



MYERS AND
STAUFFER.LC



DentaQuest

Dental Services Program
Louisiana Medicaid
Managed Care Programs

Adjusted Medical Loss Ratio

(With Independent Accountant's Report Theron)

For the State Fiscal Year Ended June 30, 2024

Paid Through October 31, 2024

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Independent Accountant's Report

Louisiana Department of Health
Baton Rouge, Louisiana

We have examined the accompanying Adjusted Medical Loss Ratios of DentaQuest (health plan) for their Medicaid Non-Expansion and Expansion populations for the state fiscal year ended June 30, 2024. The health plan's management is responsible for presenting the Medical Loss Ratios in accordance with the criteria set forth in 42 Code of Federal Regulations (CFR) § 438.8 and other applicable federal guidance (criteria). This criteria was used to prepare the Adjusted Medical Loss Ratios. Our responsibility is to express an opinion on the Adjusted Medical Loss Ratios based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Adjusted Medical Loss Ratios are in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Adjusted Medical Loss Ratios. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement of the Adjusted Medical Loss Ratios, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to our engagement.

The accompanying Adjusted Medical Loss Ratios were prepared from information contained in the Medical Loss Ratios for the purpose of complying with the criteria, and is not intended to be a complete presentation in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the Adjusted Medical Loss Ratios are presented in accordance with the criteria, in all material respects, and the Adjusted Medical Loss Ratios meet or exceed the Centers for Medicare & Medicaid Services (CMS) and state requirement of 85 percent for the Medicaid Non-Expansion and Expansion populations for the state fiscal year ended June 30, 2024.

This report is intended solely for the information and use of the Louisiana Department of Health, Milliman, and the health plan and is not intended to be and should not be used by anyone other than these specified parties.

Myers and Stauffer LC
Atlanta, Georgia
February 23, 2026

DENTAQUEST ADJUSTED MEDICAL LOSS RATIO NON-EXPANSION POPULATION

Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Medical Loss Ratio Numerator				
1	Total Incurred Claims	\$ 90,499,768	\$ 1,844,621	\$ 92,344,389
	Adjustments to Incurred Claims			
2	Deductions:			
2a	Prescription drug rebates	\$ -	\$ -	\$ -
2b	Prompt pay discounts	\$ -	\$ -	\$ -
2c	Overpayment recoveries received from providers	\$ -	\$ -	\$ -
3	Inclusions:			
3a	Incentive and bonus payments made to providers	\$ 1,352,150	\$ (1,352,150)	\$ -
3b	Fraud reduction expenses	\$ 63,645	\$ -	\$ 63,645
3c	State Directed Payments (SDPs distributed to providers)	\$ -	\$ -	\$ -
4	Optional Inclusion: Value-Added Services	\$ -	\$ -	\$ -
5	Exclusions:			
5a	Payments delegated vendors exceeding amount paid to providers	\$ -	\$ -	\$ -
5b	Spread pricing amounts paid to PBM	\$ -	\$ -	\$ -
6	Other: Incurred claims assumed	\$ -	\$ -	\$ -
7	Adjusted Incurred Claims	\$ 91,915,563	\$ 492,471	\$ 92,408,034
	Health Care Quality Improvement (HCQI) Expenses			
8	HCQI admin expenses	\$ 18,817	\$ (18,817)	\$ -
9	Exclusions to HCQI	\$ -	\$ -	\$ -
	Health Information Technology (HIT) Expenses			
10	HIT administrative expenses	\$ 338,138	\$ (338,138)	\$ -
11	Exclusions to HIT expenses	\$ -	\$ -	\$ -
12	External Quality Review (EQR) related expenses	\$ -	\$ -	\$ -
13	Adjusted Incurred Claims and Adjusted HCQI, HIT and EQR Expenses	\$ 92,272,518	\$ 135,516	\$ 92,408,034
14	Less: Adjustment for 50% or more of Medical expenses attributed to new enrollees	\$ -	\$ -	\$ -
15	Add: Prior Year New Enrollee Medical Expenditures deferred to current year from line 33 below	\$ -	\$ -	\$ -
16	Total Adjusted MLR Numerator	\$ 92,272,518	\$ 135,516	\$ 92,408,034
Non-Claims Costs (For reporting purposes only, not included in Numerator)*				
17	Non-Claims Cost (Excluding amounts reported on lines 18 and 19)	\$ 6,797,502	\$ -	\$ 6,797,502
18	Program Integrity Activities [42 CFR 438.608(a)(1) through (5), (7), (8) and (b)]. Must reconcile to the detail amounts on the Program Integrity Cost tab)	\$ -	\$ -	\$ -
19	Adjustments to Non-Claims including amounts removed in the line 5 exclusions. (Excluding any related party profit)	\$ -	\$ -	\$ -
20	Total Adjusted Non-Claims Cost	\$ 6,797,502	\$ -	\$ 6,797,502

