

Final
Report on the
Medical Loss Ratio Examination
of
MAMSI Life and Health Insurance Company
(Rockville, Maryland)
for the
2019 MLR Reporting Year

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Consumer Information & Insurance Oversight
200 Independence Avenue SW
Washington, DC 20201



OVERSIGHT GROUP

May 18, 2026

In accordance with Title 45 of the Code of Federal Regulations (CFR), section 158.402, the Center for Consumer Information & Insurance Oversight (CCIIO) has completed an examination of the Medical Loss Ratio (MLR) Annual Reporting Form submitted by MAMSI Life and Health Insurance Company (the Company) for the 2019 reporting year, including 2019, 2018, and 2017 data reported on that form. The Company responded to each Finding and Corrective Action. This final report, which will be made publicly available, incorporates the Company's response and CCIIO's evaluation of the response.

A handwritten signature in blue ink that reads "Christina A. Whitefield".

Christina A. Whitefield, Director
Data and Analytics Division
Oversight Group
Center for Consumer Information & Insurance Oversight
Centers for Medicare & Medicaid Services
U.S. Department of Health & Human Services

Table of Contents

I.	Executive Summary	1
II.	Scope of Examination	1
III.	Summary of Findings.....	2
IV.	Company Overview	4
	A. Description, Territory, and Plan of Operation	4
	B. Management.....	5
	C. Ownership	6
	D. Agreements	6
	E. Reinsurance.....	7
V.	Accounts and Records.....	7
VI.	Examination Results	7
	A. MLR Data	7
	B. Credibility-Adjusted MLR and Rebate Amount Calculation	10
	C. Rebate Disbursement and Notice.....	10
	D. Compliance with Previous Recommendations	10
VII.	Subsequent Events	10
VIII.	Conclusion, Corrective Actions, Company Responses, and CCHIO Replies.....	11

I. Executive Summary

The Center for Consumer Information & Insurance Oversight (CCIIO) has performed an examination of the 2019 Medical Loss Ratio (MLR) Annual Reporting Form for MAMSI Life and Health Insurance Company (the Company) to assess the Company's compliance with the requirements of 45 CFR Part 158. We determined that the Company's 2019 MLR Annual Reporting Form contains some elements that are not compliant with the requirements of 45 CFR Part 158, and that impact consumer rebates.

We direct the Company to implement the necessary corrective actions to address the findings detailed in this report, including: (1) correctly determining the market classification of group policies; (2) ensuring that incurred claims are accurately calculated and reported; (3) ensuring that earned premium is properly reported; (4) implementing policies and procedures to ensure compliance with the requirements of the MLR Annual Reporting Form Filing Instructions; and (5) ensuring proper allocation of taxes and licensing and regulatory fees.

The examination findings resulted in changes to the Company's 2019 MLRs in the small group and large group markets, increasing the Company's rebate liability for the 2019 reporting year by \$4,947 in the Virginia small group market. In addition, the Company's recalculated rebate liability was \$12 less than reported in the Maryland small group market and \$7,054 less than reported in the Virginia large group market.

II. Scope of Examination

CCIIO examined the Company's 2019 MLR Annual Reporting Form to determine compliance with 45 CFR Part 158. Title 45 CFR Part 158 implements section 2718 of the Public Health Service Act (PHS Act). Section 2718 of the PHS Act, as added by the Patient Protection and Affordable Care Act (ACA), generally requires health insurance issuers to submit to the Secretary of the U.S. Department of Health & Human Services (HHS) an annual report concerning premium revenue and expenses related to group and individual health insurance coverage issued. The federal MLR is the proportion of earned premium, less certain taxes and regulatory fees, expended by an issuer on clinical services and activities that improve health care quality in a given state and market, after adjustments for the credibility of the experience or other factors, where applicable, and calculated using the average of three consecutive years of data. Section 2718 also requires an issuer to provide rebates to consumers if it does not meet the applicable MLR standard (generally, 80% in the individual and small group markets and 85% in the large group market).

