

**Washington State Health Insurance Pool
Year-to-Year Comparisons**

	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Projected	2024 Budget	2020/2019 Actual Change	2021/2020 Actual Change	2022/2021 Actual Change	2023/2022 Estimated Change
Administrative Costs (Dollars)										
Member Months (1)	16,856	15,816	14,369	11,211	8,878	7,528	-9.15%	-21.98%	-32.85%	-15.21%
PMPM Administrative Expense (2)	\$967,192	\$918,134	\$863,681	\$646,771	\$770,645	\$739,327	-5.07%	-5.93%	-25.11%	19.15%
Variable Administrative Expense (3)	95,692	88,597	96,231	98,369	88,206	83,100	-7.41%	8.62%	2.22%	-10.33%
Salary and Benefits Expense (4)	384,509	378,561	403,417	412,829	426,320	437,690	-1.55%	6.57%	2.33%	3.27%
RX Benefit Management Fees	13,105	11,676	12,289	11,847	9,944	7,701	-10.90%	5.25%	-3.60%	-16.06%
Miscellaneous Expense (5)	118,431	104,063	104,462	118,564	86,549	67,375	-12.13%	0.38%	13.50%	-27.00%
Professional Fees (6)	192,020	260,863	139,306	142,086	245,990	206,500	35.85%	-46.60%	2.00%	73.13%
Total Administrative Costs (Dollars)	\$1,770,949	\$1,761,894	\$1,619,386	\$1,430,465	\$1,627,655	\$1,541,693	-8.09%	-11.67%	13.78%	-6.83%

Administrative Costs (% of Expenses) **5.6%** **4.9%** **6.3%** **6.5%** **9.1%** **9.7%**

	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Projected	2024 Budget	2020/2019 Actual Change	2021/2020 Actual Change	2022/2021 Estimated Change	2023/2022 Estimated Change
Administrative Costs (PMPM)										
Member Months (1)	16,856	15,816	14,369	11,211	8,878	7,528	-6.17%	-9.15%	-21.98%	-20.81%
PMPM Administrative Expense (2)	\$57.38	\$58.05	\$60.11	\$57.69	\$86.80	\$98.21	1.17%	3.54%	-4.02%	50.46%
Variable Administrative Expense (3)	5.68	5.60	6.70	8.77	9.94	11.04	-1.33%	19.55%	31.02%	13.23%
Salary and Benefits Expense (4)	22.81	23.94	28.08	36.82	48.02	58.14	4.93%	17.30%	31.16%	30.41%
RX Benefit Management Fees	0.78	0.74	0.86	1.06	1.12	1.02	-5.05%	15.85%	23.56%	6.00%
Miscellaneous Expense (5)	7.03	6.58	7.27	10.58	9.75	8.95	-6.35%	10.49%	45.47%	-7.82%
Professional Fees (6)	11.39	16.49	9.69	12.67	27.71	27.43	44.79%	-41.22%	30.73%	118.62%
Total Administrative Costs (PMPM)	\$105.06	\$111.40	\$112.70	\$127.59	\$183.34	\$204.79	1.17%	13.22%	43.69%	9.88%

Notes:

- (1) Assumes Non-Medicare enrollment decreases by 1 enrollee per month. Assumes Medicare enrollment decreases by 3 enrollees per month.
- (2) PMPM Administrative Expense includes the combined expenses for Third Party Administration services (including finance and accounting), Provider Network services, and Utilization Management services.
- (3) Variable Administrative Expense includes Case Management & Care Coaching, and miscellaneous administrative expenses such as special mailings.
- (4) Salary and Benefits Expense includes the combined expenses for the Executive Director and staff positions.
- (5) Miscellaneous Expense:
 - \$38,375 for insurance (D&O, E&O, general liability)
 - \$15,000 for Board meetings and travel
 - \$14,000 for other miscellaneous expenses
- (6) Professional Fees:
 - \$116,500 for actuarial services (IBNR, rates, projections, PMPM calculations, special projects)
 - \$45,000 for consulting services (including IRO)
 - \$20,000 for legal services
 - \$25,000 for auditing services

*Updated as of 11/2/2023