



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES

September 2014 Financial Report

Board of Trustees Meeting

November 20, 2014

A Division of the Department of State Treasurer

Financial Results: Actual v. Budgeted

Calendar Year to Date September 2014

Calendar Year 2014	Actual thru Sep 2014	Certified Budget (per Segal 8-19-13)	Variance Over/(Under) Budget
Beginning Cash Balance	\$838.5 m	\$695.0 m	\$143.5 m
Plan Revenue	\$2.241 b	\$2.216 b	\$25.3 m
Net Claims Payments	\$1.878 b	\$1.924 b	(\$46.1 m)
Medicare Advantage Premiums	\$117.7 m	\$130.4 m	(\$12.7 m)
Net Administrative Expenses	\$114.2 m	\$135.5 m	(\$21.3 m)
Total Plan Expenses	\$2.110 b	\$2.190 b	(\$80.1 m)
Net Income/(Loss)	\$131.4 m	\$26.0 m	\$105.4 m
Ending Cash Balance	\$969.9 m	\$721.0 m	\$248.9 m

Adjusted Variance Report

Calendar Year to Date September 2014

Calendar Year 2014	Actual thru Sep 2014, As Adjusted	Certified Budget (per Segal 8-19-13)	Variance Over/(Under) Budget
Plan Revenue *	\$2.260 b	\$2.216 b	\$43.4 m
Net Claims Payments ^	\$1.888 b	\$1.924 b	(\$36.6 m)
Medicare Advantage Premiums	\$117.7 m	\$130.4 m	(\$12.7 m)
Net Administrative Expenses †	\$105.7 m	\$135.5 m	(\$29.8 m)
Total Plan Expenses	\$2.111 b	\$2.190 b	(\$79.1 m)
Net Income/(Loss)	\$148.5 m	\$26.0 m	\$122.5 m

Note: Numbers might not sum to totals due to rounding

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

^ Adjusted for timing issues and to remove the impact of unanticipated pharmacy rebate true-up payments.

† Adjusted for timing issues.

Financial Results Actual v. Budgeted

Calendar Year to Date September 2014

Per Member Per Month (PMPM) Analysis

Calendar Year 2014	Actual thru Sep 2014	Certified Budget (per Segal 8-19-13)	Variance Over/(Under) Budget
Plan Revenue	\$367.59	\$370.05	(\$2.46)
Net Claims Payments	\$308.28	\$321.08	(\$12.80)
Medicare Advantage Premiums	\$19.32	\$21.77	(\$2.45)
Net Administrative Expenses	\$18.75	\$22.61	(\$3.86)
Total Plan Expenses	\$346.35	\$365.46	(\$19.11)
Net Income/(Loss)	\$21.24	\$4.59	\$16.65

