



**HEALTH NET ACCESS, INC. D/B/A
ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN**

Regional Behavioral Health Authority Contract

Contract Year Ended September 30, 2020

(With Independent Accountants' Report Thereon)

**HEALTH NET ACCESS, INC. D/B/A
ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN
Regional Behavioral Health Authority Contract**

Table of Contents

	Page(s)
Independent Accountants' Report	1
Medical Loss Ratio Report – Regional Behavioral Health Authority	2–4



KPMG LLP
Suite 900
10 South Broadway
St. Louis, MO 63102-1761

Independent Accountants' Report

The Board of Directors and Stockholder
Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan:

We have examined the Medical Loss Ratio Report – Regional Behavioral Health Authority (subject matter) of Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan (the Company) for the contract year ended September 30, 2020. The Company's management is responsible for the subject matter in accordance with the Arizona Health Care Cost Containment System (AHCCCS) Financial Reporting Guide (FRG) effective October 1, 2020 (the criteria). Our responsibility is to express an opinion on the subject matter based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the subject matter is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the subject matter. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the subject matter, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Medical Loss Ratio Report – Regional Behavioral Health Authority of the Company for the contract year ended September 30, 2020 is presented in accordance with the Arizona Health Care Cost Containment System (AHCCCS) Financial Reporting Guide (FRG) effective October 1, 2020, in all material respects.

The purpose of this report is to satisfy requirements of the Arizona Health Care Cost Containment System (AHCCCS) Financial Reporting Guide (FRG). Accordingly, this report is not suitable for any other purpose.

KPMG LLP

St. Louis, Missouri
July 20, 2021

HEALTH NET ACCESS, INC. D/B/A
ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN
Medical Loss Ratio Report – Regional Behavioral Health Authority