This is the first examination of the Company's MLR Annual Reporting Form performed by CCIIO. The examination covered the reporting period of January 1, 2017 through December 31, 2019, including 2017, 2018, and 2019 experience and claims run-out through March 31, 2020. We conducted the examination in accordance with the CCIIO Medical Loss Ratio Examination Handbook (the Handbook). The Handbook sets forth the guidelines and procedures for planning and performing an examination to evaluate the validity and accuracy of the data elements and calculated amounts reported on the MLR Annual Reporting Form, and the accuracy and

timeliness of any rebate payments. The examination included assessing the principles used and significant estimates made by the Company, evaluating the reasonableness of expense allocations, and determining compliance with relevant statutory accounting standards, MLR regulations and guidance, and the MLR Annual Reporting Form Filing Instructions.

The Company’s response to each finding appears after the finding in the Conclusion, Corrective Actions, Company Responses, and CCIIO Replies section of this Report. The Company’s implementation of the corrective actions was not reviewed for proof of implementation or subjected to the procedures applied during the examination. CCIIO’s replies are based solely on a review of the Company’s response. CCIIO reserves the right to review the actual implementation of the Company’s corrective action and proposed action plan for each corrective action in future MLR Annual Reporting Forms, examinations, or as otherwise may be appropriate.

III. Summary of Findings

Page	Key Findings
7	Failure to assign the correct market classification in accordance with the definitions in §158.103 – The Company incorrectly classified one small group market policy of the sample tested as a large group market policy in Virginia during the 2019 MLR Reporting Year. As a result, current year incurred claims of \$2,824 and earned premium of \$10,751 were reclassified from the large group market to the small group market.
8	Failure to properly report and aggregate the experience of policies issued, as required by §158.120 - The Company improperly included in paid claims on its 2017, 2018, and 2019 Maryland and Virginia MLR Annual Reporting Forms, claims payments and adjustments made for enrollees who were not covered by policies issued by the Company. As a result, the Company overstated its three-year aggregate incurred claims on its 2019 MLR Annual Reporting Form by \$15,471 in the small group market, and understated incurred claims by \$12,693 in the large group market.
8	Failure to accurately report incurred claims, as required by §158.140 – The Company improperly included in paid claims on its 2017, 2018, and 2019 MLR Annual Reporting Forms, adjustments for payments to third-party vendors for services that were not covered by any policy subject to MLR reporting. As a result, the Company understated its three-year aggregate incurred claims on its 2019 MLR Annual Reporting Form by \$10,905 in the Maryland small group market, and had a net overstatement of incurred claims of \$135,496 in the Maryland large group market.
9	Failure to submit an MLR Annual Reporting Form in the manner prescribed by the Secretary, as required by §158.110 – The Company improperly reported premium written-off on Part 2, Line 1.1, rather than on

	Part 2, Line 1.7, on its 2019 MLR Annual Reporting Form. This error did not impact the Company’s MLR calculations. The Company improperly reported risk adjustment user fees on Part 1, Line 3.1d, rather than on Part 1, Line 3.3b, on its 2017, 2018, and 2019 MLR Annual Reporting Forms. This error did not impact the Company’s MLR calculations.
9	Failure to properly allocate taxes and licensing and regulatory fees, as required by §158.170 - The Company improperly allocated its risk adjustment user fees to the large group market on its 2017, 2018, and 2019 MLR Annual Reporting Forms. Because the large group market is not subject to the risk adjustment program, the user fees should not have been allocated to this market. As a result of this error, the Company overstated its three-year aggregate taxes and licensing and regulatory fees on Part 3, Line 2.1, on its 2019 MLR Annual Reporting Form by \$6,933 in the Maryland large group market, and understated its taxes and licensing and regulatory fees by the same amount in the Maryland small group market.

These findings resulted in changes to the Company’s reported MLRs in the small group and large group markets. The recalculated MLR in the Virginia small group market continued to be below the MLR standard of 80%, resulting in an additional rebate liability of \$4,947. In addition, the Company’s recalculated rebate liability was \$12 less than reported in the Maryland small group market and \$7,054 less than reported in the Virginia large group market.

