



Uniform Medical Plan Financial Reports

These reports together provide a summary of Uniform Medical Plan (UMP) expenditures versus premium contributions from employers and enrollees.

The reports will be updated quarterly, adding another quarter's claims payments as well as revising the incurred claims estimates for prior quarters. The incurred claims figures for prior quarters will change because they include estimated costs for services that were received but not paid during that quarter. These estimates are revised as additional data from paid claims becomes available.

The UMP premiums are established in advance based on projected costs for each calendar year, and remain constant during that year. On the other hand, UMP claims costs tend to be lower at the beginning of the year, while enrollees pay out-of-pocket for services that apply to their calendar year deductibles. As a result, we would expect the reports to show positive balances for the first quarters of the year, which are then depleted as the year progresses.

Finally, to correspond to the risk groups used for premium rating, each of the reports is separated into four separate tables for:

- Active/non-Medicare UMP PPO Enrollees;
- Enrollees with Medicare Primary Coverage;
- UMP Neighborhood enrollees; and
- Total Uniform Medical Plan.

The "Total Uniform Medical Plan" tables include a small number of enrollees enrolled in Conversion Plans, who are not counted in any of the other three categories.

DERIVATION OF INCURRED CLAIM ESTIMATES

(Based on Incurred Claim Estimates through December 31, 2007)

See below for definitions of column headings

Active / Non-Medicare UMP PPO Enrollees					
Includes:					
- Active employees and their dependents					
- Self-pay enrollees on COBRA, LWOP or RIF, and their dependents					
- Retirees and retiree dependents, if not enrolled in Medicare					
Calendar Year and Quarter	Paid during Quarter (in \$000)	Less: Amount for Services Received in Prior Quarters (in \$000)	Plus: Estimated Amount for Services Received but not Paid during Quarter (in \$000)	Result: Estimated Incurred Claims (in \$000)	Percent Paid thru 12/31/2007
CY2005/Q1	\$89,664	(\$48,900)	\$44,447	\$85,211	100.0%
CY2005/Q2	\$95,410	(\$45,968)	\$46,673	\$96,115	100.0%
CY2005/Q3	\$107,610	(\$46,578)	\$40,066	\$101,098	100.0%
CY2005/Q4	\$97,440	(\$40,041)	\$48,939	\$106,338	100.0%
CY2005 to date	\$390,124			\$388,762	100.0%

Enrollees with Medicare Primary Coverage					
Includes retirees and retiree dependents, if enrolled in Medicare					
Calendar Year and Quarter	Paid during Quarter (in \$000)	Less: Amount for Services Received in Prior Quarters (in \$000)	Plus: Estimated Amount for Services Received but not Paid during Quarter (in \$000)	Result: Estimated Incurred Claims (in \$000)	Percent Paid thru 12/31/2007
CY2005/Q1	\$16,102	(\$7,034)	\$7,866	\$16,934	100.0%
CY2005/Q2	\$18,606	(\$7,558)	\$7,541	\$18,589	100.0%
CY2005/Q3	\$19,872	(\$7,720)	\$6,566	\$18,718	100.0%
CY2005/Q4	\$19,732	(\$6,651)	\$7,351	\$20,432	100.0%
CY2005 to date	\$74,312			\$74,673	100.0%

DERIVATION OF INCURRED CLAIM ESTIMATES

(Based on Incurred Claim Estimates through December 31, 2007)

See below for definitions of column headings

UMP Neighborhood Enrollees					
Includes:					
<ul style="list-style-type: none"> - Active employees and their dependents - Self-pay enrollees on COBRA, LWOP or RIF, and their dependents - Retirees and retiree dependents, if not enrolled in Medicare 					
Calendar Year and Quarter	Paid during Quarter (in \$000)	Less: Amount for Services Received in Prior Quarters (in \$000)	Plus: Estimated Amount for Services Received but not Paid during Quarter (in \$000)	Result: Estimated Incurred Claims (in \$000)	Percent Paid thru 12/31/2007
CY2005/Q1	\$671	(\$405)	\$269	\$535	100.0%
CY2005/Q2	\$679	(\$299)	\$300	\$680	100.0%
CY2005/Q3	\$698	(\$278)	\$271	\$691	100.0%
CY2005/Q4	\$788	(\$278)	\$285	\$795	100.0%
CY2005 to date	\$2,836			\$2,701	100.0%

TOTAL Uniform Medical Plan					
Includes:					
<ul style="list-style-type: none"> - Active/non-Medicare PPO enrollees - Active/non-Medicare UMP Neighborhood enrollees - Enrollees with Medicare primary coverage - Conversion Plan enrollees (not shown above) 					
Calendar Year and Quarter	Paid during Quarter (in \$000)	Less: Amount for Services Received in Prior Quarters (in \$000)	Plus: Estimated Amount for Services Received but not Paid during Quarter (in \$000)	Result: Estimated Incurred Claims (in \$000)	Percent Paid thru 12/31/2007
CY2005/Q1	\$106,446	(\$56,342)	\$52,591	\$102,695	100.0%
CY2005/Q2	\$114,729	(\$53,834)	\$54,592	\$115,487	100.0%
CY2005/Q3	\$128,206	(\$54,591)	\$46,911	\$120,526	100.0%
CY2005/Q4	\$117,985	(\$46,981)	\$56,572	\$127,576	100.0%
CY2005 to date	\$467,366			\$466,284	100.0%

DERIVATION OF INCURRED CLAIM ESTIMATES

(Based on Incurred Claim Estimates through December 31, 2007)

See below for definitions of column headings

DEFINITIONS OF COLUMN HEADINGS

Paid during Quarter -- Final UMP payments during the quarter for medical and pharmacy claims, regardless of the date services were received.

