



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES

April 2016 Financial Report

Board of Trustees Meeting

June 3, 2016

A Division of the Department of State Treasurer

Financial Results: Actual vs. Budgeted

Calendar Year to Date April 2016

Calendar Year 2016	Actual thru Apr 2016	Certified Budget (per Segal 10-13-15)	Variance Over/(Under) Budget
Beginning Cash Balance	\$1.015 b	\$941.3 m	\$73.9 m
Plan Revenue	\$1.041 b	\$1.032 b	\$8.8 m
Net Claims Payments	\$938.8 m	\$923.6 m	\$15.2 m
Medicare Advantage Premiums	\$64.2 m	\$63.4 m	\$0.8 m
Net Administrative Expenses	\$56.1 m	\$91.3 m	(\$35.2 m)
Total Plan Expenses	\$1.059 b	\$1.078 b	(\$19.2 m)
Net Income/(Loss)	(\$18.1 m)	(\$46.1 m)	\$28.0 m
Ending Cash Balance	\$997.1 m	\$895.2 m	\$101.9 m

Adjusted Variance Report

Calendar Year to Date April 2016

Calendar Year 2016	Actual thru Apr 2016, As Adjusted	Certified Budget (per Segal 10-13-15)	Variance Over/(Under) Budget
Plan Revenue *	\$1.064 b	\$1.032 b	\$31.9 m
Net Claims Payments	\$938.8 m	\$923.6 m	\$15.2 m
Medicare Advantage Premiums	\$64.2 m	\$63.4 m	\$0.8 m
Net Administrative Expenses ^	\$71.5 m	\$91.3 m	(\$19.8 m)
Total Plan Expenses	\$1.074 b	\$1.078 b	(\$3.8 m)
Net Income/(Loss)	(\$10.4 m)	(\$46.1 m)	\$35.7 m

* Adjusted for timing issues and to exclude non-budgeted revenues.

^ Adjusted for timing issues.

Financial Results Actual vs. Budgeted

Calendar Year to Date April 2016

Per Member Per Month (PMPM) Analysis

Calendar Year 2016	Actual thru Apr 2016	Certified Budget (per Segal 10-13-15)	Variance Over/(Under) Budget
Plan Revenue	\$370.41	\$377.77	(\$7.36)
Net Claims Payments	\$337.37	\$337.78	(\$0.41)
Medicare Advantage Premiums	\$23.11	\$23.20	(\$0.09)
Net Administrative Expenses	\$20.15	\$33.40	(\$13.25)
Total Plan Expenses	\$380.63	\$394.38	(\$13.75)
Net Income/(Loss)	(\$10.22)	(\$16.61)	\$6.39

Comparing actual results to the budget projection on a PMPM basis helps correct for changes in membership that occurred during the year.

