



*Dale R. Folwell, CPA*  
STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA



## Financial Update *Board of Trustees*

December 15, 2020

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*A Division of the Department of State Treasurer*

# Financial Results: Actual vs. Budgeted

## Fiscal Year to Date October 2020

Fiscal Year 2020	Actual thru Oct 2020	Authorized Budget (per Segal 11-24-20)	Variance Fav/(Unfav) Budget
<b>Beginning Cash Balance</b>	<b>\$1.032b</b>	<b>\$1.032b</b>	<b>\$ -</b>
<b>Plan Revenue</b>	<b>\$1.279b</b>	<b>\$1.273b</b>	<b>\$ 6.2m</b>
Net Claims Payments	\$1.150b	\$1.175b	\$25.1m
Medicare Advantage Premiums	\$71.5m	\$74.0m	\$2.6m
Net Administrative Expenses	\$54.5m	\$63.5m	\$9.0m
<b>Total Plan Expenses</b>	<b>\$1.276b</b>	<b>\$1.313b</b>	<b>\$36.7m</b>
<b>Net Income/(Loss)</b>	<b>\$2.9m</b>	<b>(\$ 40.0m)</b>	<b>\$37.1m</b>
<b>Ending Cash Balance</b>	<b>\$1.035b</b>	<b>\$992.4m</b>	<b>\$42.8m</b>

# Financial Results: Actual vs. Budgeted

## Calendar Year to Date October 2020

Calendar Year 2020	Actual thru October 2020	Authorized Budget (per Segal 4-02-19)	Variance Fav/(Unfav) Budget
<b>Beginning Cash Balance</b>	<b>\$1.403b</b>	<b>\$1.250b</b>	<b>\$153.3m</b>
<b>Plan Revenue</b>	<b>\$3.164b</b>	<b>\$3.201b</b>	<b>(\$46.2m)</b>
Net Claims Payments	\$2.729b	\$2.848b	\$118.8m
Medicare Advantage Premiums	\$ 200.2m	\$ 191.3m	(\$9.0m)
Net Administrative Expenses	\$ 127.1m	\$ 156.5m	\$29.4m
<b>Total Plan Expenses</b>	<b>\$3.057b</b>	<b>\$3.196b</b>	<b>\$139.2m</b>
<b>Net Income/(Loss)</b>	<b>\$107.3m</b>	<b>\$14.2m</b>	<b>\$93.1m</b>
<b>Ending Cash Balance</b>	<b>\$1.035b</b>	<b>\$1.264b</b>	<b>(\$228.8m)</b>

# Financial Results: Fiscal Year to Date October 2020

## [FY19/FY20]

Fiscal Year 2020	Actual thru OCT 2020	Actual thru OCT 2019	Variance Fav/(Unfav)
<b>Beginning Cash Balance</b>	<b>\$1.032b</b>	<b>\$1.324b</b>	<b>(\$291.0m)</b>
<b>Plan Revenue</b>	<b>\$1.279b</b>	<b>\$1.254b</b>	<b>\$24.6m</b>
Net Claims Payments	\$1.150b	\$1.140b	(\$10.5m)
Medicare Advantage Premiums	\$71.5m	\$55.4m	(\$16.0m)
Net Administrative Expenses	\$54.5m	\$35.5m	(\$19.0m)
<b>Total Plan Expenses</b>	<b>\$1.276b</b>	<b>\$1.231b</b>	<b>(\$45.6m)</b>
<b>Net Income/(Loss)</b>	<b>\$2.9m</b>	<b>\$23.8m</b>	<b>(\$21.0m)</b>
<b>Ending Cash Balance</b>	<b>\$1.035b</b>	<b>\$1.321b</b>	<b>(\$285.3m)</b>

# Financial Results: Calendar Year to Date October 2020

## [CY19/CY20]

Calendar Year 2020	Actual thru JUN 2020	Actual thru JUN 2019	Variance Fav/(Unfav)
<b>Beginning Cash Balance</b>	<b>\$1.403b</b>	<b>\$1.118b</b>	<b>\$285.5m</b>
<b>Plan Revenue</b>	<b>\$3.164b</b>	<b>\$3.097b</b>	<b>\$67.4m</b>
Net Claims Payments	\$2.729b	\$2.641b	(\$88.9m)
Medicare Advantage Premiums	\$ 200.2m	\$ 140.4m	(\$59.8m)
Net Administrative Expenses	\$ 127.1m	\$ 101.6m	(\$25.5m)
<b>Total Plan Expenses</b>	<b>\$3.057b</b>	<b>\$2.883b</b>	<b>(\$174.2m)</b>
<b>Net Income/(Loss)</b>	<b>\$107.3m</b>	<b>\$214.1m</b>	<b>(\$106.8m)</b>
<b>Ending Cash Balance</b>	<b>\$1.035b</b>	<b>\$1.332b</b>	<b>(\$296.5m)</b>

