

## State of Delaware Health Fund Monthly Statement January 2022

| OPERATING REVENUES                              | January               |               |                       | January Budget |                       |               | Variance              |               |                        | YTD Actual    |                        |               | YTD Budget |   |    | Variance |    |   |  |
|---|-----------------------|---------------|-----------------------|----------------|-----------------------|---------------|-----------------------|---------------|------------------------|---------------|------------------------|---------------|------------|---|----|----------|----|---|--|
|   | \$                    | %             | \$                    | %              | \$                    | %             | \$                    | %             | \$                     | %             | \$                     | %             | \$         | % | \$ | %        | \$ | % |  |
| <b>Premium Contributions</b>                    |                       |               |                       |                |                       |               |                       |               |                        |               |                        |               |            |   |    |          |    |   |  |
| Highmark  | \$ 54,839,574         | 63.04%        | \$ 54,889,835         | 63.01%         | \$ (50,261)           | -0.09%        | \$ 383,149,637        | 63.78%        | \$ 383,002,504         | 63.52%        | \$ 147,134             | 0.04%         |            |   |    |          |    |   |  |
| Aetna   | \$ 14,787,392         | 17.00%        | \$ 15,345,456         | 17.62%         | \$ (558,063)          | -3.64%        | \$ 104,935,460        | 17.47%        | \$ 107,075,343         | 17.76%        | \$ (2,139,883)         | -2.00%        |            |   |    |          |    |   |  |
| <b>Total Premium Contributions</b>              | <b>\$ 69,626,967</b>  | <b>80.03%</b> | <b>\$ 70,235,291</b>  | <b>80.62%</b>  | <b>\$ (608,324)</b>   | <b>-0.87%</b> | <b>\$ 488,085,097</b> | <b>81.25%</b> | <b>\$ 490,077,847</b>  | <b>81.28%</b> | <b>\$ (1,992,750)</b>  | <b>-0.41%</b> |            |   |    |          |    |   |  |
| <b>Other Revenues</b>                           |                       |               |                       |                |                       |               |                       |               |                        |               |                        |               |            |   |    |          |    |   |  |
| Medicare Retiree RX Prog. (EGWP) Direct Subsidy | \$ (120,886)          | -0.14%        | \$ -                  | 0.00%          | \$ (120,886)          | 0.00%         | \$ 173,770            | 0.03%         | \$ 226,733             | 0.04%         | \$ (52,962)            | -23.36%       |            |   |    |          |    |   |  |
| Federal Reinsurance                             | \$ 1,819,927          | 2.09%         | \$ 1,582,978          | 1.82%          | \$ 236,949            | 14.97%        | \$ 9,908,163          | 1.65%         | \$ 9,571,311           | 2%            | \$ 336,852             | 3.52%         |            |   |    |          |    |   |  |
| Prescription Drug Rebates (Commercial)          | \$ -                  | 0.00%         | \$ -                  | 0.00%          | \$ -                  | 0.00%         | \$ 34,730,263         | 5.78%         | \$ 37,731,961          | 6.26%         | \$ (3,001,698)         | -7.96%        |            |   |    |          |    |   |  |
| Prescription Drug Rebates (EGWP)                | \$ -                  | 0.00%         | \$ -                  | 0.00%          | \$ -                  | 0.00%         | \$ 18,723,842         | 3.12%         | \$ 16,722,693          | 2.77%         | \$ 2,001,148           | 11.97%        |            |   |    |          |    |   |  |
| Prescription True Up/Yr End Recon Pymts         | \$ 8,682,043          | 9.98%         | \$ 8,378,267          | 9.62%          | \$ 303,776            | 3.63%         | \$ 8,682,043          | 1.45%         | \$ 8,378,267           | 1.39%         | \$ 303,776             | 3.63%         |            |   |    |          |    |   |  |
| Medicare Part D Coverage Gap Discount           | \$ 6,491,052          | 7.46%         | \$ 6,408,073          | 7.36%          | \$ 82,979             | 1.29%         | \$ 15,991,654         | 2.66%         | \$ 16,693,018          | 2.77%         | \$ (701,364)           | -4.20%        |            |   |    |          |    |   |  |
| Participating Group Fees                        | \$ 469,749            | 0.54%         | \$ 510,362            | 0.59%          | \$ (40,613)           | -7.96%        | \$ 3,454,200          | 0.58%         | \$ 3,561,134           | 0.59%         | \$ (106,934)           | -3.00%        |            |   |    |          |    |   |  |
