



# 2014-15 State Fiscal Year Financial Report

**Board of Trustees Meeting** 

**August 28, 2015** 

A Division of the Department of State Treasurer

## Financial Results: Actual v. Budgeted Fiscal Year 2014-15

Fiscal Year 2014-15	Actual thru June 2015	Authorized Budget (per Segal 9-9-14)	Variance Over/(Under) Budget
Beginning Cash Balance	\$958.6 m	\$958.6 m	\$0.0 m
Plan Revenue	\$3.063 b	\$2.980 b	\$83.2 m
Net Claims Payments	\$2.667 b	\$2.585 b	\$81.9 m
Medicare Advantage Premiums	\$162.4 m	\$163.3 m	(\$0.9 m)
Net Administrative Expenses	\$168.4 m	\$224.0 m	(\$55.6 m)
Total Plan Expenses	\$2.998 b	\$2.972 b	\$25.5 m
Net Income/(Loss)	\$65.5 m	\$7.8 m	\$57.7 m
Ending Cash Balance	\$1.024 b	\$966.4 m	\$57.7 m



### Adjusted Variance Report Fiscal Year 2014-15

Fiscal Year 2014-15	Actual thru June 2015, As Adjusted	Authorized Budget (per Segal 9-9-14)	Variance Over/(Under) Budget
Plan Revenue *	\$3.040 b	\$2.980 b	\$60.0 m
Net Claims Payments ^	\$2.645 b	\$2.585 b	\$59.9 m
Medicare Advantage Premiums	\$162.4 m	\$163.3 m	(\$0.9 m)
Net Administrative Expenses †	\$174.1 m	\$224.0 m	(\$49.9 m)
Total Plan Expenses	\$2.981 b	\$2.972 b	\$9.1 m
Net Income/(Loss)	\$58.7 m	\$7.8 m	\$50.9 m

<sup>\*</sup> Adjusted for timing issues and to exclude non-budgeted revenues.

<sup>†</sup> Adjusted to include a portion of an ACA fee payment that was budgeted for January but will not be paid until November.



<sup>^</sup> Adjusted to include pharmacy rebates not received by the end of June.

### Financial Results Actual v. Budgeted Fiscal Year 2014-15

### Per Member Per Month (PMPM) Analysis

Fiscal Year 2014-15	Actual thru June 2015	Authorized Budget (per Segal 9-9-14)	Variance Over/(Under) Budget
Plan Revenue	\$374.51	\$367.01	\$7.50
Net Claims Payments	\$326.59	\$318.09	\$8.50
Medicare Advantage Premiums	\$19.89	\$20.09	(\$0.20)
Net Administrative Expenses	\$20.62	\$27.56	(\$6.94)
Total Plan Expenses	\$367.10	\$365.74	\$1.36
Net Income/(Loss)	\$7.41	\$1.27	\$6.14

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 Fiscal Year 2014-15

### Per Member Per Month (PMPM) Analysis

Fiscal Year 2014-15	Actual thru June 2015, as Adjusted	Authorized Budget (per Segal 9-9-14)	Variance Over/(Under) Budget
Plan Revenue *	\$371.68	\$367.01	\$4.67
Net Claims Payments ^	\$323.90	\$318.09	\$5.81
Medicare Advantage Premiums	\$19.89	\$20.09	(\$0.20)
Net Administrative Expenses †	\$21.31	\$27.56	(\$6.25)
Total Plan Expenses	\$365.10	\$365.74	(\$0.64)
Net Income/(Loss)	\$6.58	\$1.27	\$5.31