Paragraph 4.19
ACH-RBHA

Medical Loss Ratio Report
Contract Year End September 30, 2020

MLR Category	Citation	Format of Amount to be Entered	Line #	Detail	Specific Applicability to Line of Business	Financial Statement Account # (if applicable)	GAAP Basis					Annual Adjustments ¹	Incurred Basis Restated CYE20	NOTES: Do not duplicate any amounts in multiple lines. <i>USE FOR ANNUAL REPORT ONLY</i> - Adjustments column should report prior year adjustments and true up any estimates to present on an incurred date of service basis. Any adjustments to be deducted should be entered as a negative number.		
							Dec-19	Mar-20	Jun-20	Sep-20	CYE 20					
Member Months							1,487,580.78	1,474,967.17	1,533,562.78	1,596,687.06	6,092,797.79	(177.00)	6,092,620.79			
Premium Revenue	Revenue															
	Include															
		42 CFR438.8(f)(2)(i)	+	1	Prospective Capitation	ALL	40105-01	\$ 90,548,922	\$ 90,727,692	\$ 92,485,362	\$ 93,966,254	\$ 367,728,230	\$ (69,929)	\$ 367,658,301	Include full capitation including 1% withhold payment. Exclude pass-through payments revenue (reported in line 16) and risk adjustment revenue (reported in line 16).	
		42 CFR438.8(f)(2)(ii)	+	2	Delivery Supplement	ACC/ALTCs	40120-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		42 CFR438.8(f)(2)(iii)	+/-	3	APM 1% Withhold Settlement 42 CFR 438.6(b)(3) and Performance Based Payments (PBP)	ACC/ALTCs ACOM 306 ALL - PBP	40115-01	\$ 233,639	\$ 62,708	\$ (718,316)	\$ 1,153,689	\$ 731,720	\$ 1,084,870	\$ 1,626,590	Include Alternative Payment Model (APM) settlements related to Withholds, Incentives (see ACOM 306) and Performance Based Payments (see ACOM 307). Unearned withhold should be deducted. Earned incentive should be added.	
		42 CFR438.8(f)(2)(iv)	+	4	Unpaid Cost Sharing Amounts	ALL		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Include unpaid cost-sharing amounts that could have been collected from enrollees under the contract, except those amounts that can be shown it made a reasonable, but unsuccessful, effort to collect.	
		43 CFR438.8(f)(2)(v)	+/-	5	Changes to Unearned Premium Reserves	ALL		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Include adjustments to Deferred Revenue.	
		43 CFR438.8(f)(2)(vi)	+/-	6	Risk Adjustment (Suspended)	ACC	40106-01, Footnote 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Include amounts for risk adjustment after adjusted amounts are computed or amounts that can be reasonably estimated and accrued.
			+/-	7	Prospective Tied or Tilt X100X1 Reconciliation Settlement	ACC/RBHA	40125-01, 40130-01	\$ -	\$ -	\$ -	\$ (24,458,349)	\$ 2,217,866	\$ (22,240,483)	\$ 22,240,483	\$ (0)	
			+/-	8	PPC Settlement	ACC/ALTCs/CMOP	40140-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
			+/-	9	HCBS Settlement	ACC/ALTCs	40165-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
			+/-	10	Share of Cost (SOC) Settlement	ALTCs	40150-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
			+/-	11	Other Reconciliation Settlements	ACC/RBHA	40145-01	\$ 53,979	\$ 29,596	\$ 24,400	\$ 18,121	\$ 128,096	\$ (128,096)	\$ -	\$ -	Include APSI settlement (see ACOM 325). Do not include monthly premium component of APSI.
