

ACOM POLICY 302 CYE 14 AND FORWARD, ATTACHMENT A

HEALTH PLAN
PRIOR PERIOD COVERAGE RECONCILIATION - EXAMPLE
FOR CONTRACT YEAR ENDED XX/XX/XX
 As of: xx/xx/xx

PPC	TANF <1	TANF 1-13	TANF 14-44F	TANF 14-44M	TANF 45+	SSI/W	SSI W/O	SOBRA Pregnant Women	AHCCCS Care	TOTAL
PPC Capitation ¹	\$ 315,000.00	\$ 100,000.00	\$ 308,000.00	\$ 80,000.00	\$ 40,000.00	\$ 4,000.00	\$ 15,000.00	\$ 75,000.00	\$ 500,000.00	\$ 1,437,000.00
Less: Premium Tax Component ²	\$ 6,300.00	\$ 2,000.00	\$ 6,160.00	\$ 1,600.00	\$ 800.00	\$ 80.00	\$ 300.00	\$ 1,500.00	\$ 10,000.00	\$ 28,740.00
Less: Administrative Component	\$ 22,866.67	\$ 7,259.26	\$ 22,358.52	\$ 5,807.41	\$ 2,903.70	\$ 290.37	\$ 1,088.89	\$ 5,444.44	\$ 36,296.30	\$ 104,315.56
PPC Net Capitation	\$ 285,833.33	\$ 90,740.74	\$ 279,481.48	\$ 72,592.59	\$ 36,296.30	\$ 3,629.63	\$ 13,611.11	\$ 68,055.56	\$ 453,703.70	\$ 1,303,944.44
Less: PPC Medical Expense ³	\$ 275,000.00	\$ 90,000.00	\$ 280,000.00	\$ 74,000.00	\$ 37,000.00	\$ 4,500.00	\$ 16,000.00	\$ 65,000.00	\$ 200,000.00	\$ 1,041,500.00
Profit/(Loss) to be reconciled	\$ 10,833.33	\$ 740.74	\$ (518.52)	\$ (1,407.41)	\$ (703.70)	\$ (870.37)	\$ (2,388.89)	\$ 3,055.56	\$ 253,703.70	\$ 262,444.44
% of Rev Net of Admin	3.79%	0.82%	-0.19%	-1.94%	-1.94%	-23.98%	-17.55%	4.49%	55.92%	20.13%
Member Months	125	2,200	1,500	700	200	350	600	350	1,000	7,025
PPC Net Capitation	\$ 1,303,944.44									
Total Profit/(Loss) to be reconciled	\$ 262,444.44									
Risk Band Corridor - 2% or (2%)	\$ 26,078.89									
PPC Amount Due To (From) Contractor	\$ (236,365.56)									
Premium Tax	\$ (4,823.79)									
Total PPC Amount Due To (From) Contractor	<u>\$ (241,189.34)</u>									

For all Covered PPC Risk Groups:
Assumptions:
 1) PPC Capitation includes applicable PPC Capitation paid with dates of service in the contract year to be reconciled.
 2) The Contractor is responsible for a premium tax to the Department of Insurance of 2% on all payments received by the Contractor from AHCCCS.
 3) PPC Medical Expenses include applicable adjudicated encounters based on the date of service for the contract year being reconciled.
 4) The enhanced portion of a payment for PCP Parity that is subject to AHCCCS cost settlement will not be included in the reconciliation; the non-enhanced portion of the payment will be included in the reconciliation.