

# Provider Solvency Quarterly Update

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# Risk Bearing Organization (RBO) Reporting

Review of the Quarterly Survey Reports  
December 31, 2019 - December 31, 2020

# Cash-to-Claims Ratio

	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
<.75	1	3	1	1	2
.75-.99	4	10	1	2	3
1.00-1.49	27	28	18	10	18
1.50-1.99	42	43	20	16	27
2.00+	112	108	158	170	153
<b>Total RBOs</b>	<b>186</b>	<b>192</b>	<b>198</b>	<b>199</b>	<b>203</b>

# Relative Working Capital Ratio

	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
<1.00	16	12	8	8	7
1.00-1.99	120	120	100	89	106
2.00-2.99	26	35	51	46	43
3.00-3.99	7	9	14	20	16
4.00+	17	16	25	36	31
<b>Total RBOs</b>	<b>186</b>	<b>192</b>	<b>198</b>	<b>199</b>	<b>203</b>

# TNE-to-Required TNE

	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
<100%	29	22	17	6	7
100%-129.99%	10	8	3	4	9
130%-249.99%	15	21	14	9	26
250%-499.99%	33	30	27	27	28
500%+	99	111	137	153	133
<b>Total RBOs</b>	<b>186</b>	<b>192</b>	<b>198</b>	<b>199</b>	<b>203</b>

# Claims Timeliness

	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
≥ 95%	182	187	195	193	194
< 95%	4	5	3	6	9
<b>Total RBOs</b>	<b>186</b>	<b>192</b>	<b>198</b>	<b>199</b>	<b>203</b>

# Medical Expense Ratio

	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
0%-49%	15	25	38	32	25
50%-69%	38	44	74	70	56
70%-79%	29	31	30	26	37
80%-89%	32	49	26	37	30
90%-100%	25	26	16	18	25
101%+	47	17	14	16	30
Total RBOs	186	192	198	199	203
<b>Average</b>	<b>87%</b>	<b>75%</b>	<b>68%</b>	<b>69%</b>	<b>76%</b>

# Assistance to RBOs

	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Subordinated Loan	5	5	2	3	4
Capital Infusion	14	16	20	25	23
Sponsoring Organization	4	5	4	4	3
<b>Total</b>	<b>23</b>	<b>26</b>	<b>26</b>	<b>32</b>	<b>30</b>
Total RBOs	186	192	198	199	203
% of RBOs	12%	14%	13%	16%	15%



# Review of Survey Reports

- A majority of the RBOs reported sufficient cash sources to pay total claims liability (Cash-to-Claims Ratio).
- In 2020, over 90% of RBOs had sufficient current assets to pay current liabilities (Relative Working Capital).
- A majority of RBOs had higher levels of excess TNE.
- The Medical Expense Ratio shows a decrease in medical expenses during the early quarters of the pandemic.
- There are several RBOs that relied on assistance to maintain compliance with the grading criteria.

# Risk Bearing Organization Summary

	3/31/20	6/30/20	9/30/20	12/31/20
<b>Total RBOs</b>	192	198	199	203
<b>Number of New RBOs</b>	6	6	3	5
<b>Number of Inactive RBOs</b>	0	0	2	1
<b>Number of RBOs on CAP</b>	17	21	19	23

# Inactive RBOs

Inactive Reason	6/30/2020	9/30/2020	12/31/2020
Financial Concerns	39	39	39
No Financial Concerns	52	54	55
Other	20	20	20
<b>Total</b>	<b>111</b>	<b>113</b>	<b>114</b>

# Inactive RBO Enrollment

Enrollment	Financial Concerns	No Financial Concerns	Other	Total
0-5K	18	34	13	65
5k-10K	7	5	2	14
10K-30K	6	7	2	15
30K-70K	5	5	1	11
70K-100K	2	2	2	6
100K+	1	2	0	3
<b>Total RBOs</b>	<b>39</b>	<b>55</b>	<b>20</b>	<b>114</b>

# Enrollment as of December 31, 2020

	3/31/2020	6/30/2020	9/30/2020	12/31/2020
<b>Commercial</b>	2,798,000	2,804,000	2,737,000	2,713,000
<b>Medi-Cal</b>	4,485,000	4,655,000	4,813,000	4,881,000
<b>Medicare</b>	1,062,000	1,092,000	1,077,000	1,097,000
<b>Total</b>	<b>8,345,000</b>	<b>8,551,000</b>	<b>8,627,000</b>	<b>8,691,000</b>

# Status of RBOs

	3/31/20	6/30/20	9/30/20	12/31/20
<b>Compliant</b>	175	177	180	180
<b>Non-Compliant/ CAP</b>	17	21	19	23
<b>Total</b>	192	198	199	203

# Status of RBO Corrective Action Plans

	3/31/20	6/30/20	9/30/20	12/31/20
New	6	4	4	14
Improving	14	21	17	9
Worse	3	2	2	1
Total	23	27	23	24

# RBOs with Medi-Cal Enrollment

	Total Medi-Cal Enrollment	Number of RBOs
<b>No Financial Concerns</b>	3,303,000	69
<b>Monitor Closely</b>	397,000	5
<b>CAP</b>	1,180,000	14
<b>Total</b>	4,880,000	88



# Top 20 RBOs with Greater than 50% Estimated Medi-Cal Enrollment

	Total Medi-Cal Enrollment	Number of RBOs
<b>No Financial Concerns</b>	2,403,000	12
<b>Monitor Closely</b>	328,000	2
<b>CAP</b>	1,037,000	6
<b>Total</b>	3,768,000	20

# Questions?