HEALTH NET ACCESS, INC. D/B/A
ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN

Regional Behavioral Health Authority Contract

Contract Year Ended September 30, 2020

(With Independent Accountants’ Report Thereon)
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<td>2–4</td>
</tr>
</tbody>
</table>
Independent Accountants’ Report

The Board of Directors and Stockholder
Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan:

We have examined the Medical Loss Ratio Report – Regional Behavioral Health Authority (subject matter) of Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan (the Company) for the contract year ended September 30, 2020. The Company’s management is responsible for the subject matter in accordance with the Arizona Health Care Cost Containment System (AHCCCS) Financial Reporting Guide (FRG) effective October 1, 2020 (the criteria). Our responsibility is to express an opinion on the subject matter 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 subject matter is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the subject matter. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the subject matter, 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.

In our opinion, the Medical Loss Ratio Report – Regional Behavioral Health Authority of the Company for the contract year ended September 30, 2020 is presented in accordance with the Arizona Health Care Cost Containment System (AHCCCS) Financial Reporting Guide (FRG) effective October 1, 2020, in all material respects.

The purpose of this report is to satisfy requirements of the Arizona Health Care Cost Containment System (AHCCCS) Financial Reporting Guide (FRG). Accordingly, this report is not suitable for any other purpose.

KPMG LLP
St. Louis, Missouri
July 20, 2021
### Table: Reimbursable Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reimbursable Cost</strong></td>
<td><strong>235,636,677</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Adjustments to Deferred</strong></td>
<td>Revenue of APSI reported in line 172. Adjustments to Deferred Revenue affect</td>
<td></td>
</tr>
<tr>
<td><strong>Reimbursable</strong></td>
<td><strong>235,636,677</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Total Reimbursable Costs:**

- **Reimbursable Costs:** 235,636,677
- **Adjustments to Deferred Revenue:**
  - Total: 0
- **Total Reimbursable Costs:** 235,636,677

### Table: Non-Claims Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>31,479,177</strong></td>
<td><strong>Non-Claims Costs</strong></td>
<td></td>
</tr>
<tr>
<td><strong>31,479,177</strong></td>
<td><strong>Non-Claims Costs</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Total Non-Claims Costs:**

- **Non-Claims Costs:** 31,479,177

### Table: Revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>90,727,692</strong></td>
<td><strong>Revenue</strong></td>
<td></td>
</tr>
<tr>
<td><strong>90,727,692</strong></td>
<td><strong>Revenue</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Total Revenue:**

- **Revenue:** 90,727,692

### Table: Reimbursable by Line of Business

<table>
<thead>
<tr>
<th>Line of Business</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACC/ALTCS/RBH</td>
<td><strong>18,659,667</strong></td>
<td></td>
</tr>
<tr>
<td>ACC/ALTCS/RBH</td>
<td><strong>18,659,667</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Total Reimbursable by Line of Business:**

- **ACC/ALTCS/RBH:** 18,659,667

### Table: Non-Claims Costs by Line of Business

<table>
<thead>
<tr>
<th>Line of Business</th>
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<tbody>
<tr>
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<td></td>
</tr>
<tr>
<td>ACC/ALTCS/RBH</td>
<td><strong>18,727,692</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Total Non-Claims Costs by Line of Business:**

- **ACC/ALTCS/RBH:** 18,727,692
### Medical Loss Ratio Report - Regional Behavioral Health Authority

**Office Supplies and Equipment**

- **ALL**
  - **81205-01**
  - **80105-01**

**Improvement of health outcomes**

- **51**
  - **4,637,579**

**Professional and Outside Services**

- **58**
  - **208,747**

**Fines and penalties assessed by regulatory authorities**

- **42**
  - **20,583**

**Health Care Quality Improvement and Other Expenses**

- **81705-01**

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**Methodology(ies) for allocation of expenditures.**

- **42 CFR§438.8(h)**
- **65 CFR§438.8(e)**

**Explanation**

- **42 CFR§438.358(b) and 45 CFR§158.150(b)(2)(v)**
- **42 CFR§438.8(g)**

**Accrued Revenue**

- **75**

**Depreciation**

- **74**

**Repair and Maintenance**

- **81505-01**

**Travel**

- **37**

**Non-Claims Costs (Administrative Expenditures)**

- **57**

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**Expenditures for activities that improve health care quality**

