

ANNUAL STATEMENT

for the

HMO-Line of Business

for

Maine Community Health Options

of

Lewiston

in the State of

Maine

to the

Bureau of Insurance

of the State of

Maine

**For the Year Ended
December 31, 2020**

2020



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2020
OF THE CONDITION AND AFFAIRS OF THE

Maine Community Health Options

NAIC Group Code 0000 0000 NAIC Company Code 15077 Employer's ID Number 45-3416923
(Current) (Prior)

Organized under the Laws of Maine, State of Domicile or Port of Entry ME

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health

Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized 09/26/2011 Commenced Business 01/01/2014

Statutory Home Office 150 Mill Street, Suite 3, Lewiston, ME, US 04240
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 150 Mill Street, Suite 3
(Street and Number)
Lewiston, ME, US 04240, (Area Code) (Telephone Number)
(City or Town, State, Country and Zip Code)

Mail Address PO Box 1121, Lewiston, ME, US 04243-1121
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 150 Mill Street, Suite 3
(Street and Number)
Lewiston, ME, US 04240, (Area Code) (Telephone Number)
(City or Town, State, Country and Zip Code)

Internet Website Address www.healthoptions.org

Statutory Statement Contact Joanne Lauterbach, 207-330-2390
(Name) (Area Code) (Telephone Number)
jlauterbach@healthoptions.org, 207-402-3318
(E-mail Address) (FAX Number)

OFFICERS

Chief Executive Officer Kevin Lewis Chief Information Officer William Kilbreth
Chief Operating Officer Robert J Hillman Chief Financial Officer Joanne Lauterbach #

OTHER

Margaret Kelley, Chief Clinical Officer

DIRECTORS OR TRUSTEES

<u>Rebecca Conrad #</u>	<u>Fred Craigie Dr.</u>	<u>Judiann Ferretti Smith</u>
<u>Sarah Hines</u>	<u>Holly Korda</u>	<u>Asher Kramer #</u>
<u>Robert Lorenzo</u>	<u>Heidi Lukas</u>	<u>Rocell Marcellino</u>
<u>Jeff Norris</u>	<u>Sharon Reishus</u>	<u>David Shipman</u>
<u>David Shultz</u>	<u>Mitchell Stein</u>	<u>Lisa Tapert</u>
<u>Ronnie Weston</u>	<u>Douglas Wilson</u>	

State of Maine SS:
County of Androscoggin

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Kevin Lewis
Chief Executive Officer

Joanne Lauterbach
Chief Financial Officer

Robert Hillman
Chief Operating Officer

Subscribed and sworn to before me this _____ day of _____

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached.....

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	91,687	163,879
2. Net premium income (including \$ non-health premium income)	XXX	55,151,908	92,186,361
3. Change in unearned premium reserves and reserve for rate credits	XXX	0	
4. Fee-for-service (net of \$ medical expenses)	XXX	0	
5. Risk revenue	XXX	0	
6. Aggregate write-ins for other health care related revenues	XXX	90,065	104,266
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	55,241,973	92,290,627
Hospital and Medical:			
9. Hospital/medical benefits		34,408,757	40,326,235
10. Other professional services		1,525,056	2,751,934
11. Outside referrals		0	7,528
12. Emergency room and out-of-area		9,470,209	12,425,598
13. Prescription drugs		5,894,827	9,735,662
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		192,549	52,965
16. Subtotal (Lines 9 to 15)	0	51,491,398	65,299,922
Less:			
17. Net reinsurance recoveries		13,725,356	19,269,983
18. Total hospital and medical (Lines 16 minus 17)	0	37,766,042	46,029,939
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 2,645,763 cost containment expenses		3,860,023	6,048,547
21. General administrative expenses		11,756,763	14,049,133
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		(1,872,389)	2,202,210
23. Total underwriting deductions (Lines 18 through 22)	0	51,510,439	68,329,829
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	3,731,534	23,960,798
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		419,724	1,145,425
26. Net realized capital gains (losses) less capital gains tax of \$		8,126	
27. Net investment gains (losses) (Lines 25 plus 26)	0	427,850	1,145,425
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$ 317,744)]		(317,744)	(708,047)
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	3,841,640	24,398,176
31. Federal and foreign income taxes incurred	XXX		
32. Net income (loss) (Lines 30 minus 31)	XXX	3,841,640	24,398,176
DETAILS OF WRITE-INS			
0601. User Fee Revenue – Contraceptive Claims	XXX	90,065	104,266
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	90,065	104,266
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Maine Community Health Option
ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	55,151,908	55,151,908								
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	90,065	0	0	0	0	0	0	0	90,065	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	55,241,973	55,151,908	0	0	0	0	0	0	90,065	0
8. Hospital/medical benefits	34,408,757	34,408,757								XXX
9. Other professional services	1,525,056	1,525,056								XXX
10. Outside referrals	0	0								XXX
11. Emergency room and out-of-area	9,470,209	9,470,209								XXX
12. Prescription drugs	5,894,827	5,894,827								XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	192,549	192,549								XXX
15. Subtotal (Lines 8 to 14)	51,491,398	51,491,398	0	0	0	0	0	0	0	XXX
16. Net reinsurance recoveries	13,725,356	13,725,356								XXX
17. Total medical and hospital (Lines 15 minus 16)	37,766,042	37,766,042	0	0	0	0	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 2,645,763 cost containment expenses	3,860,023	3,860,023								
20. General administrative expenses	11,756,763	11,756,763								
21. Increase in reserves for accident and health contracts	(1,872,389)	(1,872,389)								XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	51,510,439	51,510,439	0	0	0	0	0	0	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	3,731,534	3,641,469	0	0	0	0	0	0	90,065	0
DETAILS OF WRITE-INS										
0501. User Fee Revenue - Contraceptive Claims	90,065								90,065	XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	90,065	0	0	0	0	0	0	0	90,065	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	61,871,867		6,719,959	55,151,908
2. Medicare Supplement				0
3. Dental only				0
4. Vision only				0
5. Federal Employees Health Benefits Plan	0			0
6. Title XVIII - Medicare	0			0
7. Title XIX - Medicaid	0			0
8. Other health				0
9. Health subtotal (Lines 1 through 8)	61,871,867	0	6,719,959	55,151,908
10. Life	0			0
11. Property/casualty	0			0
12. Totals (Lines 9 to 11)	61,871,867	0	6,719,959	55,151,908

