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**NEVADA HMO INDUSTRY PROFILE**

**FOURTH QUARTER REPORT**

**October 1, 2004 through December 31, 2004**

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

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**October 1, 2004 through December 31, 2004**

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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.

### Fourth Quarter 2004 HMO Activity Highlights

- This fourth 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>
- NevadaCare, Inc. announced that Jack Kelly was appointed as Senior Vice President of Government Programs.

**Table I**

**PROFILE OF NEVADA LICENSED HMOS  
Enrollment for Quarter Ending: December 31, 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 11/04.	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: 11,733 Medicare: - Medicaid: - NV Check-Up: - Total: 11,733  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 2/03.	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: 226,237 Medicare: 53,316 Medicaid: 39,770 NV Check-Up: 10,666 Total: 329,989  PPO Total: 25,893
<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: 9,971 Medicare: - Medicaid: - NV Check-Up: - Total: 9,971  PPO Total: 214,972

HMO	Contact	Service Area	Enrollment	
<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: 20,537 Medicare: 5,155 Medicaid: - NV Check-Up: - Total: 25,692  PPO Total: 64,495	
<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: 17,865  Medicare: - Medicaid: 45,770 NV Check-Up: 10,691  Total: 74,326  PPO Total: 6,416	
<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	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: 31,531 Medicare: 25,584 Medicaid: - NV Check-Up: - Total: 57,115  PPO Total: 15,199	

HMO	Contact	Service Area	Enrollment
<b>Saint Mary's HealthFirst</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: 29,682 Medicare: - Medicaid: - NV Check-Up: - Total: 29,682  PPO Total: -

<u>Nevada State Totals:</u>	<u>Enrollment</u>	<u>Market Penetration*</u>
Commercial:	347,556	18.8%
Medicare:	84,055	39.0%
Medicaid:	85,540	48.3%
NV Check-Up	21,357	
<b>Total Enrollment:</b>	<b>538,508</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  
December 31, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Commercial</b>
Aetna, Inc.	10,960	686	87	11,733
Health Plan of Nevada	217,603	5,230	3,404	226,237
HMO Nevada	2,145	4,246	3,580	9,971
Hometown Health	0	17,436	3,101	20,537
NevadaCare, Inc.	17,484	238	143	17,865
PacifiCare of Nevada, Inc.	30,928	43	560	31,531
Saint Mary's HealthFirst	10	23,899	5,773	29,682
<b>Totals</b>	<b>279,130</b>	<b>51,778</b>	<b>16,648</b>	<b>347,556</b>
<b>Market Penetration</b>	<b>21.9%</b>	<b>17.7%</b>	<b>6.0%</b>	<b>18.8%</b>

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



**Table III**

**HMO RURAL COMMERCIAL ENROLLMENT BY COUNTY  
December 31, 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	0	29	1,711	1,502	0	63	3,106	6,411
Churchill	0	14	23	0	0	5	94	136
Douglas	0	22	736	875	0	76	993	2,702
Elko	0	5	174	1	0	0	5	185
Esmeralda	0	17	0	0	0	1	0	18
Eureka	0	0	3	50	0	0	1	54
Humboldt	0	2	66	23	0	40	7	138
Lander	0	0	2	0	0	56	0	58
Lincoln	0	129	3	0	0	1	0	133
Lyon	0	143	677	319	0	41	1,445	2,625
Mineral	0	2	20	264	0	0	4	290
Nye	87	3,023	0	0	143	277	1	3,531
Pershing	0	0	1	0	0	0	4	5
Storey	0	0	9	67	0	0	113	189
White Pine	0	18	98	0	0	0	0	116
Undefined	0	0	57	0	0	0	0	57
<b>TOTAL</b>	<b>87</b>	<b>3,404</b>	<b>3,580</b>	<b>3,101</b>	<b>143</b>	<b>560</b>	<b>5,773</b>	<b>16,648</b>