Adjusted Variance Report

Calendar Year to Date April 2016

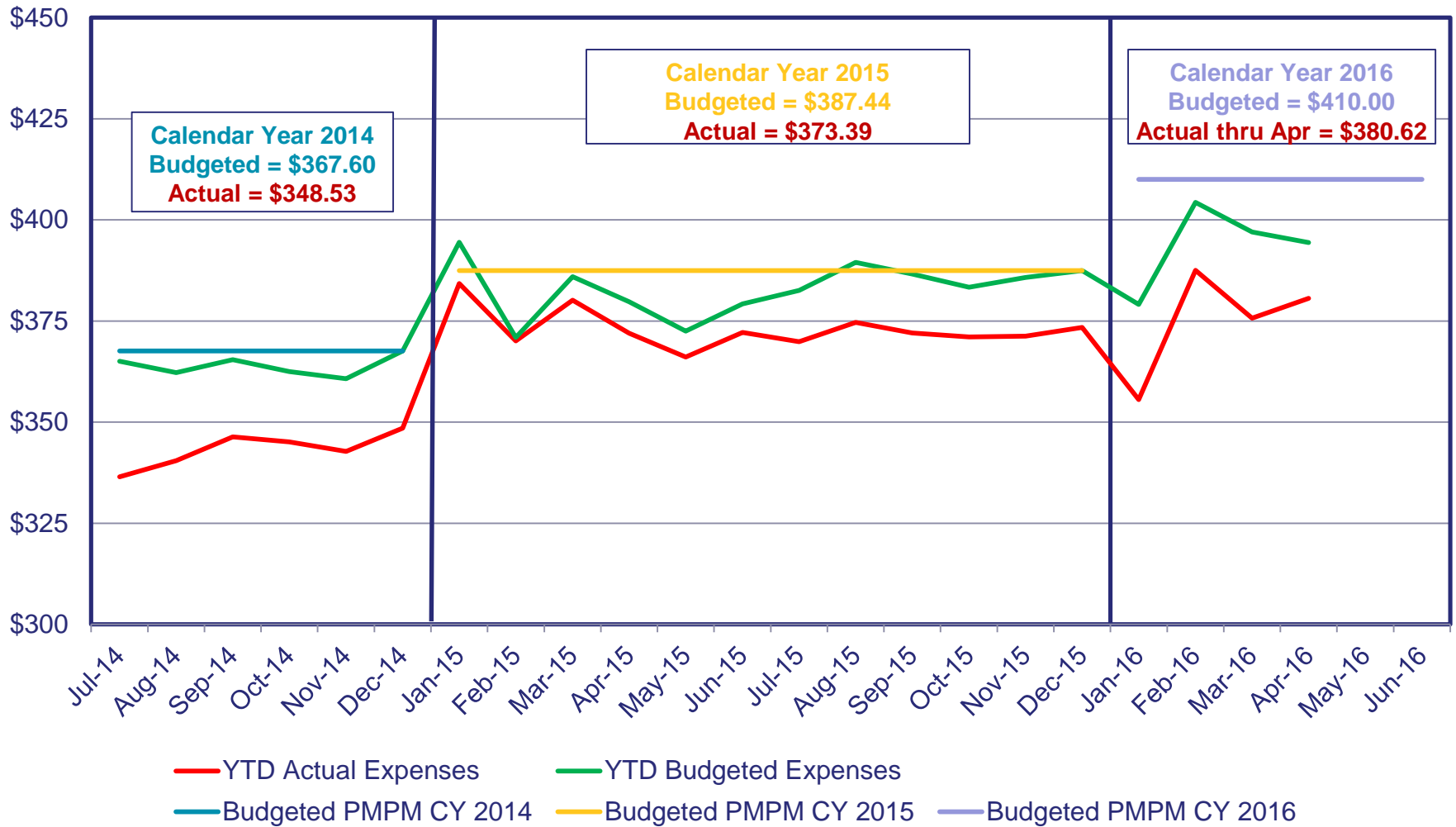
Per Member Per Month (PMPM) Analysis

Calendar Year 2016	Actual thru Mar 2016, as Adjusted	Certified Budget (per Segal 10-13-15)	Variance Over/(Under) Budget
Plan Revenue *	\$378.66	\$377.77	\$0.89
Net Claims Payments	\$337.37	\$337.78	(\$0.41)
Medicare Advantage Premiums	\$23.11	\$23.20	(\$0.09)
Net Administrative Expenses ^	\$25.69	\$33.40	(\$7.71)
Total Plan Expenses	\$386.17	\$394.38	(\$8.21)
Net Income/(Loss)	(\$7.51)	(\$16.61)	\$9.10

* Adjusted for timing issues and to exclude non-budgeted revenues.

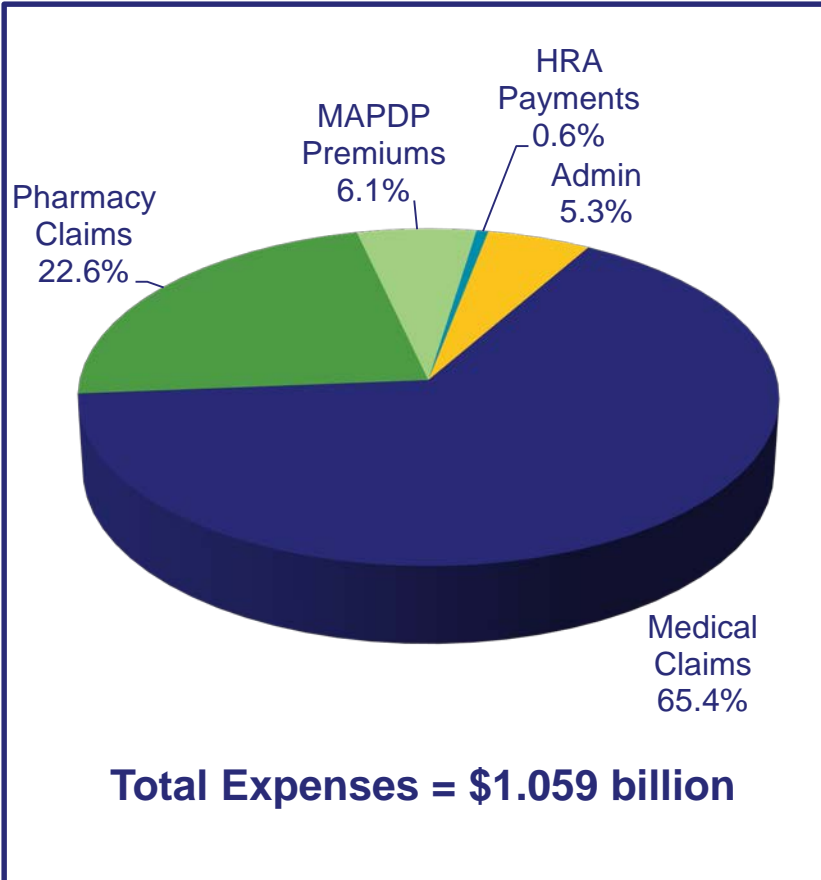
^ Adjusted for timing issues.

