LME/MCO Solvency Dashboard

In accordance with S.L. 2023-134, SECTION 9G.7A.(a11), which enacted General Statute 122C-125.3, on a quarterly basis beginning on April 1, 2024, the Department of Health and Human Services (DHHS) will utilize information from financial reports submitted monthly by each Local Management Entities/Managed Care Organization (LME/MCO) to evaluate each entity's compliance with solvency standards specified in their contract with the State.

The tables below document the DHHS findings for the quarter ending in September 2025 and will be updated each quarter going forward based on the most current previous quarter's available financial data. Note that monthly, quarterly, and annual financials used for this report are subject to change based on the results of LME/MCO audits and/or restated financial reports that are submitted to the Department after the posting date of the dashboard.

Each solvency standard is briefly described, followed by a table that indicates each LME/MCO's performance against the standard.

Current Ratio

Contractual Requirement: Each LME/MCO shall maintain a Current Ratio above 1.0, as determined from the monthly, quarterly, and annual financial reporting schedules.

The Current Ratio is defined as Current Assets divided by Current Liabilities. Current Assets include any short-term investments that can be converted to cash within five (5) Business Days without significant penalty. A significant penalty is a penalty greater than twenty percent (20%). Current liabilities are obligations whose liquidation is reasonably expected to occur within one year.

If an LME/MCO's Current Ratio falls below 1.0 at any point in time, the entity must submit a report to DHHS that describes the reason for the decline, proposed corrective action to increase the ratio and projections of the impact of the corrective actions.

Table 1- Current Ratio Summary Findings (Jul '25 – Sept '25)							
		July - 25		**August - 25**		**September - 25**	
		Total	**Ratio**	**Total**	**Ratio**	**Total**	**Ratio**
Alliance	**Current Assets**	$573,455,441	2.01 Compliant	$586,080,874	2.00 Compliant	$575,850,551	2.03 Compliant
	Current Liabilities	$284,934,016		$292,965,626		$283,549,549	
Partners	**Current Assets**	$287,080,967	2.65 Compliant	$298,064,712	2.40 Compliant	$292,699,138	2.50 Compliant
	Current Liabilities	$108,280,040		$124,391,063		$117,288,840	
Trillium	**Current Assets**	$638,999,348	1.9 Compliant	$605,590,016	2.0 Compliant	$629,528,545	1.9 Compliant
	Current Liabilities	$333,354,681		$298,108,031		$329,009,969	
Vaya	**Current Assets**	$371,015,059	3.46 Compliant	$387,725,564	2.94 Compliant	$403,657,705	2.82 Compliant
	Current Liabilities	$107,177,449		$131,670,393		$143,262,581	

Assets & Liabilities are Medicaid-only Current Assets/ Current Liabilities (minimum benchmark Current Ratio of 1.0)

Defensive Interval Ratio

Contractual Requirement: Each LME/MCO shall maintain a Defensive Interval Ratio above thirty (30) Calendar Days as determined from the monthly, quarterly, and annual financial reporting schedules.

The Defensive Interval is defined as Cash plus Cash Equivalents divided by Average Daily Operating Expenses.

If an LME/MCO's Defensive Interval Ratio falls below 30 days at any point in time, the LME/MCO must submit a report to DHHS that describes the reason for the decline, proposed corrective action to increase the ratio and projections of the impact of the corrective actions.

Table 2- Defensive Interval Ratio Summary Findings (Jul 25 – Sep 25)

		July - 25		**August – 25**		**September - 25**	
		Total	**Ratio**	**Total**	**Ratio**	**Total**	**Ratio**
Alliance	**Cash + Current Investment**	$505,026,705	80.14 Compliant	$531,069,848	83.20 Compliant	$510,297,481	78.00 Compliant
	Operating Expense	$195,344,784		$197,884,831		$196,262,522	
Partners	**Cash + Current Investment**	$193,622,486	39.77 Compliant	$205,643,728	40.13 Compliant	$194,727,209	36.89 Compliant
	Operating Expense	$150,941,369		$158,874,443		$158,366,398	
Trillium	**Cash + Current Investment**	$425,610,378	53.85 Compliant	$391,898,099	42.94 Compliant	$405,654,212	44.73 Compliant
	Operating Expense	$245,017,042		$282,913,316		$272,059,128	
Vaya	**Cash + Current Investment**	$309,952,102	73.01 Compliant	$333,593,271	79.35 Compliant	$348,658,715	77.18 Compliant
	Operating Expense	$131,596,693		$130,330,065		$135,521,427	

Figures are Medicaid-only Current Assets/Operating Expenses (minimum benchmark Defensive Interval of 30 days)

Capital Reserves

After Tailored Plan launch, if an LME/MCO's capital reserves fall below 9.0% of total expected annual combined Tailored Plan/MDPIHP Medicaid capitation in any quarterly statement, the Tailored Plan must submit a report to DHHS that describes the reason for the decline in capital reserves, proposed corrective action to increase capital reserves and projections of the impact of the corrective actions on the capital reserve levels.