Amount for Services Received in Prior Quarters -- Final UMP payments during the quarter for medical and pharmacy services received prior to the beginning of that quarter.

Estimated Amount for Services Received but not Paid during Quarter -- Estimated UMP payments for medical and pharmacy services received during the quarter but paid after that quarter ended. Estimates for a particular quarter will be revised as more claims information becomes available.

Estimated Incurred Claims -- Estimated UMP payments for medical and pharmacy claims with service dates in the applicable quarter. Includes estimated claims for services received by enrollees during the quarter but not yet paid. Incurred claims estimates for a particular quarter will be revised as more claims information becomes available.

Percent Paid thru 6/30/2007 -- Total dollars paid by UMP through 6/30/2007 for services received during the quarter, as a percent of the estimated incurred claims amount. This reflects the "completeness factors" used to derive the incurred claims estimates in this report.

UNIFORM MEDICAL PLAN FINANCIAL SUMMARY

(Based on Incurred Claim Estimates through December 31, 2007)

See below for definitions of column headings

Active / Non-Medicare UMP PPO Enrollees											
Includes:											
- Active employees and their dependents											
- Self-pay enrollees on COBRA, LWOP or RIF, and their dependents											
- Retirees and retiree dependents, if not enrolled in Medicare											
Calendar Year and Quarter	Average Enrollment: Adults	Average Enrollment: Children	Average Enrollment: Adult Units	<u>Estimated Incurred Claims (in \$000)</u>	Administrative and Other Expenses (in \$000)	Total Estimated Expenses (in \$000)	Employer & Enrollee Contributions (in \$000)	Excess/Deficit (in \$000)	Estimated Expense Per Adult Unit Per Month	Employer & Enrollee Contribution Per Adult Unit Per Month	Excess/Deficit Per Adult Unit Per Month
CY2005/Q1	87,931	31,668	101,383	<u>\$85,211</u>	\$3,767	\$88,978	\$116,715	\$27,737	\$292.55	\$383.74	\$91.20
CY2005/Q2	87,438	31,742	101,079	<u>\$96,115</u>	\$3,369	\$99,484	\$116,365	\$16,881	\$328.07	\$383.74	\$55.67
CY2005/Q3	86,565	31,323	100,214	<u>\$101,098</u>	\$3,956	\$105,054	\$115,368	\$10,314	\$349.43	\$383.74	\$34.31
CY2005/Q4	87,456	30,998	100,831	<u>\$106,338</u>	\$3,365	\$109,703	\$116,079	\$6,376	\$362.66	\$383.74	\$21.08
CY2005 to date	87,347	31,433	100,877	<u>\$388,762</u>	\$14,457	\$403,219	\$464,527	\$61,308	\$333.09	\$383.74	\$50.65

Enrollees with Medicare Primary Coverage											
Includes retirees and retiree dependents, if enrolled in Medicare											
Calendar Year and Quarter	Average Enrollment: Adults	Average Enrollment: Children	Average Enrollment: Adult Units	<u>Estimated Incurred Claims (in \$000)</u>	Administrative and Other Expenses (in \$000)	Total Estimated Expenses (in \$000)	Employer & Enrollee Contributions (in \$000)	Excess/Deficit (in \$000)	Estimated Expense Per Adult Unit Per Month	Employer & Enrollee Contribution Per Adult Unit Per Month	Excess/Deficit Per Adult Unit Per Month
CY2005/Q1	23,444	32	23,474	<u>\$16,934</u>	\$784	\$17,718	\$20,785	\$3,067	\$251.59	\$295.15	\$43.55
CY2005/Q2	23,758	33	23,792	<u>\$18,589</u>	\$671	\$19,260	\$21,066	\$1,806	\$269.84	\$295.15	\$25.30
CY2005/Q3	24,194	35	24,229	<u>\$18,718</u>	\$825	\$19,543	\$21,453	\$1,910	\$268.86	\$295.14	\$26.28
CY2005/Q4	24,775	36	24,811	<u>\$20,432</u>	\$748	\$21,180	\$21,968	\$788	\$284.56	\$295.14	\$10.59
CY2005 to date	24,043	34	24,077	<u>\$74,673</u>	\$3,028	\$77,701	\$85,272	\$7,571	\$268.94	\$295.14	\$26.20

UNIFORM MEDICAL PLAN FINANCIAL SUMMARY

(Based on Incurred Claim Estimates through December 31, 2007)

