

Report #2A: TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES
December 31, 2008

Prepared in accordance with instructions from TDCI

	Current Quarter	Current Year	Previous Year
	Total	Total	Total
MEMBER MONTHS	80,609	752,661	801,183
REVENUES:			
1. TennCare Capitation	10,800,718	119,125,772	120,663,780
Capitation	-	-	-
ASO Administrative fees received	1,158,927	9,020,672	-
ASO Medical expense	8,903,876	107,434,942	-
Premium Tax Expense	737,915	2,670,158	-
2. Adverse Selection	-	-	-
3. Total (Lines 1 and 2)	10,800,718	119,125,772	120,663,780
4. Investment	16,038	131,954	211,714
5. Other Revenue (Provide detail)	-	-	-
6. TOTAL (Lines 3 to 5)	10,816,756	119,257,726	120,875,494
EXPENSES:			
Medical and Hospital Services			
7. Capitated Physician Services	76,362	714,874	732,734
8. Fee for Service Physician Services	2,452,319	36,644,695	39,875,537
9. Inpatient Hospital Services	2,126,011	36,440,789	35,086,767
10. Outpatient Services	288,188	12,514,020	13,562,022
11. Emergency Room Services	710,789	5,730,849	5,817,219
12. Mental Health Services	-	-	-
13. Dental Services	-	-	-
14. Vision Services	18,891	438,489	496,437
15. Pharmacy Services	-	-	(325)
16. Home Health Services	2,201,183	4,451,493	2,647,864
17. Chiropractic Services	(7)	1,403	1,616
18. Radiology Services	(160,357)	3,044,207	3,634,200
19. Laboratory Services	(66,111)	1,501,376	1,858,091
20. Durable Medical Equipment Services	654,835	2,476,270	2,136,353
21. Transportation Services	633,204	3,384,506	3,183,857
22. Outside Referrals	-	-	-
23. Medical Incentive Pool and Withhold Adjustments	-	-	-
24. Occupancy, Depreciation and Amortization	-	-	-
25. Other Medical and Hospital Services (Provide Detail)	28,876	314,728	324,895
27. Subtotal (Lines 7 to 26)	8,974,183	107,656,679	109,357,267
LESS:			
28. Net Reinsurance Recoveries	-	-	-
29. Copayments	5,692	25,087	23,997
30. Subrogation and Coordination of Benefits	64,615	196,650	220,515
Subtotal (Lines 27 to 29)	70,307	221,737	244,511
31. TOTAL MEDICAL AND HOSPITAL (Line 26 less 30)	8,903,876	107,434,942	109,112,756
Administration:			
32. Compensation	-	-	-
33. Marketing	-	-	-
34. Interest Expense	-	-	-
35. Premium Tax Expense	737,915	2,670,158	2,222,230
36. Occupancy, Depreciation and Amortization	-	-	-
37. Other Administration (Provide detail) **	381,338	7,823,168	8,646,370
38. TOTAL ADMINISTRATION (Lines 32 to 37)	1,119,253	10,493,326	10,868,600
39. TOTAL EXPENSES (Lines 31 and 38)	10,023,129	117,928,268	119,981,356
40. Extraordinary Item	-	-	-
41. Provision for Income Tax	60,626	242,809	274,660
42. NET INCOME/(LOSS) (Line 6 less Lines 39, 40 and 41)	733,001	1,086,649	619,478

** Other Administration Detail			
Administration Fees *	1,066,874	8,211,441	8,510,181
Unpaid Claims Adjustment Expense - Change in Reserve	(702,711)	(373,973)	185,688
ASO Admin Fees	-	-	-
Legal Fees	-	-	-
Accounting Fees	27,420	35,499	19,605
Consulting	6,917	10,154	20,559
Liability Insurance	-	-	-
Printing	-	-	-
Dues, Fees & Subscriptions	157	195	367
Bank Fees	(915)	6,362	11,880
State Tax	-	-	-
Fines and Penalties	-	-	-
Case Mgmt Fees	-	-	-
TPL Administrative Fees	(16,242)	(66,368)	(101,910)
Misc Expenses	(162)	(162)	-
Total Other Administration	381,338	7,823,168	8,646,370

* Includes Administrative Fees paid to Affiliates

Other Medical and Hospital			
Misc Medical Expense	-	-	-
Case Management fees	28876	314,728	324,895