DENTAQUEST

ADJUSTED MEDICAL LOSS RATIO

NON-EXPANSION POPULATION

Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Medical Loss Ratio Denominator				
21	Healthy Louisiana Premium Revenue	\$ 113,682,844	\$ (2,453,779)	\$ 111,229,065
22	Directed Payments	\$ -	\$ -	\$ -
23	MCIP	\$ -	\$ -	\$ -
24	Hep C Risk Corridor	\$ -	\$ -	\$ -
	Revenue Adjustments			
25	Less: Premium tax component of reported revenue	\$ 2,501,578	\$ -	\$ 2,501,578
26	Less: Other taxes and licensing and regulatory fees	\$ -	\$ 183,429	\$ 183,429
27	Net Annual MLR Revenue	\$ 111,181,266	\$ (2,637,208)	\$ 108,544,058
28	Less: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component)	\$ -	\$ -	\$ -
29	Add: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component) deferred from prior year from line 29 below	\$ -	\$ -	\$ -
30	Total Adjusted MLR Denominator	\$ 111,181,266	\$ (2,637,208)	\$ 108,544,058
MLR Calculation				
31	MLR Percentage Achieved (Unadjusted MLR)	83.0%	2.1%	85.1%
32	Credibility Adjustment	0.0%	0.0%	0.0%
33	Adjusted MLR	83.0%	2.1%	85.1%
34	MLR Percentage Requirement for Rebate Calculation	85.0%	0.0%	85.0%
35	Calculated Percentage for Remittance Purposes	2.0%	-2.0%	0.0%
36	Dollar Amount of Rebate Requirement	\$ 2,223,625	\$ (2,223,625)	\$ -
Reconciliation of Prior Year New Enrollee Capitation Exclusion				
37	Prior year new enrollee capitation adjustment exclusion (net of premium tax)	\$ -	\$ -	\$ -
38	Less: Prior year incurred claims for excluded New Enrollees	\$ -	\$ -	\$ -
39	Total Net Adjustment for New Enrollees from prior years	\$ -	\$ -	\$ -
40	MLR Member Months	6,416,483	-	6,416,483

*The Non-Claims Costs line has not been subjected to the procedures applied in the examination, including testing for allowability of expenses or appropriate allocation to the Medicaid line of business. Adjustments identified during the course of the examination were not tested to determine any impact on Non-Claims Costs. Accordingly, we express no opinion on the Non-Claims Costs line.