			+	12	Reinsurance	ACC/ALTCs/RB/ACMOP	70105-01	\$ (276,633)	\$ 2,317,209	\$ 611,844	\$ 642,367	\$ 3,294,787	\$ (1,881,420)	\$ 1,413,367	Amount should generally be stated as a positive number.	
			+	13	Health Insurance Providers Fee (HIPF) Revenue	ACC/ALTCs/RBHA	40160-01	\$ -	\$ 2,136,006	\$ 2,416,750	\$ 2,281,847	\$ 6,834,602	\$ -	\$ 6,834,602		
			+	14	Patient Contributions	ALTCs	40315-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
			+/-	15	Other Accruals (Explain below)	ALL		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Deduct															
		42 CFR438.8(f)(2)(i)	-	16	Pass - Through Payments Revenue	ACC/ALTCs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Include Rural (ACC), Nursing Facility (ALTCs) and Targeted Investments (ACC/RBHA) Pass - Through Payments (if impacting income statement).	
				17	Total Premium Revenue			\$ 90,558,907	\$ 95,273,216	\$ 70,361,696	\$ 108,286,145	\$ 358,474,953	\$ 21,287,908	\$ 377,732,861		
Taxes, Licensing and Regulatory Fees	Taxes, Licensing and Regulatory Fees															
		42 CFR438.8(f)(9)(iv)	+	18	Federal Income Tax & Federal Tax (Include Tax Benefit)	ACC/ALTCs/RBHA	90105-01	\$ (2,290,330)	\$ (1,074,338)	\$ 2,451,713	\$ 7,979	\$ (904,976)	\$ (1,843,521)	\$ (2,548,497)	Exclude Federal income taxes and tax benefit on investment income, capital gains and Federal employment taxes.	
			+	19	Premium Tax	ALL	90205-01	\$ 1,955,739	\$ 494,155	\$ 1,909,664	\$ 1,479,791	\$ 5,839,348	\$ (80)	\$ 5,839,268		
		42 CFR438.8(f)(3)	+	20	Health Insurance Providers Fee (HIPF)	ACC/ALTCs/RBHA	90305-01	\$ -	\$ 1,653,696	\$ 1,871,047	\$ 1,768,606	\$ 5,291,349	\$ -	\$ 5,291,349		
			+	21	Other Federal, State, Local Taxes and Licensing and Regulatory Fees	ALL		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
			+	22	Community Benefit Expenses (otherwise exempt from Federal income tax) and Community Reinvestment Expenses meeting requirements of 45 CFR 158.102	ACC/ALTCs/RBHA	990105-01	\$ 23,823	\$ 527,517	\$ (236,071)	\$ 207,321	\$ 522,590	\$ -	\$ 522,590	Limited to 3% of earned premium.	
				23	Total Taxes, Licensing and Regulatory Fees			\$ (316,768)	\$ 1,601,029	\$ 5,996,354	\$ 3,461,697	\$ 10,748,311	\$ (1,643,691)	\$ 9,104,711		
Incurred Claims	Incurred Claims															
	Include															
		42 CFR438.8(e)(2)(i)(A) & 42 CFR438.230(c)(2)(1)	+	24	Paid Claims - Exception for Subcontractors who provide Medicaid-covered services directly to Medicaid enrollees. The costs of the delegated managed care activities cannot be included in the managed care plan's medical loss ratio calculation. Contractors who have subcontractors with delegated managed care activities must include these costs in admin unless they are quality improvement activities.	ALL	50105-01 through 50305-01, 50370-01, 60105-01 through 61305-01 (RBHA)	\$ 87,560,489.37	\$ 68,232,197.33	\$ 76,697,204.50	\$ 83,073,155.77	\$ 315,563,047	\$ (38,675,205.91)	\$ 276,887,841	Total reported in lines 24 and 25 should equal the total reported in the income statement for Account #s 50105-01 to 50370-01 (and 60105-01 through 61305-01 for RBHAs). For ALTCs/IEPD and DDD LOBs, exclude Account # 50305-01 - ALTCs Case Management which should be reported in lines 28-31 as appropriate. The majority of the items explicitly requested to be quantified on a subsequent line in the Incurred Claims section are not to be reported in line 24.	
