



WASHINGTON STATE HEALTH
INSURANCE POOL

Monthly Financial Report

November 2023

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

1. 2023 Interim I Assessment

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. As of September 30th, \$6.0 M has been collected.

2. 2023 Interim II Assessment

An assessment of \$4 M is required to adequately fund the pool until the next scheduled assessment in November 2023. This assessment was approved by the Board of Directors on May 10, 2023, and generated on July 31st, 2023, with invoices due August 31, 2023, except for the carriers who have installment payment arrangements, at which point the invoices are due in total by October 31, 2023. As of November 30 \$4.0 M has been collected.

3. 2023 Interim III Assessment Required

An assessment of \$2M is required to adequately fund the pool until the next scheduled assessment in March 2024. This assessment was approved by the Board of Directors on November 8, 2023, and generated on November 27, 2023 with invoices due December 31, 2023 except for the carriers who have installment payment arrangements, at which point the invoices are due in total by February 28, 2024.

4. Financial Statements – November 2023

Balance Sheet

Cash on hand decreased by \$998k or 9.7% from October 2023 to November 2023. The current cash position is \$9.3 M, which is above our current 4-week expense allowance of \$2.0 M.

Total IBNR as of November 2023 is \$2.3M. This is an increase of \$48k or 2.2% from the prior month. Medical IBNR decreased \$20k or 1.1% and pharmacy IBNR increased by \$68k or 15% from October 2023.

As of November 2023, the equity position of WSHIP is a positive \$10.6 M.

Income Statement

Total member months for November 2023 YTD are lower by 2,116 member months or 20.5% lower than November 2022 YTD. Member months are measured as the cumulative monthly member count (PMPM) over a period. The total incurred claim loss for November 2023 YTD is \$5.4 M or 28.1% lower than November 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 November 2023 YTD, the medical claims portion is \$3.6 M or 30.6% lower than November 2022 YTD, and the pharmacy claims portion is \$1.8 M or 24.1% lower than November 2022 YTD.

November 2023 YTD administrative expenses are \$19.9k or 1.5% lower than the administrative expenses for November 2022 YTD. The ratio of administrative expenses as a percentage of total cost is 9% for November 2023 YTD as compared to 6.1% for November 2022 YTD of the prior year. Total cost is calculated as total incurred claim loss less pharmacy rebates plus administrative expenses.

5. Budgeted Cash Flow – November 2023

The Budgeted Cash Flow document contains the budget (upper portion) as established in later 2023 and the actual (lower portion) cash flow results year-to-date.

The ending cash balance of \$9.3 M is \$432k or 4.9% higher than the budgeted cash balance of \$8.9 M. Total net cash receipts for November 2023 are \$3.2M or 89.6% unfavorable to budget. Total YTD expenses for November 2023 YTD are \$2.8 M or 14.6% favorable to budget. The YTD administrative expenses are \$6.9k or 0.5% favorable to budget. Total YTD medical claims expense is \$955k or 9.7% favorable to budget; while total YTD pharmacy claims expense is \$1.8 M or 22.6% favorable to budget.

6. Medicare vs. Non-Medicare Cash Flow – November 2023

As of November 2023, the YTD Medicare member months total 6,464 and represent 79% of the combined WSHIP member months. The YTD Non-Medicare member months total 1,749 and account for 21% of the combined WSHIP member months. The YTD Medicare Loss Ratio is 222% while the YTD Non-Medicare Loss Ratio is 601%. On a cash basis, the YTD Claims PMPM is \$756 for Medicare members and \$5,734 for non-Medicare members.

7. 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 September 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 August 2023. For November 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 \$12 M which is \$3 M lower than the 2022 assessment of \$15 M.

8. Administrative Expense Budget

For November 2023, YTD administrative expenses are \$6.9k or 0.5% favorable to budget (cash basis).

9. Financial Performance

November 2023 YTD member months are 1.7% lower than expected, average premium receipt PMPM is 40.7% lower than expected, average medical claims expense PMPM is 6.3% lower than expected and average pharmacy claims expense PMPM is 10.3% lower than anticipated.

On an incurred basis, the average YTD medical claims expense PMPM is \$1,071 as compared to \$1,021 on a cash basis. Also, on an incurred basis, the average YTD pharmacy claims expense PMPM is \$730 as compared to \$806 on a cash basis.

