



MYERS AND
STAUFFER.LC



UnitedHealthcare of
Louisiana, Inc.

Healthy Louisiana
Louisiana Medicaid
Managed Care Programs

Adjusted Medical Loss Ratio

(With Independent Accountant's Report Thereon)

For the State Fiscal Year Ended June 30, 2024

Paid Through October 31, 2024

Table of Contents

Table of Contents.....1
Independent Accountant’s Report.....2
Adjusted Medical Loss Ratio for the State Fiscal Year Ended June 30, 2024 Paid Through October 31, 20243
Schedule of Adjustments.....7

Independent Accountant's Report

Louisiana Department of Health
Baton Rouge, Louisiana

We have examined the accompanying Adjusted Medical Loss Ratios of UnitedHealthcare of Louisiana, Inc. (health plan) for their Medicaid Non-Expansion and Expansion populations for the state fiscal year ended June 30, 2024. The health plan's management is responsible for presenting the Medical Loss Ratios in accordance with the criteria set forth in 42 Code of Federal Regulations (CFR) § 438.8 and other applicable federal guidance (criteria). This criteria was used to prepare the Adjusted Medical Loss Ratios. Our responsibility is to express an opinion on the Adjusted Medical Loss Ratios 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 Ratios are in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Adjusted Medical Loss Ratios. 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 Ratios, 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 Ratios were prepared from information contained in the Medical Loss Ratios 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.

In our opinion, the Adjusted Medical Loss Ratios are presented in accordance with the criteria, in all material respects, and the Adjusted Medical Loss Ratios meet or exceed the Centers for Medicare & Medicaid Services (CMS) and state requirement of 85 percent for the Medicaid Non-Expansion and Expansion populations for the state fiscal year ended June 30, 2024.

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

Myers and Stauffer LC
Atlanta, Georgia
March 25, 2026

UNITEDHEALTHCARE OF LOUISIANA, INC.
ADJUSTED MEDICAL LOSS RATIO
NON-EXPANSION POPULATION

Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Medical Loss Ratio Numerator				
1	Total Incurred Claims	\$ 1,168,752,643	\$ -	\$ 1,168,752,643
	Adjustments to Incurred Claims			
2	Deductions:			
2a	Prescription drug rebates	\$ 262,567	\$ -	\$ 262,567
2b	Prompt pay discounts	\$ -	\$ -	\$ -
2c	Overpayment recoveries received from providers	\$ 2,787,344	\$ -	\$ 2,787,344
3	Inclusions:			
3a	Incentive and bonus payments made to providers	\$ 102,529,108	\$ (86,705,108)	\$ 15,824,000
3b	Fraud reduction expenses	\$ 41,839	\$ -	\$ 41,839
3c	State Directed Payments (SDPs distributed to providers)	\$ 368,111,388	\$ -	\$ 368,111,388
4	Optional Inclusion: Value-Added Services	\$ 1,800,854	\$ -	\$ 1,800,854
5	Exclusions:			
5a	Payments delegated vendors exceeding amount paid to providers	\$ 3,740,897	\$ -	\$ 3,740,897
5b	Spread pricing amounts paid to PBM	\$ (51)	\$ -	\$ (51)
6	Other: Incurred claims assumed	\$ -	\$ -	\$ -
7	Adjusted Incurred Claims	\$ 1,634,445,075	\$ (86,705,108)	\$ 1,547,739,967
	Health Care Quality Improvement (HCQI) Expenses			
8	HCQI admin expenses	\$ 23,661,358	\$ (19,876,836)	\$ 3,784,522
9	Exclusions to HCQI	\$ -	\$ -	\$ -
	Health Information Technology (HIT) Expenses			
10	HIT administrative expenses	\$ 6,819,958	\$ (5,496,107)	\$ 1,323,851
11	Exclusions to HIT expenses	\$ (13,719)	\$ -	\$ (13,719)
12	External Quality Review (EQR) related expenses	\$ -	\$ -	\$ -
13	Adjusted Incurred Claims and Adjusted HCQI, HIT and EQR Expenses	\$ 1,664,912,672	\$ (112,078,051)	\$ 1,552,834,621
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 33 below	\$ -	\$ -	\$ -
16	Total Adjusted MLR Numerator	\$ 1,664,912,672	\$ (112,078,051)	\$ 1,552,834,621
	Non-Claims Costs (For reporting purposes only, not included in Numerator)*			
17	Non-Claims Cost (Excluding amounts reported on lines 18 and 19)	\$ 50,291,651	\$ -	\$ 50,291,651
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	\$ 16,920,621	\$ -	\$ 16,920,621
19	Adjustments to Non-Claims including amounts removed in the line 5 exclusions. (Excluding any related party profit)	\$ -	\$ -	\$ -
20	Total Adjusted Non-Claims Cost	\$ 67,212,272	\$ -	\$ 67,212,272

UNITEDHEALTHCARE OF LOUISIANA, INC.