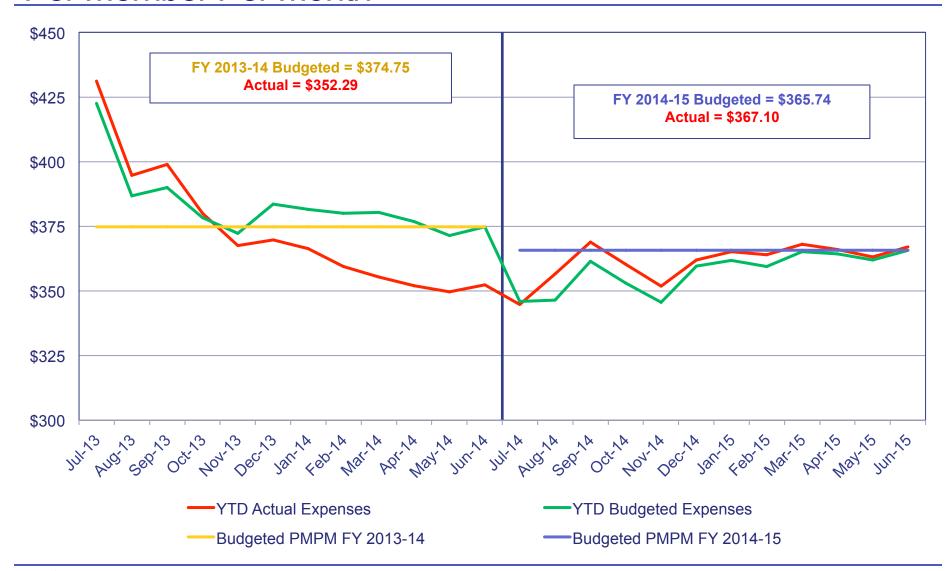
<sup>\*</sup> Adjusted for timing issues and to exclude non-budgeted revenues.

<sup>†</sup> Adjusted to include a portion of an ACA fee payment that was budgeted for January but will not be paid until November.



<sup>^</sup> Adjusted to include pharmacy rebates not received by the end of June.

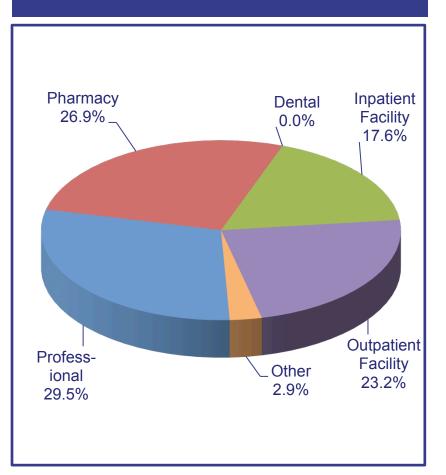
## Fiscal Year 2014-15 Expenditure Trend Per Member Per Month