WASHINGTON STATE HEALTH INSURANCE POOL

Unaudited Balance Sheet as of November 30, 2023

	<u>2023</u>	<u>2022</u>
Assets:		
Cash	\$ 9,334,616	\$ 7,414,542
Premiums Receivable	414,541	409,789
Assessments Receivable	3,657,952	6,144,714
Grants Receivable	-	-
Prepaid Expense	-	-
Total Assets	<u>\$ 13,407,109</u>	<u>\$ 13,969,044</u>
 Liabilities and Unassigned Surplus:		
Reserve for Unpaid Losses - Medical	\$ 1,745,000	\$ 3,154,000
Reserve for Unpaid Losses - Pharmacy	522,000	618,000
Accrued Loss Adjustment	150,000	188,000
Premiums Received in Advance	187,527	297,818
Assessments Payable	-	105,249
Accrued Expenses	119,137	138,901
Abandoned Claim Reserve	-	-
Total Liabilities	<u>\$ 2,723,664</u>	<u>\$ 4,501,968</u>
Unassigned Surplus	10,683,444	9,467,076
Total Liabilities and Unassigned Surplus	<u>\$ 13,407,109</u>	<u>\$ 13,969,044</u>

WASHINGTON STATE HEALTH INSURANCE POOL

Unaudited Statement of Operations January 1st to November 30th

	<u>2023</u>	<u>2022</u>
Total Member Months	8,213	10,329
Premium Income Earned	\$ 5,366,718	\$ 6,111,316
Pharmacy Rebate Income	267,025	265,142
Grant Income	-	-
Claim Loss - Medical	\$ 8,200,179	\$ 11,821,019
Claim Loss - Pharmacy	5,599,047	7,378,589
Total Claim Loss	<u>13,799,226</u>	<u>19,199,607</u>
Operating Expenses:		
Fixed (PMPM) Administrative Expense	\$ 621,549	\$ 631,000
Variable Administrative Expense	55,690	89,245
Salary and Benefit Expense	393,470	379,064
Prescription Administrative Expense	9,066	10,934
Miscellaneous Expense	77,143	115,756
Professional Fee Expense	186,853	137,663
Total Operating Expenses	<u>\$ 1,343,770</u>	<u>\$ 1,363,661</u>
Underwriting Gain (Loss)	(9,509,254)	(14,186,810)
Investment Income	452,475	113,792
Other Income	-	-
Changes to Unassigned Surplus	<u>\$ (9,056,779)</u>	<u>\$ (14,073,018)</u>

WASHINGTON STATE HEALTH INSURANCE POOL

Unaudited Statement of Changes in Unassigned Surplus January 1st to November 30th

	<u>2023</u>	<u>2022</u>
Unassigned Surplus at Beginning of Year	\$ 7,740,224	\$ 8,540,094
Changes to Unassigned Surplus	(9,056,779)	(14,073,018)
Member Assessments	12,000,000	15,000,000
Unassigned Surplus	\$ 10,683,444	\$ 9,467,076

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

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	November YTD	TOTAL
Budget														
Enrollment Count	839	831	823	813	805	797	789	779	717	695	688	685	8,576	9,261
Cash Balance														
BEGINNING OF MONTH	9,138,243	7,453,248	6,045,437	4,813,222	8,665,971	8,261,303	7,463,032	6,095,834	7,871,105	7,343,102	6,826,200	8,901,911	79,976,698	-
Receipts														
Premium Receipts	501,794	498,014	484,576	478,542	474,894	471,247	467,599	461,565	438,871	427,739	423,005	421,551	5,127,848	5,549,399
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacy Rebate Income	-	-	47,986	-	79,929	-	-	100,000	-	-	-	100,000	327,916	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	478,704	515,954
Assessment Receipts	-	-	-	5,000,000	500,000	500,000	500,000	3,000,000	500,000	500,000	3,000,000	500,000	13,000,000	13,500,000
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	36,190	39,480
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	549,533	512,301	539,667	5,485,829	1,305,942	985,984	475,568	3,601,263	979,382	970,780	3,564,408	962,091	18,970,657	19,932,748
Refunds														
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	78,016	84,720
Total 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	78,016	84,720
Expenses														
Medical Claims	1,227,467	1,117,092	912,630	876,872	885,383	866,144	865,733	861,539	763,361	749,485	739,133	724,086	9,864,839	10,588,924
Pharmacy Claims	860,539	674,703	711,961	614,686	688,794	790,865	849,786	807,239	608,154	581,537	573,973	570,437	7,762,237	8,332,674
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	712,700	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	106,903	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	394,423	428,773
Prescription Admin	856	848	840	830	822	814	806	796	788	780	772	761	8,950	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	57,925	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	220,998	238,333
Total Expense	2,227,001	1,912,642	1,764,613	1,625,901	1,703,487	1,777,186	1,835,752	1,819,069	1,500,516	1,480,868	1,481,938	1,436,918	19,128,974	20,565,892
Month Ending Cash Balance	\$ 7,453,248	\$ 6,045,437	\$ 4,813,222	\$ 8,665,971	\$ 8,261,303	\$ 7,463,032	\$ 6,095,834	\$ 7,871,105	\$ 7,343,102	\$ 6,826,200	\$ 8,901,911	\$ 8,420,379		