ADJUSTED MEDICAL LOSS RATIO

NON-EXPANSION POPULATION

Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Medical Loss Ratio Denominator				
21	Healthy Louisiana Premium Revenue	\$ 1,307,975,060	\$ -	\$ 1,307,975,060
22	Directed Payments	\$ 389,535,860	\$ -	\$ 389,535,860
23	MCIP	\$ 89,386,709	\$ (89,386,709)	\$ (0)
24	Hep C Risk Corridor	\$ (2,169,321)	\$ -	\$ (2,169,321)
Revenue Adjustments				
25	Less: Premium tax component of reported revenue	\$ 93,227,996	\$ -	\$ 93,227,996
26	Less: Other taxes and licensing and regulatory fees	\$ (158,510)	\$ -	\$ (158,510)
27	Net Annual MLR Revenue	\$ 1,691,658,821	\$ (89,386,709)	\$ 1,602,272,112
28	Less: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component)	\$ -	\$ -	\$ -
29	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	\$ -	\$ -	\$ -
30	Total Adjusted MLR Denominator	\$ 1,691,658,821	\$ (89,386,709)	\$ 1,602,272,112
MLR Calculation				
31	MLR Percentage Achieved (Unadjusted MLR)	98.4%	-1.5%	96.9%
32	Credibility Adjustment	0.0%	0.0%	0.0%
33	Adjusted MLR	98.4%	-1.5%	96.9%
34	MLR Percentage Requirement for Rebate Calculation	85.0%	0.0%	85.0%
35	Calculated Percentage for Remittance Purposes	0.0%	0.0%	0.0%
36	Dollar Amount of Rebate Requirement	\$ -	\$ -	\$ -
Reconciliation of Prior Year New Enrollee Capitation Exclusion				
37	Prior year new enrollee capitation adjustment exclusion (net of premium tax)	\$ -	\$ -	\$ -
38	Less: Prior year incurred claims for excluded New Enrollees	\$ -	\$ -	\$ -
39	Total Net Adjustment for New Enrollees from prior years	\$ -	\$ -	\$ -
40	MLR Member Months	3,157,916	-	3,157,916

*The Non-Claims Costs line has not been subjected to the procedures applied in the examination, including testing for allowability of expenses or appropriate allocation to the Medicaid line of business. Adjustments identified during the course of the examination were not tested to determine any impact on Non-Claims Costs. Accordingly, we express no opinion on the Non-Claims Costs line.

**Percentages and amounts may not appear to foot and crossfoot due to rounding.

UNITEDHEALTHCARE OF LOUISIANA, INC.
ADJUSTED MEDICAL LOSS RATIO
EXPANSION POPULATION

Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Medical Loss Ratio Numerator				
1	Total Incurred Claims	\$ 1,121,271,701	\$ -	\$ 1,121,271,701
	Adjustments to Incurred Claims			
2	Deductions:			
2a	Prescription drug rebates	\$ 367,517	\$ -	\$ 367,517
2b	Prompt pay discounts	\$ -	\$ -	\$ -
2c	Overpayment recoveries received from providers	\$ -	\$ -	\$ -
3	Inclusions:			
3a	Incentive and bonus payments made to providers	\$ 86,070,140	\$ (84,697,472)	\$ 1,372,668
3b	Fraud reduction expenses	\$ 43,910	\$ -	\$ 43,910
3c	State Directed Payments (SDPs distributed to providers)	\$ 395,926,625	\$ -	\$ 395,926,625
4	Optional Inclusion: Value-Added Services	\$ 4,935,663	\$ -	\$ 4,935,663
5	Exclusions:			
5a	Payments delegated vendors exceeding amount paid to providers	\$ 329,338	\$ -	\$ 329,338
5b	Spread pricing amounts paid to PBM	\$ (53)	\$ -	\$ (53)
6	Other: Incurred claims assumed	\$ -	\$ -	\$ -
7	Adjusted Incurred Claims	\$ 1,607,551,238	\$ (84,697,472)	\$ 1,522,853,766
	Health Care Quality Improvement (HCQI) Expenses			
8	HCQI admin expenses	\$ 20,506,347	\$ (16,748,519)	\$ 3,757,828
9	Exclusions to HCQI	\$ -	\$ -	\$ -
	Health Information Technology (HIT) Expenses			
10	HIT administrative expenses	\$ 5,916,543	\$ (4,619,529)	\$ 1,297,014
11	Exclusions to HIT expenses	\$ (14,178)	\$ -	\$ (14,178)
12	External Quality Review (EQR) related expenses	\$ -	\$ -	\$ -
13	Adjusted Incurred Claims and Adjusted HCQI, HIT and EQR Expenses	\$ 1,633,959,949	\$ (106,065,520)	\$ 1,527,894,429
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 33 below	\$ -	\$ -	\$ -
16	Total Adjusted MLR Numerator	\$ 1,633,959,949	\$ (106,065,520)	\$ 1,527,894,429
	Non-Claims Costs (For reporting purposes only, not included in Numerator)*			
17	Non-Claims Cost (Excluding amounts reported on lines 18 and 19)	\$ 44,245,996	\$ -	\$ 44,245,996
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)	\$ 12,969,089	\$ -	\$ 12,969,089
19	Adjustments to Non-Claims including amounts removed in the line 5 exclusions. (Excluding any related party profit)	\$ -	\$ -	\$ -
20	Total Adjusted Non-Claims Cost	\$ 57,215,085	\$ -	\$ 57,215,085