**Percentages and amounts may not appear to foot and crossfoot due to rounding.

DENTAQUEST

ADJUSTED MEDICAL LOSS RATIO

EXPANSION POPULATION

Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Medical Loss Ratio Numerator				
1	Total Incurred Claims	\$ 8,288,864	\$ 142,478	\$ 8,431,342
	Adjustments to Incurred Claims			
2	Deductions:			
2a	Prescription drug rebates	\$ -	\$ -	\$ -
2b	Prompt pay discounts	\$ -	\$ -	\$ -
2c	Overpayment recoveries received from providers	\$ -	\$ -	\$ -
3	Inclusions:			
3a	Incentive and bonus payments made to providers	\$ 125,669	\$ (125,669)	\$ -
3b	Fraud reduction expenses	\$ 6,018	\$ -	\$ 6,018
3c	State Directed Payments (SDPs distributed to providers)	\$ -	\$ -	\$ -
4	Optional Inclusion: Value-Added Services	\$ -	\$ -	\$ -
5	Exclusions:			
5a	Payments delegated vendors exceeding amount paid to providers	\$ -	\$ -	\$ -
5b	Spread pricing amounts paid to PBM	\$ -	\$ -	\$ -
6	Other: Incurred claims assumed	\$ -	\$ -	\$ -
7	Adjusted Incurred Claims	\$ 8,420,551	\$ 16,809	\$ 8,437,360
	Health Care Quality Improvement (HCQI) Expenses			
8	HCQI admin expenses	\$ 12,413	\$ (12,413)	\$ -
9	Exclusions to HCQI	\$ -	\$ -	\$ -
	Health Information Technology (HIT) Expenses			
10	HIT administrative expenses	\$ 223,063	\$ (223,063)	\$ -
11	Exclusions to HIT expenses	\$ -	\$ -	\$ -
12	External Quality Review (EQR) related expenses	\$ -	\$ -	\$ -
13	Adjusted Incurred Claims and Adjusted HCQI, HIT and EQR Expenses	\$ 8,656,027	\$ (218,667)	\$ 8,437,360
14	Less: Adjustment for 50% or more of Medical expenses attributed to new enrollees	\$ -	\$ -	\$ -
15	Add: Prior Year New Enrollee Medical Expenditures deferred to current year from line 33 below	\$ -	\$ -	\$ -
16	Total Adjusted MLR Numerator	\$ 8,656,027	\$ (218,667)	\$ 8,437,360
Non-Claims Costs (For reporting purposes only, not included in Numerator)*				
17	Non-Claims Cost (Excluding amounts reported on lines 18 and 19)	\$ 4,484,178	\$ -	\$ 4,484,178
18	Program Integrity Activities [42 CFR 438.608(a)(1) through (5), (7), (8) and (b)]. Must reconcile to the detail amounts on the Program Integrity Cost tab)	\$ -	\$ -	\$ -
19	Adjustments to Non-Claims including amounts removed in the line 5 exclusions. (Excluding any related party profit)	\$ -	\$ -	\$ -
20	Total Adjusted Non-Claims Cost	\$ 4,484,178	\$ -	\$ 4,484,178

DENTAQUEST

ADJUSTED MEDICAL LOSS RATIO

EXPANSION POPULATION

Line #	Line Description	Reported Amounts	Adjustment Amounts	Adjusted Amounts
Medical Loss Ratio Denominator				
21	Healthy Louisiana Premium Revenue	\$ 7,046,862	\$ (139,458)	\$ 6,907,404
22	Directed Payments	\$ -	\$ -	\$ -
23	MCIP	\$ -	\$ -	\$ -
24	Hep C Risk Corridor	\$ -	\$ -	\$ -
	Revenue Adjustments			
25	Less: Premium tax component of reported revenue	\$ 155,065	\$ -	\$ 155,065
26	Less: Other taxes and licensing and regulatory fees	\$ -	\$ 16,804	\$ 16,804
27	Net Annual MLR Revenue	\$ 6,891,797	\$ (156,262)	\$ 6,735,535
28	Less: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component)	\$ -	\$ -	\$ -
29	Add: Adjustment for 50% or more of TOTAL capitation attributed to new enrollees (net of premium tax component) deferred from prior year from line 29 below	\$ -	\$ -	\$ -
30	Total Adjusted MLR Denominator	\$ 6,891,797	\$ (156,262)	\$ 6,735,535
MLR Calculation				
31	MLR Percentage Achieved (Unadjusted MLR)	125.6%	-0.3%	125.3%
32	Credibility Adjustment	0.0%	0.0%	0.0%
33	Adjusted MLR	125.6%	-0.3%	125.3%
34	MLR Percentage Requirement for Rebate Calculation	85.0%	0.0%	85.0%
35	Calculated Percentage for Remittance Purposes	0.0%	0.0%	0.0%
36	Dollar Amount of Rebate Requirement	\$ -	\$ -	\$ -
Reconciliation of Prior Year New Enrollee Capitation Exclusion				
37	Prior year new enrollee capitation adjustment exclusion (net of premium tax)	\$ -	\$ -	\$ -
38	Less: Prior year incurred claims for excluded New Enrollees	\$ -	\$ -	\$ -
39	Total Net Adjustment for New Enrollees from prior years	\$ -	\$ -	\$ -
40	MLR Member Months	4,232,827	-	4,232,827

**The Non-Claims Costs line has not been subjected to the procedures applied in the examination, including testing for allowability of expenses or appropriate allocation to the Medicaid line of business. Adjustments identified during the course of the examination were not tested to determine any impact on Non-Claims Costs. Accordingly, we express no opinion on the Non-Claims Costs line.*

***Percentages and amounts may not appear to foot and crossfoot due to rounding.*

Schedule of Adjustments

During the course of the engagement, we identified the following adjustments.