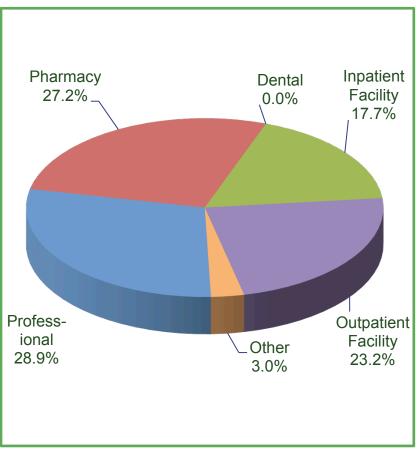


# Allocation of Claims Expenditures Medical, Blue Card and Pharmacy Payments

#### Fiscal Year 2014-15



#### Fiscal Year 2013-14

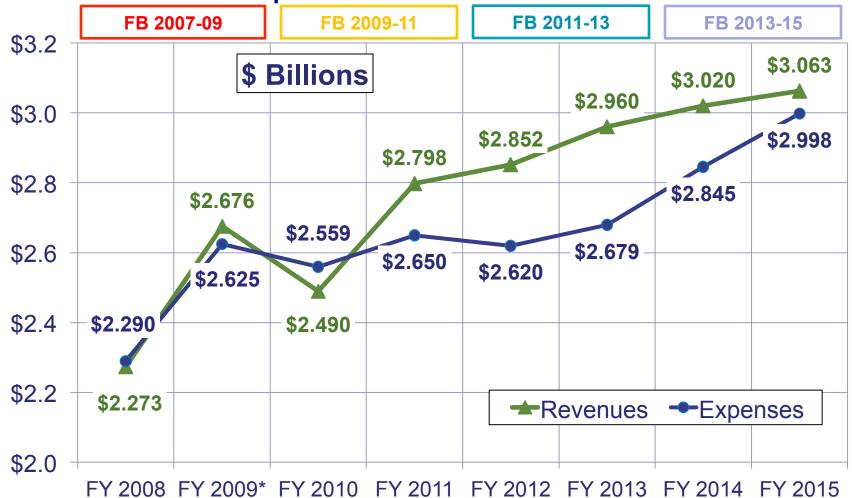


Source: BCBSNC Summary of Billed Charges



### Recent Historical Financial Results

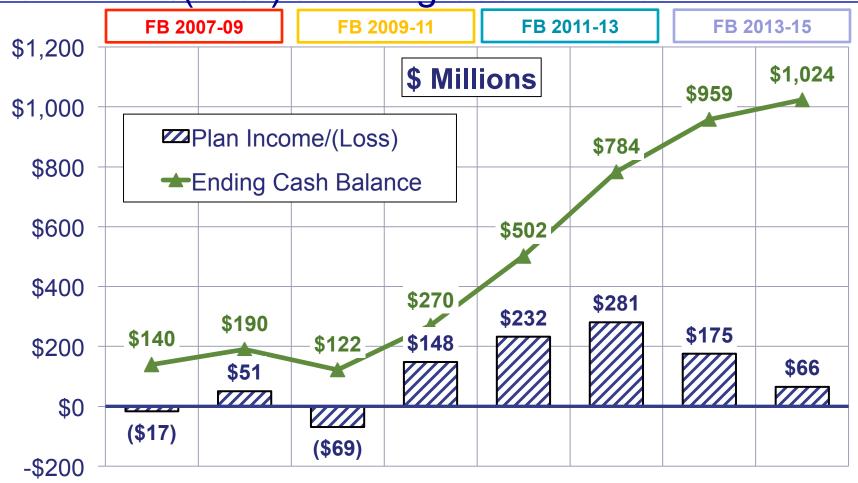
Revenues and Expenses



<sup>\*</sup>FY 2009 revenues include a \$250 million general fund appropriation from the State.



## Recent Historical Financial Results <a href="Net Income/(Loss)">Net Income/(Loss)</a> & Ending Cash Balance

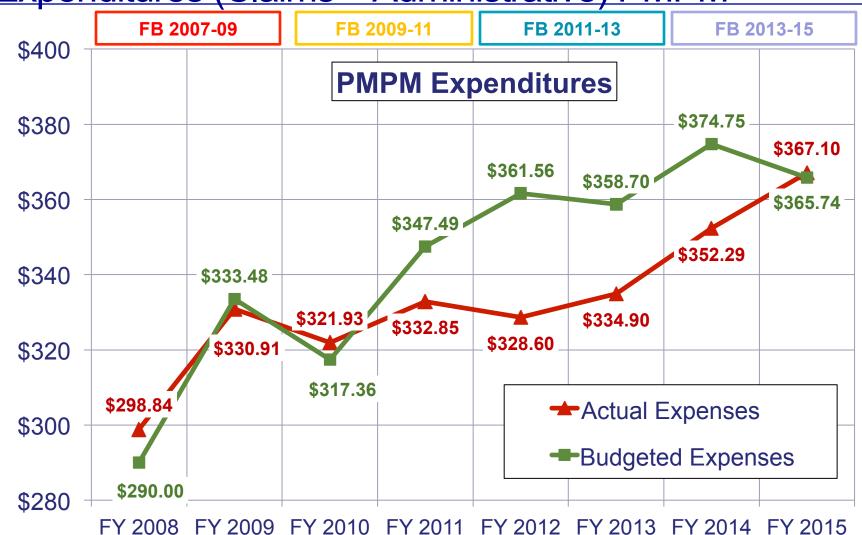


FY 2008 FY 2009\* FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 FY 2015

<sup>\*</sup>The Plan received a \$250 million general fund appropriation from the State in FY 2009.