Plan Year to Date (YTD) Expenditure Trend Per Member Per Month

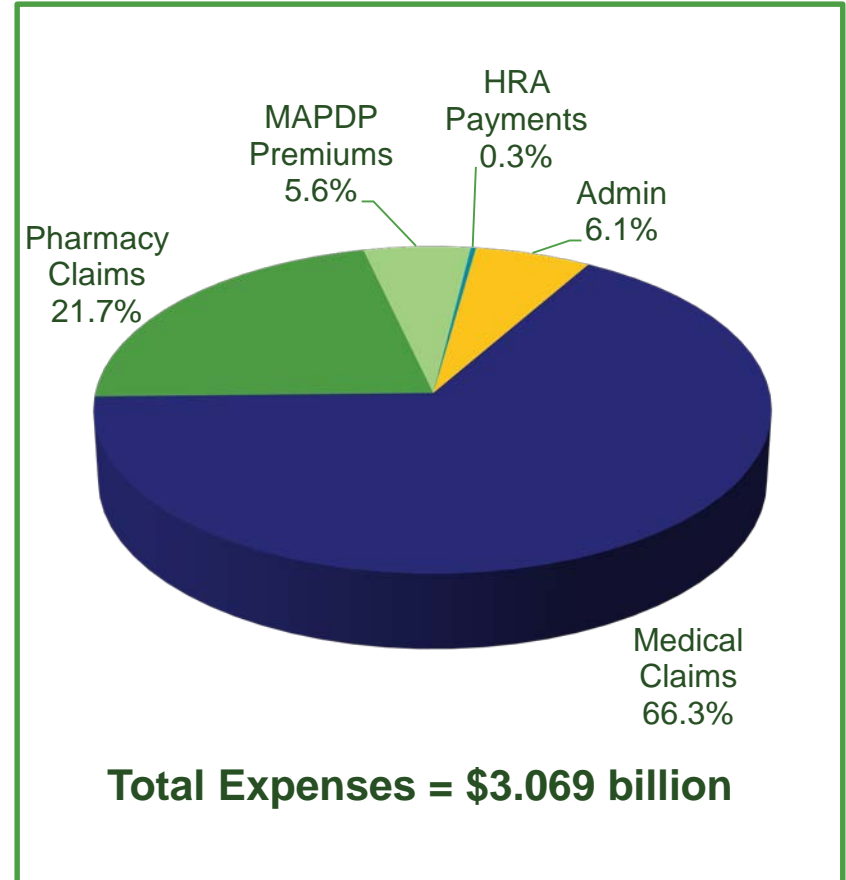


Allocation of Total Expenditures

Calendar Year To Date: Apr 2016



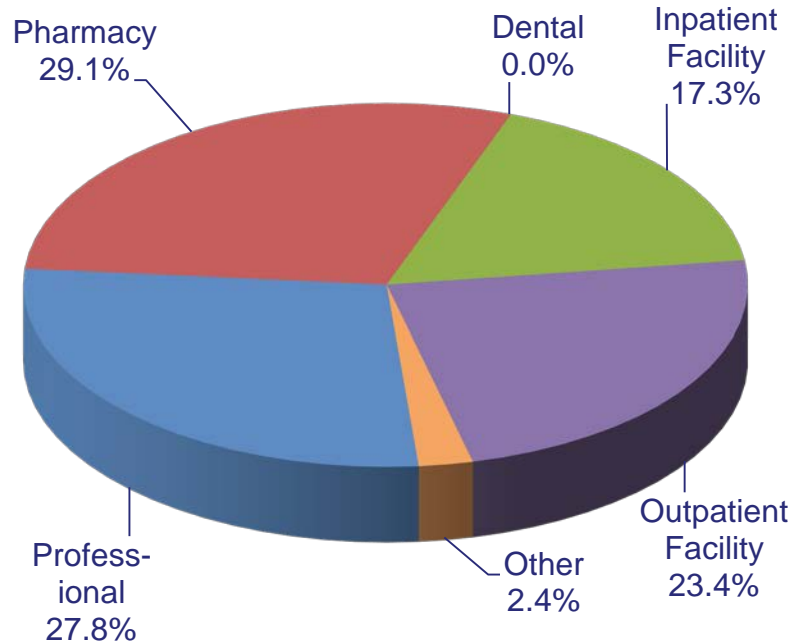
Calendar Year 2015



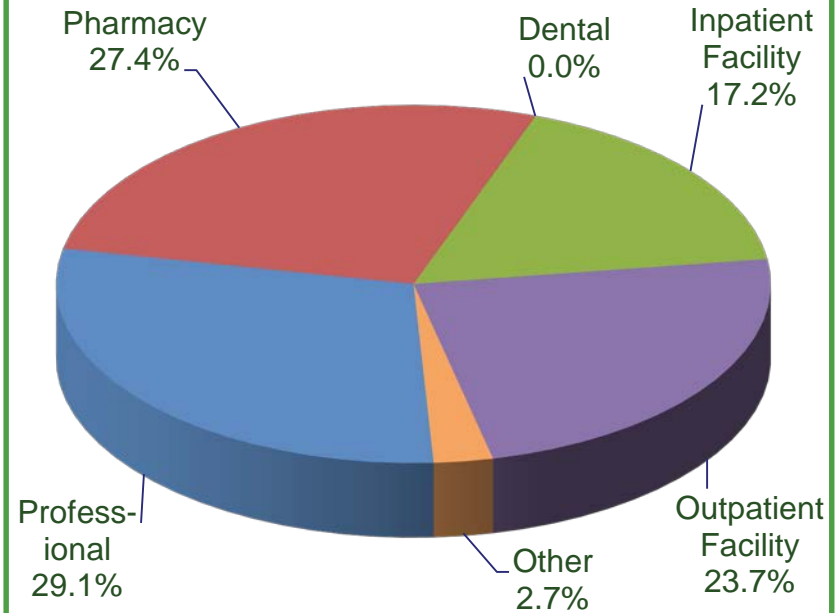
Sources: BCBSNC Net Disbursements reports; Financial Status Reports

Allocation of Claims Expenditures Medical, Blue Card and Pharmacy Payments

Calendar Year to Date: Apr 2016



Calendar Year 2015



Source: BCBSNC Summary of Billed Charges

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis)
 Consolidated Report, Actual vs. Certified Budget
 For the Month Ended April 2016
 Calendar Year 2016

