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**NEVADA HMO INDUSTRY PROFILE**

**SECOND QUARTER REPORT**

**April 1, 2004 through June 30, 2004**

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**Bureau of Health Planning and Statistics  
Nevada State Health Division  
Department of Human Resources**

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## INTRODUCTION

The *Nevada HMO Industry Profile* is published quarterly and contains valuable information regarding Nevada's licensed health maintenance organizations (HMOs). This profile is useful to healthcare providers and others interested in managed care services available within the state.

Each quarterly report presents company specific organizational data, as well as, quarterly enrollment data arranged by county. Enrollment data are categorized by enrollee population and product (i.e. Commercial Plan, Medicare, Medicaid, Nevada Check Up). Market penetration information is also provided.

### **Second Quarter 2004 HMO Activity Highlights**

- Summerlin Life and Health Insurance Company, an affiliate of NevadaCare, Inc., began reporting quarterly PPO enrollment.
- This second quarter report of 2004 (as well as previous quarterly reports from 2000) can be accessed online at, as well as downloaded from, the following web address:  
<http://health2k.state.nv.us/nihds/publications/HMO/index.htm>

**Table I**

**PROFILE OF NEVADA LICENSED HMOS  
Enrollment for Quarter Ending: June 30, 2004**

<b>HMO</b>	<b>Contact</b>	<b>Service Area</b>	<b>Enrollment</b>
<b>Aetna Health of Arizona/Nevada, Inc.</b> 4040 South Eastern Ave., Suite 240 Las Vegas, NV 89117  Model: Network Licensed: July, 1997 For-profit; Foreign HMO NCQA Full Accreditation 11/01.	Ruth Szcurko RN,MBA Quality Accreditation Manager Phone: 702-650-8232  General Manager: Cliff Klima  Medical Director: Dr. Richard Jones	Clark County, Reno/Sparks, and Pahrump in Nye County	Commercial: 11,945 Medicare: - Medicaid: - NV Check-Up: - Total: 11,945  PPO Total: -
<b>Health Plan of Nevada</b> (Subsidiary of Sierra Health Services) P.O. Box 15645 Las Vegas, NV 89114-5645  Model: Group/Network Combination Licensed: April 1982 For-profit; Domestic HMO  PPO: Sierra Health & Life  NCQA Full Accreditation 5/03.	Rudy Cardenas Director of Operations, Managed Care Div. Phone: 702-242-7692  Kelly Simonson, Medicaid Director Phone: 702-242-7409  Medical Director: Dr. Sameer Abu-Samrah  Federally Qualified: All service areas  Medicare Risk Contract: All service areas	Clark, Esmeralda, Lyon, Mineral, Nye, and Washoe Counties	Commercial: 215,632 Medicare: 52,228 Medicaid: 40,972 NV Check-Up: 9,840 Total: 318,672  PPO Total: 24,793
<b>HMO Nevada</b> 6900 Westcliff Dr., Suite 600 Las Vegas, NV 89145  Licensed: December 1992 For-profit; Foreign HMO URAC Exam 12/03	Tony Pointer, Director of Sales Phone: Pattie Gonzalez, Provider Service Manager Phone: 702-228-1255 Medical Director: Dr. William Bannen Federally Qualified: Clark County	Carson City, Clark, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lincoln, Lyon, Nye Storey and Washoe Counties	Commercial: 2,881 Medicare: - Medicaid: - NV Check-Up: - Total: 2,881  PPO Total: 277,825