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 September 2014

Per Member Per Month (PMPM) Analysis

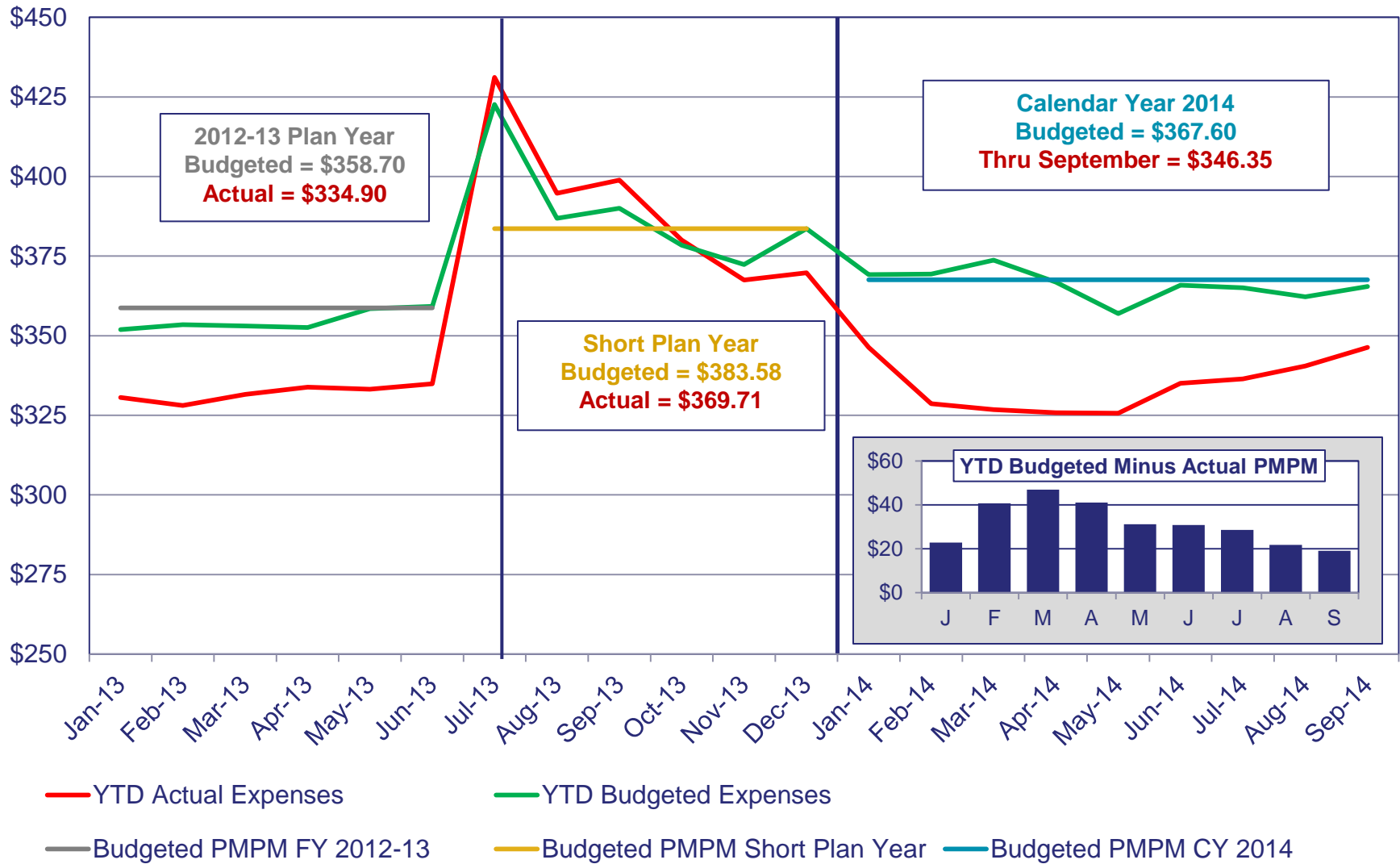
Calendar Year 2014	Actual thru Sep 2014, as Adjusted	Certified Budget (per Segal 8-19-13)	Variance Over/(Under) Budget
Plan Revenue *	\$370.57	\$370.05	\$0.52
Net Claims Payments ^	\$309.85	\$321.08	(\$11.23)
Medicare Advantage Premiums	\$19.32	\$21.77	(\$2.45)
Net Administrative Expenses †	\$17.35	\$22.61	(\$5.26)
Total Plan Expenses	\$346.52	\$365.46	(\$18.94)
Net Income/(Loss)	\$24.05	\$4.59	\$19.46

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

^ Adjusted for timing issues and to remove the impact of a larger-than-expected pharmacy rebate true-up payment.

† Adjusted for timing issues.