1 **Plan Revenue:**

	A	B	C	D	E	F	G	H
	Actual April 2016	Certified Budget April 2016	Monthly Variance Over/(Under) Certified Budget	Actual Year to Date CY 2016	10/13/2015 Certified Budget Year to Date CY 2016	Year to Date Variance Over/(Under) Certified Budget	10/13/2015 Annual Certified Budget CY 2016 (Jan-Dec 2016)	Year to Date Variance Over/(Under) Annual Certified Budget
2								
3 Member Premiums	\$ 243,824,862	\$ 256,645,891	\$ (12,821,229)	\$ 1,030,819,240	\$ 1,027,086,272	\$ 3,732,968	\$ 3,077,262,889	\$ (2,046,443,649)
4 Premium Refunds/Retroactive Disenrollments	-	(129,314)	129,314	-	(517,507)	517,507	(1,550,543)	1,550,543
5 Medicare Part D (RDS) Subsidy	2,488,499	1,193,938	1,294,563	7,297,550	4,185,683	3,111,867	14,177,803	(6,880,253)
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	453	-	453	-	453
7 Medicare Advantage (MA) Subsidy	33,498	72,279	(38,781)	239,903	286,424	(46,521)	866,820	(626,917)
8 Net Premium & Other Contributions	246,346,659	257,782,792	(11,436,133)	1,038,357,146	1,031,040,872	7,316,274	3,090,756,969	(2,052,399,823)
9								
10 Investment Earnings	741,360	299,481	441,879	2,674,472	1,221,878	1,452,594	3,269,599	(595,127)
11 Miscellaneous Revenue	-	-	-	-	-	-	-	-
12 Other Revenue	741,360	299,481	441,879	2,674,472	1,221,878	1,452,594	3,269,599	(595,127)
13								
14 Total Plan Revenue (excludes internal transfers)	247,088,019	258,082,273	(10,994,254)	1,041,031,618	1,032,262,750	8,768,868	3,094,026,568	(2,052,994,950)

16 **Plan Expenses:**

17								
18 Medical Claim Payments	184,800,139	170,384,165	14,415,974	705,713,460	699,820,756	5,892,704	2,191,757,976	(1,488,044,516)
19 Medical Claim Refunds/Recoveries	(1,159,744)	(2,171,791)	1,012,047	(6,784,748)	(8,468,819)	1,684,071	(28,878,079)	20,091,331
20 Net Medical Claims	183,640,395	168,212,374	15,428,021	698,928,712	691,351,937	7,576,775	2,164,881,897	(1,465,953,185)
21								
22 Pharmacy Claim Payments	64,367,659	61,574,473	2,793,186	253,574,870	244,035,950	9,538,920	803,327,996	(549,753,126)
23 Pharmacy Claim Rebates	-	-	-	(13,666,155)	(11,792,209)	(1,873,946)	(50,098,630)	36,432,475
24 Pharmacy Claim Refunds/Recoveries	(6,720)	-	(6,720)	(44,372)	-	(44,372)	-	(44,372)
25 Net Pharmacy Claims	64,360,939	61,574,473	2,786,466	239,864,343	232,243,741	7,620,602	753,229,366	(513,365,023)
26								
27 Net Claim Payments	248,001,334	229,786,847	18,214,487	938,793,055	923,595,678	15,197,377	2,918,111,263	(1,979,318,208)
28								
29 Medicare Advantage Premium Payments	16,366,755	15,877,519	489,236	64,297,982	63,431,158	866,824	190,926,384	(126,628,402)
30								
31 Net Administrative Expenses	13,340,138	18,384,330	(5,044,192)	56,081,512	91,321,092	(35,239,580)	249,818,709	(193,737,197)
32								
33 Total Plan Expenses (excludes internal transfers)	277,708,227	264,048,696	13,659,531	1,059,172,549	1,078,347,928	(19,175,379)	3,358,856,356	(2,299,683,807)

34 **Plan Income/(Loss)**

34	(30,620,208)	(5,966,423)	(24,653,785)	(18,140,931)	(46,085,178)	27,944,247	(264,829,788)	246,688,857
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37 **Cash Availability:**

38								
39 Beginning Cash Balance/(Deficit)	1,027,697,305	901,151,425	126,545,880	1,015,218,028	941,270,180	73,947,848	941,270,180	73,947,848
40 Ending Cash Balance/(Deficit)	997,077,097	895,185,002	101,892,095	997,077,097	895,185,002	101,892,095	676,440,392	320,636,705
41								
42 Target Stabilization Reserve @ 12/31/16	262,630,014	262,630,014	-	262,630,014	262,630,014	-	262,630,014	-
43								
44 Cash Balance Over/(Under) Reserve Target	\$ 734,447,083	\$ 632,554,988	\$ 101,892,095	\$ 734,447,083	\$ 632,554,988	\$ 101,892,095	\$ 413,810,378	\$ 320,636,705

Comments:

- Premium receivables totaled \$2,824,374.63 as of April 30, 2016.
- The average weekly medical claims cost net of claims refunds was \$45,910,098.75 for the four scheduled weekly claim cycles.
- Total pharmacy claims, before rebates and refunds, included two bi-weekly invoice cycles averaging \$32,183,829.50 per cycle.
- The target stabilization reserve is 9% of the projected net claims for Calendar Year 2016.
- Minor differences compared to other reports are due to rounding.