See below for definitions of column headings

UMP Neighborhood Enrollees											
Includes:											
<ul style="list-style-type: none"> - Active employees and their dependents - Self-pay enrollees on COBRA, LWOP or RIF, and their dependents - Retirees and retiree dependents, if not enrolled in Medicare 											
Calendar Year and Quarter	Average Enrollment: Adults	Average Enrollment: Children	Average Enrollment: Adult Units	<u>Estimated Incurred Claims</u> (in \$000)	Administrative and Other Expenses (in \$000)	Total Estimated Expenses (in \$000)	Employer & Enrollee Contributions (in \$000)	Excess/Deficit (in \$000)	Estimated Expense Per Adult Unit Per Month	Employer & Enrollee Contribution Per Adult Unit Per Month	Excess/Deficit Per Adult Unit Per Month
CY2005/Q1	1,267	636	1,537	<u>\$535</u>	\$145	\$680	\$1,149	\$469	\$147.50	\$249.23	\$101.73
CY2005/Q2	1,257	640	1,528	<u>\$680</u>	\$139	\$819	\$1,142	\$323	\$178.69	\$249.17	\$70.47
CY2005/Q3	1,242	623	1,505	<u>\$691</u>	\$144	\$835	\$1,124	\$289	\$185.00	\$249.03	\$64.03
CY2005/Q4	1,255	628	1,518	<u>\$795</u>	\$141	\$936	\$1,135	\$199	\$205.50	\$249.19	\$43.69
CY2005 to date	1,255	632	1,522	<u>\$2,701</u>	\$569	\$3,270	\$4,550	\$1,280	\$179.06	\$249.15	\$70.09

TOTAL Uniform Medical Plan											
Includes:											
<ul style="list-style-type: none"> - Active/non-Medicare PPO enrollees - Active/non-Medicare UMP Neighborhood enrollees - Enrollees with Medicare primary coverage - Conversion Plan enrollees (not shown above) 											
Calendar Year and Quarter	Average Enrollment: Adults	Average Enrollment: Children	Average Enrollment: Adult Units	<u>Estimated Incurred Claims</u> (in \$000)	Administrative and Other Expenses (in \$000)	Total Estimated Expenses (in \$000)	Employer & Enrollee Contributions (in \$000)	Excess/Deficit (in \$000)	Estimated Expense Per Adult Unit Per Month	Employer & Enrollee Contribution Per Adult Unit Per Month	Excess/Deficit Per Adult Unit Per Month
CY2005/Q1	112,663	32,337	126,417	<u>\$102,695</u>	\$4,697	\$107,392	\$138,704	\$31,312	\$283.17	\$365.73	\$82.56
CY2005/Q2	112,481	32,415	126,428	<u>\$115,487</u>	\$4,181	\$119,668	\$138,645	\$18,977	\$315.51	\$365.54	\$50.03
CY2005/Q3	112,028	31,980	125,976	<u>\$120,526</u>	\$4,926	\$125,452	\$138,015	\$12,563	\$331.95	\$365.19	\$33.24
CY2005/Q4	113,508	31,662	127,184	<u>\$127,576</u>	\$4,255	\$131,831	\$139,240	\$7,409	\$345.51	\$364.93	\$19.42
CY2005 to date	112,670	32,099	126,501	<u>\$466,284</u>	\$18,059	\$484,343	\$554,604	\$70,261	\$319.06	\$365.35	\$46.28

Note: Children reflected in the Non-Medicare category may contain children covered under the Conversion plan.

UNIFORM MEDICAL PLAN FINANCIAL SUMMARY

(Based on Incurred Claim Estimates through December 31, 2007)

See below for definitions of column headings

DEFINITIONS OF COLUMN HEADINGS

Average Enrollment: Adults -- average monthly enrollment of subscribers and spouses for the applicable quarter.

Average Enrollment: Children -- average monthly enrollment of children for the applicable quarter.

Average Enrollment: Adult Units -- "Adult units" are used in developing UMP rates, and reflect one or more children per enrollee as 0.75 units.
Per adult unit per month converts totals to per single adult.

Estimated Incurred Claims -- Estimated UMP payments for medical and pharmacy claims with service dates in the applicable quarter.
Includes estimated claims for services received by enrollees during the quarter but not yet paid.
Incurred claims estimates for a particular quarter will be revised as more claims information becomes available.

Administrative and Other Expenses -- includes both administrative functions that are handled in-house (such as Health Care Authority staff assigned to the UMP program and related non-salary expenses), and outsourced services performed by contractors (such as claims processing).
Also includes prescription drug rebates and adjustments to premium stabilization reserves.

Total Estimated Expenses -- the sum of estimated incurred claims and administrative and other expenses.

Employer and Enrollee Contributions -- based on finalized UMP risk-adjusted rates, multiplied by actual plan enrollment. Includes both estimated state (or employer) premium share, as well as enrollee premium contributions.

Excess / Deficit -- employer and enrollee contributions less total estimated expenses.