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL YTD	
Actual														
Enrollment Count	855	823	764	742	738	732	721	718	713	707	700		8,213	
Cash Balance														
BEGINNING OF MONTH	9,138,243	9,379,202	8,924,231	8,141,483	10,561,351	11,357,931	10,800,513	9,682,378	10,636,229	10,764,077	10,332,711		109,718,348	
Receipts														
Premium Receipts	685,156	266,074	693,906	392,326	350,797	663,141	315,736	307,505	608,333	330,154	250,983		4,864,111	
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	
Pharmacy Rebate Income	-	60,335	-	-	71,300	-	-	63,699	-	-	71,691	-	267,025	
Claim Refunds Receipts	27,101	12,008	21,783	1,859	2,643	14,702	3,886	6,134	3,733	8,221	4,901		106,970	
Assessment Receipts	1,012,096	852,769	-	3,286,731	1,785,428	589,193	-	1,877,461	906,986	678,578	-		10,989,241	
Investment Income	34,317	32,277	32,979	32,952	47,829	45,477	45,426	44,294	46,881	47,497	42,546		452,475	
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Receipts	1,758,670	1,223,463	748,668	3,713,868	2,257,996	1,312,512	365,048	2,299,093	1,565,933	1,064,449	370,121		16,679,821	
Refunds														
Assessment Refunds	-	-	-	-	105,249	-	-	-	-	-	-	-	105,249	
Premium Refunds	-	16,058	3,793	1,100	-	8,729	8,607	2,045	-	932	-	-	41,263	
Total Refunds	-	16,058	3,793	1,100	105,249	8,729	8,607	2,045	-	932	-	-	146,512	
Expenses														
Medical Claims	951,675	1,015,800	928,850	717,867	676,343	846,267	831,236	660,985	787,106	730,373	762,796		8,909,298	
Pharmacy Claims	440,368	502,294	464,399	463,092	562,593	891,970	513,800	530,631	542,566	569,508	523,678		6,004,898	
Fixed (PMPM) Admin	63,928	63,916	63,903	63,966	63,957	63,968	63,972	63,968	58,648	127,537	-		697,773	
Variable Admin	12,534	9,285	3,355	2,417	6,039	5,085	5,540	3,428	2,935	5,080	-		55,698	
Salary and Benefits	33,928	47,674	33,605	34,074	34,929	34,928	34,907	34,875	34,865	34,841	34,843		393,470	
Prescription Admin	790	818	1,093	394	759	1,518	747	724	738	765	750		9,097	
Miscellaneous	3,303	4,059	3,654	4,622	3,369	6,429	5,908	24,031	3,628	5,283	11,859		76,144	
Professional Fees	11,186	18,530	28,762	6,467	8,176	11,036	18,466	24,546	7,599	21,497	34,291		190,556	
Total Expense	1,517,711	1,662,377	1,527,622	1,292,899	1,356,167	1,861,202	1,474,577	1,343,197	1,438,084	1,494,884	1,368,215		16,336,936	
Available Cash Balance	9,379,202	8,924,231	8,141,483	10,561,351	11,357,931	10,800,513	9,682,378	10,636,229	10,764,077	10,332,711	9,334,616			
Month Ending Cash Balance	\$ 9,379,202	\$ 8,924,231	\$ 8,141,483	\$ 10,561,351	\$ 11,357,931	\$ 10,800,513	\$ 9,682,378	\$ 10,636,229	\$ 10,764,077	\$ 10,332,711	\$ 9,334,616	\$ -		