			41 CFR438.8(e)(2)(i)(G)	+	25	Changes in other claims-related reserves (Change in unpaid claims between the prior year's and the current year's unpaid claims (i.e., RBUC) and change in claims incurred but not reported (IBNR) from the prior year to the current year)	ALL	Change in A/C 20120-01	\$ (5,097,345)	\$ 8,815,737	\$ (11,845,677)	\$ (3,560,147)	\$ (11,687,431)	\$ 55,744,272	\$ 44,056,841	Report changes each quarter from the prior Contract year RBUCS and IBNR
		42 CFR438.8(e)(2)(i)(C)	+	26	Provider Withholds from Payments	ALL	Footnote 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		42 CFR438.8(e)(2)(i)(A)	+	27	Provider Incentive/Bonus Payments	ALL	Footnote 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Include Incentives or bonuses to providers that are not included as part of APM Performance Based Payments	
		42 CFR438.8(e)(2)(ii)(B)	-	28	Payments recovered through Fraud Reduction efforts	ALL	81405-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Report total Fraud Recoveries reduced by Fraud Recovery Expenses. The amount of Fraud Recovery expense must not include Fraud Prevention Activities.	
		42 CFR438.8(e)(2)(i)(H)	+	29	Contingent Benefits/ Medical claim portion of lawsuits	ALL		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Include those services provided in addition to those covered under the state plan for which costs are not included in capitation payments (i.e., services not covered by AHCCCS). These expenses should improve health and reduce costs, including interventions intended to address social determinants of health. Exclude community benefit expenses or expenses paid with Community Reinvestment funds (reported in line 23).	
			+	30	Value Added Services (Explain below)	ALL		\$ 9,263	\$ 9,898	\$ 3,644	\$ 12,383	\$ 35,178	\$ -	\$ 35,178		
	Deduct															
		42 CFR438.8(e)(2)(i)(A)	-	31	Provider/Subcontractor Overpayment Recoveries	ALL	70305-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Amount should be generally stated as a negative number.	
		42 CFR438.8(e)(2)(i)(B)	-	32	Rx Rebates (received/accrued)	ALL	50310-06, 61005-05, 50310-10, 61005-10	\$ (139,198)	\$ 100,209	\$ 4,341	\$ (46,069)	\$ (80,716)	\$ -	\$ (80,716)	Amount should be generally stated as a negative number.	
			-	33	Pharmacy Performance Guarantees	ALL	61005-10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Amount should be generally stated as a negative number.	
		42 CFR438.8(e)(2)(i)(D)(E)	-	34	TPL COB, Subrogation Recoveries and recoverable COB claims	ALL	70205-02	\$ (13,719)	\$ (23,269)	\$ (165,155)	\$ (320,462)	\$ (522,605)	\$ -	\$ (522,605)	Amount should be generally stated as a negative number.	
				35	Total Incurred Claims			\$ 82,319,461	\$ 77,134,773	\$ 64,694,358	\$ 79,158,662	\$ 303,307,474	\$ 17,069,066	\$ 320,736,540		
	Non-Claims Costs															