The three-year adjusted, aggregated numerator and denominator, along with the resulting credibility-adjusted MLRs and rebates for 2019, are shown in the following tables. The differences between the amounts in the “As Filed” and “As Recalculated” rows reflect the net impact of the adjustments made to properly restate incurred claims, earned premium, and risk adjustment user fees.

Recalculated MLRs¹ and Rebates for the Small Group and Large Group Markets for the 2019 Reporting Year

District of Columbia

	Small Group Market*			
	Numerator	Denominator	MLR	Rebate
As Filed	\$4,976	(\$144,074)	80.0%	\$0
As Recalculated	\$4,976	(\$144,074)	80.0%	\$0
Difference	\$0	\$0	0.0%	\$0

	Large Group Market*			
	Numerator	Denominator	MLR	Rebate
As Filed	\$20,568	\$178,701	85.0%	\$0
As Recalculated	\$20,581	\$178,701	85.0%	\$0

¹ The MLRs shown may not equal the quotient of the numerator divided by the denominator due to the inclusion of a credibility adjustment, in accordance with §158.230.

	Numerator	Denominator	MLR	Rebate
Difference	\$13	\$0	0.0%	\$0

Maryland

Small Group Market				
	Numerator	Denominator	MLR	Rebate
As Filed	\$226,255,148	\$286,910,809	79.6%	\$412,900
As Recalculated	\$226,250,777	\$286,903,876	79.6%	\$412,888
Difference	(\$4,371)	(\$6,933)	0.0%	(\$12)

Large Group Market				
	Numerator	Denominator	MLR	Rebate
As Filed	\$11,039,561	\$13,356,749	86.8%	\$0
As Recalculated	\$10,907,543	\$13,363,682	85.8%	\$0
Difference	(\$132,018)	\$6,933	(1.0%)	\$0

Virginia

Small Group Market				
	Numerator	Denominator	MLR	Rebate
As Filed	\$448,205	\$1,192,456	37.6%	\$160,312
As Recalculated	\$450,834	\$1,203,207	37.5%	\$165,259
Difference	\$2,629	\$10,751	(0.1%)	\$4,947

Large Group Market				
	Numerator	Denominator	MLR	Rebate
As Filed	\$621,300	\$1,247,010	54.2%	\$118,581
As Recalculated	\$627,678	\$1,236,259	55.2%	\$111,528
Difference	\$6,378	(\$10,751)	1.0%	(\$7,054)

* Markets with fewer than 1,000 aggregated life-years are considered non-credible, and presumed to meet the applicable MLR standard, in accordance with §158.230(d). Therefore, the MLRs for these markets did not change as a result of the examination.

IV. Company Overview

A. Description, Territory, and Plan of Operation

The Company is a for-profit health insurance issuer domiciled in Maryland. The Company sells group health insurance policies in the District of Columbia, Maryland, and Virginia.

During the 2017, 2018, and 2019 MLR reporting years, the Company operated in the small group and large group markets that were subject to the MLR reporting requirements of 45 CFR Part 158. As of December 31, 2019, the Company reported a total of 24,780 covered lives and \$117,096,369 in direct earned premium for policies subject to the MLR reporting and rebate requirements under 45 CFR Part 158, and a total of 27,800 covered lives and \$150,510,472 in

direct earned premium from all health lines of business. The Company's only line of business not subject to the MLR regulations at 45 CFR Part 158 is Medicare Advantage policies.