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

Variance to Budget	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL YTD
Favorable/(Unfavorable)													
Enrollment Count	16	(8)	(59)	(71)	(67)	(65)	(68)	(61)	(4)	12	12		(363)
Receipts													
Premium Receipts	183,362	(231,940)	209,330	(86,216)	(124,098)	191,894	(151,863)	(154,060)	169,462	(97,585)	(172,022)		(263,737)
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-		-
Pharmacy Rebate Income	-	60,335	(47,986)	-	(8,629)	-	-	(36,301)	-	-	(28,309)		3,719
Claim Refunds Receipts	(17,347)	1,011	17,969	(2,137)	(245,185)	3,255	(793)	(30,274)	(33,488)	(31,530)	(33,212)		(371,733)
Assessment Receipts	1,012,096	852,769	-	(1,713,269)	1,285,428	89,193	-	(1,122,539)	406,986	178,578	(3,000,000)		(2,010,758)
Investment Income	31,027	28,987	29,689	29,662	44,539	42,187	42,136	41,004	43,591	44,207	39,256		416,285
Other Income	-	-	-	-	-	-	-	-	-	-	-		-
Total Receipts	1,209,138	711,162	209,001	(1,771,961)	952,054	326,528	(110,520)	(1,302,170)	586,551	93,669	(3,194,288)		(2,290,836)
Refunds													
Assessment Refunds	-	-	-	-	(105,249)	-	-	-	-	-	-		(105,249)
Premium Refunds	7,527	(8,588)	3,476	6,078	7,123	(1,660)	(1,593)	4,879	6,869	5,882	6,759		36,753
Total Refunds	7,527	(8,588)	3,476	6,078	(98,126)	(1,660)	(1,593)	4,879	6,869	5,882	6,759		(68,496)
Expenses													
Medical Claims	275,792	101,292	(16,220)	159,005	209,040	19,877	34,497	200,554	(23,745)	19,112	(23,663)		955,540
Pharmacy Claims	420,171	172,409	247,562	151,594	126,200	(101,105)	335,986	276,608	65,589	12,030	50,295		1,757,339
Fixed (PMPM) Admin	888	900	913	827	836	825	821	792	6,122	(62,767)	64,770		14,927
Variable Admin	(3,417)	(843)	11,512	6,855	2,156	3,035	2,504	4,522	5,940	2,718	16,223		51,205
Salary and Benefits	17,697	(13,465)	605	136	(719)	(719)	(558)	(525)	(515)	(491)	(493)		953
Prescription Admin	66	30	(253)	436	63	(705)	59	72	49	15	22		(148)
Miscellaneous	(794)	(1,601)	(2,271)	(3,288)	7,014	(5,096)	(4,574)	(439)	(2,245)	5,551	(10,475)		(18,219)
Professional Fees	(1,113)	(8,457)	(4,856)	17,439	2,730	(129)	(7,560)	(5,711)	11,236	9,818	17,044		30,442
Total Expense	709,290	250,264	236,991	333,002	347,320	(84,015)	361,176	475,872	62,431	(14,016)	113,723		2,792,039
Available Cash Balance	1,925,955	2,878,794	3,328,261	1,895,379	3,096,628	3,337,480	3,586,544	2,765,124	3,420,975	3,506,511	432,705		
Inc(Dec) in Abandoned Property Reserve													
Month Ending Cash Balance	1,925,955	2,878,794	3,328,261	1,895,379	3,096,628	3,337,480	3,586,544	2,765,124	3,420,975	3,506,511	432,705		

