



# **ACHIA**

# **Monthly Financial Report**

## **June 2022**

# ALASKA COMPREHENSIVE HEALTH INSURANCE ASSOCIATION

## Unaudited Balance Sheet as of June 30, 2023

Total Enrollment: 124

	<u>2023</u>	<u>2022</u>
<b>Assets:</b>		
Cash	\$3,457,584	\$4,087,272
Premiums Receivable	26,866	40,457
Assessments Receivable	57,624	86,923
Prepaid Expenses	24,000	22,350
Due From ARP	-	-
<b>Total Assets</b>	<u><u>\$3,566,074</u></u>	<u><u>\$4,237,002</u></u>
<b>Liabilities and Members' Equity:</b>		
Accrued Expenses	19,788	19,000
Assessment Payable	-	-
Other Liabilities	-	-
Reserve for Unearned Premiums	96,552	63,351
Reserve for Unpaid Losses	600,000	850,000
Accrued Loss Adjustment	24,000	34,000
<b>Total Liabilities</b>	<u>740,340</u>	<u>966,351</u>
<b>Members' Equity</b>	2,825,734	3,270,651
<b>Total Liabilities and Members' Equity</b>	<u><u>\$3,566,074</u></u>	<u><u>\$4,237,002</u></u>

## **ALASKA COMPREHENSIVE HEALTH INSURANCE ASSOCIATION**

### **Unaudited Income Statement January to June 2023**

	<b><u>2023</u></b>	<b><u>2022</u></b>
Total Member Months:	735	712
<b>Premium Income Earned</b>	\$403,739	\$395,727
<b>Grant Income</b>	-	-
<b>Incurred Claim Loss</b>	1,073,393	945,840
<b>Operating Expenses:</b>		
PMPM Administrative Expense	121,960	134,876
Variable Administrative Expense	3,259	6,754
Management Consulting Fees	47,625	40,473
Miscellaneous Expense	5,632	27,946
Professional Fee Expense	32,448	43,165
<b>Total Operating Expenses</b>	<u>210,924</u>	<u>253,215</u>
<b>Underwriting Gain (Loss)</b>	(880,578)	(803,328)
<b>Investment Income</b>	-	-
<b>Other Income/(Expense)</b>	25	17,138
<b>Net Income (Loss)</b>	<u>(\$880,553)</u>	<u>(\$786,191)</u>

## **ALASKA COMPREHENSIVE HEALTH INSURANCE ASSOCIATION**

### **Unaudited Statement of Changes in Members' Equity January to June 2023**

	<b><u>2023</u></b>	<b><u>2022</u></b>
Retained Earnings - Prior	\$3,706,287	\$4,056,841
Retained Earnings - Current	(880,553)	(786,191)
Member Assessments	-	-
<b>Members' Ending Equity</b>	<u>\$2,825,734</u>	<u>\$3,270,651</u>

# ALASKA COMPREHENSIVE HEALTH INSURANCE ASSOCIATION

## Unaudited Statement of Cash Flows January to June 2023

	<u>2023</u>	<u>2022</u>
<b>Funds Provided (Used) from Operations:</b>		
Underwriting Gain (Loss)	(\$880,578)	(\$803,328)
Funds Provided (Used) from Operations:	(\$880,578)	(\$803,328)
<b>Add (Deduct) Items Not Requiring Cash Funds:</b>		
(Inc) Dec in Premiums Receivable	(17,808)	(20,644)
(Inc) Dec in Assessment Receivable	-	12,241
(Inc) Dec in Prepaid Expenses	-	5
(Inc) Dec in Due From ARP	-	-
(Inc) Dec in Due From ACHIA-FED	-	-
Inc (Dec) in Accrued Expenses	1,547	(15,532)
Inc (Dec) in Other Liabilities	-	-
Inc (Dec) in Reserve for Unearned Premiums	8,835	9,467
Inc (Dec) in Reserve for Unpaid Losses	-	-
Inc (Dec) in Accrued Loss Adjustment	-	-
<b>Total from Operations</b>	<b>(888,004)</b>	<b>(817,791)</b>
<b>Other Sources of Funds:</b>		
Interest Income	-	-
Member Assessments	-	-
Other Income (Expense)	25	17,138
<b>Change in Cash and Invested Cash</b>	<b>(887,979)</b>	<b>(800,654)</b>
Beginning of Period Cash	4,345,563	4,887,925
<b>End of Period Cash and Invested Cash</b>	<b>\$3,457,584</b>	<b>\$4,087,272</b>