# COVID-19 Costs through 11/30/20

## Projections for Calendar Years 2020 and 2021

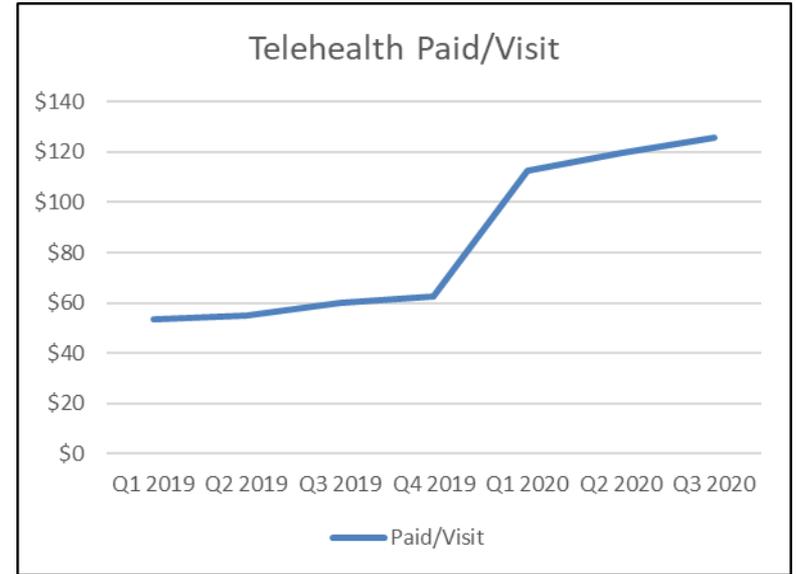
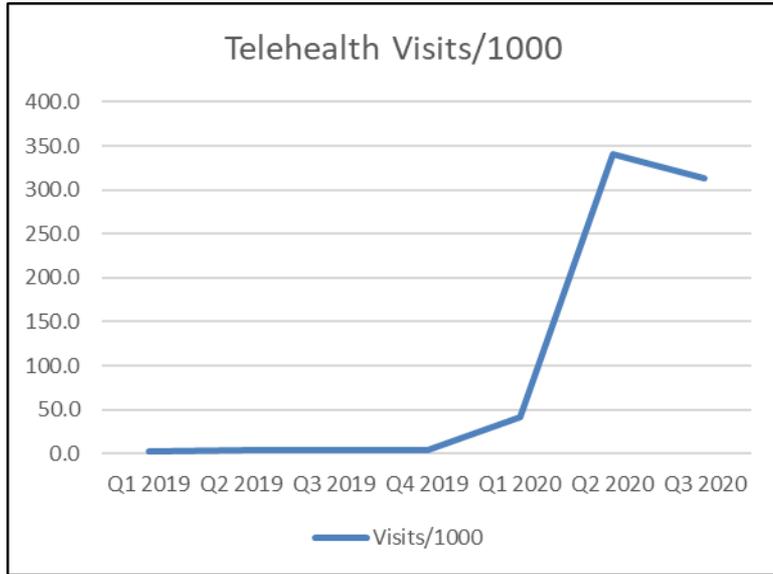
Total COVID-19 Related Paid	
PCR Test	\$20,144,724
Antibody Test	\$489,177
Screening	\$7,106,940
Treatment	\$26,741,793
<b>Total</b>	<b>\$54,482,635</b>

BCNC report dated  
12/8/20

Grand Total	
2020 Total	72,237,891
2021 Total	121,871,999
<b>Total</b>	<b>194,109,889</b>

Internal projection  
dated 12/1/20

# Telehealth



Quarter	Telehealth visits	Allowed	Paid	Paid/Visit	Visits/1000
Q1 2019	1,604	\$133,657	\$85,723	\$53.44	2.87
Q2 2019	1,742	\$139,351	\$95,934	\$55.07	3.13
Q3 2019	1,792	\$158,435	\$107,803	\$60.16	3.24
Q4 2019	2,115	\$187,450	\$131,929	\$62.38	3.80
Q1 2020	22,794	\$3,255,330	\$2,572,045	\$112.84	40.74
Q2 2020	190,107	\$28,814,617	\$22,749,391	\$119.67	340.43
Q3 2020	173,411	\$26,884,794	\$21,853,086	\$126.02	312.62

# Financial Results: Fiscal Year 2021 Projected

	Actual FY 2020	Projected FY 2021	Variance Fav/(Unfav)
<b>Beginning Cash Balance</b>	<b>\$1.297b</b>	<b>\$1.032b</b>	<b>(\$264.3)m</b>
<b>Plan Revenue</b>	<b>\$3.794b</b>	<b>\$3.781b</b>	<b>(\$13.5m)</b>
Net Claims Payments	\$3.230b	\$3.606b	(\$376.0m)
Medicare Advantage Premiums	\$ 213.4m	\$ 89.8m	\$123.6m
Net Administrative Expenses	\$ 139.9m	\$ 182.9m	(\$43.0m)
<b>Total Plan Expenses</b>	<b>\$3.583b</b>	<b>\$3.879b</b>	<b>(\$295.6m)</b>
<b>Net Income/(Loss)</b>	<b>\$210.9m</b>	<b>(\$98.1)m</b>	<b>(\$309.0m)</b>
<b>Cash Transfer to RBHTF</b>	<b>(\$475.2)</b>	-	
<b>Ending Cash Balance</b>	<b>\$1.032b</b>	<b>\$934.3m</b>	<b>(\$98.1m)</b>