B. Management

The corporate officers and board of directors of the Company as of December 31, 2019 were:

Officers

<u>Name</u>	<u>Title</u>
Joseph A. Ochipinti	President, Chief Executive Officer, Chair
Karen A. Cuddy	Chief Financial Officer
John J. Matthews	Secretary
Peter M. Gill	Treasurer

Directors

<u>Name</u>
Timothy C. Archer
Craig Condon
Karen A. Cuddy
Lori A. Golden
Roy Joydip
Joseph A. Ochipinti
Thomas P. O'Connor
Natalie M. Williamson
Elizabeth C. Winsor

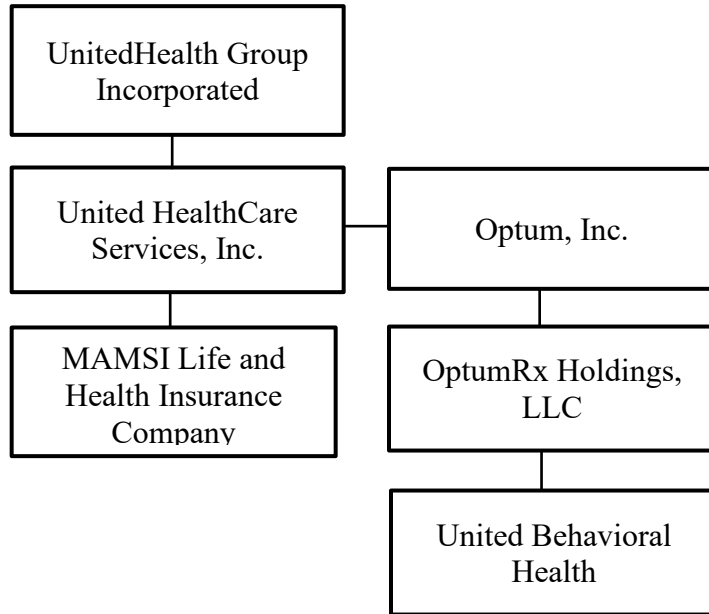
Company management and corporate-level personnel responsible for the preparation, submission, and attestation of the 2019 MLR Annual Reporting Form were:

<u>Name</u>	<u>Title</u>
Joseph A. Ochipinti	CEO Attester
Karen A. Cuddy	CFO Attester

C. Ownership

The Company is a member of an insurance holding group system.

MAMSI Life and Health Insurance Company Organizational Chart as of December 31, 2019²



D. Agreements

As of December 31, 2019, the Company had entered into the following intercompany agreements that are pertinent to a review of its MLR Annual Reporting Form:

1. Behavioral Health Services Agreement with United Behavioral Health.
2. Management Services Agreement with United HealthCare Services, Inc., its immediate parent company.
3. Health Supplies Agreement with United HealthCare Services, Inc. and OptumRx.
4. Prescription Drug Benefit Administration Agreement with United HealthCare Services, Inc. and OptumRx.
5. Facility Participation Agreement with OptumRx.
6. Tax Sharing Agreement with UnitedHealth Group Incorporated and various affiliated companies.

² This is an excerpt from the organization chart provided by the Company and includes only those entities whose relationship to the Company impacted the MLR examination.

E. Reinsurance

During 2017, 2018, and 2019, the Company did not have any reinsurance agreements in effect that impacted the MLR reporting of its health insurance policies subject to the regulations at 45 CFR Part 158.

V. Accounts and Records

The Company's main administrative and financial reporting office is located at 800 King Farm Boulevard, Rockville, Maryland 20850. The Company provided adequate access to its accounts and records, including computer and other electronic systems, as required by §158.501.

VI. Examination Results

Except as noted in this report, based on the procedures performed, nothing came to our attention that would indicate that the Company's 2017, 2018, and 2019 MLR Annual Reporting Forms were not filed on the form and in the manner prescribed by the Secretary. The Company's 2017, 2018, and 2019 MLR Annual Reporting Forms were filed by the due date.

The Company reported that it met the applicable MLR standard in 2019 in the District of Columbia small group and large group markets, as well as in the Maryland large group market. Therefore, the Company reported that it was not required to pay rebates to its enrollees in these states and markets. The Company reported that it did not meet the applicable MLR standards in the Maryland small group market, and in the Virginia small group and large group markets, in 2019 and paid rebates of \$691,793 in these states and markets.

Based on the errors found during the examination, the Company's MLRs for the 2019 reporting year were recalculated and resulted in an additional rebate liability of \$4,947 in the Virginia small group market.