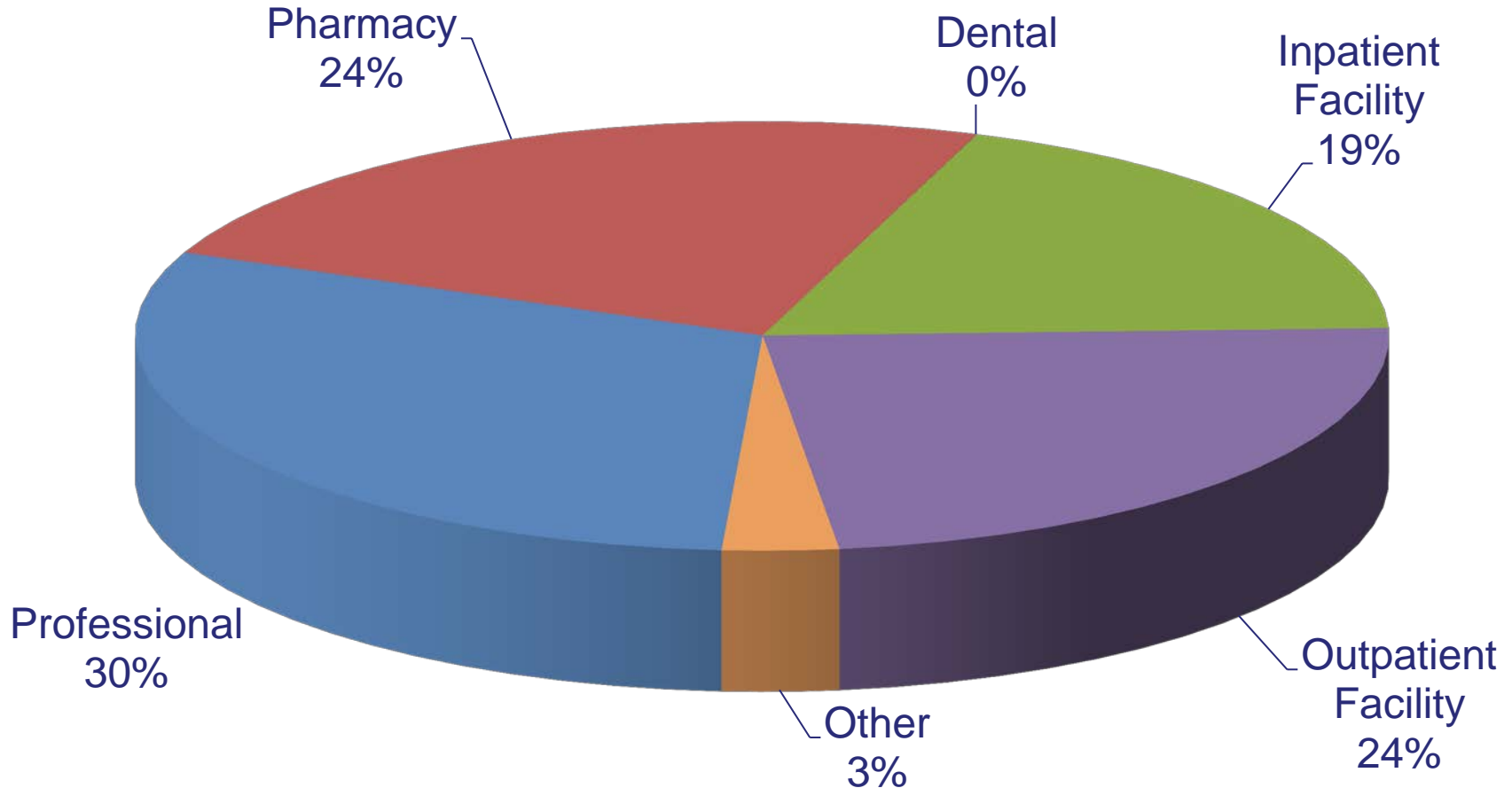
Plan Year to Date (YTD) Expenditure Trend Per Member Per Month



Allocation of Claims Expenditures

Calendar Year to Date: September 2014

Includes Medical, Blue Card & Pharmacy Payments



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 September 2014
Calendar Year 2014