<b>HMO</b>	<b>Contact</b>	<b>Service Area</b>	<b>Enrollment</b>
<b>Hometown Health</b> 830 Harvard Way Reno, NV 89502 Model: Network  Licensed: February 1988 Non-profit; Domestic HMO State Quality Exam: CMS Exam 8/02	Troy Smith, Vice-President Insurance Svcs. Phone (775) 982-3000  Medical Director: Dr. Jay Keystone  Federally Qualified: All service areas Medicare Risk Contract: Washoe County	Carson City, Churchill, Douglas, Elko, Eureka, Humboldt, Lander, Lyon, Mineral, Pershing, Storey and Washoe Counties	Commercial: 20,470 Medicare: 5,018 Medicaid: - NV Check-Up: - Total: 25,488  PPO Total: 61,791
<b>NevadaCare, Inc.</b> (Subsidiary of I/MX Companies) 10600 Charleston Blvd. Las Vegas, NV 89135  PPO: Summerlin Life & Health Ins. Co.  Model: Network Licensed: September 1995 For-profit; Domestic HMO State Quality Exam: JCAHO 12/03	Curt Howell, VP of Program Development Phone: 702-474-7241  Medical Director: Dr. Barney	Clark County, and  Reno / Sparks in Washoe County	Commercial: 19,329  Medicare: - Medicaid: 49,538 NV Check-Up: 11,223  Total: 80,090  PPO Total: 3,435
<b>PacifiCare of Nevada, Inc.</b> 700 Warm Springs Rd. Las Vegas, NV 89119  Model: Network, and DSI Network Licensed: September 1997 For-profit; Domestic HMO NCQA Full Accreditation 2/04 State Quality Exam: HCFA 2/00	Dr. Bard Coats, President and Chief Med. Officer Phone: 702-269-7500  Dr. Alan Blumenthal, Medical Director  Federally Qualified: Clark County Medicare risk contract: Clark County	Carson City, Clark, Douglas, Esmeralda, Lyon, Mineral, Nye, Storey, and Washoe Counties	Commercial: 26,453 Medicare: 25,093 Medicaid: - NV Check-Up: - Total: 51,546  PPO Total: 7,910

HMO	Contact	Service Area	Enrollment
<b>St. Mary's Health First</b> 1155 W. Fourth Street #121 Reno, NV 89503  Model: Staff/Network combination Licensed: June 1993 For-profit; Domestic HMO State Quality Exam: NCQA 3/02	M. Donald Kowitz, Chief Operating Officer Phone: 775- 770-6060  Medical Director: Dr. Dennis Shuman	Carson City, Storey and Washoe Counties. Douglas County except Stateline and portions of Lyon County	Commercial: 28,781 Medicare: - Medicaid: - NV Check-Up: - Total: 28,781  PPO Total: -

<u>Nevada State Totals:</u>	<u>Enrollment</u>	<u>Market Penetration*</u>
Commercial:	325,491	17.7%
Medicare:	82,339	38.3%
Medicaid:	90,510	51.5%
NV Check-Up	21,063	
<b>Total Enrollment:</b>	<b>519,403</b>	

DSI: Delivery Service Intermediary

Please refer to "TABLE NOTES" for important additional information.

\* Market Penetration calculations and enrollment figures are mutually exclusive categories, and should be interpreted as such.

**Table II**

**HMO COMMERCIAL ENROLLMENT  
by Geographic Area  
June 30, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Commercial</b>
Aetna US Healthcare	11,101	629	215	11,945
Health Plan of Nevada	207,108	5,282	3,242	215,632
HMO Nevada	1,249	1,075	557	2,881
Hometown Health Plan	0	14,884	5,586	20,470
NevadaCare, Inc.	18,934	260	135	19,329
PacifiCare of Nevada, Inc.	25,954	45	454	26,453
St. Mary's Health First	0	24,399	4,382	28,781
<b>Totals</b>	<b>264,346</b>	<b>46,574</b>	<b>14,571</b>	<b>325,491</b>
<b>Market Penetration</b>	<b>20.7%</b>	<b>15.9%</b>	<b>5.3%</b>	<b>17.7%</b>

Please refer to "TABLE NOTES" for important additional information.



**Table III**

**HMO RURAL COMMERCIAL ENROLLMENT BY COUNTY  
June 30, 2004**

<b>County</b>	<b>Aetna</b>	<b>Health Plan Nevada</b>	<b>HMO Nevada</b>	<b>Hometown Health</b>	<b>NevadaCare</b>	<b>PacifiCare</b>	<b>St. Mary's Health First</b>	<b>County Total</b>
Carson City	19	42	165	1,583	0	48	3,670	5,527
Churchill	4	12	1	410	0	5	0	432
Douglas	4	16	238	1,295	0	71	225	1,849
Elko	1	5	3	203	0	0	0	212
Esmeralda	5	12	0	0	0	0	0	17
Eureka	0	0	0	63	0	0	0	63
Humboldt	0	3	0	244	0	45	0	292
Lander	0	0	0	117	0	25	0	142
Lincoln	0	110	0	0	0	1	0	111
Lyon	6	137	93	1,258	0	40	381	1,915
Mineral	2	0	0	287	0	0	0	289
Nye	173	2,889	1	0	135	219	0	3,417
Pershing	0	0	0	78	0	0	0	78
Storey	0	3	5	48	0	0	106	162
White Pine	1	13	0	0	0	0	0	14
Undefined	0	0	51	0	0	0	0	51
<b>TOTAL</b>	<b>215</b>	<b>3,242</b>	<b>557</b>	<b>5,586</b>	<b>135</b>	<b>454</b>	<b>4,382</b>	<b>14,571</b>

Please refer to "TABLE NOTES" for important additional information.