| Other Revenues                                  | \$ 27,589             | 0.03%         | \$ -                  | 0.00%          | \$ 27,589             | 0.00%         | \$ 20,941,051         | 3.49%         | \$ 20,000,000          | 0.00%         | \$ 941,051             | 0.00%         |            |   |    |          |    |   |  |
| <b>Total Other Revenues</b>                     | <b>\$ 17,369,476</b>  | <b>19.97%</b> | <b>\$ 16,879,681</b>  | <b>19.38%</b>  | <b>\$ 489,795</b>     | <b>2.90%</b>  | <b>\$ 112,604,984</b> | <b>18.75%</b> | <b>\$ 112,885,116</b>  | <b>18.72%</b> | <b>\$ (280,132)</b>    | <b>-0.25%</b> |            |   |    |          |    |   |  |
| <b>Total Operating Revenues</b>                 | <b>\$ 86,996,442</b>  |               | <b>\$ 87,114,972</b>  |                | <b>\$ (118,529)</b>   | <b>-0.14%</b> | <b>\$ 600,690,081</b> |               | <b>\$ 602,962,963</b>  |               | <b>\$ (2,272,881)</b>  | <b>-0.38%</b> |            |   |    |          |    |   |  |
| <b>OPERATING EXPENSES</b>                       |                       |               |                       |                |                       |               |                       |               |                        |               |                        |               |            |   |    |          |    |   |  |
| <b>Claims</b>                                   |                       |               |                       |                |                       |               |                       |               |                        |               |                        |               |            |   |    |          |    |   |  |
| Highmark  | \$ 39,891,874         | 47.42%        | \$ 41,569,734         | 46.19%         | \$ (1,677,860)        | -4.04%        | \$ 288,731,208        | 49.28%        | \$ 304,162,268         | 49.10%        | \$ (15,431,060)        | -5.07%        |            |   |    |          |    |   |  |
| Aetna   | \$ 15,761,572         | 18.73%        | \$ 16,569,556         | 18.41%         | \$ (807,984)          | -4.88%        | \$ 88,632,256         | 15.13%        | \$ 100,304,356         | 16.19%        | \$ (11,672,100)        | -11.64%       |            |   |    |          |    |   |  |
| Express Scripts/CVS (non-Plan D)                | \$ 14,756,017         | 17.54%        | \$ 15,482,452         | 17.20%         | \$ (726,435)          | -4.69%        | \$ 90,602,524         | 15.46%        | \$ 100,628,208         | 16.24%        | \$ (10,025,683)        | -9.96%        |            |   |    |          |    |   |  |
| Express Scripts/CVS (Plan D)                    | \$ 9,851,295          | 11.71%        | \$ 12,684,838         | 14.09%         | \$ (2,833,543)        | -22.34%       | \$ 88,047,514         | 15.03%        | \$ 88,326,425          | 14.26%        | \$ (278,911)           | -0.32%        |            |   |    |          |    |   |  |
| Surgery Plus                                    | \$ 239,336            | 0.28%         | \$ -                  | 0.00%          | \$ 239,336            |               | \$ 2,335,344          | 0.40%         | \$ -                   | 0.00%         | \$ 2,335,344           |               |            |   |    |          |    |   |  |
| <b>Total Claims</b>                             | <b>\$ 80,500,094</b>  | <b>95.68%</b> | <b>\$ 86,306,580</b>  | <b>95.90%</b>  | <b>\$ (5,806,486)</b> | <b>-6.73%</b> | <b>\$ 558,348,847</b> | <b>95.30%</b> | <b>\$ 593,421,257</b>  | <b>95.79%</b> | <b>\$ (35,072,410)</b> | <b>-5.91%</b> |            |   |    |          |    |   |  |
| <b>Other Expenses</b>                           |                       |               |                       |                |                       |               |                       |               |                        |               |                        |               |            |   |    |          |    |   |  |
| Program Fees and Costs (Vendor ASO Fees)        | \$ 3,172,959          | 3.77%         | \$ 3,214,414          | 3.57%          | \$ (41,455)           | -1.29%        | \$ 23,629,833         | 4.03%         | \$ 22,429,083          | 3.62%         | \$ 1,200,750           | 5.35%         |            |   |    |          |    |   |  |
| Office Expenses                                 | \$ 197,612            | 0.23%         | \$ 258,670            | 0.29%          | \$ (61,058)           | -23.60%       | \$ 1,657,571          | 0.28%         | \$ 1,810,689           | 0.29%         | \$ (153,119)           | -8.46%        |            |   |    |          |    |   |  |
