



## **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 are 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 three separate tables for:

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

The "Active/non-Medicare Enrollee" tables include a small number of enrollees enrolled in Conversion Plans.

DERIVATION OF INCURRED CLAIM ESTIMATES

(Based on Incurred Claim Estimates through March 31, 2009)

See below for definitions of column headings

<b>UMP Non-Medicare</b>					
Includes:					
Active employees and their dependents					
Self-pay enrollees on COBRA, LWOP or RIF, and their dependents					
Conversion plan enrollees					
Retirees and retiree dependents, if not enrolled in Medicare					
Calendar Year and Quarter	In \$000s				Percent Paid Through March 31, 2009
	Paid During Period	Less Amount for Services Received in Prior Periods	Plus Estimated Amount for Services Received but not Paid During Period	Estimated Incurred Claims	
CY2007 Q1	\$115,854	(\$48,894)	\$55,659	\$122,618	100.0%
CY2007 Q2	\$134,324	(\$56,168)	\$54,913	\$133,068	100.0%
CY2007 Q3	\$128,567	(\$52,198)	\$56,974	\$133,343	100.0%
CY2007 Q4	\$138,949	(\$57,744)	\$62,195	\$143,400	100.0%
CY2007 to date	\$517,694			\$532,430	100.0%

<b>UMP Medicare</b>					
Includes:					
Retirees and retiree dependents, if enrolled in Medicare					
Calendar Year and Quarter	In \$000s				Percent Paid Through March 31, 2009
	Paid During Period	Less Amount for Services Received in Prior Periods	Plus Estimated Amount for Services Received but not Paid During Period	Estimated Incurred Claims	
CY2007 Q1	\$20,900	(\$6,757)	\$7,895	\$22,037	100.0%
CY2007 Q2	\$23,357	(\$7,796)	\$7,543	\$23,103	100.0%
CY2007 Q3	\$22,893	(\$7,526)	\$7,481	\$22,848	100.0%
CY2007 Q4	\$24,251	(\$7,360)	\$8,149	\$25,040	100.0%
CY2007 to date	\$91,400			\$93,029	100.0%

DERIVATION OF INCURRED CLAIM ESTIMATES  
 (Based on Incurred Claim Estimates through March 31, 2009)  
 See below for definitions of column headings

<b>UMP Total</b>					
Includes: All UMP enrollees					
<b>Calendar Year and Quarter</b>	<b>In \$000s</b>				<b>Percent Paid Through March 31, 2009</b>
	<b>Paid During Period</b>	<b>Less Amount for Services Received in Prior Periods</b>	<b>Plus Estimated Amount for Services Received but not Paid During Period</b>	<b>Estimated Incurred Claims</b>	
CY2007 Q1	\$136,754	(\$55,651)	\$63,553	\$144,656	100.0%
CY2007 Q2	\$157,680	(\$63,965)	\$62,456	\$156,172	100.0%
CY2007 Q3	\$151,460	(\$59,724)	\$64,456	\$156,192	100.0%
CY2007 Q4	\$163,200	(\$65,104)	\$70,344	\$168,439	100.0%
CY2007 to date	\$609,094			\$625,459	100.0%

**DEFINITIONS OF COLUMN HEADINGS**

**Paid During Period** -- 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 3/31/2009** -- Total dollars paid by UMP through 3/31/2009 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 March 31, 2009)