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis)
 Consolidated Report, Actual vs. Certified Budget
 For the Month Ended April 2016
 Fiscal Year 2015- 2016

	A	B	C	D	E	F	G	H
	Actual April 2016	Certified Budget April 2016	Monthly Variance Over/(Under) Certified Budget	Actual Year to Date FY 2015-16	10/13/2015 Certified Budget Year to Date FY 2015-16	Year to Date Variance Over/(Under) Certified Budget	10/13/2015 Annual Certified Budget FY 2015-16	Year to Date Variance Over/(Under) Annual Certified Budget
1 Plan Revenue:								
2								
3 Member Premiums	\$ 243,824,882	\$ 256,645,891	\$ (12,821,229)	\$ 2,551,280,803	\$ 2,518,589,346	\$ 32,691,457	\$ 3,031,630,846	\$ (480,350,043)
4 Premium Refunds/Retroactive Disenrollments	-	(129,314)	129,314	-	(1,265,404)	1,265,404	(1,523,909)	1,523,909
5 Medicare Part D (RDS) Subsidy	2,488,499	1,193,936	1,294,563	15,868,466	11,531,590	4,336,876	14,457,206	1,411,260
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	453	-	453	-	453
7 Medicare Advantage (MA) Subsidy	33,498	72,279	(38,781)	670,168	703,807	(33,639)	848,545	(178,377)
8 Net Premium & Other Contributions	246,346,659	257,782,792	(11,436,133)	2,567,819,890	2,529,559,339	38,260,551	3,045,412,688	(477,592,798)
9								
10 Investment Earnings	741,360	299,481	441,879	5,988,460	3,197,808	2,790,652	3,760,445	2,228,015
11 Miscellaneous Revenue	-	-	-	-	-	-	-	-
12 Other Revenue	741,360	299,481	441,879	5,988,460	3,197,808	2,790,652	3,760,445	2,228,015
13								
14 Total Plan Revenue (excludes internal transfers)	247,088,019	258,082,273	(10,994,254)	2,573,808,350	2,532,757,147	41,051,203	3,049,173,133	(475,364,783)
15								
16 Plan Expenses:								
17								
18 Medical Claim Payments	184,800,139	170,384,165	14,415,974	1,744,861,597	1,765,256,906	(20,395,309)	2,152,322,381	(407,460,784)
19 Medical Claim Refunds/Recoveries	(1,159,744)	(2,171,791)	1,012,047	(16,769,979)	(21,296,819)	4,526,840	(25,781,279)	8,991,300
20 Net Medical Claims	183,640,395	168,212,374	15,428,021	1,728,091,618	1,743,960,087	(15,868,469)	2,126,561,102	(398,469,484)
21								
22 Pharmacy Claim Payments	64,367,659	61,574,473	2,793,186	675,047,822	650,386,995	24,660,827	802,956,864	(127,909,042)
23 Pharmacy Claim Rebates	-	-	-	(98,043,638)	(89,438,495)	(8,605,143)	(104,118,976)	6,075,338
24 Pharmacy Claim Refunds/Recoveries	(6,720)	-	(6,720)	(1,723,394)	-	(1,723,394)	-	(1,723,394)
25 Net Pharmacy Claims	64,360,939	61,574,473	2,786,466	575,280,790	560,948,500	14,332,290	698,837,888	(123,557,098)
26								
27 Net Claim Payments	248,001,334	229,786,847	18,214,487	2,303,372,408	2,304,908,587	(1,536,179)	2,825,398,990	(522,026,582)
28								
29 Medicare Advantage Premium Payments	16,366,755	15,877,519	489,236	151,373,893	149,282,018	2,091,875	181,076,580	(29,702,687)
30								
31 Net Administrative Expenses	13,340,138	18,384,330	(5,044,192)	146,104,575	207,501,163	(61,396,588)	244,252,193	(98,147,618)
32								
33 Total Plan Expenses (excludes internal transfers)	277,708,227	264,048,696	13,659,531	2,600,850,876	2,661,691,768	(60,840,892)	3,250,727,763	(649,876,887)
34								
35 Plan Income/(Loss)	(30,620,208)	(5,966,423)	(24,653,785)	(27,042,526)	(128,934,621)	101,892,095	(201,554,630)	174,512,104
36								
37 Cash Availability:								
38								
39 Beginning Cash Balance/(Deficit)	1,027,697,305	901,151,425	126,545,880	1,024,119,623	1,024,119,623	-	1,024,119,623	-
40 Ending Cash Balance/(Deficit)	997,077,097	895,185,002	101,892,095	997,077,097	895,185,002	101,892,095	822,564,993	174,512,104
41								
42 Target Stabilization Reserve @ 6/30/16	254,285,909	254,285,909	-	254,285,909	254,285,909	-	254,285,909	-
43								
44 Cash Balance Over/(Under) Reserve Target	\$ 742,791,188	\$ 640,899,093	\$ 101,892,095	\$ 742,791,188	\$ 640,899,093	\$ 101,892,095	\$ 568,279,084	\$ 174,512,104

Comments:

- a. Premium receivables totaled \$2,924,374.63 as of April 30, 2016.
- b. The average weekly medical claims cost net of claims refunds was \$45,910,098.75 for the four scheduled weekly claim cycles.
- c. Total pharmacy claims, before rebates and refunds, included two bi-weekly invoice cycles averaging \$32,183,829.60 per cycle.
- d. The target stabilization reserve is 9% of the projected net claims for Fiscal Year 2015-16.
- e. Minor differences compared to other reports are due to rounding.

