

The background features a blurred image of a person's face and hands, overlaid with a green geometric pattern of lines and various medical icons such as a syringe, a pill, a stethoscope, and a group of people. A large white cross is centered over the person's face. The text is positioned on a dark grey diagonal band on the right side of the page.

**UnitedHealthcare of Louisiana, Inc.
Medicaid Managed Care Programs**

Report on Adjusted Medical Loss Ratio
With Independent Accountant's Report Thereon

For the Calendar Year Ending December 31, 2021
Paid through April 30, 2022



**MYERS AND
STAUFFER**_{LC}
CERTIFIED PUBLIC ACCOUNTANTS



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State of Louisiana
Louisiana Department of Health
Baton Rouge, Louisiana

Independent Accountant's Report

We have examined the accompanying Adjusted Medical Loss Ratio of UnitedHealthcare of Louisiana, Inc. for the calendar year ended December 31, 2021. UnitedHealthcare of Louisiana, Inc.'s management is responsible for presenting the Medical Loss Ratio (MLR) Reporting in accordance with the criteria set forth in Healthy Louisiana's MLR Reporting Guide, the Code of Federal Regulations (CFR) 42 § 438.8, and other applicable federal guidance (criteria). This criteria was used to prepare the Adjusted Medical Loss Ratio. Our responsibility is to express an opinion on the Adjusted Medical Loss Ratio 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 Adjusted Medical Loss Ratio is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Adjusted Medical Loss Ratio. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement of the Adjusted Medical Loss Ratio, 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to our engagement.

The accompanying Adjusted Medical Loss Ratio was prepared for the purpose of complying with the criteria, and is not intended to be a complete presentation in conformity with accounting principles generally accepted in the United States of America.

The Other Non-Claims Costs amount reported on the Adjusted Medical Loss Ratio Rebate Calculation has not been subjected to the procedures applied in the examination. In accordance with CFR 42 § 438.8, reporting of the Other Non-Claims Costs is required. Any adjustments to the Other Non-Claims Costs were determined without testing as the procedure was outside of the scope of our examination, and accordingly, we express no opinion on it.

In our opinion, the above referenced accompanying Adjusted Medical Loss Ratio is presented in accordance with the above referenced criteria, in all material respects, and the Adjusted Medical Loss Ratio exceeds the



Centers for Medicare & Medicaid Services (CMS) requirement of eighty-five percent (85%) for the Expansion and Non-Expansion population for the calendar year ended December 31, 2021.

This report is intended solely for the information and use of the Louisiana Department of Health, Milliman, and UnitedHealthcare of Louisiana, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Myers and Stauffer LC
Atlanta, GA
March 23, 2023



Adjusted Medical Loss Ratio for the Calendar Year Ending December 31, 2021 Paid Through April 30, 2022