See below for definitions of column headings

<b>UMP Non-Medicare</b>									
Includes:									
Active employees and their dependents									
Self-pay enrollees on COBRA, LWOP or RIF, and their dependents									
Conversion plan enrollees									
Retirees and retiree dependents, if not enrolled in Medicare									
Calendar Year and Quarter	Adult Units	In \$000s					Per Adult Unit Per Month		
		Estimated Incurred Claims	Administrative and Other Expenses	Total Estimated Expenses	Employer and Enrollee Contributions	Excess / Deficit	Total Estimated Expenses	Employer and Enrollee Contributions	Excess / Deficit
CY2007 Q1	121,040	\$122,618	\$6,173	\$128,791	\$144,979	\$16,188	\$354.68	\$399.26	\$44.58
CY2007 Q2	121,117	\$133,068	\$5,247	\$138,315	\$145,072	\$6,757	\$380.67	\$399.26	\$18.60
CY2007 Q3	120,651	\$133,343	\$4,814	\$138,157	\$144,511	\$6,353	\$381.70	\$399.25	\$17.55
CY2007 Q4	122,102	\$143,400	\$5,469	\$148,869	\$146,245	(\$2,624)	\$406.41	\$399.24	(\$7.16)
<b>CY2007</b>	<b>121,227</b>	<b>\$532,430</b>	<b>\$21,703</b>	<b>\$554,133</b>	<b>\$580,807</b>	<b>\$26,674</b>	<b>\$380.92</b>	<b>\$399.25</b>	<b>\$18.34</b>

<b>UMP Medicare</b>									
Includes:									
Retirees and retiree dependents, if enrolled in Medicare									
Calendar Year and Quarter	Adult Units	In \$000s					Per Adult Unit Per Month		
		Estimated Incurred Claims	Administrative and Other Expenses	Total Estimated Expenses	Employer and Enrollee Contributions	Excess / Deficit	Total Estimated Expenses	Employer and Enrollee Contributions	Excess / Deficit
CY2007 Q1	27,092	\$22,037	\$1,257	\$23,294	\$26,721	\$3,427	\$286.61	\$328.77	\$42.16
CY2007 Q2	27,356	\$23,103	\$1,024	\$24,127	\$26,981	\$2,854	\$293.99	\$328.77	\$34.78
CY2007 Q3	27,834	\$22,848	\$1,012	\$23,861	\$27,453	\$3,592	\$285.75	\$328.77	\$43.02
CY2007 Q4	28,588	\$25,040	\$1,193	\$26,233	\$28,197	\$1,964	\$305.87	\$328.77	\$22.90
<b>CY2007</b>	<b>27,718</b>	<b>\$93,029</b>	<b>\$4,486</b>	<b>\$97,514</b>	<b>\$109,352</b>	<b>\$11,838</b>	<b>\$293.18</b>	<b>\$328.77</b>	<b>\$35.59</b>

UNIFORM MEDICAL PLAN FINANCIAL SUMMARY  
 (Based on Incurred Claim Estimates through March 31, 2009)  
 See below for definitions of column headings

<b>UMP Total</b>									
Includes: All UMP enrollees									
Calendar Year and Quarter	Adult Units	In \$000s					Per Adult Unit Per Month		
		Estimated Incurred Claims	Administrative and Other Expenses	Total Estimated Expenses	Employer and Enrollee Contributions	Excess / Deficit	Total Estimated Expenses	Employer and Enrollee Contributions	Excess / Deficit
CY2007 Q1	148,132	\$144,656	\$7,429	\$152,085	\$171,700	\$19,614	\$342.23	\$386.37	\$44.14
CY2007 Q2	148,473	\$156,172	\$6,271	\$162,442	\$172,054	\$9,611	\$364.70	\$386.27	\$21.58
CY2007 Q3	148,485	\$156,192	\$5,826	\$162,018	\$171,964	\$9,946	\$363.71	\$386.04	\$22.33
CY2007 Q4	150,690	\$168,439	\$6,662	\$175,102	\$174,442	(\$660)	\$387.33	\$385.87	(\$1.46)
<b>CY2007</b>	<b>148,945</b>	<b>\$625,459</b>	<b>\$26,189</b>	<b>\$651,647</b>	<b>\$690,159</b>	<b>\$38,512</b>	<b>\$364.59</b>	<b>\$386.14</b>	<b>\$21.55</b>

**DEFINITIONS OF COLUMN HEADINGS**

**Adult Units** -- "Adult units" are used in developing Self-Insured 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.