A. MLR Data

Market Classification

Incorrect Reporting of Market Classification

The Company did not consistently assign policies to the correct market classification based on the group size information that was available to the Company. Based on testing of the market classification of the Company's policies for the 2019 MLR reporting year, one policy in the sample of 25 policies tested was incorrectly classified as a large group market policy when, based on the Company's group-size determinations, the policy should have been reported in the small group market. As a result, current year incurred claims of \$2,824 and earned premium of \$10,751 were reclassified from the large group market to the small group market.

Aggregation

Improper Inclusion of Claims for Policies Not Issued by the Company

The Company improperly included in paid claims on Part 2, Line 2.1b, on its 2017, 2018, and 2019 MLR Annual Reporting Forms, claims payments and adjustments made for enrollees who were not covered by policies issued by the Company, but who were covered by an affiliated issuer. According to the Company, the error was due to the failure of its two tagging control systems that verify the classification of premium revenue and claims between the legal entities. According to §158.120(a), an issuer must submit to the Secretary a report including premium revenue and expenses related to the group and individual health insurance coverage that was issued by the issuer. As a result, the Company overstated its three-year aggregate incurred claims on Part 3, Line 1.2, on its 2019 MLR Annual Reporting Form by \$15,471 in the small group market, and understated incurred claims by \$12,693 in the large group market.

Based upon the procedures performed, other than the reporting errors noted above, nothing additional came to our attention that would indicate that the samples of policies, claims, and other aggregation-related reporting elements tested during the examination were not correctly assigned to the appropriate states, markets, and lines of business in accordance with §158.120.

Incurred Claims

Improper Reporting of Paid Claims

The Company improperly included in paid claims on Part 2, Line 2.1b, on its 2017, 2018, and 2019 MLR Annual Reporting Forms, various adjustments for payments that were not compensation for services covered by a policy. For example, the Company included adjustments for capitation payments made to third-party vendors for personal counseling services, financial coaching, legal consultation, and assistance with eldercare and childcare that were covered under an Employee Assistance Program (EAP) offered by some employer policyholders. According to the Company, the EAP was a benefit offered to its policyholders' enrollees that was embedded in its health insurance policies issued in Maryland. However, the Company was unable to provide adequate documentation to support that the EAP or any other of the adjustments, some of which were negative amounts, were for a covered benefit under its health insurance policies in Maryland. According to §158.140(b)(3)(iii), amounts paid to a provider for professional or administrative services that do not represent compensation or reimbursement for covered services provided to an enrollee must not be included in incurred claims. As a result, the Company understated its three-year aggregate incurred claims on Part 3, Line 1.2, on its 2019 MLR Annual Reporting Form by \$10,905 in the Maryland small group market, and had a net overstatement of incurred claims of \$135,496 in the Maryland large group market.

Based upon the procedures performed, which include validating a sample of incurred claims (as defined by §158.140), other than the reporting errors noted above, nothing additional came to our attention that would indicate that the Company did not accurately report incurred claims.

Claims Recovered Through Fraud Reduction Efforts

Based upon the procedures performed, no errors were noted in how the Company reported recoveries of paid fraudulent claims, which §158.140(b)(2)(iv) allows as an adjustment to incurred claims up to the amount of fraud reduction expenses.

Quality Improvement Activities

Based upon the procedures performed, nothing came to our attention that would indicate that QIA expenses were not accurately reported and reasonably allocated among the Company's states and markets, as required by §158.170.

Earned Premium

Improper Reporting of Earned Premiums

The Company improperly reported premium written off on Part 2, Line 1.1, on its 2019 MLR Annual Reporting Form. According to the MLR Annual Reporting Form Filing Instructions, premium balances that are determined to be uncollectible and written off should be reported on Part 2, Line 1.7. This error did not impact the Company's MLR calculations as total earned premium reported on Part 3, Line 2.1, was accurate.