Adjusted Medical Loss Ratio for the Calendar Year Ending December 31, 2021 Paid Through April 30, 2022				
Expansion				
Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Expenses				
1	Total Incurred Claims	\$ 1,241,326,106	\$ -	\$ 1,241,326,106
Adjustments to Incurred Claims				
2	<i>Deductions:</i>			
2a	Prescription drug rebates	\$ 1,362,942	\$ -	\$ 1,362,942
2b	Prompt pay discounts	\$ -	\$ -	\$ -
2c	Overpayment recoveries received from providers	\$ -	\$ -	\$ -
3	<i>Inclusions:</i>			
3a	Incentive and bonus payments made to providers	\$ 47,333,921	\$ -	\$ 47,333,921
3b	Fraud reduction expenses	\$ 994,700	\$ -	\$ 994,700
4	Optional Inclusion: Value-Added Services	\$ 11,850,043	\$ -	\$ 11,850,043
5	<i>Exclusions:</i>			
5a	Non-Claims Costs	\$ 1,795,116	\$ -	\$ 1,795,116
5b	Prior year MLR rebates paid to LDH	\$ -	\$ -	\$ -
5c	Payments to delegated vendors exceeding amount paid to providers	\$ 4,095,753	\$ -	\$ 4,095,753
5d	Spread pricing amounts paid to PBM	\$ (476)	\$ -	\$ (476)
5e	Reinsurance premiums exceeding reinsurance recoveries	\$ 1,208,494	\$ -	\$ 1,208,494
6	Other: Incurred claims assumed	\$ -	\$ -	\$ -
7	Adjusted Incurred Claims	\$ 1,293,042,941	\$ -	\$ 1,293,042,941
Health Care Quality Improvement (HCQI) Expenses				
8	HCQI administrative expenses	\$ 18,131,267	\$ -	\$ 18,131,267
9	Exclusions to HCQI	\$ 517,279	\$ -	\$ 517,279
Health Information Technology (HIT) Expenses				
10	HIT administrative expenses	\$ 3,535,981	\$ -	\$ 3,535,981
11	Exclusions to HIT expenses	\$ 34,798	\$ -	\$ 34,798
12	External Quality Review (EQR) related expenses	\$ -	\$ -	\$ -
13	Adjusted Incurred Claims and Adjusted HCQI, HIT and EQR Expenses	\$ 1,314,158,112	\$ -	\$ 1,314,158,112
14	Less: Adjustment for 50% or more of Medical expenses attributed to new enrollees	\$ -	\$ -	\$ -
15	Add: Prior Year New Enrollee Medical Expenditures deferred to current year from line 34 below	\$ -	\$ -	\$ -
16	Total Adjusted MLR Numerator	\$ 1,314,158,112	\$ -	\$ 1,314,158,112
Non-Claims Cost (For reporting purposes only, not included in Numerator)				
17	Non-Claims Cost (Excluding amounts reported on lines 18 and 19)	\$ 48,946,911	\$ -	\$ 48,946,911
18	Program Integrity Activities [42 CFR §438.608(a)(1) through (5), (7), (8) and (b)]. (Must reconcile to the detail amounts on the Program Integrity Cost tab)	\$ 12,706,697	\$ -	\$ 12,706,697
19	Adjustments to Non-Claims Cost including amounts removed in the line 5 exclusions. (Excluding any related party profit)	\$ 7,313,712	\$ -	\$ 7,313,712
20	Total Adjusted Non-Claim Cost	\$ 68,967,320	\$ -	\$ 68,967,320
Revenues				
21	Healthy Louisiana Premium Revenue	\$ 1,530,577,370	\$ -	\$ 1,530,577,370
Revenue Adjustments				
22	Less: Premium tax component of reported revenue	\$ 81,833,929	\$ -	\$ 81,833,929
23	Less: Other taxes and licensing and regulatory fees	\$ 22,381,637	\$ -	\$ 22,381,637
24	Net Annual MLR Revenue	\$ 1,426,361,804	\$ -	\$ 1,426,361,804
25	Less: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component)	\$ -	\$ -	\$ -
26	Add: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component) deferred from prior year from line 29 below	\$ -	\$ -	\$ -
27	Total Adjusted MLR Denominator	\$ 1,426,361,804	\$ -	\$ 1,426,361,804



Adjusted Medical Loss Ratio for the Calendar Year Ending December 31, 2021 Paid Through April 30, 2022

Adjusted Medical Loss Ratio for the Calendar Year Ending December 31, 2021 Paid Through April 30, 2022				
Expansion				
Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
MLR Calculation				
28	MLR Percentage Achieved	92.1%	0.0%	92.1%
29	MLR Percentage Requirement for Rebate Calculation	85.0%	0.0%	85.0%
30	Percentage Below 85% Requirement	0.0%	0.0%	0.0%
31	Dollar Amount of Rebate Requirement	\$ -	\$ -	\$ -
Reconciliation of Prior Year New Enrollee Capitation Exclusion				
32	Prior year new enrollee capitation adjustment exclusion (net of premium tax)			\$ -
33	Less: Prior year incurred claims for excluded New Enrollees			\$ -
34	Total Net Adjustment for New Enrollees from prior years			\$ -
35	MLR Member Months			2,236,307
Credibility Adjustment Applied				
36	MLR Percentage Achieved			0.0%
37	Credibility Adjustment			0.0%
38	Adjusted MLR Percentage Achieved			0.0%
39	MLR Percentage Requirement for Rebate Calculation			85.0%
40	Percentage Below 85% Requirement			0.0%
41	Dollar Amount of Rebate Requirement			\$ -



Adjusted Medical Loss Ratio for the Calendar Year Ending December 31, 2021 Paid Through April 30, 2022