North Carolina State Health Plan for Teachers and State Employees

Summary of Operations (Cash Basis)

Current Year Actual vs. Prior Year Actual

For the Month Ended April 2016

Calendar Year 2016

	A	B	C	D	E	F	G
	Current Year Actual April 2016	Prior Year Actual April 2015	Current Year to Date Actual CY 2016 thru April	Prior Year to Date Actual CY 2015 thru April	Current Year Certified Annual Budget CY 2016	Prior Year Annual Budget CY 2015	Prior Year Actual Results CY 2015
1 Plan Revenue:							
2							
3 Member Premiums	\$ 243,824,662	\$ 242,233,820	\$ 1,030,819,240	\$ 981,587,939	\$ 3,077,262,889	\$ 2,963,937,832	\$ 2,993,891,773
4 Premium Refunds/Retroactive Disenrollments	-	-	-	-	(1,550,543)	(1,486,657)	(5,343)
5 Medicare Part D (RDS) Subsidy	2,488,499	(309,504)	7,297,550	3,883,544	14,177,803	14,587,080	19,484,823
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	453	48,603,021	-	48,602,498	48,603,406
7 Medicare Advantage (MA) Subsidy	33,498	67,874	239,903	401,669	866,820	828,983	959,319
8 Net Premium & Other Contributions	246,346,659	241,992,190	1,038,357,146	1,034,476,173	3,090,756,969	3,026,469,736	3,062,933,978
9							
10 Investment Earnings	741,360	481,390	2,674,472	1,768,892	3,269,599	3,871,779	6,037,729
11 Miscellaneous Revenue	-	-	-	-	-	-	-
12 Other Revenue	741,360	481,390	2,674,472	1,768,892	3,269,599	3,871,779	6,037,729
13							
14 Total Plan Revenue (excludes internal transfers)	247,088,019	242,473,580	1,041,031,618	1,036,245,065	3,094,026,568	3,030,341,515	3,068,971,707
15							
16 Plan Expenses:							
17							
18 Medical Claim Payments	184,800,139	160,231,633	705,713,460	678,139,077	2,191,757,976	2,128,799,496	2,067,095,284
19 Medical Claim Refunds/Recoveries	(1,159,744)	(2,065,023)	(6,784,748)	(8,279,678)	(26,876,079)	(25,072,202)	(23,709,307)
20 Net Medical Claims	183,640,395	158,166,610	698,928,712	669,859,399	2,164,881,897	2,103,727,294	2,043,385,977
21							
22 Pharmacy Claim Payments	64,367,659	57,153,281	253,574,870	230,591,981	803,327,996	718,955,282	766,818,503
23 Pharmacy Claim Rebates	-	-	(13,666,155)	(11,815,970)	(50,098,630)	(57,020,841)	(96,193,453)
24 Pharmacy Claim Refunds/Recoveries	(6,720)	(3,371,838)	(44,372)	(3,544,154)	-	-	(5,347,179)
25 Net Pharmacy Claims	64,360,939	53,781,443	239,864,343	215,231,857	753,229,366	661,934,441	665,277,871
26							
27 Net Claim Payments	248,001,334	211,948,053	938,793,055	885,091,256	2,918,111,263	2,765,661,735	2,708,663,848
28							
29 Medicare Advantage Premium Payments	16,366,755	14,299,201	64,297,982	56,859,051	190,926,384	174,072,089	172,517,202
30							
31 Net Administrative Expenses	13,340,138	11,321,472	56,081,512	73,831,962	249,818,709	239,864,700	187,419,975
32							
33 Total Plan Expenses (excludes internal transfers)	277,708,227	237,568,726	1,059,172,549	1,015,782,269	3,358,856,356	3,179,598,524	3,068,601,025
34							
35 Plan Income/(Loss)	(30,620,208)	4,904,854	(18,140,931)	20,462,796	(264,829,788)	(149,257,009)	370,682
36							
37 Cash Availability:							
38							
39 Beginning Cash Balance/(Deficit)	1,027,697,305	1,030,405,288	1,015,218,028	1,014,847,346	941,270,180	1,014,847,346	1,014,847,346
40 Ending Cash Balance/(Deficit)	997,077,097	1,035,310,142	997,077,097	1,035,310,142	676,440,392	865,590,337	1,015,218,028
41							
42 Target Stabilization Reserve @ 12/31	262,630,014	248,909,557	262,630,014	248,909,557	262,630,014	248,909,557	243,779,746
43							
44 Cash Balance Over/(Under) Reserve Target	\$ 734,447,083	\$ 786,400,585	\$ 734,447,083	\$ 786,400,585	\$ 413,810,378	\$ 616,680,780	\$ 771,438,282

Comments:

a. Minor differences compared to other reports are due to rounding

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis)
 Current Year Actual vs. Prior Year Actual
 For the Month Ended April 2016
Fiscal Year 2015-2016

