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FOR IMMEDIATE RELEASE

**Press Release**

## **Milliman releases annual analysis of Medicaid managed care financial results**

**Report includes estimate of medical loss ratio using CMS Final Rule definition**

Seattle – June 6, 2016 – Milliman, Inc., a premier global consulting and actuarial firm, today announced the availability of its annual research into the financial results associated with Medicaid managed care plans. These plans have become increasingly popular due to the Affordable Care Act’s Medicaid expansion provisions and the continued growth of the managed care delivery system within Medicaid. This information is especially valuable now, with the recent release of CMS’ Medicaid and CHIP Managed Care Final Rule (CMS-2390-F). The CMS regulations require reporting and monitoring of Medicaid managed care medical loss ratios, and may be useful as the industry contemplates the financial consequences of the new regulation.

“We are excited about this year’s iteration of the report because of its relevance with the recently finalized Medicaid managed care rule published by CMS,” said Jeremy D. Palmer, Milliman principal and consulting actuary. “This is an area of intense focus for the industry as we look to quantify the various impacts of the new regulation. This report has become an industry standard, and it allows us to offer analysis as Medicaid continues to evolve.”

Key findings from the analysis include:

- Average profit increased from 2.1% in calendar year (CY) 2014 to 2.6% for CY 2015
- Revenue captured by the study increased by 30%
- The medical loss ratio (MLR) using the CMS definition was 90.2% in CY 2015, more than 5% higher than the minimum 85%

The financial results report is now in its eighth year of publication and is widely cited by the industry. An accompanying report related to Medicaid administrative costs is anticipated to follow the release of this report.

To see the Medicaid financial results report, go to <http://www.milliman.com/medicaid-financial-analysis-2015/>.

### **About Milliman**

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. For further information, visit [milliman.com](http://milliman.com).

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