| Employee Assistance                             | \$ 34,541             | 0.04%         | \$ 33,598             | 0.04%          | \$ 942                | 2.80%         | \$ 254,111            | 0.04%         | \$ 235,188             | 0.04%         | \$ 18,923              | 8.05%         |            |   |    |          |    |   |  |
| Data Warehouse                                  | \$ 39,917             | 0.05%         | \$ 54,332             | 0.06%          | \$ (14,416)           | -26.53%       | \$ 309,029            | 0.05%         | \$ 380,326             | 0.06%         | \$ (71,297)            | -18.75%       |            |   |    |          |    |   |  |
| Consultant Fees                                 | \$ 181,710            | 0.22%         | \$ 125,000            | 0.14%          | \$ 56,710             | 45.37%        | \$ 1,298,312          | 0.22%         | \$ 875,000             | 0.14%         | \$ 423,312             | 48.38%        |            |   |    |          |    |   |  |
| COBRA Fees                                      | \$ 6,513              | 0.01%         | \$ 6,620              | 0.01%          | \$ (107)              | -1.62%        | \$ 74,537             | 0.01%         | \$ 46,340              | 0.01%         | \$ 28,197              | 60.85%        |            |   |    |          |    |   |  |
| ACA Fees  | \$ -                  | 0.00%         | \$ -                  | 0.00%          | \$ -                  |               | \$ 326,114            | 0.06%         | \$ 326,469             | 0.05%         | \$ (356)               | -0.11%        |            |   |    |          |    |   |  |
| <b>Total Other Expenses</b>                     | <b>\$ 3,633,251</b>   | <b>4.32%</b>  | <b>\$ 3,692,634</b>   | <b>4.10%</b>   | <b>\$ (59,384)</b>    | <b>-1.61%</b> | <b>\$ 27,549,507</b>  | <b>4.70%</b>  | <b>\$ 26,103,094</b>   | <b>4.21%</b>  | <b>\$ 1,446,413</b>    | <b>5.54%</b>  |            |   |    |          |    |   |  |
| <b>Total Operating Expenses</b>                 | <b>\$ 84,133,344</b>  |               | <b>\$ 89,999,214</b>  |                | <b>\$ (5,865,870)</b> | <b>-6.52%</b> | <b>\$ 585,898,354</b> |               | <b>\$ 619,524,351</b>  |               | <b>\$ (33,625,997)</b> | <b>-5.43%</b> |            |   |    |          |    |   |  |
| <b>Net Income</b>                               | <b>\$ 2,863,098</b>   |               | <b>\$ (2,884,243)</b> |                | <b>\$ 5,747,341</b>   |               | <b>\$ 14,791,728</b>  |               | <b>\$ (16,561,388)</b> |               | <b>\$ 31,353,116</b>   |               |            |   |    |          |    |   |  |
| Balance Forward                                 | \$ 164,260,861        |               | \$ 138,655,086        |                |                       |               | \$ 152,332,231        |               | \$ 152,332,231         |               |                        |               |            |   |    |          |    |   |  |
| <b>Fund Equity Balance</b>                      | <b>\$ 167,123,959</b> |               | <b>\$ 135,770,843</b> |                | <b>\$ 31,353,116</b>  | <b>23.09%</b> | <b>\$ 167,123,959</b> |               | <b>\$ 135,770,843</b>  |               | <b>\$ 31,353,116</b>   | <b>23.09%</b> |            |   |    |          |    |   |  |
| <b>Average Members</b>                          | 129,689               |               | 130,427               |                | -738                  | -0.57%        |                       |               |                        |               |                        |               |            |   |    |          |    |   |  |

|                   | Target        | YTD            |                |               |     | End of Year   |                |               |      |
|-------------------|---------------|----------------|----------------|---------------|-----|---------------|----------------|---------------|------|
|                   |               | Budget         | Actual         | Variance      |     | Budget        | Forecast*      | Variance      |      |
|                   |               |                |                | \$            | %   |               |                | \$            | %    |
| Fund Equity       | \$ 85,300,000 | \$ 135,770,843 | \$ 167,123,959 | \$ 31,353,116 | 23% | \$ 94,576,268 | \$ 125,929,383 | \$ 31,353,116 | 33%  |
| Claim Liability   | \$ 61,000,000 | \$ 61,000,000  | \$ 61,000,000  | \$ -          | 0%  | \$ 61,000,000 | \$ 61,000,000  | \$ -          | 0%   |
| Minimum Reserve   | \$ 24,300,000 | \$ 24,300,000  | \$ 24,300,000  | \$ -          | 0%  | \$ 24,300,000 | \$ 24,300,000  | \$ -          | 0%   |
| Surplus/(Deficit) | \$ -          | \$ 50,470,843  | \$ 81,823,959  | \$ 31,353,116 | 62% | \$ 9,276,268  | \$ 40,629,383  | \$ 31,353,116 | 338% |

\*Forecast = Actual + Remaining Budget