**HEALTH NET ACCESS, INC. D/B/A
ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN**

Medical Loss Ratio Report – Regional Behavioral Health Authority

Non-Claims Costs (Administrative Expenditures)	36	Compensation	ALL	8105-01	\$ 4,637,579	\$ 5,698,422	\$ 3,639,639	\$ 5,593,307	\$ 19,528,917	\$ -	\$ 19,528,917	Exclude Compensation classified as Health Care Quality Improvement expenses (reported in lines 57- 62).		
	37	Occupancy	ALL	8205-01	\$ 225,030	\$ 331,296	\$ 217,826	\$ 324,096	\$ 1,101,248	\$ -	\$ 1,101,248		Exclude expenses classified as Health Care Quality Improvement expenses (reported in lines through 62) or as Fraud, Waste and Abuse expenses (reported in line 64).	
	38	Depreciation	ALL	8305-01	\$ 1,081,278	\$ 1,338,370	\$ 879,972	\$ 1,309,285	\$ 4,608,904	\$ -	\$ 4,608,904			
	39	Care Management/Care Coordination not included in Health Care Quality Improvement Expenses	ALL	8405-01	\$ 281,203	\$ 286,375	\$ 284,399	\$ 288,943	\$ 1,140,921	\$ -	\$ 1,140,921	Exclude expenses classified as Health Care Quality Improvement expenses (reported in lines through 62) or as Fraud, Waste and Abuse expenses (reported in line 64).		
	40	Professional and Outside Services	ALL	8505-01	\$ 1,018,450	\$ 243,115	\$ 159,847	\$ 237,832	\$ 1,659,245	\$ -	\$ 1,659,245			
	41	Office Supplies and Equipment	ALL	8605-01	\$ 123,613	\$ 127,739	\$ 83,987	\$ 124,963	\$ 460,301	\$ -	\$ 460,301			
	42	Travel	ALL	8705-01	\$ 106,838	\$ 108,794	\$ 71,525	\$ 108,420	\$ 392,665	\$ -	\$ 392,665	Exclude AHCCCS sanctions		
	43	Repair and Maintenance	ALL	8805-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
	44	Bank Service Charge	ALL	8905-01	\$ 45,366	\$ 60,501	\$ 39,779	\$ 59,186	\$ 204,832	\$ -	\$ 204,832			
	45	Insurance	ALL	9105-01	\$ 20,583	\$ 27,450	\$ 18,048	\$ 26,853	\$ 92,934	\$ -	\$ 92,934	Include Rural (ACC), Nursing Facility (ALTC) and Targeted Investments (ACC-RBHA) Pass - Through Payments (if impacting income statement)		
	46	Marketing	ALL	9155-01	\$ 211,297	\$ -	\$ -	\$ -	\$ 211,297	\$ -	\$ 211,297			
	47	Interest Expense	ALL	91205-01	\$ 208,747	\$ 6,376	\$ 93,101	\$ 601,498	\$ 909,722	\$ (152,638)	\$ 757,185			
	48	Pharmacy Benefit Manager Expenses	ALL	91305-01	\$ 304,336	\$ 563,923	\$ 533,986	\$ 530,839	\$ 1,933,085	\$ -	\$ 1,933,085	Include AHCCCS sanctions		
	49	Other Administrative Expenses	ALL	9305-01	\$ 193,233.58	\$ 27,206	\$ 18,965	\$ 29,217	\$ 297,622	\$ -	\$ 297,622			
	438.8(e)(2)(v)(A)(1)	50	Amounts paid to third party vendors for secondary network savings	ALL	91505-01	\$ 46,914	\$ -	\$ -	\$ -	\$ 46,914	\$ -	\$ 46,914	Any portion of the sub-capitation/block payment arrangement payment that is explicitly attributed to the provision of administrative services by the provider should be included in this line and excluded from line 24.	
	42 CFR§ 438.8(e)(2)(v)(A)(2)	51	Amounts paid to third party vendors for network development, administrative fees, claims processing, and utilization management	ALL	91505-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	42 CFR§ 438.8(e)(2)(v)(A)(3)	52	Amounts paid, including amounts paid to a provider, for professional or administrative services that do not represent compensation or reimbursement for covered services provided to an enrollee, (e.g., Non-Medical (Administrative component) of Sub-Capitated or Block Payments)	ALL	91605-01	\$ 35,904	\$ 36,738	\$ (43,898)	\$ 28,155	\$ 56,899	\$ -	\$ 56,899	Any portion of the sub-capitation/block payment arrangement payment that is explicitly attributed to the provision of administrative services by the provider should be included in this line and excluded from line 24.	
	42 CFR§ 438.8(e)(2)(v)(A)(4)	53	Fines and penalties assessed by regulatory authorities	ALL	Footnote 16	\$ 76,406	\$ 17,500	\$ -	\$ -	\$ 93,906	\$ -	\$ 93,906		
	42 CFR§ 438.8(e)(2)(v)(C)	54	Pass - Through Payments	ACC/ALTC		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Loss Adjustment Expense is considered a cost-containment expense and should be reported as a non-claims cost. It should not be included in the numerator (including Incurred Claims or Health Care Quality).	
		55	Loss Adjustment Expense			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		56	Total Non-Claims Costs			\$ 8,618,777	\$ 8,863,954	\$ 5,967,147	\$ 9,229,594	\$ 32,709,312	\$ (152,638)	\$ 32,556,774		
	Expenditures for activities that improve health care quality	42 CFR§438.8(e)(3)											For ALTC/EPD and DDD LOB: Account # 50365-01 - ALTC Case Management should be reported in lines 57-62 below, as appropriate.	