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

**Table IV**  
**HMO COMMERCIAL ENROLLMENT TRENDS**  
**December 31, 2004**

<b>Health Plan</b>	<b>Enrollment December 31, 2004</b>	<b>Enrollment December 31, 2003</b>	<b>Difference</b>	<b>Percentage Change</b>
Aetna, Inc.	11,733	12,433	-700	-5.6%
Health Plan of Nevada	226,237	202,422	23,815	11.8%
HMO Nevada	9,971	3,370	6,601	195.9%
Hometown Health	20,537	27,736	-7,199	-26.0%
NevadaCare, Inc.	17,865	19,218	-1,353	-7.0%
PacifiCare of Nevada, Inc.	31,531	23,323	8,208	35.2%
Saint Mary's HealthFirst	29,682	30,167	-485	-1.6%
<b>Totals</b>	347,556	318,669	28,887	9.1%

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

**Table V**

**HMO MEDICARE ENROLLMENT  
by Geographic Area  
December 31, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Medicare</b>
Aetna, Inc.	-	-	-	-
Health Plan of Nevada	43,965	4,272	5,079	53,316
HMO Nevada	-	-	-	-
Hometown Health	-	5,155	-	5,155
NevadaCare, Inc.	-	-	-	-
PacifiCare of Nevada, Inc.	25,584	-	-	25,584
Saint Mary's HealthFirst	-	-	-	-
<b>Totals</b>	<b>69,549</b>	<b>9,427</b>	<b>5,079</b>	<b>84,055</b>
<b>Market Penetration</b>	<b>48.1%</b>	<b>25.5%</b>	<b>15.1%</b>	<b>39.0%</b>

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

**Table VI**  
**HMO RURAL MEDICARE ENROLLMENT BY COUNTY**  
**December 31, 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	-	25	-	-	-	-	-	25
Churchill	-	1	-	-	-	-	-	1
Douglas	-	4	-	-	-	-	-	4
Elko	-	0	-	-	-	-	-	0
Esmeralda	-	28	-	-	-	-	-	28
Eureka	-	0	-	-	-	-	-	0
Humboldt	-	1	-	-	-	-	-	1
Lander	-	0	-	-	-	-	-	0
Lincoln	-	2	-	-	-	-	-	2
Lyon	-	879	-	-	-	-	-	879
Mineral	-	78	-	-	-	-	-	78
Nye	-	4,058	-	-	-	-	-	4,058
Pershing	-	0	-	-	-	-	-	0
Storey	-	0	-	-	-	-	-	0
White Pine	-	3	-	-	-	-	-	3
Undefined	-	0	-	-	-	-	-	0
<b>TOTAL</b>	<b>0</b>	<b>5,079</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,079</b>

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

**Table VII**  
**HMO MEDICARE ENROLLMENT TRENDS**  
**December 31, 2004**

<b>Health Plan</b>	<b>Enrollment December 31, 2004</b>	<b>Enrollment December 31, 2003</b>	<b>Difference</b>	<b>Percent Change</b>
Aetna, Inc.	-	-	-	-
Health Plan of Nevada	53,316	51,150	2,166	4.2%
HMO Nevada	-	-	-	-
Hometown Health	5,155	5,430	-275	-5.1%
NevadaCare, Inc.	-	-	-	-
PacifiCare of Nevada, Inc.	25,584	25,945	-361	-1.4%
Saint Mary's HealthFirst	-	-	-	-
<b>Totals</b>	84,055	82,525	1,530	1.9%

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

**Table VIII**

**HMO MEDICAID ENROLLMENT  
by Geographic Area  
December 31, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Medicaid</b>
Aetna, Inc.	-	-	-	-
Health Plan of Nevada	33,117	6,611	42	39,770
HMO Nevada	-	-	-	-
Hometown Health	-	-	-	-
NevadaCare, Inc.	40,749	5,021	0	45,770
PacifiCare of Nevada, Inc.	-	-	-	-
Saint Mary's HealthFirst	-	-	-	-
<b>Totals</b>	<b>73,866</b>	<b>11,632</b>	<b>42</b>	<b>85,540</b>
<b>Market Penetration</b>	<b>57.2%</b>	<b>46.6%</b>	<b>0.2%</b>	<b>48.3%</b>