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	12,189	8,049	7,693	7,374	6,586	91,687
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service						
5. Indemnity Only						
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	12,189	8,049	7,693	7,374	6,586	91,687
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0



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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

Maine Community Health Options

2. Lewiston, ME

NAIC Group Code	0000	BUSINESS IN THE STATE OF		DURING THE YEAR							(LOCATION)	
		Maine		2020							NAIC Company Code	
		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other		
Total Members at end of:												
1. Prior Year	12,189	12,189										
2. First Quarter	8,049	8,049										
3. Second Quarter	7,693	7,693										
4. Third Quarter	7,374	7,374										
5. Current Year	6,586	6,586										
6. Current Year Member Months	91,687	91,687										
Total Member Ambulatory Encounters for Year:												
7. Physician	31,841	31,841										
8. Non-Physician	15,243	15,243										
9. Total	47,084	47,084	0	0	0	0	0	0	0	0		
10. Hospital Patient Days Incurred	1,726	1,726										
11. Number of Inpatient Admissions	321	321										
12. Health Premiums Written (b)	61,871,867	61,871,867										
13. Life Premiums Direct	0											
14. Property/Casualty Premiums Written	0											
15. Health Premiums Earned	61,871,867	61,871,867										
16. Property/Casualty Premiums Earned	0											
17. Amount Paid for Provision of Health Care Services	49,698,338	49,698,338										
18. Amount Incurred for Provision of Health Care Services	51,491,398	51,491,398										

(a) For health business: number of persons insured under PPO managed care products and number of persons insured under indemnity only products

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$

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ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Maine Community Health Option

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

Maine Community Health Options

2. Lewiston, ME

NAIC Group Code	0000	BUSINESS IN THE STATE OF	(LOCATION)										
			Grand Total			DURING THE YEAR				2020		NAIC Company Code	15077
			1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	
Total	2	3	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other				
Total Members at end of:													
1. Prior Year	12,189	12,189	0	0	0	0	0	0	0	0			
2. First Quarter	8,049	8,049	0	0	0	0	0	0	0	0			
3. Second Quarter	7,693	7,693	0	0	0	0	0	0	0	0			
4. Third Quarter	7,374	7,374	0	0	0	0	0	0	0	0			
5. Current Year	6,586	6,586	0	0	0	0	0	0	0	0			
6. Current Year Member Months	91,687	91,687	0	0	0	0	0	0	0	0			
Total Member Ambulatory Encounters for Year:													
7. Physician	31,841	31,841	0	0	0	0	0	0	0	0			
8. Non-Physician	15,243	15,243	0	0	0	0	0	0	0	0			
9. Total	47,084	47,084	0	0	0	0	0	0	0	0			
10. Hospital Patient Days Incurred	1,726	1,726	0	0	0	0	0	0	0	0			
11. Number of Inpatient Admissions	321	321	0	0	0	0	0	0	0	0			
12. Health Premiums Written (b)	61,871,867	61,871,867	0	0	0	0	0	0	0	0			
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0			
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0			
15. Health Premiums Earned	61,871,867	61,871,867	0	0	0	0	0	0	0	0			
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0			
17. Amount Paid for Provision of Health Care Services	49,698,338	49,698,338	0	0	0	0	0	0	0	0			
18. Amount Incurred for Provision of Health Care Services	51,491,398	51,491,398	0	0	0	0	0	0	0	0			

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$0

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