	A	B	C	D	E	F	G	H
	Actual September 2014	Certified Budget September 2014	Monthly Variance Over/(Under) Certified Budget	Actual 2014 Calendar Year To Date	Certified Budget 2014 Calendar Year to Date	Calendar Year to Date Variance Over/(Under) Certified Budget	Calendar Year Certified Budget (Jan- Dec 2014)	Calendar Year to Date Variance Over/(Under) Certified Budget
1 Plan Revenue:								
2								
3 Member Premiums	\$ 257,532,521	243,274,345	\$ 14,258,176	\$ 2,191,544,860	\$ 2,192,567,897	\$ (1,023,037)	\$ 2,921,878,532	\$ (730,333,672)
4 Premium Refunds/Retroactive Disenrollments	-	(124,010)	124,010	(28,401)	(1,117,634)	1,089,233	(1,489,408)	1,461,007
5 Medicare Part D (RDS) Subsidy	2,369,310	381,280	1,988,030	18,004,435	4,768,956	13,235,479	6,344,076	11,660,359
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	28,378,401	17,999,101	10,379,300	31,047,005	(2,668,604)
7 Medicare Advantage (MA) Subsidy	38,742	-	38,742	536,077	-	536,077	-	536,077
8 Federal Early Retiree Reinsurance Program (ERRP)	-	-	-	-	-	-	-	-
9 Net Premium & Other Contributions	259,940,573	243,531,615	16,408,958	2,238,435,372	2,214,218,320	24,217,052	2,957,780,205	(719,344,833)
10								
11 Investment Earnings	353,651	243,779	109,872	3,232,497	2,148,114	1,084,383	2,892,005	340,492
12 Miscellaneous Revenue	-	-	-	-	-	-	-	-
13 Other Revenue	353,651	243,779	109,872	3,232,497	2,148,114	1,084,383	2,892,005	340,492
14								
15 Total Plan Revenue (excludes internal transfers)	260,294,224	243,775,394	16,518,830	2,241,667,869	2,216,366,434	25,301,435	2,960,672,210	(719,004,341)
16								
17 Plan Expenses:								
18								
19 Medical Claim Payments	189,082,882	190,257,347	(1,174,465)	1,478,419,240	1,560,780,719	(82,361,479)	2,062,826,346	(584,407,106)
20 Medical Claim Refunds/Recoveries	(1,861,670)	(2,213,070)	351,400	(17,050,328)	(19,230,764)	2,180,436	(25,469,051)	8,418,723
21 Net Medical Claims	187,221,212	188,044,277	(823,065)	1,461,368,912	1,541,549,955	(80,181,043)	2,037,357,295	(575,988,383)
22								
23 Pharmacy Claim Payments	53,062,418	42,854,219	10,208,199	504,763,477	426,075,554	78,687,923	599,541,594	(94,778,117)
24 Pharmacy Claim Rebates	-	-	-	(88,001,925)	(43,238,232)	(44,763,693)	(54,794,623)	(33,207,302)
25 Pharmacy Claim Refunds/Recoveries	(32,318)	-	(32,318)	110,669	-	110,669	-	110,669
26 Net Pharmacy Claims	53,030,100	42,854,219	10,175,881	416,872,221	382,837,322	34,034,899	544,746,971	(127,874,750)
27								
28 Net Claim Payments	240,251,312	230,898,496	9,352,816	1,878,241,133	1,924,387,277	(46,146,144)	2,582,104,266	(703,863,133)
29								
30 Medicare Advantage Premium Payments	13,163,912	14,543,619	(1,379,707)	117,713,027	130,459,448	(12,746,421)	174,162,733	(56,449,706)
31								
32 Net Administrative Expenses	12,345,540	14,780,307	(2,434,767)	114,223,530	135,504,535	(21,281,005)	179,815,010	(65,591,480)
33								
34 Total Plan Expenses (excludes internal transfers)	265,760,764	260,222,422	5,538,342	2,110,177,690	2,190,351,260	(80,173,570)	2,936,082,009	(825,904,319)
35								
36 Plan Income/(Loss)	(5,466,540)	(16,447,028)	10,980,488	131,490,179	26,015,174	105,475,005	24,590,201	106,899,978
37								
38 Cash Availability:								
39								
40 Beginning Cash Balance/(Deficit)	975,403,856	737,437,335	237,966,521	838,447,137	694,975,133	143,472,004	694,975,133	143,472,004
41 Ending Cash Balance/(Deficit)	969,937,316	720,990,307	248,947,009	969,937,316	720,990,307	248,947,009	719,565,334	250,371,982
42								
43 Target Stabilization Reserve @ 12/31/14	234,282,695	234,282,695	-	234,282,695	234,282,695	-	234,282,695	-
44								
45 Cash Balance Over/(Under) Reserve Target	\$ 735,654,621	\$ 486,707,612	\$ 248,947,009	\$ 735,654,621	\$ 486,707,612	\$ 248,947,009	\$ 485,282,639	\$ 250,371,982

Comments:

- Premium receivables totaled \$756,360.81 as of September 30, 2014.
- The average weekly medical claims cost net of claims refunds was \$37,444,242.40 for the five scheduled weekly claim cycles.
- Total pharmacy claims, before rebates and refunds, included two bi-weekly invoice cycles averaging \$26,531,209.00 per cycle.
- The target stabilization reserve is 8.5% of the projected net claims and Medicare Advantage premiums for Calendar Year 2014.
- Minor differences compared to other reports are due to rounding.