Adjusted Medical Loss Ratio for the Calendar Year Ending December 31, 2021 Paid Through April 30, 2022				
Non-Expansion				
Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Expenses				
1	Total Incurred Claims	\$ 1,333,468,546	\$ -	\$ 1,333,468,546
Adjustments to Incurred Claims				
2	<i>Deductions:</i>			
2a	Prescription drug rebates	\$ 1,081,968	\$ -	\$ 1,081,968
2b	Prompt pay discounts	\$ -	\$ -	\$ -
2c	Overpayment recoveries received from providers	\$ 4,365,746	\$ -	\$ 4,365,746
3	<i>Inclusions:</i>			
3a	Incentive and bonus payments made to providers	\$ 109,465,936	\$ -	\$ 109,465,936
3b	Fraud reduction expenses	\$ 1,026,735	\$ -	\$ 1,026,735
4	Optional Inclusion: Value-Added Services	\$ 5,322,965	\$ -	\$ 5,322,965
5	<i>Exclusions:</i>			
5a	Non-Claims Costs	\$ 3,557,347	\$ -	\$ 3,557,347
5b	Prior year MLR rebates paid to LDH	\$ -	\$ -	\$ -
5c	Payments to delegated vendors exceeding amount paid to providers	\$ 6,145,772	\$ -	\$ 6,145,772
5d	Spread pricing amounts paid to PBM	\$ (1,393)	\$ -	\$ (1,393)
5e	Reinsurance premiums exceeding reinsurance recoveries	\$ 1,254,692	\$ -	\$ 1,254,692
6	Other: Incurred claims assumed	\$ -	\$ -	\$ -
7	Adjusted Incurred Claims	\$ 1,432,880,050	\$ -	\$ 1,432,880,050
Health Care Quality Improvement (HCQI) Expenses				
8	HCQI administrative expenses	\$ 22,068,263	\$ -	\$ 22,068,263
9	Exclusions to HCQI	\$ 794,090	\$ -	\$ 794,090
Health Information Technology (HIT) Expenses				
10	HIT administrative expenses	\$ 3,965,451	\$ -	\$ 3,965,451
11	Exclusions to HIT expenses	\$ 51,314	\$ -	\$ 51,314
12	External Quality Review (EQR) related expenses	\$ -	\$ -	\$ -
13	Adjusted Incurred Claims and Adjusted HCQI, HIT and EQR Expenses	\$ 1,458,068,360	\$ -	\$ 1,458,068,360
14	Less: Adjustment for 50% or more of Medical expenses attributed to new enrollees	\$ -	\$ -	\$ -
15	Add: Prior Year New Enrollee Medical Expenditures deferred to current year from line 34 below	\$ -	\$ -	\$ -
16	Total Adjusted MLR Numerator	\$ 1,458,068,360	\$ -	\$ 1,458,068,360
Non-Claims Cost (For reporting purposes only, not included in Numerator)				
17	Non-Claims Cost (Excluding amounts reported on lines 18 and 19)	\$ 42,366,168	\$ -	\$ 42,366,168
18	Program Integrity Activities [42 CFR §438.608(a)(1) through (5), (7), (8) and (b)]. (Must reconcile to the detail amounts on the Program Integrity Cost tab)	\$ 22,128,830	\$ -	\$ 22,128,830
19	Adjustments to Non-Claims Cost including amounts removed in the line 5 exclusions. (Excluding any related party profit)	\$ 11,243,039	\$ -	\$ 11,243,039
20	Total Adjusted Non-Claim Cost	\$ 75,738,037	\$ -	\$ 75,738,037
Revenues				
21	Healthy Louisiana Premium Revenue	\$ 1,561,978,942	\$ -	\$ 1,561,978,942
Revenue Adjustments				
22	Less: Premium tax component of reported revenue	\$ 80,182,958	\$ -	\$ 80,182,958
23	Less: Other taxes and licensing and regulatory fees	\$ (21,516,646)	\$ -	\$ (21,516,646)
24	Net Annual MLR Revenue	\$ 1,503,312,630	\$ -	\$ 1,503,312,630
25	Less: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component)	\$ -	\$ -	\$ -
26	Add: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component) deferred from prior year from line 29 below	\$ -	\$ -	\$ -
27	Total Adjusted MLR Denominator	\$ 1,503,312,630	\$ -	\$ 1,503,312,630



Adjusted Medical Loss Ratio for the Calendar Year Ending December 31, 2021 Paid Through April 30, 2022

Adjusted Medical Loss Ratio for the Calendar Year Ending December 31, 2021 Paid Through April 30, 2022				
Non-Expansion				
Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
MLR Calculation				
28	MLR Percentage Achieved	97.0%	0.0%	97.0%
29	MLR Percentage Requirement for Rebate Calculation	85.0%	0.0%	85.0%
30	Percentage Below 85% Requirement	0.0%	0.0%	0.0%
31	Dollar Amount of Rebate Requirement	\$ -	\$ -	\$ -
Reconciliation of Prior Year New Enrollee Capitation Exclusion				
32	Prior year new enrollee capitation adjustment exclusion (net of premium tax)			\$ -
33	Less: Prior year incurred claims for excluded New Enrollees			\$ -
34	Total Net Adjustment for New Enrollees from prior years			\$ -
35	MLR Member Months			3,806,189
Credibility Adjustment Applied				
36	MLR Percentage Achieved			0.0%
37	Credibility Adjustment			0.0%
38	Adjusted MLR Percentage Achieved			0.0%
39	MLR Percentage Requirement for Rebate Calculation			85.0%
40	Percentage Below 85% Requirement			0.0%
41	Dollar Amount of Rebate Requirement			\$ -