	Actual					Forecast							June YTD	2023 YTD
	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC		
<b>Balance Forward</b>	<b>4,345,563</b>	<b>4,270,873</b>	<b>4,013,871</b>	<b>3,874,901</b>	<b>3,614,504</b>	<b>3,542,395</b>	3,457,584	3,099,443	2,895,511	2,757,471	4,118,751	4,455,405		
<b>Income</b>														
Premium Deposits	67,026	44,311	84,771	54,894	67,634	81,784	65,889	65,331	64,772	64,214	63,655	63,097	400,420	787,378
Premium Refunds	-	(2,304)	(372)	(540)	-	(450)	(1,336)	(1,324)	(1,313)	(1,302)	(1,290)	(1,279)	(3,126)	(10,969)
NSF Checks	-	(398)	(1,590)	(540)	-	-	(282)	(279)	(277)	(275)	(272)	(270)	(2,528)	(4,182)
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-	-	1,500,000	500,000	-	-	2,000,000
Pharmacy Rebates	-	-	-	-	25	-	5,825	-	-	5,825	-	5,825	25	17,499
<b>Total Income</b>	<b>67,026</b>	<b>41,609</b>	<b>82,809</b>	<b>54,354</b>	<b>67,659</b>	<b>81,334</b>	70,096	63,727	63,182	1,568,462	562,093	67,373	394,791	2,789,726
<b>Expenses</b>														
<b>Benefits Paid by BMI</b>														
Medical	100,590	238,956	202,864	253,165	86,327	113,835	372,071	134,511	133,361	132,212	131,062	129,912	995,737	2,028,867
Pharmacy	5,664	15,249	13,478	24,262	14,742	28,037	21,295	21,114	20,934	20,753	20,573	20,392	101,432	226,492
Claims Adjustments	(1,371)	(1,968)	(1,148)	(231)	(803)	(14,557)	(3,392)	(3,363)	(3,334)	(3,305)	(3,277)	(3,248)	(20,078)	(39,996)
<b>Total Benefits Paid by VHBA</b>	<b>104,884</b>	<b>252,237</b>	<b>215,194</b>	<b>277,196</b>	<b>100,266</b>	<b>127,314</b>	389,974	152,262	150,961	149,660	148,358	147,057	1,077,090	2,215,363
<b>Administrative Expenses</b>														
Medical-VHBA	22,250	22,250	-	22,250	22,250	22,250	20,250	20,250	20,250	20,250	20,250	20,250	111,250	232,750
Medco	24	25	23	6	23	55	39	28	30	36	39	36	154	361
<b>Direct Costs - PPO &amp; Utilization Review</b>														
MedWatch UR	33	39	-	33	32	33	43	43	43	43	43	43	169	427
First Choice Health Network	56	67	-	56	56	56	69	69	68	67	67	66	291	697
<b>Other</b>														
Insurance	-	-	-	-	-	-	-	34,884	-	-	-	-	-	34,884
Case Management Fees	426	682	-	398	-	625	900	892	885	877	869	862	2,130	7,415
Auditor Fees	-	-	-	-	-	8,448	-	12,000	-	-	-	-	8,448	20,448
Consulting	4,125	16,200	-	8,250	7,800	-	3,938	28,002	14,731	27,425	46,988	-	36,375	157,458
Reinsurance Prog. Consulting	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Expense	6,500	6,563	6,562	6,562	6,563	6,562	6,825	6,825	6,825	6,825	6,825	6,825	39,312	80,262
Bonus Grant Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	3,418	550	-	-	2,780	802	4,200	10,403	5,430	-	-	1,009	7,550	28,593
<b>Total Fixed Costs</b>	<b>36,832</b>	<b>46,374</b>	<b>6,585</b>	<b>37,554</b>	<b>39,503</b>	<b>38,831</b>	38,263	115,396	50,262	57,523	77,081	31,092	205,680	575,297
<b>Total Expenses</b>	<b>141,716</b>	<b>298,611</b>	<b>221,779</b>	<b>314,750</b>	<b>139,769</b>	<b>166,145</b>	428,237	267,659	201,223	207,183	225,439	178,149	1,282,770	2,790,659
<b>Net Income (Loss)</b>	<b>(74,690)</b>	<b>(257,002)</b>	<b>(138,970)</b>	<b>(260,396)</b>	<b>(72,110)</b>	<b>(84,811)</b>	(358,141)	(203,932)	(138,040)	1,361,280	336,654	(110,775)	(887,979)	(933)
<b>Inc/(Dec) in Escheat Check Reserve</b>														
<b>Available Cash Balance</b>	<b>4,270,873</b>	<b>4,013,871</b>	<b>3,874,901</b>	<b>3,614,504</b>	<b>3,542,395</b>	<b>3,457,584</b>	3,099,443	2,895,511	2,757,471	4,118,751	4,455,405	4,344,629		
<b>Enrollment count per month</b>	<b>126</b>	<b>123</b>	<b>120</b>	<b>121</b>	<b>121</b>	<b>124</b>	118	117	116	115	114	113	Member Months	Member Months
													735	1,428

Assumptions:

- Project a 2% increase in enrollment at the beginning of 2023. Enrollment trended relatively flat thereafter decreasing at 1 member per month
- Project a 5% premium rate increase for 2023.
- Project a 5% increase in claims trends for both Medical and Pharmacy claims.
- Projecting a \$2.0 million assessment in Fall of 2023.

As of 12/31/2022

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753,017	4.56%
(8,013)	36.89%
(3,380)	23.73%
44	-100.00%
1,041,540	92.02%
23,299	-24.89%
1,806,463	54.43%

1,550,409	30.86%
243,366	-6.93%
(38,008)	5.23%
1,755,767	26.18%

244,750	-4.90%
2,876	-87.44%

1,178	-63.72%
693	0.61%

33,223	5.00%
8,099	-8.44%
15,764	29.71%
160,809	-2.08%

-	#DIV/0!
77,679	3.33%

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47,987	-40.42%
593,058	-2.99%
2,348,826	18.81%
(542,362)	-99.83%