Based upon the procedures performed, other than the reporting error noted above, nothing additional came to our attention that would indicate that earned premium was not properly reported on a direct basis or that the data elements underlying the 2017, 2018, and 2019 premium reported on the Company's 2019 MLR Annual Reporting Form were not compliant with §158.130.

Taxes

Improper Reporting of Risk Adjustment User Fee

The Company improperly allocated its risk adjustment user fees to the large group market on its 2017, 2018, and 2019 MLR Annual Reporting Forms. According to §158.170(b)(1), expense allocation(s) must be based on generally accepted accounting methods that are expected to yield the most accurate results. Because the large group market is not subject to the risk adjustment program, the user fees should not have been allocated to this market. As a result of this error, the Company overstated its three-year aggregate taxes and licensing and regulatory fees on Part 3, Line 2.1, on its 2019 MLR Annual Reporting Form by \$6,933 in the Maryland large group market, and understated its taxes and licensing and regulatory fees by the same amount in the Maryland small group market.

In addition, the Company improperly reported risk adjustment user fees on Part 1, Line 3.1d, rather than on Part 1, Line 3.3b, on its 2017, 2018, and 2019 MLR Annual Reporting Forms. According to the 2019 MLR Annual Reporting Form Filing Instructions, risk adjustment user fees should be reported on Part 1, Line 3.3b. This error did not impact the Company's MLR calculations.

Based upon the procedures performed, other than the reporting errors noted above, nothing additional came to our attention that would indicate that the taxes and licensing and regulatory fees excluded from 2017, 2018, and 2019 earned premium on the Company's 2019 MLR Annual Reporting Form did not comply with §158.161 and §158.162, and were not accurately reported and reasonably allocated among the Company's states and markets, as required by §158.170.

Federal Risk Adjustment Program

Based upon the procedures performed, nothing came to our attention that would indicate that the Company did not properly report the expected transfer amounts under the federal risk adjustment program for the 2019 benefit year, in compliance with §158.140(b)(4)(ii).

B. Credibility-Adjusted MLR and Rebate Amount Calculation

Based upon the procedures performed, the Company correctly applied the credibility adjustment, in accordance with §§158.230-232, when it calculated and reported its MLRs. The Company's credibility-adjusted MLRs were calculated using the correct formula, in accordance with 45 CFR Part 158 and the applicable MLR Annual Reporting Form Filing Instructions.

The Company reported that it did not meet the applicable MLR standard in 2019 in the small group market in Maryland and Virginia, and in the large group market in California. . The Company used the correct procedures to calculate total rebates of \$573,212 in the small group market and \$118,581 in the large group market in those states. As detailed in this report, the examination identified errors in the data underlying the Company's MLRs and rebate calculations, resulting in changes to the Company's 2019 MLRs and rebate amounts.

C. Rebate Disbursement and Notice

According to its 2019 MLR Annual Reporting Form, the Company reported that it owed rebates in the small group and large group markets. Based on the procedures performed, the Company timely issued rebates in accordance with §§158.240-244, and Rebate Notices in accordance with §158.250.

D. Compliance with Previous Recommendations

The Company indicated that neither CCIIO nor any state regulatory entity has previously performed an examination of the Company's MLR processes and reporting. The Maryland Insurance Administration performed a financial examination of the Company in 2018 covering the period January 1, 2012 through December 31, 2016. There were no findings as a result of the financial examination.

VII. Subsequent Events

The Company is required to inform CCIIO of any subsequent events that may affect the currently attested 2019 MLR Annual Reporting Form. No post-December 31, 2019 events were brought to CCIIO's attention.

VIII. Conclusion, Corrective Actions, Company Responses, and CCIIO Replies

CCIIO examined MAMSI Life and Health Insurance Company's 2019 MLR Annual Reporting Form to assess the Company's compliance with the requirements of 45 CFR Part 158. The examination involved determining the validity and accuracy of the data elements and calculated amounts reported on the 2019 MLR Annual Reporting Form, and the accuracy and timeliness of any rebate payments. As detailed above, the Company's 2019 MLR Annual Reporting Form contained some elements that were not compliant with the requirements of 45 CFR Part 158. Based on the adjustments made as a result of the examination findings, the Company owes additional rebates of \$4,947 in the Virginia small group market.