- **81605-01**
  - **1,081,278**

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**Denominator**

- **ALL**

**Numerator**

- **ALL**

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**Credibility Adjustment (If applicable)**

- **281,203**

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**Credibility**

- **ALL**
  - **8,618,777**

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**Professional and Outside Services**

- **0.873308689**

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**Depreciation**

- **0.827486979**

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**Fines and penalties assessed by regulatory authorities**

- **0.876991726**

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**Health information technology expenses related to improving health care quality**

- **81305-01**

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**Travel**

- **82.7%**

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**Depreciation**

- **64,365,336**

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**Professional and Outside Services**

- **26,853**

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**Fines and penalties assessed by regulatory authorities**

- **-**

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**Health information technology expenses related to improving health care quality**

- **259,256**

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**Depreciation**

- **36,738**

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**Professional and Outside Services**

- **27,206**

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**Fines and penalties assessed by regulatory authorities**

- **-**

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**Health information technology expenses related to improving health care quality**

- **28,155**

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**Depreciation**

- **26,853**

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**Professional and Outside Services**

- **27,206**

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**Fines and penalties assessed by regulatory authorities**

- **-**

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**Health information technology expenses related to improving health care quality**

- **28,155**

### Notes

- **[1]** Methodology(ies) for allocation of expenditures. Each MCO must allocate shared expenses to the respective Risk Groups/Populations, if applicable, using a methodology appropriate to the circumstances.
- **[2]** The numerator is calculated as the sum of the expenditures (reported in line 64).
- **[3]** The denominator is calculated as the sum of the expenses (reported in line 57 - 62).
HEALTH NET ACCESS, INC. D/B/A ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN

Medical Loss Ratio Report – Regional Behavioral Health Authority

Paragraph 4.19
AzCH-RBHA
For the Contract Year Ended 09/30/2020

<table>
<thead>
<tr>
<th>GAAP Basis</th>
<th>[1] Incurred Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dec-19</td>
</tr>
<tr>
<td>[3] Total Taxes, Licensing &amp; Regulatory Fees</td>
<td>$(310,768.42)</td>
</tr>
<tr>
<td>[4] Total Incurred Claims</td>
<td>$82,319,481.41</td>
</tr>
<tr>
<td>[5] Total Non-Claims Costs</td>
<td>$8,618,777.01</td>
</tr>
<tr>
<td>[8] MLR Calculated Net Operating Income</td>
<td>$7,295,876.98</td>
</tr>
<tr>
<td>[9] Enter: 99999 Net Profit (Loss)</td>
<td>$312,433.45</td>
</tr>
<tr>
<td>[9] Enter: 40305-01 Investment Income</td>
<td>$-</td>
</tr>
<tr>
<td>[9] Enter: 40310-01 Other Income</td>
<td>$-</td>
</tr>
<tr>
<td>[11] Check Figure Difference</td>
<td>$(336,256.25)</td>
</tr>
<tr>
<td>[12] Difference</td>
<td>$(0.00)</td>
</tr>
</tbody>
</table>

Notes:

1. Annual Adjustments Column: USE FOR ANNUAL REPORT ONLY - Adjustments column should report prior year adjustments and true up any estimates to present on an incurred date of service basis. Any adjustments to be deducted should be entered as a negative number.
2. Auto populates - do not enter anything in these cells. Note: Premium revenue does not include Non-Operating Income such as Investment Income and Other Income.
3. Auto populates - do not enter anything in these cells.
4. Auto populates - do not enter anything in these cells.
5. Auto populates - do not enter anything in these cells.
6. Auto populates - do not enter anything in these cells.
7. Auto populates - do not enter anything in these cells.
8. Auto calculates - do not enter anything in these cells.
9. Enter Net Profit (Loss), Investment Income, Other Income, if any, as presented on Financial Reporting Template (in their natural state).
10. Auto populates - do not enter anything in these cells.
11. Auto calculates - do not enter anything in these cells.
12. If the difference is greater than $1.00 or less than ($1.00), reconcile the difference.

See accompanying independent accountants’ report