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**  
**December 31, 2004**

<b>Health Plan</b>	<b>Enrollment December 31, 2004</b>	<b>Enrollment December 31, 2003</b>	<b>Difference</b>	<b>Percent Change</b>
Aetna, Inc.	-	-	-	-
Health Plan of Nevada	39,770	30,921	8,849	28.6%
HMO Nevada	-	-	-	-
Hometown Health	-	-	-	-
NevadaCare, Inc.	45,770	44,542	1,228	2.8%
PacifiCare of Nevada, Inc.	-	-	-	-
Saint Mary's HealthFirst	-	-	-	-
<b>Totals</b>	85,540	75,463	10,077	13.4%

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

**Table X**

**HMO NEVADA CHECK-UP ENROLLMENT  
by Geographic Area  
December 31, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Check-Up</b>
Aetna, Inc.	-	-	-	-
Health Plan of Nevada	9,637	1,025	4	10,666
HMO Nevada	-	-	-	-
Hometown Health	-	-	-	-
NevadaCare, Inc.	7,415	3,276	0	10,691
PacifiCare of Nevada, Inc.	-	-	-	-
Saint Mary's HealthFirst	-	-	-	-
<b>Totals</b>	<b>17,052</b>	<b>4,301</b>	<b>4</b>	<b>21,357</b>

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



**Table XI**

**TOTAL HMO MARKET PENETRATION  
by County, December 31, 2004**

<b>County</b>	<b>Commercial Market Penetration</b>	<b>Medicare Market Penetration</b>	<b>Medicaid Market Penetration</b>
Clark	21.9%	48.1%	57.2%
Washoe	17.7%	25.5%	46.6%
Carson City	13.7%	0.0%	*
Churchill	0.6%	0.0%	*
Douglas	6.9%	0.0%	*
Elko	0.4%	0.0%	*
Esmeralda	1.4%	0.0%	*
Eureka	3.3%	N/A	*
Humboldt	0.8%	0.0%	*
Lander	0.9%	N/A	*
Lincoln	3.6%	0.0%	*
Lyon	8.3%	0.0%	*
Mineral	5.3%	0.0%	*
Nye	11.1%	0.0%	*
Pershing	0.1%	0.0%	*
Storey	5.3%	0.0%	*
White Pine	1.2%	0.0%	*
<b>Statewide TOTALS</b>	18.8%	39.0%	48.3%

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  
December 31, 2004**

<b>Health Plan</b>	<b>Clark County</b>	<b>Washoe County</b>	<b>Rural Counties</b>	<b>Total Enrollment</b>
Aetna, Inc.	-	-	-	-
Health Plan of NV/Sierra Hlth & Life	22,159	1,874	1,860	25,893
HMO Nevada	DNR	DNR	DNR	214,972
Hometown Health	321	61,377	2,797	64,495
NevadaCare/Summerlin Life&Hlth	5,809	206	401	6,416
PacifiCare of Nevada, Inc.	10,648	2,431	2,120	15,199
Saint Mary's HealthFirst	-	-	-	-
<b>Totals</b>	<b>38,937</b>	<b>65,888</b>	<b>7,178</b>	<b>326,975</b>

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

**TABLE XIII****PPO ENROLLMENT TRENDS by HEALTH PLAN  
December 31, 2004**

<b>Health Plan</b>	<b>Enrollment December 31, 2004</b>	<b>Enrollment December 31, 2003</b>	<b>Difference</b>	<b>Percent Change</b>
Aetna, Inc.	-	-	-	-
Health Plan of Nevada	25,893	24,448	1,445	5.9%
HMO Nevada	214,972	DNR	214,972	*
Hometown Health	64,495	48,796	15,699	32.2%
NevadaCare, Inc.	6,416	0	6,416	*
PacifiCare of Nevada, Inc.	15,199	5,864	9,335	159.2%
Saint Mary's HealthFirst	-	-	-	-
<b>Totals</b>	<b>326,975</b>	<b>79,108</b>	<b>247,867</b>	<b>313.3%</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 III

PacifiCare Column – Douglas County total includes enrollments residing in California.

- 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 notes:** HMO Nevada did not report PPO enrollment for the 4<sup>th</sup> quarter of 2003. Related trend data could not be calculated.

This the third 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.

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