	A	B	C	D	E	F	G
	Current Year Actual April 2016	Prior Year Actual April 2015	Current Year to Date Actual FY 2015-16 thru April	Prior Year to Date Actual FY 2014-15 thru April	Current Year Certified Annual Budget FY 2015-16	Prior Year Annual Budget FY 2014-15	Prior Year Actual Results FY 2014-15
1 Plan Revenue:							
2							
3 Member Premiums	\$ 243,824,662	\$ 242,233,820	\$ 2,551,280,803	\$ 2,495,660,402	\$ 3,031,630,846	\$ 2,937,906,736	\$ 2,987,502,673
4 Premium Refunds/Retroactive Disenrollments	-	-	-	(6,016)	(1,523,909)	(1,478,664)	(11,359)
5 Medicare Part D (RDS) Subsidy	2,488,499	(309,504)	15,868,466	12,560,408	14,457,206	6,276,386	19,590,771
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	453	50,283,438	-	33,414,689	50,283,823
7 Medicare Advantage (MA) Subsidy	33,498	67,874	670,168	705,877	848,545	-	833,262
8 Federal Early Retiree Reinsurance Program (ERRP)	-	-	-	(1,949)	-	-	(1,949)
9 Net Premium & Other Contributions	246,346,659	241,992,190	2,567,819,890	2,559,202,160	3,045,412,688	2,976,119,147	3,058,197,221
10							
11 Investment Earnings	741,360	481,390	5,988,460	4,110,886	3,760,445	3,933,340	5,065,735
12 Miscellaneous Revenue	-	-	-	-	-	-	-
13 Other Revenue	741,360	481,390	5,988,460	4,110,886	3,760,445	3,933,340	5,065,735
14							
15 Total Plan Revenue (excludes internal transfers)	247,088,019	242,473,580	2,573,808,350	2,563,313,046	3,049,173,133	2,980,052,487	3,063,262,956
16							
17 Plan Expenses:							
18							
19 Medical Claim Payments	184,800,139	160,231,633	1,744,861,597	1,671,561,108	2,152,322,381	1,995,716,227	2,021,369,178
20 Medical Claim Refunds/Recoveries	(1,159,744)	(2,065,023)	(16,769,979)	(19,395,030)	(25,761,279)	(23,520,519)	(24,839,428)
21 Net Medical Claims	183,640,395	158,166,610	1,728,091,618	1,652,166,078	2,126,561,102	1,972,195,708	1,996,529,750
22							
23 Pharmacy Claim Payments	64,367,659	57,153,281	675,047,822	610,856,434	802,956,864	686,943,428	725,610,004
24 Pharmacy Claim Rebates	-	-	(98,043,638)	(51,114,709)	(104,118,976)	(74,166,940)	(51,114,709)
25 Pharmacy Claim Refunds/Recoveries	(6,720)	(3,371,838)	(1,723,394)	(4,016,708)	-	-	(4,140,711)
26 Net Pharmacy Claims	64,360,939	53,781,443	575,280,790	555,725,017	698,837,888	612,776,488	670,354,584
27							
28 Net Claim Payments	248,001,334	211,948,053	2,303,372,408	2,207,891,095	2,825,398,990	2,584,972,196	2,666,884,334
29							
30 Medicare Advantage Premium Payments	16,366,755	14,299,201	151,373,893	133,818,154	181,076,580	163,281,044	162,400,394
31							
32 Net Administrative Expenses	13,340,138	11,321,472	146,104,575	144,851,695	244,252,193	223,971,245	168,416,645
33							
34 Total Plan Expenses (excludes internal transfers)	277,708,227	237,568,726	2,600,850,876	2,486,560,944	3,250,727,763	2,972,224,485	2,997,701,373
35							
36 Plan Income/(Loss)	(30,620,208)	4,904,854	(27,042,526)	76,752,102	(201,554,630)	7,828,002	65,561,583
37							
38 Cash Availability:							
39							
40 Beginning Cash Balance/(Deficit)	1,027,697,305	1,030,405,288	1,024,119,623	958,558,040	1,024,119,623	958,558,040	958,558,040
41 Ending Cash Balance/(Deficit)	997,077,097	1,035,310,142	997,077,097	1,035,310,142	822,564,993	966,386,042	1,024,119,623
42							
43 Target Stabilization Reserve @ 6/30	254,285,909	232,647,498	254,285,909	232,647,498	254,285,909	232,647,498	240,019,590
44							
45 Cash Balance Over/(Under) Reserve Target	\$ 742,791,188	\$ 802,662,644	\$ 742,791,188	\$ 802,662,644	\$ 568,279,084	\$ 733,738,544	\$ 784,100,033

Comments:
 a. Minor differences compared to other reports are due to rounding

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis, as adjusted)
 Consolidated Report, Actual vs. Budgeted
 For the Month Ended April 2016
 Calendar Year 2016

	A	B	C	D	E	F
	Actual Year to Date Calendar Year thru April	Adjustments for Timing, Unusual & Onetime Events	Adjusted Actual Year to Date	Certified Budget Calendar Year to Date thru April	Year to Date Adjusted Variance Over/(Under) Budget	Adjusted Variance as Percentage of Budget
1 Plan Revenue:						
2						
3 Member Premiums (Notes 1 and 2)	\$ 1,030,819,240	\$ 24,232,918	\$ 1,055,052,158	\$ 1,027,086,272	\$ 27,965,886	2.72%
4 Premium Refunds/Retroactive Disenrollments	-	-	-	(517,507)	517,507	-100.00%
5 Medicare Part D (RDS) Subsidy (Note 3)	7,297,550	(1,040,895)	6,256,655	4,185,883	2,071,172	49.48%
6 Medicare PDP (EGWP + Wrap) Subsidy (Note 4)	453	(453)	-	-	-	-
7 Medicare Advantage (MA) Subsidy	239,903	-	239,903	286,424	(46,521)	-16.24%
8 Net Premium & Other Contributions	1,038,357,146	23,191,769	1,061,548,915	1,031,040,872	30,508,043	2.96%
9						
10 Other Revenue	2,674,472	-	2,674,472	1,221,878	1,452,594	118.88%
11						
12 Total Plan Revenue (excludes internal transfers)	1,041,031,618	23,191,769	1,064,223,387	1,032,262,750	31,960,637	3.10%
13						
14 Plan Expenses:						
15						
16 Net Medical Claims	698,928,712	-	698,928,712	691,351,937	7,576,775	1.10%
17 Net Pharmacy Claims	239,864,343	-	239,864,343	232,243,741	7,620,602	3.28%
18 Net Claim Payments	938,793,055	-	938,793,055	923,595,678	15,197,377	1.65%
19						
20 Medicare Advantage Premiums	64,297,982	-	64,297,982	63,431,158	866,824	1.37%
21						
22 Net Administrative Expenses (Notes 5 and 6)	56,081,512	15,403,347	71,484,859	91,321,092	(19,836,233)	-21.72%
23						
24 Total Plan Expenses (excludes internal transfers)	1,059,172,549	15,403,347	1,074,575,896	1,078,347,928	(3,772,032)	-0.35%
25						
26 Plan Income/(Loss)	(18,140,931)	7,788,422	(10,352,509)	(46,085,178)	35,732,669	-77.54%
27						
28 Cash Availability:						
29						
30 Beginning Cash Balance/(Deficit)	1,015,218,028	-	1,015,218,028	941,270,180	73,947,848	7.86%
31 Ending Cash Balance/(Deficit)	997,077,097	7,788,422	1,004,865,519	895,185,002	109,680,517	12.25%
32						
33 Target Stabilization Reserve @ 12/31/2016	262,630,014	-	262,630,014	262,630,014	-	0.00%
34						
35 Cash Balance Over/(Under) Reserve Target	\$ 734,447,083	\$ 7,788,422	\$ 742,235,505	\$ 632,554,988	\$ 109,680,517	17.34%