Actual vs Certified Budget (i.e. **Original Budget** per SL 2013-360 and Board Approved Design)
September - 2014 Calendar Year

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis)
 Consolidated Report, Actual vs. Authorized Budget
 For the Month Ended September 2014
Fiscal Year 2014- 2015

	A	B	C	D	E	F	G	H
	Actual September 2014	Authorized Budget September 2014	Monthly Variance Over/(Under) Authorized Budget	Actual Year to Date FY 2014-15	Authorized Budget Year to Date FY 2014-15	Year to Date Variance Over/(Under) Authorized Budget	Annual Authorized Budget FY 2014-15	Year to Date Variance Over/(Under) Annual Authorized Budget
Plan Revenue:								
Member Premiums	\$ 257,532,521	\$ 245,187,848	\$ 12,344,673	\$ 753,025,182	\$ 735,811,289	\$ 17,213,893	\$ 2,937,906,736	\$ (2,184,881,554)
Premium Refunds/Retroactive Disenrollments	-	(123,367)	123,367	(6,016)	(370,226)	364,210	(1,478,664)	1,472,648
Medicare Part D (RDS) Subsidy	2,369,310	364,216	2,005,094	5,096,895	1,343,825	3,753,070	6,276,386	(1,179,491)
Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	1,680,417	1,680,417	-	33,414,689	(31,734,272)
Medicare Advantage (MA) Subsidy	38,742	-	38,742	118,512	-	118,512	-	118,512
Federal Early Retiree Reinsurance Program (ERRP)	-	-	-	-	-	-	-	-
Net Premium & Other Contributions	259,940,573	245,428,697	14,511,876	759,914,990	738,465,305	21,449,685	2,976,119,147	(2,216,204,157)
Investment Earnings	353,651	324,117	29,534	1,157,349	971,239	186,110	3,933,340	(2,775,991)
Miscellaneous Revenue	-	-	-	-	-	-	-	-
Other Revenue	353,651	324,117	29,534	1,157,349	971,239	186,110	3,933,340	(2,775,991)
Total Plan Revenue (excludes internal transfers)	260,294,224	245,752,814	14,541,410	761,072,339	739,436,544	21,635,795	2,980,052,487	(2,218,980,148)
Plan Expenses:								
Medical Claim Payments	189,082,882	187,306,152	1,776,730	522,002,307	504,097,563	17,904,744	1,995,716,227	(1,473,713,920)
Medical Claim Refunds/Recoveries	(1,861,670)	(1,991,119)	129,449	(5,433,940)	(5,961,502)	527,562	(23,520,519)	18,086,579
Net Medical Claims	187,221,212	185,315,033	1,906,179	516,568,367	498,136,061	18,432,306	1,972,195,708	(1,455,627,341)
Pharmacy Claim Payments	53,062,418	51,170,645	1,891,773	186,898,832	179,370,004	7,528,828	686,943,428	(500,044,596)
Pharmacy Claim Rebates	-	-	-	(28,537,461)	(28,537,461)	-	(74,166,940)	45,629,479
Pharmacy Claim Refunds/Recoveries	(32,318)	-	(32,318)	(48,209)	-	(48,209)	-	(48,209)
Net Pharmacy Claims	53,030,100	51,170,645	1,859,455	158,313,162	150,832,543	7,480,619	612,776,488	(454,463,326)
Net Claim Payments	240,251,312	236,485,678	3,765,634	674,881,529	648,968,604	25,912,925	2,584,972,196	(1,910,090,667)
Medicare Advantage Premium Payments	13,163,912	13,171,149	(7,237)	39,174,180	39,480,705	(306,525)	163,281,044	(124,106,864)
Net Administrative Expenses	12,345,540	15,847,897	(3,502,357)	35,637,354	47,559,778	(11,922,424)	223,971,245	(188,333,891)
Total Plan Expenses (excludes internal transfers)	265,760,764	265,504,724	256,040	749,693,063	736,009,087	13,683,976	2,972,224,485	(2,222,531,422)
Plan Income/(Loss)	(5,466,540)	(19,751,910)	14,285,370	11,379,276	3,427,457	7,951,819	7,828,002	3,551,274
Cash Availability:								
Beginning Cash Balance/(Deficit)	975,403,856	981,737,407	(6,333,551)	958,558,040	958,558,040	-	958,558,040	-
Ending Cash Balance/(Deficit)	969,937,316	961,985,497	7,951,819	969,937,316	961,985,497	7,951,819	966,386,042	3,551,274
Target Stabilization Reserve @ 6/30/15	232,647,498	232,647,498	-	232,647,498	232,647,498	-	232,647,498	-
Cash Balance Over/(Under) Reserve Target	\$ 737,289,818	\$ 729,337,999	\$ 7,951,819	\$ 737,289,818	\$ 729,337,999	\$ 7,951,819	\$ 733,738,544	\$ 3,551,274