UNITEDHEALTHCARE OF LOUISIANA, INC. ADJUSTED MEDICAL LOSS RATIO EXPANSION POPULATION

Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Medical Loss Ratio Denominator				
21	Healthy Louisiana Premium Revenue	\$ 1,278,556,195	\$ -	\$ 1,278,556,195
22	Directed Payments	\$ 418,969,974	\$ -	\$ 418,969,974
23	MCIP	\$ 87,316,982	\$ (87,316,982)	\$ (0)
24	Hep C Risk Corridor	\$ (6,962,051)	\$ -	\$ (6,962,051)
Revenue Adjustments				
25	Less: Premium tax component of reported revenue	\$ 94,137,884	\$ -	\$ 94,137,884
26	Less: Other taxes and licensing and regulatory fees	\$ 5,550,945	\$ -	\$ 5,550,945
27	Net Annual MLR Revenue	\$ 1,678,192,271	\$ (87,316,982)	\$ 1,590,875,289
28	Less: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component)	\$ -	\$ -	\$ -
29	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	\$ -	\$ -	\$ -
30	Total Adjusted MLR Denominator	\$ 1,678,192,271	\$ (87,316,982)	\$ 1,590,875,289
MLR Calculation				
31	MLR Percentage Achieved (Unadjusted MLR)	97.4%	-1.3%	96.0%
32	Credibility Adjustment	0.0%	0.0%	0.0%
33	Adjusted MLR	97.4%	-1.3%	96.0%
34	MLR Percentage Requirement for Rebate Calculation	85.0%	0.0%	85.0%
35	Calculated Percentage for Remittance Purposes	0.0%	0.0%	0.0%
36	Dollar Amount of Rebate Requirement	\$ -	\$ -	\$ -
Reconciliation of Prior Year New Enrollee Capitation Exclusion				
37	Prior year new enrollee capitation adjustment exclusion (net of premium tax)	\$ -	\$ -	\$ -
38	Less: Prior year incurred claims for excluded New Enrollees	\$ -	\$ -	\$ -
39	Total Net Adjustment for New Enrollees from prior years	\$ -	\$ -	\$ -
40	MLR Member Months	1,874,145	-	1,874,145

**The Non-Claims Costs line has not been subjected to the procedures applied in the examination, including testing for allowability of expenses or appropriate allocation to the Medicaid line of business. Adjustments identified during the course of the examination were not tested to determine any impact on Non-Claims Costs. Accordingly, we express no opinion on the Non-Claims Costs line.*

***Percentages and amounts may not appear to foot and crossfoot due to rounding.*

Schedule of Adjustments

During the course of the engagement, we identified the following adjustments.

Adjustment #1 – To remove contracted incentive program payments and expenses qualifying under 42 CFR § 438.6(b)(2)

The health plan reported Louisiana's Managed Care Incentive Payment (MCIP) expenses and revenues in the numerator and denominator, respectively, within the health plan's MLR filing. This contracted incentive program is set up under 42 CFR § 438.6(b)(2) which is not includable in the MLR calculation. Both the incentive revenue received by the health plan and any health plan distributions to its providers associated with this program are excludable from the MLR calculation. This exclusion treatment is further confirmed within the MLR final rule commentary. Therefore, adjustments were proposed to remove the as-filed MLR expenses and revenues for the Non-Expansion and Expansion populations related to this incentive program. The MLR numerator and denominator reporting requirements are addressed in the Healthy Louisiana's MLR Reporting Guide and the Medicaid Managed Care Final Rule 42 CFR §§ 438.8(e) and 438.8(f).

Population	Line #	Line Description	Amount
Non-Expansion	3a	Incentive and bonus payments made to providers	(\$86,705,108)
Non-Expansion	23	MCIP	(\$89,386,709)
Expansion	3a	Incentive and bonus payments made to providers	(\$84,697,472)
Expansion	23	MCIP	(\$87,316,982)

Adjustment #2 – To adjust non-qualifying and unsupported HCQI/HIT expenses

The health plan reported health care quality improvement (HCQI) and health information technology (HIT) expenses based on salaries and benefits and vendor costs. Through testing, it was determined the health plan included both related party profit margin and salaries expense that did not qualify as HCQI based on federal guidance. Additionally, the health plan did not provide sufficient auditable documentation to support the expense allocations from related entities or provide sufficient documentation for costs initially identified as indirect cost by the health plan, but subsequently claimed to be directly associated with HCQI activities. An adjustment was proposed to remove non-qualifying or insufficiently documented costs claimed as HCQI. The HCQI/HIT reporting requirements are addressed in the Medicaid Managed Care Final Rule 42 CFR § 438.8(e)(3).

Population	Line #	Line Description	Amount
Non-Expansion	8	HCQI administrative expenses	(\$19,876,836)
Non-Expansion	10	HIT administrative expenses	(\$5,496,107)
Expansion	8	HCQI administrative expenses	(\$16,748,519)
Expansion	10	HIT administrative expenses	(\$4,619,529)