		45 CFR§158.150(b)(1)	57	Improvement of health outcomes	ALL	91705-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		45 CFR§158.150(b)(2)	58	Activities to prevent hospital readmission	ALL	91705-01	\$ 259,256	\$ 358,099	\$ 364,717	\$ 411,533	\$ 1,393,576	\$ -		\$ 1,393,576
		CFR§158.150(b)(2)(ii)	59	Improvement of patient safety and reduce medical errors	ALL	91705-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		CFR§158.150(b)(2)(iv)	60	Wellness and health promotion activities	ALL	91705-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		CFR§158.158.151 & 45 CFR§158.151	61	Health information technology expenses related to improving health care quality	ALL	91705-01	\$ 9,417	\$ 19,669	\$ 106,333	\$ 20,632	\$ 156,051	\$ -		\$ 156,051
		42 CFR§438.358(b) and	62	Activities related to external quality review	ALL	91705-01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
			63	Total Health Care Quality Improvement and Other Expenses			\$ 268,673	\$ 377,738	\$ 471,050	\$ 432,165	\$ 1,549,626	\$ -		\$ 1,549,626
	Expenditures related to activities compliant with § 438.608(e)(1) through (9), (7), (8) and (b).	42 CFR§438.8(e)(4) & 45 CFR§158.150(c)(8)	64	Program Integrity, Fraud, Waste, and Abuse Prevention Expenses	ALL		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		42 CFR§438.8(h)	65	Credibility Adjustment (if applicable)	CMOP and small non-LTSS MCOs between 6,400 and 380,000 annual Member Months		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		If an MCO's annual member months are determined to be partially-creditable, the credibility adjustment factor must be manually entered as calculated using the guidance in the Credibility Adjustment tab.
	MLR Calculations	Numerator												
			66	Incurrd Claims		\$ 82,319,491	\$ 77,134,773	\$ 64,694,359	\$ 79,159,862	\$ 303,307,474	\$ 17,069,066	\$ 320,376,540		
			67	Expenditures for activities that improve health care quality		\$ 298,973	\$ 377,738	\$ 471,050	\$ 432,165	\$ 1,549,626	\$ -	\$ 1,549,626		
			68	Total		\$ 82,588,155	\$ 77,512,510	\$ 65,165,408	\$ 79,591,027	\$ 304,857,100	\$ 17,069,066	\$ 321,926,166		
Denominator														
		69	Premium Revenue		\$ 90,559,907	\$ 95,273,210	\$ 70,361,699	\$ 100,280,145	\$ 356,474,953	\$ 21,257,998	\$ 377,732,951			
		70	Taxes, licensing and regulatory fees		\$ (310,768)	\$ (1,601,029)	\$ (5,996,354)	\$ (3,461,697)	\$ (10,748,311)	\$ (1,843,801)	\$ (9,104,711)			
		71	Total		\$ 90,870,676	\$ 93,672,181	\$ 64,365,336	\$ 96,818,448	\$ 345,726,641	\$ 19,414,197	\$ 368,628,150			
		72	Medical Loss Ratio		0.908853758	0.82748979	1.01240167	0.82264884	0.881789544	0.74532497	0.873308989			
	73	Medical Loss Ratio with Credibility Adjustment		80.9%	82.7%	101.2%	82.2%	88.2%	74.5%	87.3%				
Methodology(ies) for allocation of expenditures.	42 CFR§438.8(g) 42 CFR§438.8(v)(vi)	74	Please describe methodology(ies) for allocation of expenditures: ACH-CCP utilizes the AHCCCS RBHA Mapping Matrix based on procedure code and provider type to report to the appropriate expense categories. Expenses not directly attributable to a risk group are allocated based on historical and/or current claims payments.									Each expense must be included under only one type of expense. If a portion of the expense fits under the definition of, or criteria for, one type of expense and the remainder fits into a different type of expense, the expense must be prorated between types of expenses. Expenses that benefit multiple contracts must be reported on a pro-rata basis. Allocation to each category must be based on a generally accepted accounting method that is expected to yield the most accurate results. Shared expenses, including expenses under the terms of a management contract, must be apportioned pro rata to the contract incurring the expense. Expenses that relate solely to the operation of a reporting entity, such as personnel costs associated with the adjusting and paying of claims, must be borne solely by the reporting entity and are not to be apportioned to the other entities.		
Explanations		75	Accrued Revenue											
		76	Value-Added Services											
		77												
		79												
		80												
Aggregation Method	42 CFR§438.8(h)(4)(i) 42 CFR§438.8(v)(vi)	82	Please describe aggregation methodology: ACH-CCP aggregates all risk groups/populations to report on the MLR.									AHCCCS requires that the MLR be calculated as one aggregate value representing all risk groups/populations and GSAs. AHCCCS reserves the right to modify this requirement and obtain MLR information on a risk group and/or GSA specific basis.		