Adjustment Notes:

1. Member premiums adjusted to include \$53.4 million in prepaid January premiums received in December 2015.
2. Member premiums adjusted to exclude \$29.2 million in prepaid May premiums received in April.
3. Retiree Drug Subsidy adjusted to exclude an unbudgeted reconciliation payment from the CY 2014 plan year.
4. EGWP subsidies were not budgeted and are therefore excluded.
5. Net administrative expenses adjusted to reflect the normal monthly invoice cycle (net of -\$2.4 million).
6. Administrative expenses adjusted to include a \$17.8 million federal fee payment that was budgeted for January 2016 but was actually made in December 2015.

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis, as adjusted)
 Consolidated Report, Actual vs. Budgeted
 For the Month Ended April 2016
Fiscal Year 2015-2016

	A	B	C	D	E	F
	Actual Year to Date Fiscal Year thru April	Adjustments for Timing, Unusual & Overtime Events	Adjusted Actual Year to Date	Certified Budget Fiscal Year to Date thru April	Year to Date Adjusted Variance Over/(Under) Budget	Adjusted Variance as Percentage of Budget
1 Plan Revenue:						
2						
3 Member Premiums (Notes 1 and 2)	\$ 2,551,280,803	\$ (7,791,640)	\$ 2,543,489,163	\$ 2,518,589,346	\$ 24,899,817	0.99%
4 Premium Refunds/Retroactive Disenrollments	-		-	(1,265,404)	1,265,404	-100.00%
5 Medicare Part D (RDS) Subsidy (Note 3)	15,868,466	(1,040,695)	14,827,771	11,531,590	3,296,181	28.58%
6 Medicare PDP (EGWP + Wrap) Subsidy (Note 4)	453	(453)	-	-	-	
7 Medicare Advantage (MA) Subsidy	670,168		670,168	703,807	(33,639)	-4.78%
8 Net Premium & Other Contributions	2,567,819,890	(8,832,789)	2,558,987,101	2,529,559,339	29,427,762	1.16%
9						
10 Other Revenue	5,988,460		5,988,460	3,197,808	2,790,652	87.27%
11						
12 Total Plan Revenue (excludes internal transfers)	2,573,808,350	(8,832,789)	2,564,975,561	2,532,757,147	32,218,414	1.27%
13						
14 Plan Expenses:						
15						
16 Net Medical Claims	1,728,091,618		1,728,091,618	1,743,960,087	(15,868,469)	-0.91%
17 Net Pharmacy Claims (Note 5)	575,280,790	1,612,006	576,892,796	560,948,500	15,944,296	2.84%
18 Net Claim Payments	2,303,372,408	1,612,006	2,304,984,414	2,304,908,587	75,827	0.00%
19						
20 Medicare Advantage Premiums	151,373,893		151,373,893	149,282,018	2,091,875	1.40%
21						
22 Net Administrative Expenses (Note 6)	146,104,575	5,266,000	151,370,575	207,501,163	(56,130,588)	-27.05%
23						
24 Total Plan Expenses (excludes internal transfers)	2,600,850,876	6,878,006	2,607,728,882	2,661,691,768	(53,962,886)	-2.03%
25						
26 Plan Income/(Loss)	(27,042,526)	(15,710,794)	(42,753,320)	(128,934,621)	86,181,301	-66.84%
27						
28 Cash Availability:						
29						
30 Beginning Cash Balance/(Deficit)	1,024,119,623		1,024,119,623	1,024,119,623	-	0.00%
31 Ending Cash Balance/(Deficit)	997,077,097	(15,710,794)	981,366,303	895,185,002	86,181,301	9.63%
32						
33 Target Stabilization Reserve @ 6/30/16	254,285,909		254,285,909	254,285,909	-	0.00%
34						
35 Cash Balance Over/(Under) Reserve Target	\$ 742,791,188	\$ (15,710,794)	\$ 727,080,394	\$ 640,899,093	\$ 86,181,301	13.45%

Adjustment Notes:

1. Member premiums adjusted to include \$21.4 million in prepaid July 2015 premiums received in June 2015.
2. Member premiums adjusted to exclude \$29.2 million in prepaid May premiums received in April.
3. Retiree Drug Subsidy adjusted to exclude an unbudgeted reconciliation payment from the CY 2014 plan year.
4. EGWP subsidies were not budgeted and are therefore excluded.
5. Net pharmacy claims adjusted to exclude an unbudgeted \$1.6 million recovery from a class action law suit.
6. Net Administrative Expenses adjusted to reflect normal monthly invoice cycle.