Comments:

- Premium receivables totaled \$756,360.81 as of September 30, 2014.
- The average weekly medical claims cost net of claims refunds was \$37,444,242.40 for the five scheduled weekly claim cycles.
- Total pharmacy claims, before rebates and refunds, included two bi-weekly invoice cycles averaging \$26,531,209.00 per cycle.
- The target stabilization reserve is 9% of the projected net claims and Medicare Advantage premiums for Fiscal Year 2014-15.
- Minor differences compared to other reports are due to rounding.

Actual vs Authorized Budget (i.e. **Revised Budget** per Segal 9-9-14 Projections)
 September 2014 - Fiscal Year

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 September 2014
Fiscal Year 2014-2015

	A	B	C	D	E	F	G
	Current Year Actual September 2014	Prior Year Actual September 2013	Current Year to Date Actual FY 2014-15 thru September	Prior Year to Date Actual FY 2013-14 thru September	Current Year Authorized Annual Budget FY 2014-15	Prior Year Annual Budget FY 2013-14	Prior Year Actual Results FY 2013-14
1 Plan Revenue:							
2							
3 Member Premiums	\$ 257,532,521	\$ 208,817,225	\$ 753,025,182	\$ 731,105,957	\$ 2,937,906,736	\$ 2,902,567,015	\$ 2,941,097,678
4 Premium Refunds/Retroactive Disenrollments	-	(225,532)	(6,016)	(251,461)	(1,478,664)	(1,466,766)	(299,923)
5 Medicare Part D (RDS) Subsidy	2,369,310	307,743	5,096,895	1,510,296	6,276,386	6,218,762	11,583,652
6 Medicare PDP (EGWP + Wrap) Subsidy	-	4,094,352	1,680,417	16,106,284	33,414,689	50,346,402	63,780,569
7 Medicare Advantage (MA) Subsidy	38,742	-	118,512	-	-	-	417,565
8 Federal Early Retiree Reinsurance Program (ERRP)	-	-	-	-	-	-	-
9 Net Premium & Other Contributions	259,940,573	212,993,788	759,914,990	748,471,076	2,976,119,147	2,957,665,413	3,016,579,541
10							
11 Investment Earnings	353,651	303,960	1,157,349	858,605	3,933,340	2,868,131	3,861,263
12 Miscellaneous Revenue	-	54,972	-	54,972	-	-	54,972
13 Other Revenue	353,651	358,932	1,157,349	913,577	3,933,340	2,868,131	3,916,235
14							
15 Total Plan Revenue (excludes internal transfers)	260,294,224	213,352,720	761,072,339	749,384,653	2,980,052,487	2,960,533,544	3,020,495,776
16							
17 Plan Expenses:							
18							
19 Medical Claim Payments	189,082,882	193,560,030	522,002,307	545,279,555	1,995,716,227	2,107,493,114	1,989,574,333
20 Medical Claim Refunds/Recoveries	(1,861,670)	(1,494,252)	(5,433,940)	(5,764,072)	(23,520,519)	(24,643,884)	(22,450,766)
21 Net Medical Claims	187,221,212	192,065,778	516,568,367	539,515,483	1,972,195,708	2,082,849,230	1,967,123,567
22							
23 Pharmacy Claim Payments	53,062,418	65,501,226	186,898,832	226,538,700	686,943,428	699,653,578	743,680,114
24 Pharmacy Claim Rebates	-	-	(28,537,461)	(6,882,250)	(74,166,940)	(52,353,361)	(91,653,105)
25 Pharmacy Claim Refunds/Recoveries	(32,318)	(9,866)	(48,209)	(144,644)	-	-	(398,652)
26 Net Pharmacy Claims	53,030,100	65,491,360	158,313,162	219,511,806	612,776,488	647,300,217	651,628,357
27							
28 Net Claim Payments	240,251,312	257,557,138	674,881,529	759,027,289	2,584,972,196	2,730,149,447	2,618,751,924
29							
30 Medicare Advantage Premium Payments	13,163,912	-	39,174,180	-	163,281,044	86,864,744	78,538,847
31							
32 Net Administrative Expenses	12,345,540	14,443,126	35,637,354	41,046,132	223,971,245	182,446,628	148,134,913
33							
34 Total Plan Expenses (excludes internal transfers)	265,760,764	272,000,264	749,693,063	800,073,421	2,972,224,485	2,999,460,819	2,845,425,684
35							
36 Plan Income/(Loss)	(5,466,540)	(58,647,544)	11,379,276	(50,688,768)	7,828,002	(38,927,275)	175,070,092
37							
38 Cash Availability:							
39							
40 Beginning Cash Balance/(Deficit)	975,403,856	791,446,724	958,558,040	783,487,948	958,558,040	755,749,494	783,487,948
41 Ending Cash Balance/(Deficit)	969,937,316	732,799,180	969,937,316	732,799,180	966,386,042	716,822,219	958,558,040
42							
43 Target Stabilization Reserve @ 6/30/15	232,647,498	239,446,206	232,647,498	239,446,206	232,647,498	239,446,206	229,269,716
44							
45 Cash Balance Over/(Under) Reserve Target	\$ 737,289,818	\$ 493,352,974	\$ 737,289,818	\$ 493,352,974	\$ 733,738,544	\$ 477,376,013	\$ 729,288,324