**Table IV**  
**HMO COMMERCIAL ENROLLMENT TRENDS**  
**June 30, 2004**

<b>Health Plan</b>	<b>Enrollment June 30, 2004</b>	<b>Enrollment June 30, 2003</b>	<b>Difference</b>	<b>Percentage Change</b>
Aetna US Healthcare	11,945	15,606	-3,661	-23.5%
Health Plan of Nevada	215,632	193,129	22,503	11.7%
HMO Nevada	2,881	2,837	*	*
Hometown Health Plan	20,470	28,363	-7,893	-27.8%
NevadaCare, Inc.	19,329	19,687	-358	-1.8%
PacifiCare of Nevada, Inc.	26,453	22,604	3,849	17.0%
St. Mary's HealthFirst	28,781	28,743	38	0.1%
<b>Totals</b>	325,491	310,969	14,522	4.7%

Please refer to "TABLE NOTES" for important additional information.

**Table V**

**HMO MEDICARE ENROLLMENT  
by Geographic Area  
June 30, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Medicare</b>
Aetna US Healthcare	-	-	-	-
Health Plan of Nevada	43,285	4,134	4,809	52,228
HMO Nevada	-	-	-	-
Hometown Health Plan	-	5,018	-	5,018
NevadaCare, Inc.	-	-	-	-
PacifiCare of Nevada, Inc.	25,093	-	-	25,093
St. Mary's Health First	-	-	-	-
<b>Totals</b>	<b>68,378</b>	<b>9,152</b>	<b>4,809</b>	<b>82,339</b>
<b>Market Penetration</b>	<b>47.3%</b>	<b>24.8%</b>	<b>14.3%</b>	<b>38.3%</b>

Please refer to "TABLE NOTES" for important additional information.

**Table VI**  
**HMO RURAL MEDICARE ENROLLMENT BY COUNTY**  
**June 30, 2004**

<b>County</b>	<b>Aetna</b>	<b>Health Plan Nevada</b>	<b>HMO Nevada</b>	<b>Hometown Health</b>	<b>NevadaCare</b>	<b>PacifiCare</b>	<b>St. Mary's HealthFirst</b>	<b>County Total</b>
Carson City	-	24	-	-	-	-	-	24
Churchill	-	0	-	-	-	-	-	0
Douglas	-	3	-	-	-	-	-	3
Elko	-	0	-	-	-	-	-	0
Esmeralda	-	25	-	-	-	-	-	25
Eureka	-	0	-	-	-	-	-	0
Humboldt	-	0	-	-	-	-	-	0
Lander	-	0	-	-	-	-	-	0
Lincoln	-	1	-	-	-	-	-	1
Lyon	-	839	-	-	-	-	-	839
Mineral	-	69	-	-	-	-	-	69
Nye	-	3,842	-	-	-	-	-	3,842
Pershing	-	2	-	-	-	-	-	2
Storey	-	0	-	-	-	-	-	0
White Pine	-	4	-	-	-	-	-	4
Undefined	-	-	-	-	-	-	-	0
<b>TOTAL</b>	<b>0</b>	<b>4,809</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,809</b>

Please refer to "TABLE NOTES" for important additional information.

**Table VII**  
**HMO MEDICARE ENROLLMENT TRENDS**  
**June 30, 2004**

<b>Health Plan</b>	<b>Enrollment June 30, 2004</b>	<b>Enrollment June 30, 2003</b>	<b>Difference</b>	<b>Percent Change</b>
Aetna US Healthcare	-	-	-	-
Health Plan of Nevada	52,228	49,426	2,802	5.7%
HMO Nevada	-	-	-	-
Hometown Health Plan	5,018	5,634	-616	-10.9%
NevadaCare, Inc.	-	-	-	-
PacifiCare of Nevada, Inc.	25,093	26,400	-1,307	-5.0%
St. Mary's Health First	-	-	-	-
<b>Totals</b>	82,339	81,460	879	1.1%

Please refer to "TABLE NOTES" for important additional information.

