$1,591,989)	(\$140,955)	-9.7%
Variance Due to Changes in Membership			\$89,913	
Variance Due to Changes in Claim Expenses			(\$230,868)	

CASH BASIS	Year-To-Date July 31, 2022			
	Projected	Actual	Variance	% Change
Member Months	7,077	6,772	(305)	-4.3%
Avg Premium Receipt PMPM	\$542	\$592	\$50	9.2%
Avg Medical Claim Expense PMPM	\$1,183	\$1,361	\$178	15.0%
Avg Pharmacy Claim Expense PMPM	\$750	\$817	\$67	8.9%
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,391)	(\$1,586)	(\$195)	-14.0%
Avg Premium Receipt Less Avg Claim Expense Total	(\$9,844,107)	(\$10,740,392)	(\$896,285)	-9.1%
Variance Due to Changes in Membership			\$483,730	
Variance Due to Changes in Claim Expenses			(\$1,380,015)	

INCURRED BASIS	Year-To-Date July 31, 2022	Year-To-Date July 31, 2021
	Actual	Actual - Prior Year
Member Months	6,772	8,883
Avg Premium Income PMPM	\$587	\$629
Avg Medical Claim Expense PMPM (1)	\$1,211	\$1,170
Avg Pharmacy Claim Expense PMPM (2)	\$664	\$583
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,288)	(\$1,124)
Avg Premium Receipt Less Avg Claim Expense Total	(\$8,722,336)	(\$9,984,492)

(1) Incurred medical claims data totals \$8,200,723 which is derived from \$4,017,723 actual paid claims with dates of service between 01-01-22 and 07-31-2022 and \$4,183,000 IBNR reserve.

(2) Incurred pharmacy claims data totals \$4,497,481 which is derived from \$4,733,481 actual paid claims with dates of service between 01-01-22 and 07-31-2022 and \$236,000 IBNR reserve.