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 (\$4.0 M) and November (\$4.0 M) TOTAL \$12.0 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		
Enrollment:														
Non-Medicare Enrollment	165	162	159	158	158	158	158	157	158	158	158	152	152	1,901
Medicare Enrollment	690	661	605	584	580	574	563	561	555	549	542	533	533	6,997
Total Enrollment Count	855	823	764	742	738	732	721	718	713	707	700	685	685	8,898
Cash Balance														
BEGINNING OF MONTH	9,138,243	9,379,202	8,924,231	8,141,483	10,561,351	11,357,931	10,800,513	9,682,378	10,636,229	10,764,077	10,332,711	9,334,616	9,334,616	
Receipts														
Premium Receipts	685,156	266,074	693,906	392,326	350,797	663,141	315,736	307,505	608,333	330,154	250,983	613,645	613,645	5,477,756
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacy Rebate Income	-	60,335	-	-	71,300	-	-	63,699	-	-	71,691	-	-	267,025
Claim Refunds Receipts	27,101	12,008	21,783	1,859	2,643	14,702	3,886	6,134	3,733	8,221	4,901	37,250	37,250	144,220
Assessment Receipts	1,012,096	852,769	-	3,286,731	1,785,428	589,193	-	1,877,461	906,986	678,578	-	-	-	10,989,242
Investment Income	34,317	32,277	32,979	32,952	47,829	45,477	45,426	44,294	46,881	47,497	42,546	3,290	3,290	455,765
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	1,758,670	1,223,463	748,667	3,713,868	2,257,996	1,312,512	365,048	2,299,093	1,565,933	1,064,449	370,121	654,185	654,185	17,334,007
Refunds														
Assessment Refunds	-	-	-	-	105,249	-	-	-	-	-	-	-	-	105,249
Premium Refunds	-	16,058	3,793	1,100	-	8,729	8,607	2,045	-	932	-	9,205	9,205	50,468
Total Refunds	-	16,058	3,793	1,100	105,249	8,729	8,607	2,045	-	932	-	9,205	9,205	155,717
Expenses														
Medical Claim Expense	951,675	1,015,800	928,850	717,867	676,343	846,267	831,236	660,985	787,106	730,373	762,796	631,306	631,306	9,540,605
Pharmacy Claim Expense	440,368	502,294	464,399	463,092	562,593	891,970	513,800	530,631	542,566	569,508	523,678	387,486	387,486	6,392,384
PMPM Administrative Expense	63,928	63,916	63,903	63,966	63,957	63,968	63,972	63,978	58,648	127,537	-	-	-	64,747
Variable Administrative Expense	12,534	9,285	3,355	2,417	6,039	5,085	5,540	3,428	2,935	5,080	-	7,628	7,628	63,326
Salary and Benefits Expense	33,928	47,674	33,605	34,074	34,929	34,928	34,907	34,875	34,865	34,841	34,843	34,350	34,350	427,820
Prescription Administrative Expense	790	818	1,093	394	759	1,518	747	724	738	765	750	761	761	9,858
Miscellaneous Expense	3,303	4,059	3,654	4,622	3,369	6,429	5,908	24,031	3,628	5,283	11,859	17,575	17,575	93,719
Professional Fees	11,186	18,530	28,762	6,467	8,176	11,036	18,466	24,546	7,599	21,497	34,291	17,335	17,335	207,892
Total Expense	1,517,711	1,662,377	1,527,622	1,292,899	1,356,167	1,861,202	1,474,577	1,343,198	1,438,084	1,494,884	1,368,216	1,161,188	1,161,188	17,498,124
Available Cash Balance	9,379,203	8,924,231	8,141,483	10,561,351	11,357,931	10,800,513	9,682,378	10,636,229	10,764,077	10,332,711	9,334,616	8,818,408	8,818,408	
Inc(Dec) in Abandoned Property Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Month Ending Cash Balance	9,379,203	8,924,231	8,141,483	10,561,351	11,357,931	10,800,513	9,682,378	10,636,229	10,764,077	10,332,711	9,334,616	8,818,408	8,818,408	

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 (\$4.0 M) and November (\$2.0M) TOTAL \$12.0 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 2024 Cash Flow Forecast