**Table VIII**

**HMO MEDICAID ENROLLMENT  
by Geographic Area  
June 30, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Medicaid</b>
Aetna US Healthcare	-	-	-	-
Health Plan of Nevada	34,112	6,825	35	40,972
HMO Nevada	-	-	-	-
Hometown Health Plan	-	-	-	-
NevadaCare, Inc.	43,567	5,971	0	49,538
PacifiCare of Nevada, Inc.	-	-	-	-
St. Mary's Health First	-	-	-	-
<b>Totals</b>	<i>77,679</i>	<i>12,796</i>	<i>35</i>	<i>90,510</i>
<b>Market Penetration</b>	<i>60.7%</i>	<i>51.6%</i>	<i>0.2%</i>	<i>51.5%</i>

Please refer to "TABLE NOTES" for important additional information.

\*Only statewide Medicaid Eligible Data was available due to new NSWDC reporting measures.

**Table IX**  
**HMO MEDICAID ENROLLMENT TRENDS**  
**June 30, 2004**

<b>Health Plan</b>	<b>Enrollment June 30, 2004</b>	<b>Enrollment June 30, 2003</b>	<b>Difference</b>	<b>Percent Change</b>
Aetna US Healthcare	-	-	-	-
Health Plan of Nevada	40,972	30,293	10,679	35.3%
HMO Nevada	-	-	-	-
Hometown Health Plan	-	-	-	-
NevadaCare, Inc.	49,538	45,318	4,220	9.3%
PacifiCare of Nevada, Inc.	-	-	-	-
St. Mary's Health First	-	-	-	-
<b>Totals</b>	90,510	75,611	14,899	19.7%

Please refer to "TABLE NOTES" for important additional information.

**Table X**

**HMO NEVADA CHECK-UP ENROLLMENT  
by Geographic Area  
June 30, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Check-Up</b>
Aetna US Healthcare	-	-	-	-
Health Plan of Nevada	9,236	598	6	9,840
HMO Nevada	-	-	-	-
Hometown Health Plan	-	-	-	-
NevadaCare, Inc.	7,549	3,674	0	11,223
PacifiCare of Nevada, Inc.	-	-	-	-
St. Mary's Health First	-	-	-	-
<b>Totals</b>	<b>16,785</b>	<b>4,272</b>	<b>6</b>	<b>21,063</b>

Please refer to "TABLE NOTES" for important additional information.



**Table XI**

**TOTAL HMO MARKET PENETRATION  
by County, June 30, 2004**

<b>County</b>	<b>Commercial Market Penetration</b>	<b>Medicare Market Penetration</b>	<b>Medicaid Market Penetration</b>
Clark	20.7%	47.3%	60.7%
Washoe	15.9%	24.8%	51.6%
Carson City	11.8%	0.0%	*
Churchill	1.9%	0.0%	*
Douglas	4.7%	0.0%	*
Elko	0.4%	0.0%	*
Esmeralda	1.3%	0.0%	*
Eureka	3.9%	0.0%	*
Humboldt	1.7%	0.0%	*
Lander	2.2%	0.0%	*
Lincoln	3.0%	0.0%	*
Lyon	6.1%	0.0%	*
Mineral	5.3%	0.0%	*
Nye	10.7%	0.0%	*
Pershing	1.1%	0.0%	*
Storey	4.5%	0.0%	*
White Pine	0.1%	0.0%	*
<b>Statewide TOTALS</b>	17.7%	38.3%	51.5%

Please refer to "TABLE NOTES" for important additional information.

\*Rural County: No county Medicaid Eligible Data available per NSWDC, see Table VIII.

**Table XII**

**PPO ENROLLMENT  
by Geographic Area  
June 30, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Enrollment</b>
Aetna US Healthcare	-	-	-	-
Health Plan of NV/Sierra Hlth & Life	22,133	1,019	1,641	24,793
HMO Nevada	DNR	DNR	DNR	277,825
Hometown Health Plan	385	57,299	4,107	61,791
NevadaCare/Summerlin Life&Hlth	2,981	131	323	3,435
PacifiCare of Nevada, Inc.	5,544	1,833	1,673	9,050
St. Mary's Health First	-	-	-	-
<b>Totals</b>	<b>31,043</b>	<b>60,282</b>	<b>7,744</b>	<b>376,894</b>

Please refer to "TABLE NOTES" for important additional information.

