Blue CHIP Analysis

SENATE PUBLIC HEALTH, WELFARE & SAFETY
EXHIBIT NO. 7
DATE 1-21-05
BILL NO. SB154

	CY 1999		FFY 2000		FFY 2001		FFY 2002		CY1999-FFY2002	FFY 2003 *	
Avg. Monthly Enrollment											
Income	$ 993,440.37		$ 4,973,281.83		$ 12,152,090		$ 12,137,044.94		$ 30,255,857.23	$ 12,307,101.00	
Additional Funds					$ 1,283				$ 1,283.00		
Claims											
Hospital	220,135.87	37%	1,416,301.63	41%	$ 3,668,642	41%	3,986,660.22	43%	$ 9,291,739.25		
Professional	274,175.94	46%	1,610,814.00	46%	$ 3,850,713	43%	3,913,956.01	42%	$ 9,649,658.92		
Vision	6,148.43	1%	96,916.79	3%	$ 190,424	2%	200,359.18	2%	$ 493,848.62		
Drug	99,298.10	17%	362,271.96	10%	$ 1,230,405	14%	1,128,218.80	12%	$ 2,820,193.44		
Total:	599,758.34	100%	3,486,304.38	100%	$ 8,940,183	100%	9,229,194.21	100%	$ 22,255,440.23		
MH Settlement			91,281.06						$ 91,281.06		
Total:	$ 599,758.34		$ 3,577,585.44		$ 8,940,183		$ 9,229,194.21		$ 22,346,721.29	$ 10,817,902.00	
Income-Claims	$ 393,682.03		$ 1,395,696.39		$ 3,213,190		$ 2,907,850.73		$ 7,910,418.94	$ 1,489,199.00	
Admin Expense	$ 99,344.04	10.00%	$ 735,548.38	14.79%	$ 1,761,817	14.50%	$ 1,759,586.00	14.50%	$ 4,356,295.42	$ 1,903,157.00	15.46%
		16.85%		20.55%		19.71%		19.07%			17.59%
						$15.60		$15.60			$16.60
Additional Admin Expense	$ 47,585.79	4.79%							$ 47,585.79		
		7.93%									
Start-Up Costs	$ 70,827.10								$ 70,827.10		
Year End Balance	$ 175,925.10		$ 660,148.01		$ 1,451,372.79		$ 1,148,264.73		$ 3,435,710.63		
Caring Program	$ 175,925.10		$ 165,037.00	25%	$ 362,843	25%	$ 287,066.00		$ 990,871.10		
Settlement/Reserve	$ -		$ 495,111.01		$ 1,088,529		$ 861,198.00		$ 2,444,838.01	$ (413,958.00)	

17.8%

Admin Expense as % of Income
Admin Expense as % of Claims
Admin Expense as Per Member Per Month (PMPM)

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17-22% of Claims
N. association of Certified Health Actuaries

Source: BCBS Income &Claims plus Standard Renewal Calculation reports
cy99 - claims paid thru 3/31/00
ffy00 - claims paid thru 12/30//00
ffy01 - claims paid thru 12/30/01
ffy02 - claims paid thru 12/31/02
* ffy03 - claims paid 8/1/02 thru 7/31/03 -**preliminary estimate**

H:HPS/CHIP/Contracts/BCBS/BlueCHIP Income & Claims
10/8/03