	Forecast												
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
Enrollment:													
Non-Medicare Enrollment	147	146	146	144	144	144	144	144	144	142	140	140	1,725
Medicare Enrollment	498	502	497	489	485	482	482	481	480	472	468	467	5,803
Total Enrollment Count	645	648	643	633	629	626	626	625	624	614	608	607	7,528
Cash Balance													
BEGINNING OF MONTH	8,818,408	9,379,202	9,238,856	8,141,483	10,521,422	10,229,604	9,870,939	9,014,924	10,195,269	9,801,710	9,422,842	10,636,194	
Receipts													
Premium Receipts	425,085	425,048	422,755	416,237	414,417	412,907	412,608	411,998	411,498	405,573	400,992	400,383	4,959,500
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacy Rebate Income	-	60,335	-	-	71,300	-	-	63,699	-	-	100,000	-	295,334
Claim Refunds Receipts	10,656	10,415	10,224	10,074	10,021	9,927	9,873	9,834	9,804	9,759	9,675	9,594	119,855
Assessment Receipts	300,000	-	-	3,000,000	500,000	500,000	-	2,000,000	500,000	500,000	2,000,000	500,000	9,800,000
Investment Income	22,046	23,448	23,097	20,354	26,304	25,574	24,677	22,537	25,488	24,504	23,557	26,590	288,177
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	1,758,670	1,223,463	456,077	3,713,868	1,022,041	948,408	447,158	2,508,068	946,790	939,836	2,534,224	936,567	17,435,169
Refunds													
Assessment Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium Refunds	4,251	4,250	4,228	4,162	4,144	4,129	4,126	4,120	4,115	4,056	4,010	4,004	49,595
Total Refunds	4,251	4,250	4,228	4,162	4,144	4,129	4,126	4,120	4,115	4,056	4,010	4,004	49,595
Expenses													
Medical Claim Expense	710,433	694,324	681,626	671,577	668,055	661,806	658,173	655,569	653,594	650,599	644,968	639,593	7,990,317
Pharmacy Claim Expense	554,301	536,787	535,137	531,577	528,277	528,016	527,612	527,469	527,469	523,647	516,383	512,940	6,349,615
PMPM Administrative Expense	62,704	62,874	62,574	61,953	61,713	61,533	61,533	61,473	61,413	60,793	60,412	60,352	739,327
Variable Administrative Expense	5,908	5,935	12,390	5,801	5,765	5,738	5,738	5,729	5,720	5,630	14,077	5,568	84,000
Salary and Benefits Expense	38,894	48,665	34,897	34,897	34,897	34,897	35,037	35,037	35,037	35,037	35,037	35,037	437,372
Prescription Administrative Expense	660	663	658	647	643	640	640	639	638	628	622	621	7,701
Miscellaneous Expense	1,196	1,146	1,196	1,146	1,196	1,146	1,146	28,521	1,196	1,146	16,196	17,146	72,375
Professional Fees	9,167	9,167	24,167	22,167	9,167	9,167	9,167	9,167	51,167	37,167	29,167	9,167	228,000
Total Expense	1,383,261	1,359,560	1,352,644	1,329,765	1,309,715	1,302,945	1,299,046	1,323,604	1,336,234	1,314,648	1,316,863	1,280,424	15,908,708
Available Cash Balance	9,189,566	9,238,856	8,338,061	10,521,422	10,229,604	9,870,939	9,014,924	10,195,269	9,801,710	9,422,842	10,636,194	10,288,333	
Inc(Dec) in Abandoned Property Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Month Ending Cash Balance	9,189,566	9,238,856	8,338,061	10,521,422	10,229,604	9,870,939	9,014,924	10,195,269	9,801,710	9,422,842	10,636,194	10,288,333	