Table 3a- July 2025 Capital Reserves Summary Findings

Tailored Plan/PIHP	Total Capital	Total Projected Tailored Plan (TP) + Medicaid Direct BH (MD) Revenue	Current Capital as a % of TP + MD Revenue
Alliance	$266,602,853	$2,242,987,257	11.9%
Partners	$189,136,975	$1,773,496,116	10.7 %
Trillium	$294,816,523	$2,926,501,415	10.1%
Vaya	$169,727,032	$1,601,825,901	10.6%

Current Capital is based on LME/MCO (Full Entity) Unobligated Assets (Tailored Plan Requirement is 12.5%)

Table 3b- August 2025 Capital Reserves Summary Findings

Tailored Plan/PIHP	Total Capital	Total Projected Tailored Plan (TP) + Medicaid Direct BH (MD) Revenue	Current Capital as a % of TP + MD Revenue
Alliance	$270,431,099	$2,242,987,257	12.1%
Partners	$190,729,510	$1,773,496,116	10.8%
Trillium	$342,828,631	$2,926,501,415	11.7%
Vaya	$153,480,266	$1,601,825,901	9.58%

Current Capital is based on LME/MCO (Full Entity) Unobligated Assets (Tailored Plan Requirement is 12.5%)

Table 3c- September 2025 Capital Reserves Summary Findings

Tailored Plan/PIHP	Total Capital	Total Projected Tailored Plan (TP) + Medicaid Direct BH (MD) Revenue	Current Capital as a % of TP + MD Revenue
Alliance	$271,169,312	$2,242,987,257	12.1%
Partners[1]	$190,635,007	$1,773,496,116	10.7%
Trillium	$352,677,256	$2,926,501,415	12.1%
Vaya	$154,967,017	$1,601,825,901	9.67%

Current Capital is based on LME/MCO (Full Entity) Unobligated Assets (Tailored Plan Requirement is 12.5%)

[1] *Concern regarding the financial requirement to meet the 12.5% capital reserve requirements by the end of SFY 2026 has been raised and discussed with Partners*

Profit/Loss

Profit or Loss will help determine the current financial position of the LME/MCO but there is no requirement to operate with a profit or certain amount of profit.

The Profit or Loss is defined as Total Revenues minus Total Expenses.

Since there is no specific target for each Plan to meet, no corrective action will be required associated with a Plan's quarterly profit or loss.

Table 4- Profit / Loss Summary Findings (Jul 25 – Sept 25)

		July - 25		August – 25		September - 25	
		Total	**Profit/(Loss)**	**Total**	**Profit/(Loss)**	**Total**	**Profit/(Loss)**
Alliance	**Total Expenses**	$195,344,784	$1,980,117 Profit	$197,884,831	($6,822,567) Loss	$360,516,382	($122,322) Loss
	Total Revenue	$197,324,901		$191,062,264		$360,394,059	
Partners	**Total Expenses**	$150,941,369	$6,370,310 Profit	$158,874,443	($3,232,764) Loss	$283,648,834	$1,910,673 Profit
	Total Revenue	$157,311,679		$155,641,679		$285,559,507	
Trillium[2]	**Total Expenses**	$245,017,042	$3,613,927 Profit	$282,913,316	($12,681,352) Loss	$457,626,391	($6,942,742) Loss
	Total Revenue	$248,630,969		$270,231,964		$450,683,649	
Vaya	**Total Expenses**	$131,596,693	$1,404,247 Profit	$130,330,065	$4,553,210 Profit	$260,388,226	$1,937,024 Profit
	Total Revenue	$133,000,939		$134,883,276		$262,325,250	

Calculations are based on Tailored Plan and Medicaid Direct Revenue and Expenses only; State-funded services are not included. Profit/(Loss)= Revenue (Service + Administrative + TCM) - Expenses (Net Service+ Administrative)

[2] *Concern regarding (2%) loss during SFY 2026 Q1 has been raised and discussed with Trillium*