

DRAFT - MCAS Ratios

Other Health

Ratio 1. **The number of claims denied, rejected or returned to the total number of claims paid, denied, rejected or returned**

$$\left(\frac{[\# \text{ of claim denied, rejected or returned (68)]}{[\# \text{ of claims pending at beginning of period (66) + \# \text{ of claims received (67)} - \# \text{ of claims pending at end of period (74)}]} \right)$$

Ratio 2. **Pre-existing Condition Denials to Total Denials**

$$\left(\frac{[\# \text{ of claim denied, rejected or returned as subject to pre – existing condition exclusion (70)]}{[\# \text{ of claims denied, rejected or returned (68)]} \right)$$

Ratio 3. **Median Number of Days from Receipt of Claims to Decision for Approved Claims**

(Median Number of Days from Receipt of Claims to Decision for Approved Claims (77))

Ratio 4. **Median Number of Days from Receipt of Claims to Decision for Denied Claims**

(Median Number of Days from Receipt of Claims to Decision for Denied Claims (75))

Ratio 5. **Cancellations During Free Look Period**

$$\left(\frac{[\# \text{ of policies/certificates cancelled during free look period (55)]}{[\text{total } \# \text{ of policies issued during the period (50)}]} \right)$$

Ratio 6. **Loss Ratio**

$$\left(\frac{[\text{Total Dollar Amount of Paid Claims During the Period (80)]}{[\text{Direct Written Premium (45)}]} \right)$$

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Ratio 7. **Number of Complaints received per 1,000 Policies/Certificates In Force During the Period**

$$\left(\frac{[\# \text{ of complaints received by company (83) + complaints received through DOI (84)]}{[(\text{policies/certificates in force at beginning (47) + policies/certificates issued (50)]}]} \right)$$

Ratio 8. **Percentage of Lawsuits Closed with Consideration for the Consumer**

$$\left(\frac{[\# \text{ of lawsuits closed with consideration for the consumer (89)]}{[\# \text{ of lawsuits closed during the period (88)]} \right)$$

Ratio 9. **Lawsuits to Policies/Certificates In Force During the Period**

$$\left(\frac{[\# \text{ of lawsuits opened during the period (87)]}{[(\text{policies/certificates in force at beginning (47) + policies/certificates issued (50)]}]} \right)$$

Ratio 10. **Average Commission**

$$\left(\frac{[\text{Commissions Paid during the Reporting Period (101) - Unearned Commissions Returned to Company on Policies Sold During the Period (102)}]}{[(\# \text{ of new policies/certificates issued during the period (50)]}]} \right)$$