

Health Maintenance Organization Minimum Statutory Net Worth Calculation in accordance with I.C. 27-13-12-3

(Company Name)

(NAIC Company Code)

(Type of organization; e.g., staff, group, IPA, network or direct contract model.)

Minimum Net Worth Calculation - Part 1

A health maintenance organization shall maintain a minimum net worth equal to the greater of:

(1) One million dollars (\$1,000,000) (1) \$1,000,000

(2) Based on annual premium revenues as reported on the most recent annual financial statement filed with the commissioner, the total of two percent (2%) of annual premium revenues on the first one hundred fifty million dollars of premium..... \$ _____ X .02 = \$ _____ (2A)
(page 4, column 2, Net Premium Income =< \$150,000,000)

and one percent (1%) of annual premium revenues (on the premium) in excess of one hundred fifty million dollars..... \$ _____ X .01 = \$ _____ (2B)
(page 4, column 2, Net Premium Income > \$150,000,000)

(2) \$ _____
(Sum of 2A and 2B)

(3) An amount equal to the sum of three (3) months of uncovered health care expenditures, as reported on the most recent (annual) financial statement of the health maintenance organization filed with the commissioner under I.C. 27-13-8-2(a)(1);..... (3) \$ _____

(4) An amount equal to the sum of:

Total annual health care expenditures reported on the most recent (annual) financial statement filed with the commissioner..... \$ _____
(page 4, column 2, Total Medical & Hospital)

Less: Expenditures paid on a capitated basis \$ _____
(note: this amount should be supported by the details provided in Part 2)

Less: Expenditures paid on a managed hospital payment basis..... \$ _____
(note: this amount should be supported by the details provided in Part 2)

Eight percent (8%) of annual health care expenditures except those paid on a capitated basis or managed hospital payment basis as reported on the most recent financial statement filed with the commissioner..... \$ _____ X .08 = \$ _____ (4A)

Four percent (4%) of annual hospital expenditures paid on a managed hospital payment basis as reported on the most recent financial statement filed with the commissioner..... \$ _____ X .04 = \$ _____ (4B)
(note: this amount should be supported by the details provided in Part 2)

(4) \$ _____
(Sum of 4A and 4B)

Net Worth as of ____/____/____	\$ _____
Minimum Net Worth required per I.C. 27-13-12-3 (the greater of 1, 2, 3, or 4)	\$ (_____)
Excess / (Deficiency)	\$ _____