2024 Cashflow Forecast Notes

- (1) Assumes a Non-medicare medical claim expense trend of 0%. Assumes a Medicare medical claim expense trend of 2%.
- (2) Assumes a Non-medicare pharmacy claim expense trend of 0%. Assumes a Medicare pharmacy claim expense trend of 5%.
- (3) Assumes a Non-medicare premium rate trended at a 0.1% increase. Assumes a Medicare premium rate decrease of 0.3%.
- (4) Non-medicare enrollment projected to decrease by 1 members per month. Medicare enrollment projected to decrease by 3 members per month.
- (5) Assumes assessments in March (\$4.0 M), July (\$3.0 M) and November (\$3.0M) TOTAL \$11.0 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
Medicare																
Enrollment Count	690	661	605	584	580	574	563	561	555	549	542		6,464			
Premiums	220,274	64,364	208,592	327,547	230,947	236,287	239,726	120,965	176,317	269,244	108,714		2,202,977			
Medical Claims	554,497	500,291	455,484	417,784	313,313	422,281	497,111	268,194	319,368	345,472	313,256		4,407,051			
RX Claims	95,815	72,839	33,033	52,952	29,882	57,792	36,019	22,952	26,523	29,459	24,395		481,662			
Total Claims	650,312	573,130	488,517	470,736	343,195	480,073	533,130	291,146	345,891	374,931	337,652		4,888,713			
Income/Loss	(430,038)	(508,766)	(279,925)	(143,190)	(112,248)	(243,786)	(293,404)	(170,181)	(169,574)	(105,687)	(228,938)		(2,685,736)			
Loss Ratio	295%	890%	234%	144%	149%	203%	222%	241%	196%	139%	311%		222%	202%	205%	206%
Claims PMPM	942	867	807	806	592	836	947	519	623	683	623		756	831	717	833
Non Medicare																
Enrollment Count	165	162	159	158	158	158	158	157	158	158	158		1,749			
Premiums	466,811	49,307	424,450	63,636	36,591	400,092	45,108	36,351	43,389	58,526	44,959		1,669,220			
Medical Claims	398,179	515,509	473,366	300,083	363,051	423,986	334,125	392,791	468,738	384,901	449,540		4,504,269			
RX Claims	344,552	429,455	431,367	410,139	534,153	834,178	477,781	507,679	516,043	540,049	499,282		5,524,679			
Total Claims	742,731	944,964	904,733	710,222	897,204	1,258,164	811,906	900,470	984,781	924,950	948,822		10,028,948			
Income/Loss	(275,920)	(895,657)	(480,283)	(646,586)	(860,613)	(858,072)	(766,798)	(864,119)	(941,392)	(866,424)	(903,863)		(8,359,728)			
Loss Ratio	159%	1916%	213%	1116%	2452%	314%	1800%	2477%	2270%	1580%	2110%		601%	727%	676%	713%
Claims PMPM	4,501	5,833	5,690	4,495	5,679	7,963	5,139	5,735	6,233	5,854	6,005		5,734	7,841	6,743	8,004
Combined Medicare/Non Medicare																
Enrollment Count	855	823	764	742	738	732	721	718	713	707	700		8,213			
Premiums	687,085	113,671	633,042	391,183	267,538	267,539	267,540	157,316	219,706	327,770	153,673		3,486,063			
Medical Claims	952,675	1,015,800	928,850	717,867	676,364	846,267	831,236	660,985	788,106	730,373	762,796		8,911,322			
RX Claims	344,552	502,294	464,400	463,092	564,035	891,970	513,800	530,631	542,566	569,508	523,678		5,910,526			
Total Claims	1,297,228	1,518,094	1,393,250	1,180,959	1,240,399	1,738,237	1,345,036	1,191,616	1,330,672	1,299,881	1,286,474		14,821,847			
Income/Loss	(610,143)	(1,404,424)	(760,208)	(789,776)	(972,861)	(1,470,698)	(1,077,496)	(1,034,300)	(1,110,966)	(972,111)	(1,132,801)		(11,335,785)			
Loss Ratio	189%	1336%	220%	302%	464%	650%	503%	757%	606%	397%	837%		425%	397%	367%	374%
Claims PMPM	1,517	1,845	1,824	1,592	1,681	2,375	1,866	1,660	1,866	1,839	1,838		1,805	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**

Budget	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
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
Total Budget Operating Expenses	\$138,995	\$120,847	\$140,314	\$134,636	\$129,602	\$120,469	\$120,525	\$150,583	\$129,292	\$150,138	\$169,124	\$142,687	\$1,647,211

Actual	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Member Months: (1)													
Non-Medicare	165	162	159	158	158	158	158	157	158	158	158		1,749
Medicare Basic	406	377	340	328	322	320	310	306	300	295	292		3,596
Medicare Basic Plus	97	98	96	95	95	94	93	93	93	93	93		1,040
Medical Supplement	187	186	169	161	163	160	160	162	162	161	157		1,828
Total Membership	855	823	764	742	738	732	721	718	713	707	700	-	8,213
PMPM Administrative Expense (2)	63,928	63,916	63,903	63,966	63,957	63,968	63,972	63,978	58,648	127,537	62,350		\$760,123
Variable Administrative Expense (3)	12,534	9,285	3,355	2,417	6,039	5,085	5,540	3,428	2,935	5,080	12,526		\$68,224
Salary and Benefits Expense (4)	33,928	47,674	33,605	34,074	34,929	34,928	34,907	34,875	34,865	34,841	34,843		\$393,470
RX Benefit Management Fees	790	818	1,093	394	759	1,518	747	724	738	765	750		\$9,097
Miscellaneous Expense (5)	3,303	4,059	3,654	4,622	3,369	6,429	5,908	24,031	3,628	5,283	11,859		\$76,144
Professional Fees (6)	11,186	18,530	28,762	6,467	8,176	11,036	18,466	24,546	7,599	21,497	34,291		\$190,556
Total Actual Operating Expenses	\$125,668	\$144,283	\$134,372	\$111,940	\$117,229	\$122,964	\$129,541	\$151,582	\$108,413	\$195,003	\$156,618	\$0	\$1,497,615