**TABLE XIII****PPO ENROLLMENT TRENDS by HEALTH PLAN  
June 30, 2004**

<b>Health Plan</b>	<b>Enrollment June 30, 2004</b>	<b>Enrollment June 30, 2003</b>	<b>Difference</b>	<b>Percent Change</b>
Aetna US Healthcare	-	-	-	-
Health Plan of Nevada	24,793	22,349	2,444	10.9%
HMO Nevada	277,825	42,582	235,243	552.4%
Hometown Health Plan	61,791	41,940	19,851	47.3%
NevadaCare, Inc.	3,435	0	3,435	*
PacifiCare of Nevada, Inc.	9,050	5,329	3,721	69.8%
St. Mary's Health First	-	-	-	-
<b>Totals</b>	<b>376,894</b>	<b>112,200</b>	<b>264,694</b>	<b>235.9%</b>

Please refer to "TABLE NOTES" for important additional information.

## TABLE NOTES

### *General Notes on the Tables:*

- Distinctions between Zeros, Dashes, DNR, & Asterisks

To increase readability, the following data presentation conventions have been used:

1. Zero: no enrollees within a county for which a Certificate of Authority (COA) has been issued to the HMO.
2. Dash (-): the HMO does not have a COA to operate in the county.

When used in “Total”, “Difference”, or “Percent Change” columns, this convention represents invalid mathematical calculations due to an HMO not having a COA in the county or counties, and therefore not having a valid total number of enrollees for the calculation of interest. (e.g., in Table III, no HMO has a COA to operate in Eureka county. Therefore the “County Total” column is represented with a dash (-) to indicate an invalid mathematical total.)

In Table I, convention indicates HMO does not provide service to that population category.

3. DNR: Did not report.
  4. Asterisk (\*): Value not able to be calculated due to missing data.
- Enrollment Data Reporting and Sources

All enrollment data presented within the *Nevada HMO Industry Profile* are derived from quarterly enrollment reports submitted by each HMO. Geographical allocation of enrollment data is based upon the following guidelines:

- a. Commercial plan enrollment data are reported according to the location of the employer.
- b. Medicare, Medicaid, and Nevada Check Up enrollment data are allocated according to the residence of the enrollee.

- Market Penetration Calculations and Data Sources

In general, market penetration is determined by dividing the number of enrollees by the potential enrollment population of the geographic area. The *HMO Industry Profile* uses the following conventions:

1. *Commercial category:* population (county or statewide) is comprised of age group zero to 64.
2. *Medicare category:* population (count or statewide) is comprised of age group 65 and greater.
3. *Medicaid category:* population is comprised of estimated Medicaid eligible for Clark & Washoe Counties and statewide.

The Nevada State Demographer, University of Nevada, Reno, provides data for the commercial and Medicare category 2000 population projections.

The Nevada State Welfare Division provides data for Medicaid eligible participants.

- Market Penetration Calculations and Data Sources (continued):

The population estimates for Medicaid eligibles were derived from monthly reports whose source is NSWDR Report WL-00427. The statewide totals were compiled by NSWDR from caseload reports for April, May, and June 2003 and the total Medicaid eligible statewide figure was an average of the totals for each month involved.

- Preferred Provider Organization (PPO) Data

**Important note:** PPOs and HMOs are two distinctively different approaches to healthcare coverage. Because of the differing approaches, service delivery of the two health care plans may also be dissimilar. Additionally, an HMO and a PPO may both be part of the total healthcare product line from the same insurance company.

**The PPO information presented within the *Nevada HMO Industry Profile* is not an exhaustive listing of all PPOs that are operating within Nevada.** The data presented herein are solely to provide an

- Preferred Provider Organization (PPO) Data (continued):

indication of other managed care activities with which the organization may be involved. The data are presented as reported by the HMO.

*Specific Notes on the Tables*

- Table VIII

Rural Column – represents the other 15 counties within the state. Currently, Medicaid rural enrollment is too low to justify development of a separate reporting table.

Market Penetration Statistics - only valid for statewide total. County totals were not available at time of printing due to new recording systems being used by the NSWDC. The statewide total Medicaid eligible data were an average of Medicaid eligibles for October, November, and December 2003.

- Table XI

**Important note:** The underlying data for this table were derived from Tables I-IX. Previous notes contained under **“General Notes on the Tables”** should be considered in interpreting this data.

Rural Medicaid enrollment is too low to justify reporting the rural eligibility data necessary to develop market penetration information.

- Table XII

**Important note:** HMO Nevada did not report PPO enrollment by county for the quarter.

- Table XIII

**Important note:** This the first quarter that Summerlin Life and Health Insurance Company, an affiliate of NevadaCare, Inc., is reporting quarterly PPO enrollment. Related trend data cannot be calculated at this time.