Adjustment #1 – To adjust HCQI expenses to verified amounts.

The health plan reported HCQI expenses on the as-filed MLR. As part of the prior examination, January through June 2023, all HCQI expenses were removed from the MLR calculation due to lack of sufficient documentation. During the current examination, the health plan requested we remove all HCQI expenses since the supporting documentation has not changed from the prior examination. The adjustment below removes all amounts reported on line 8. The MLR numerator reporting requirements are addressed in the Healthy Louisiana’s MLR Reporting Guide and the Medicaid Managed Care Final Rule 42 CFR § 438.8(e).

Population	Line #	Line Description	Amount
Non-Expansion	8	HCQI administrative expenses	(\$18,817)
Expansion	8	HCQI administrative expenses	(\$12,413)

Adjustment #2 – To adjust HIT expenses to verified amounts.

The health plan reported HIT expenses on the as-filed MLR. As part of the prior examination, January through June 2023, all HIT expenses were removed from the MLR calculation due to lack of sufficient documentation. During the current examination, the health plan requested we remove all HIT expenses since the supporting documentation has not changed from the prior examination. The adjustment below removes all amounts reported on line 10. The MLR numerator reporting requirements are addressed in the Healthy Louisiana’s MLR Reporting Guide and the Medicaid Managed Care Final Rule 42 CFR § 438.8(e).

Population	Line #	Line Description	Amount
Non-Expansion	10	HIT administrative expenses	(\$338,138)
Expansion	10	HIT administrative expenses	(\$223,063)

Adjustment #3 – To reclassify FMP from provider incentives to incurred claims.

Based on the supporting documentation provided by the plan, there were FMP amounts incorrectly reported on line 3a. The adjustment below removes the reported FMP amounts from line 3a and reclassifies the verified amounts to line 1. The MLR numerator reporting requirements are addressed in the Healthy Louisiana’s MLR Reporting Guide and the Medicaid Managed Care Final Rule 42 CFR § 438.8(e).

Population	Line #	Line Description	Amount
Non-Expansion	1	Total Incurred Claims	\$1,357,222
Expansion	1	Total Incurred Claims	\$120,597
Non-Expansion	3a	Incentive and bonus payments made to providers	(\$1,352,150)
Expansion	3a	Incentive and bonus payments made to providers	(\$125,669)

Adjustment #4 – To adjust incurred claims to verified paid claims amount.

The health plan reported incurred claims on the as-filed MLR. The variance between the reported incurred claims amounts and the verified amounts will be an adjustment to line 1. The MLR numerator reporting requirements are addressed in the Healthy Louisiana’s MLR Reporting Guide and the Medicaid Managed Care Final Rule 42 CFR § 438.8(e).

Population	Line #	Line Description	Amount
Non-Expansion	1	Total Incurred Claims	\$487,398
Expansion	1	Total Incurred Claims	\$21,881

Adjustment #5 – To adjust taxes to verified amounts.

The health plan did not report income taxes on their as-filed MLR, but did incur this expense based on our review of the audited financial statements. The adjustment below is the verified income tax amounts incurred by the plan and will be added to line 26. The MLR denominator reporting requirements are addressed in the Healthy Louisiana’s MLR Reporting Guide and the Medicaid Managed Care Final Rule 42 CFR § 438.8(f).

Population	Line #	Line Description	Amount
Non-Expansion	26	Less: Other taxes and licensing and regulatory fees	\$183,429
Expansion	26	Less: Other taxes and licensing and regulatory fees	\$16,804

Adjustment #6 – To adjust premium revenue to verified amounts.

The health plan reported premium revenue on the as-filed MLR. The reported amounts were compared to the revenue data from the state. The variance between the reported premium revenue amounts and the state’s data will be an adjustment to line 21. The MLR denominator reporting requirements are addressed in the Healthy Louisiana’s MLR Reporting Guide and the Medicaid Managed Care Final Rule 42 CFR § 438.8(f).

Population	Line #	Line Description	Amount
Non-Expansion	21	Premium Revenue	(\$2,453,779)
Expansion	21	Premium Revenue	(\$139,458)