Variance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Member Months: (1)													
Non-Medicare	(5)	(8)	(11)	(10)	(10)	(10)	(10)	(9)	(8)	(8)	(8)		(97)
Medicare Basic	18	(5)	(36)	(42)	(42)	(38)	(42)	(40)	(40)	(39)	(36)		(342)
Medicare Basic Plus	(2)	-	(1)	(1)	-	-	-	1	2	3	4		6
Medical Supplement	5	5	(11)	(18)	(15)	(17)	(16)	(13)	(12)	(12)	(15)		(119)
Total Membership	16	(8)	(59)	(71)	(67)	(65)	(68)	(61)	(58)	(56)	(55)	-	(552)
PMPM Administrative Expense (2)	(888)	(900)	(913)	(827)	(836)	(825)	(821)	(792)	(6,122)	62,767	(2,420)		\$47,423
Variable Administrative Expense (3)	3,417	843	(11,512)	(6,855)	(2,157)	(3,035)	(2,504)	(4,522)	(5,940)	(2,718)	(3,696)		(\$38,678)
Salary and Benefits Expense (4)	(17,697)	13,465	(605)	(136)	719	719	558	525	515	491	493		(\$953)
RX Benefit Management Fees	(66)	(30)	253	(436)	(63)	705	(59)	(72)	(49)	(15)	(22)		\$148
Miscellaneous Expense (5)	794	1,601	1,146	2,163	(8,139)	3,971	3,449	(686)	1,120	(6,676)	9,350		\$8,094
Professional Fees (6)	1,113	8,457	5,689	(16,606)	(1,897)	962	8,393	6,544	(10,403)	(8,985)	(16,211)		(\$22,942)
Total Variance Expenses	(\$13,327)	\$23,436	(\$5,941)	(\$22,695)	(\$12,373)	\$2,496	\$9,016	\$998	(\$20,879)	\$44,865	(\$12,506)	\$0	(\$6,909)

Washington State Health Insurance Pool 2023 Financial Performance

CASH BASIS	Month Ending November 30, 2023			
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>% Change</u>
Membership	688	700	12	1.7%
Avg Premium Receipt PMPM	\$605	\$359	(\$246)	-40.7%
Avg Medical Claim Expense PMPM	\$1,019	\$1,083	(\$64)	6.3%
Avg Pharmacy Claim Expense PMPM	\$834	\$748	\$86	-10.3%
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,248)	(\$1,472)	(\$224)	-17.9%
Avg Premium Receipt Less Avg Claim Expense Total	(\$858,624)	(\$1,030,400)	(\$171,776)	-20.0%
Variance Due to Changes in Membership			(\$17,664)	
Variance Due to Changes in Claim Expenses			(\$154,112)	

CASH BASIS	Year-To-Date November 30, 2023			
	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>	<u>% Change</u>
Member Months	8,576	8,213	(363)	-4.2%
Avg Premium Receipt PMPM	\$589	\$587	(\$2)	-0.3%
Avg Medical Claim Expense PMPM	\$1,094	\$1,072	(\$22)	-2.0%
Avg Pharmacy Claim Expense PMPM	\$905	\$731	(\$174)	-19.2%
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,410)	(\$1,216)	\$194	13.8%
Avg Premium Receipt Less Avg Claim Expense Total	(\$12,092,160)	(\$9,987,008)	\$2,105,152	17.4%
Variance Due to Changes in Membership			\$441,408	
Variance Due to Changes in Claim Expenses			\$1,663,744	

INCURRED BASIS	Year-To-Date November 30, 2023	Year-To-Date November 30, 2022
	<u>Actual</u>	<u>Actual - Prior Year</u>
Member Months	8,213	10,329
Avg Premium Income PMPM	\$653	\$592
Avg Medical Claim Expense PMPM (1)	\$1,009	\$1,036
Avg Pharmacy Claim Expense PMPM (2)	\$815	\$750
Avg Premium Receipt Less Avg Claim Expense PMPM	(\$1,171)	(\$1,194)
Avg Premium Receipt Less Avg Claim Expense Total	(\$9,617,423)	(\$12,332,826)

(1) Incurred medical claims data totals \$8,290,529 which is derived from \$6,545,529 actual paid claims with dates of service between 01-01-2023 and 11-30-23 and \$1,745,000 IBNR reserve.

(2) Incurred pharmacy claims data totals \$6,694,777 which is derived from \$6,172,777 actual paid claims with dates of service between 01-01-23 and 11-30-2023 and \$522,000 IBNR reserve.