

## **INSTRUCTIONS FOR COMPLETING ENROLLMENT AND FINANCIAL PROJECTIONS (BEHAVIORAL HEALTH RFQ)**

Enrollment and financial projections should be completed by managed care plans involved in the managed care behavioral health benefit expansion and/or HARP. Additional projections may be required depending on individual plan circumstances. (Note: Schedules C-G are not required to be completed.)

### **Schedule A - Plan Information worksheet**

Enter the name of the MCO and the Contact information.

### **Schedule B - Projected Enrollment by County**

**SCHEDULE B SHOULD ONLY BE COMPLETED FOR THE HARP LINE OF BUSINESS. IF A PLAN IS NOT APPLYING TO BECOME A HARP, SCHEDULE B DOES NOT NEED TO BE COMPLETED.**

Enter the projected year end membership in each county for the first three years of operations for each program.

### **Financial Requirements**

Statutory Accounting Principles should be used when completing the financial projections.

Applicants must complete Schedules H (for HARP only), I, and J which consists of the following:

1. A revenue and expenses statement by month for the first 36 months of operation or break even in the expansion counties, whichever is greater. This must be completed for each program of the proposed expansion.
2. A consolidated summary revenue and expense statement by year for each line of business operated by the MCO for the first three years of the expansion, or until the MCO reaches breakeven, whichever is later.
3. A pro-forma balance sheet as of the date of the initial enrollment in the expansion counties and for each of the first three years of the expansion or until the MCO reaches breakeven, whichever is later.

Applicants must also include the source of any additional capitalization that may be needed to support the expansion and to meet reserve requirements during the first three years of the expansion. If the source is a subordinated loan (patterned after Section 1307 of State Insurance Law) or surplus note, the proposed loan document must be submitted. At a minimum, the plan's capital should be sufficient to comply with NYS escrow and contingent reserve requirements on

an ongoing basis (Health Department's Regulation Part 98-1.11), fund the cumulative operating loss sustained through the time break-even point is reached, and provide additional resources to cover unanticipated losses.

### **Schedule H (Medicaid, FHP, CHP, HARP): Projected Revenue and Expenses By Month in the Expansion Counties for the First Three Years of Operations**

**SCHEDULE H SHOULD ONLY BE COMPLETED FOR THE HARP LINE OF BUSINESS. IF A PLAN IS NOT APPLYING TO BECOME A HARP, SCHEDULE H DOES NOT NEED TO BE COMPLETED.**

The H Schedules are monthly revenue and expense projections for the plan's first three years of operating the HARP or until breakeven is reached, whichever is later. Schedules H1 through H3 require the plans to enter gross dollar amounts while Schedules H4 through H6 are PMPM schedules automatically completed based on information entered in H1 – H3.

Additional schedules should be submitted as needed in this section and for Schedules I and J.

### **Schedule I: Consolidated Revenue and Expense Projections for the First Three Years of Operating in the Expansion Counties**

Schedules I1 through I3 are summary pro-forma revenue and expense projections for each line of business operated by the MCO and/or HARP for the first three years of the benefit expansion. Product lines not listed should be entered in the "Other" column.

### **Schedule J: Pro-Forma Balance Sheets for the First Three Years of Operating in the Expansion Counties**

In the J Schedule – Pro-Forma Balance Sheet, enter the Balance Sheet data for the first three years of operating the new benefits and/or HARP. The annual net worth of the plan should tie to the net income reported in the I Schedules.

Revised 5/22/2014

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