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 September 2014
 Calendar Year 2014

	A	B	C	D	E	F
	Actual Year to Date Calendar Year thru September	Adjustments for Timing, Unusual & Onetime Events	Adjusted Actual Year to Date	Certified Budget Calendar Year to Date thru September	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)	\$ 2,191,544,860	\$ 27,214,757	\$ 2,218,759,617	\$ 2,192,567,897	\$ 26,191,720	1.19%
4 Premium Refunds/Retroactive Disenrollments	(28,401)		(28,401)	(1,117,634)	1,089,233	-97.46%
5 Medicare Part D (RDS) Subsidy (Note 3)	18,004,435	(6,855,182)	11,149,253	4,768,956	6,380,297	133.79%
6 Medicare PDP (EGWP + Wrap) Subsidy (Note 4)	28,378,401	(1,680,417)	26,697,984	17,999,101	8,698,883	48.33%
7 Medicare Advantage (MA) Subsidy (Note 5)	536,077	(536,077)	-	-	-	
8 Federal Early Retiree Reinsurance Program (ERRP)	-		-	-	-	
9 Net Premium & Other Contributions	2,238,435,372	18,143,081	2,256,578,453	2,214,218,320	42,360,133	1.91%
10						
11 Other Revenue	3,232,497		3,232,497	2,148,114	1,084,383	50.48%
12						
13 Total Plan Revenue (excludes internal transfers)	2,241,667,869	18,143,081	2,259,810,950	2,216,366,434	43,444,516	1.96%
14						
15 Plan Expenses:						
16						
17 Net Medical Claims	1,461,368,912		1,461,368,912	1,541,549,955	(80,181,043)	-5.20%
18 Net Pharmacy Claims (Notes 6 and 7)	416,872,221	9,575,016	426,447,237	382,837,322	43,609,915	11.39%
19 Net Claim Payments	1,878,241,133	9,575,016	1,887,816,149	1,924,387,277	(36,571,128)	-1.90%
20						
21 Medicare Advantage Premiums	117,713,027		117,713,027	130,459,448	(12,746,421)	-9.77%
22						
23 Net Administrative Expenses (Note 8)	114,223,530	(8,491,208)	105,732,322	135,504,535	(29,772,213)	-21.97%
24						
25 Total Plan Expenses (excludes internal transfers)	2,110,177,690	1,083,809	2,111,261,499	2,190,351,260	(79,089,762)	-3.61%
26						
27 Plan Income/(Loss)	131,490,179	17,059,273	148,549,452	26,015,174	122,534,278	471.01%
28						
29 Cash Availability:						
30						
31 Beginning Cash Balance/(Deficit)	838,447,137		838,447,137	694,975,133	143,472,004	20.64%
32 Ending Cash Balance/(Deficit)	969,937,316	17,059,273	986,996,589	720,990,307	266,006,282	36.89%
33						
34 Target Stabilization Reserve @ 12/31/2014	234,282,695		234,282,695	234,282,695	-	
35						
36 Cash Balance Over/(Under) Reserve Target	\$ 735,654,621	\$ 17,059,273	\$ 752,713,894	\$ 486,707,612	\$ 266,006,282	54.65%