As a result of this examination, consistent with § 158.402(e), CCIIO directs the Company to implement the following corrective actions:

Corrective Action #1

The Company must adopt and implement procedures to ensure that it obtains and maintains accurate information from its employer groups in order to determine the correct group size and market classification of its group policies under the applicable employee counting method, in accordance with the requirements of §158.103.

Company Response

The Company has implemented procedures to ensure it obtains and maintains accurate information from its employer groups to determine the correct size and market classification.

CCIIO Reply

CCIIO accepts the Company's response and the corrective action plan.

Corrective Action #2

The Company must adopt and implement procedures to ensure that it properly aggregates its claims experience on the MLR Annual Reporting Form, with respect to the policy contracts it issues, in accordance with §158.120(a), including ensuring that the claims experience for the policies issued by a different legal entity are not included in its incurred claims.

Company Response

The Company has implemented monthly and quarterly review processes to validate the alignment of incurred claims to earned premium revenue by policy contract and issuing legal entity. These processes and related Model Audit Rule (MAR) control are incorporated into the Company's MLR data preparation and validation process to prevent recurrence.

CCIIO Reply

CCIIO accepts the Company's response and the corrective action plan.

Corrective Action #3

The Company must adopt and implement procedures to ensure the accurate reporting of incurred claims in accordance with §158.140 and the MLR Annual Reporting Form Filing Instructions, including ensuring that the amounts paid to a third party vendor for professional or administrative services that are not compensation or reimbursement for covered services under the policy and that are provided to an enrollee are not included in incurred claims.

Company Response

The Company has implemented procedures, including a defined internal reclassification process, to ensure accurate reporting of incurred claims as part of the Company's MLR data preparation and validation process.

CCIIO Reply

CCIIO accepts the Company's response and the corrective action plan.

Corrective Action #4

The Company must adopt and implement procedures to ensure it completes the MLR Annual Reporting Form in accordance with §158.110 and the applicable MLR Annual Reporting Filing Instructions, including properly reporting premium written-off and risk adjustment user fees.

Company Response

The Company has implemented procedures to ensure that premium written-off and risk adjustment user fees are properly reported. The procedure updates correct the reporting of premium written-off and risk adjustment user fees and are incorporated into the standard MLR data preparation and validation process to prevent recurrence.

CCIIO Reply

CCIIO accepts the Company's response and the corrective action plan.

Corrective Action #5

The Company must adopt and implement procedures to ensure it allocates its expenses in accordance with §158.170 and the MLR Annual Reporting Form Filing Instructions, including ensuring that risk adjustment user fees are allocated to the appropriate market(s).

Company Response

The Company has implemented procedures to ensure that expenses, including risk adjustment user fees, are properly reported. The procedure updates correct the reporting of risk adjustment user fees and are incorporated into the standard MLR data preparation and validation process to prevent recurrence.

CCIIO Reply

CCIIO accepts the Company's response and the corrective action plan.

Corrective Action #6

The Company must re-file its 2019 MLR Annual Reporting Form to rectify the errors and findings stated herein, adjusting both the current year (CY) and prior year (PY) columns as applicable, including calculating any additional rebates due to its enrollees. Any underpaid rebates calculated by the Company as a result of the findings herein should be paid as soon as possible, but in no event later than sixty (60) days from the date of the Company's receipt of the Final MLR Examination Report.

Company Response

The Company will correct and refile its 2019 MLR Annual Reporting Forms and will issue any underpaid rebates as instructed in this report.

CCIIO Reply

CCIIO accepts the Company's response and the corrective action plan.

Corrective actions #1 through #5, as provided in this report, should be shared with and adopted by, as applicable, any affiliated entities of the Company, such as its parent or subsidiaries, if any, that are similarly subject to the MLR reporting and rebate requirements of 45 CFR Part 158.

CCIIO thanks the Company and its staff for its cooperation with this examination.