Updated 12/13/2019

[1] Annual Adjustments Column: USE FOR ANNUAL REPORT ONLY - Adjustments column should report prior year adjustments and true up, any estimates to present on an incurred date of service basis. Any adjustments to be deducted should be entered as a negative number.

**HEALTH NET ACCESS, INC. D/B/A
ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN**

Medical Loss Ratio Report – Regional Behavioral Health Authority

Paragraph 4.19
AzCH-RBHA
For the Contract Year Ended 09/30/2020

		GAAP Basis					[1]	Incurred Basis
		Dec-19	Mar-20	Jun-20	Sep-20	CYE 20	Annual Adjustments ¹	Restated CYE20
[2]	Total Premium Revenue	\$ 90,559,907.09	\$ 95,273,210.35	\$ 70,361,689.72	\$ 100,280,145.42	\$ 356,474,952.58	\$ 21,257,908.09	\$ 377,732,860.67
[3]	Total Taxes, Licensing & Regulatory Fees	\$ (310,768.42)	\$ 1,601,028.97	\$ 5,996,353.68	\$ 3,461,697.25	\$ 10,748,311.48	\$ (1,643,600.79)	\$ 9,104,710.69
[4]	Total Incurred Claims	\$ 82,319,481.41	\$ 77,134,772.57	\$ 64,694,357.76	\$ 79,158,861.84	\$ 303,307,473.58	\$ 17,069,066.43	\$ 320,376,540.01
[5]	Total Non-Claims Costs	\$ 8,618,777.01	\$ 8,863,794.04	\$ 5,997,146.68	\$ 9,229,594.40	\$ 32,709,312.13	\$ (152,537.64)	\$ 32,556,774.48
[6]	Total Health Care Quality Improvement and Other Expenses	\$ 268,673.33	\$ 377,737.80	\$ 471,050.14	\$ 432,165.12	\$ 1,549,626.39	\$ -	\$ 1,549,626.39
[7]	Program Integrity: Fraud, Waste, and Abuse Prevention Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
[8]	MLR Calculated Net Operating Income:	\$ (336,256.25)	\$ 7,295,876.98	\$ (6,797,218.53)	\$ 7,997,826.81	\$ 8,160,229.01	\$ 5,984,980.10	\$ 14,145,209.11
[9]	Enter: 99999 Net Profit (Loss)	\$ (312,433.45)	\$ 7,823,394.12	\$ (7,033,289.66)	\$ 8,205,147.93	\$ 8,682,818.93	\$ 5,984,980.03	\$ 14,667,798.96
[9]	Enter: 40305-01 Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
[9]	Enter: 40310-01 Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
[10]	Community Benefit Expenses	\$ 23,822.80	\$ 527,517.14	\$ (236,070.91)	\$ 207,321.12	\$ 522,590.15	\$ -	\$ 522,590.15
[11]	Check Figure	\$ (336,256.25)	\$ 7,295,876.98	\$ (6,797,218.75)	\$ 7,997,826.81	\$ 8,160,228.78	\$ 5,984,980.03	\$ 14,145,208.81
[12]	Difference	\$ (0.00)	\$ (0.00)	\$ 0.22	\$ 0.01	\$ 0.22	\$ 0.07	\$ 0.29

Notes:

- [1] Annual Adjustments Column: **USE FOR ANNUAL REPORT ONLY** - Adjustments column should report prior year adjustments and true up any estimates to present on an incurred date of service basis. Any adjustments to be deducted should be entered as a negative number.
- [2] Auto populates - do not enter anything in these cells. **Note: Premium revenue does not include Non-Operating Income such as Investment Income and Other Income.**
- [3] Auto populates - do not enter anything in these cells.
- [4] Auto populates - do not enter anything in these cells.
- [5] Auto populates - do not enter anything in these cells.
- [6] Auto populates - do not enter anything in these cells.
- [7] Auto populates - do not enter anything in these cells.
- [8] Auto calculates - do not enter anything in these cells.
- [9] Enter Net Profit (Loss), Investment Income, Other Income, if any, as presented on Financial Reporting Template (in their natural state).
- [10] Auto populates - do not enter anything in these cells.
- [11] Auto calculates - do not enter anything in these cells.
- [12] If the difference is greater than \$1.00 or less than (\$1.00), reconcile the difference.