Adjustment Notes:

1. Member premiums adjusted to include \$60.8 million in prepaid January premiums received in December 2013.
2. Member premiums adjusted to exclude \$33.6 million in prepaid October premiums received in September.
3. Medicare Part D subsidy adjusted to exclude an unbudgeted subsidy refund related to prior plan years.
4. EGWP subsidy adjusted to exclude unbudgeted subsidy payments received in July.
5. Medicare Advantage low income premium subsidies were not budgeted and therefore are excluded.
6. Pharmacy claims adjusted to exclude a \$33.1 million claims payment that was budgeted for payment in December 2013 but was not paid until January 2014.
7. Pharmacy claims adjusted to remove unbudgeted rebate true-ups totaling \$42.7 million.
8. Administrative expenses adjusted to reflect normal vendor payment schedules.

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 September 2014
Fiscal Year 2014-2015

	A	B	C	D	E	F
	Actual Year to Date Fiscal Year thru September	Adjustments for Timing, Unusual & Onetime Events	Adjusted Actual Year to Date	Authorized Budget Fiscal Year to Date thru September	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)	\$ 753,025,182	\$ (17,599,058)	\$ 735,426,124	\$ 735,811,289	\$ (385,165)	-0.05%
4 Premium Refunds/Retroactive Disenrollments	(6,016)		(6,016)	(370,226)	364,210	-98.38%
5 Medicare Part D (RDS) Subsidy	5,096,895		5,096,895	1,343,825	3,753,070	279.28%
6 Medicare PDP (EGWP + Wrap) Subsidy	1,680,417		1,680,417	1,680,417	-	
7 Medicare Advantage (MA) Subsidy (Note 3)	118,512	(118,512)	-	-	-	
8 Federal Early Retiree Reinsurance Program (ERRP)	-		-	-	-	
9 Net Premium & Other Contributions	759,914,990	(17,717,570)	742,197,420	738,465,305	3,732,115	0.51%
10						
11 Other Revenue	1,157,349		1,157,349	971,239	186,110	19.16%
12						
13 Total Plan Revenue (excludes internal transfers)	761,072,339	(17,717,570)	743,354,769	739,436,544	3,918,225	0.53%
14						
15 Plan Expenses:						
16						
17 Net Medical Claims	516,568,367		516,568,367	498,136,061	18,432,306	3.70%
18 Net Pharmacy Claims	158,313,162		158,313,162	150,832,543	7,480,619	4.96%
19 Net Claim Payments	674,881,529	-	674,881,529	648,968,604	25,912,925	3.99%
20						
21 Medicare Advantage Premiums	39,174,180		39,174,180	39,480,705	(306,525)	-0.78%
22						
23 Net Administrative Expenses	35,637,354		35,637,354	47,559,778	(11,922,424)	-25.07%
24						
25 Total Plan Expenses (excludes internal transfers)	749,693,063	-	749,693,063	736,009,087	13,683,976	1.86%
26						
27 Plan Income/(Loss)	11,379,276	(17,717,570)	(6,338,294)	3,427,457	(9,765,751)	-284.93%
28						
29 Cash Availability:						
30						
31 Beginning Cash Balance/(Deficit)	958,558,040		958,558,040	958,558,040	-	
32 Ending Cash Balance/(Deficit)	969,937,316	(17,717,570)	952,219,746	961,985,497	(9,765,751)	-1.02%
33						
34 Target Stabilization Reserve @ 6/30/15	232,647,498		232,647,498	232,647,498	-	
35						
36 Cash Balance Over/(Under) Reserve Target	\$ 737,289,818	\$ (17,717,570)	\$ 719,572,248	\$ 729,337,999	\$ (9,765,751)	-1.34%

Adjustment Notes:

1. Member premiums adjusted to include \$16.0 million in prepaid July premiums received in June.
2. Member premiums adjusted to exclude \$33.6 million in prepaid October premiums received in September.
3. Medicare Advantage low income premium subsidies were not budgeted and therefore are excluded.