



The enclosed information is health plan revenue and expense data filed with one of three state entities: the Division of Insurance, the Division of Medical Assistance, or the Commonwealth Health Insurance Connector.

Glossary of Terms

Net Premium Income: The amount of revenue collected by the insurer for the administration and payment of medical treatment and services.

Total Revenue: The combined amount of premium income and other revenue collected, such as gains from investments.

Hospital/medical benefits: Payments made to hospitals or physicians for the delivery of medical care. This can include treatment and services during a hospital stay, such as nursing care, use of medical or surgical equipment and supplies, pharmaceutical drugs provided during a hospital stay, and room and board. It may also include services outside the hospital, such as laboratory, physical therapy or other rehabilitation services, and doctor visits. It does not include expenses for emergency room care and out-of-area hospitalization as those items are reported separately. This line item also includes payments to the Uncompensated Care Pool/ Health Safety Net Trust Fund.

Other Professional Services: Payments to non-physician providers for activities in direct support of the provision of medical services, such as pharmacists, psychologists, podiatrists, paramedics, ambulance drivers, and other clinical personnel.

Outside Referrals: Payment for services to providers that are not part of the health plan's network of physicians or hospitals.

ER and Out-of-Area: Payments for emergency room care or urgent services provided by physicians or hospitals outside the health plan's service area.

Prescription Drugs: Payments for pharmaceutical drugs and other pharmacy benefits. It does not include prescription drug charges that are provided in the hospital, which are classified as Hospital/Medical Benefits.

Incentive Pool, Withhold Adjustments and Bonus Amounts: Payment adjustments or bonuses made for meeting certain pre-determined measures of patient satisfaction, access and/or quality outcomes.

Claims Adjustment Expenses: Expenses incurred in connection with the recording, adjustment and settlement of claims, as well as expenses associated with disease management or chronic disease management programs.

General Administrative Expenses: Costs associated with the general expenses, such as member and provider communications, and salaries for personnel not related to administration of claims.

Surplus: All carriers must, by law, maintain minimum levels of surplus (reserves) to ensure that medical claims are paid in the event a catastrophic medical event or if a natural or man-made disaster or some other unforeseen event were to occur.

Net Underwriting Gain or Loss: Excess (surplus) or shortfall beyond what the insurer expected to pay out for medical claims, expenses, taxes, and other obligations.

Commercial Membership: The number of individuals who are insured either through a product licenses and approved by the state's Division of Insurance and offered by their employer, purchased directly from the health plan, or enrolled in a Commonwealth Choice product available through the Commonwealth Health Insurance Connector Authority.

Medicare Membership: The number of individuals enrolled in the health plan's product available to people age 65 and older.

Medicaid Membership: The number of individuals enrolled in the health plan's Medicaid product, which is designed to serve low-income individuals.

Commonwealth Care: The number of individuals enrolled in the health plan's product that is fully or partially subsidized by the state and is designed for low and moderate-income Massachusetts residents who do not have health insurance and are not eligible for Medicaid.

Medical Expense Ratio: The percentage of premium dollars spent on medical care.

Administrative Expense Ratio: The percentage of premium dollars spent on claims adjustment and general administrative expenses.

Net Income/Loss Ratio: The percentage of premium dollars remaining after medical and administrative expenses are paid that results in a profit or shortfall.



		<u>Year End 2009</u>	<u>Q1 & Q2 of 2010</u>
Revenues	Net Premium Income	\$1,075,828,891	\$546,904,548
	Total Revenues	\$1,075,828,891	\$546,904,548
Medical Costs	Hospital/medical benefits	\$856,358,623	\$433,935,165
	Other professional services	\$44,952,312	\$23,643,336
	Outside referrals	\$3,381,784	\$1,705,773
	ER and out-of-area	\$2,390,045	\$1,240,562
	Prescription Drugs	\$101,472,598	\$53,909,853
	Incentive pool, withhold adjustments and bonus amounts	\$3,546,881	\$2,419,376
Administrative Costs	Claims adjustment expenses	\$12,936,113	\$6,249,479
	General administrative expenses	\$78,457,455	\$44,612,315
Surplus	Net Underwriting Gain or (loss)	(\$27,666,920)	\$(20,811,311)
Total Membership	Commercial Membership	134,884	124,434
	Medicare Membership	29,994	30,692
	Medicaid Membership	12,182	11,848
	Commonwealth Care	9,175	8,687

	Medical Expense Ratio	Administrative Expense Ratio	Net Income/Loss Ratio
Year End 2009	94.1%	8.5%	-2.6%
Q1 & Q2 of 2010	94.5%	9.3%	-3.8%



Revenues		<u>Year End 2009</u>	<u>Q1 & Q2 of 2010</u>
	Net Premium Income	\$2,077,766,966	\$1,127,077,703
	Total Revenues	\$2,077,766,966	\$1,127,077,703
Medical Costs			
	Hospital/medical benefits	\$1,444,386,446	\$794,342,429
	Other professional services	\$86,791,429	\$49,479,879
	Outside referrals	\$30,323,449	\$13,674,467
	ER and out-of-area	\$42,884,062	\$20,014,949
	Prescription Drugs	\$237,029,496	\$125,856,460
	Incentive pool, withhold adjustments and bonus amounts	\$20,080,661	\$19,982,371
Administrative Costs			
	Claims adjustment expenses	\$99,015,797	\$34,734,073
	General administrative expenses	\$104,766,306	\$75,004,317
			\$24,100,000
Surplus			
	Net Underwriting Gain or (loss)	\$12,926,134	(\$29,480,997)
Total Membership			
	Commercial Membership	379,941	397,317
	Medicare Membership	25,885	28,427
	Medicaid Membership		
	Commonwealth Care		

	Medical Expense Ratio	Administrative Expense Ratio	Net Income/Loss Ratio
Year End 2009	89.6%	9.8%	0.6%
Q1 & Q2 of 2010	90.7%	11.9%	(2.6%)



Revenues		<u>Year End 2009</u>	<u>Q1 & Q2 of 2010</u>
	Net Premium Income	\$307,575,645	\$182,354,231
	Total Revenues	\$309,376,904	\$182,354,231
Medical Costs			
	Hospital/medical benefits	\$177,309,309	\$111,613,698
	Other professional services	\$10,410,868	\$6,813,833
	Outside referrals	\$23,336,896	\$11,016,391
	ER and out-of-area	\$10,597,581	\$6,188,192
	Prescription Drugs	\$44,678,862	\$26,779,596
	Incentive pool, withhold adjustments and bonus amounts	\$2,569,061	\$2,072,865
Administrative Costs			
	Claims adjustment expenses	\$10,093,437	\$5,179,730
	General administrative expenses	\$25,751,246	\$13,253,472
Surplus			
	Net Underwriting Gain or (loss)	\$2,828,385	(\$563,546)
Total Membership			
	Commercial Membership	74,755	77,464
	Medicare Membership	838	3,977
	Medicaid Membership		
	Commonwealth Care		

	Medical Expense Ratio	Administrative Expense Ratio	Net Income/Loss Ratio
Year End 2009	87.4%	11.7%	0.9%
Q1 & Q2 of 2010	90.2%	10.1%	(0.3%)

Neighborhood Health Plan

Revenues		<u>Year End 2009</u>	<u>Q1 & Q2 of 2010</u>
	Net Premium Income	\$923,914,113	\$490,629,407
	Total Revenues	\$923,914,113	\$490,629,407
Medical Costs			
	Hospital/medical benefits	\$706,829,445	\$361,105,105
	Other professional services	\$66,266,930	\$39,118,928
	Outside referrals		
	ER and out-of-area	\$34,136,713	\$16,924,581
	Prescription Drugs	\$88,544,519	\$46,513,413
	Incentive pool, withhold adjustments and bonus amounts		
Administrative Costs			
	Claims adjustment expenses	\$29,541,277	\$14,738,592
	General administrative expenses	\$39,816,511	\$18,344,927
Surplus			
	Increase in reserves for health contracts	\$12,510,282	
	Net Underwriting Gain or (loss)	(\$41,221,282)	\$(6,116,139)
Total Membership			
	Commercial Membership	29,935	36,789
	Medicare Membership		
	Medicaid Membership	139,320	140,212
	Commonwealth Care	32,999	34,575

	Medical Expense Ratio	Administrative Expense Ratio	Net Income/Loss Ratio
Year End 2009	97.0%	7.5%	(-4.5%)
Q1 & Q2 of 2010	94.5%	6.7%	(1.2%)



Health Plan Name: Network Health		<u>Calendar Year End 2009</u>	<u>Q1 & Q2 of 2010</u>
		<u>January 1, 2009-December 31, 2009</u>	
Revenues			
	Net Premium Income	\$730,486,773	\$374,335,765
	Total Revenues	\$732,798,707	\$382,237,513
Medical Costs			
	Hospital/medical benefits	\$238,550,568	\$120,853,082
	Other professional services	\$297,164,035	\$153,296,842
	Outside referrals		
	ER and out-of-area	\$57,444,721	\$25,163,243
	Prescription Drugs	\$103,546,121	\$51,828,419
	Incentive pool, withhold adjustments and bonus amounts		
Administrative Costs			
	Claims adjustment expenses		
	General administrative expenses	\$48,663,477	\$25,260,954
Surplus			
	Net Underwriting Gain or (loss)	(\$12,570,216)	\$5,834,974
Total Membership			
	Commercial Membership		
	Medicare Membership		
	Medicaid Membership	111,528	112,749
	Commonwealth Care	47,982	51,371

	Medical Expense Ratio	Administrative Expense Ratio	Net Income/Loss Ratio
Cal Year End 2009	95.1%	6.6%	-1.7%
Q1 & Q2 of 2010	91.9%	6.6%	1.5%

TUFTS Health Plan

Revenues		<u>Year End 2009</u>	<u>Q1 & Q2 of 2010</u>
	Net Premium Income	\$2,273,000,503	\$1,146,948,190
	Total Revenues	\$2,273,000,503	\$1,146,948,190
Medical Costs			
	Hospital/medical benefits	\$1,673,324,219	\$867,348,068
	Other professional services	\$32,396,184	\$16,769,118
	Outside referrals		
	ER and out-of-area	\$28,779,526	\$15,433,956
	Prescription Drugs	\$260,418,603	\$136,733,164
	Incentive pool, withhold adjustments and bonus amounts	\$57,027,734	\$15,004,177
Administrative Costs			
	Claims adjustment expenses	\$62,730,958	\$30,852,674
	General administrative expenses	\$154,292,208 443	\$76,435,911
Surplus			
	Net Underwriting Gain or (loss)	\$4,031,071	(\$11,628,878)
Total Membership			
	Commercial Membership	281,983	279,390
	Medicare Membership	81,951	82,307
	Medicaid Membership		
	Commonwealth Care		

	Medical Expense Ratio	Administrative Expense Ratio	Net Income/Loss Ratio
Year End 2009	90.3%	9.5%	0.2%
Q1 & Q2 of 2010	91.7%	9.4%	(-1.0%)