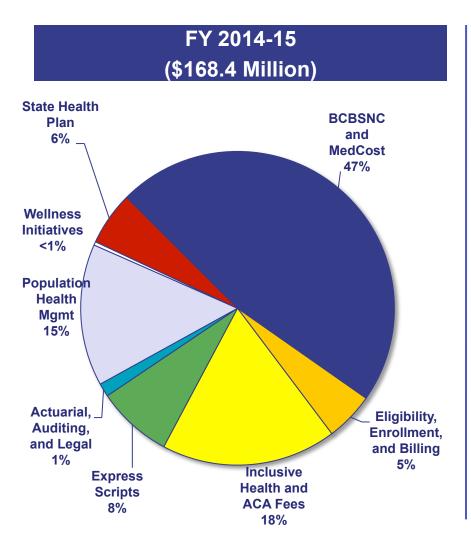


## Recent Historical Financial Results <u>Expenditures (Claims + Administrative) PMPM</u>

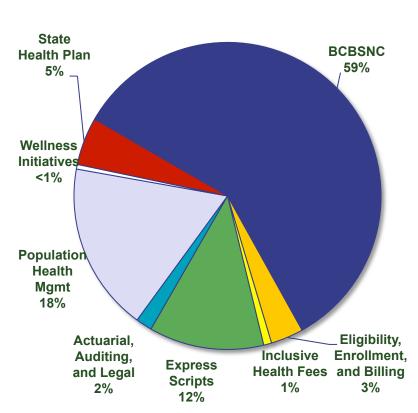




### Fiscal Year 2014-15 Administrative Expenses









North Carolina State Health Plan for Teachers an Summary of Operations (Cash Basis)		В	С	D	E	F	G	н
Consolidated Report, Actual vs. Authorized Budget	A	В	L L	U	E	г	G	п
For the Month Ended June 2015	Actual	Authorized	Monthly	Actual	Authorized	Year to Date	Annual	Year to Date
Fiscal Year 2014- 2015	June			Year to Date		Variance	Authorized	Variance
FISCAI TEAI 2014- 2015		Budget	Variance		Budget			
	2015	June	Over/(Under)	FY 2014-15	Year to Date	Over/(Under)	Budget	Over/(Under)
		2015	Authorized		FY 2014-15	Authorized	FY 2014-15	Annual
			Budget			Budget		Auth. Budget
1 Plan Revenue:								
3 Member Premiums	\$ 240.663.920	\$ 244.301.148	\$ (3.637.228)	\$ 2.987.502.673	\$ 2.937.906.736	\$ 49.595.937	\$ 2.937.906.736	\$ 49,595,937
4 Premium Refunds/Retroactive Disenrollments	(5,343.00)	(122,995)	117.652	(11,359)	(1.478.664)	1.467.305	(1,478,664)	1.467.305
5 Medicare Part D (RDS) Subsidy	2,027,732	518,358	1,509,374	19,590,771	6,276,386	13,314,385	6,276,386	13,314,385
6 Medicare PDP (EGWP + Wrap) Subsidy		· -		50,283,823	33,414,689	16,869,134	33,414,689	16,869,134
7 Medicare Advantage (MA) Subsidy	63,929	-	63,929	833,262	-	833,262	-	833,262
8 Federal Early Retiree Reinsurance Program (ERRP)		244 000 544	- (4.040.070)	(1,949)		(1,949)	- 2 070 440 447	(1,949)
9 Net Premium & Other Contributions 10	242,750,238	244,696,511	(1,946,273)	3,058,197,221	2,976,119,147	82,078,074	2,976,119,147	82,078,074
11 Investment Earnings 12 Miscellaneous Revenue	511,343 -	327,311	184,032	5,065,735	3,933,340	1,132,395	3,933,340	1,132,395
13 Other Revenue	511,343	327,311	184,032	5,065,735	3,933,340	1,132,395	3,933,340	1,132,395
14 15 Total Plan Revenue (excludes internal transfers)	243,261,581	245,023,822	(1,762,241)	3,063,262,956	2,980,052,487	83,210,469	2,980,052,487	83,210,469
16 17 Plan Expenses:								
19 Medical Claim Payments	192,496,785	202,900,858	(10,404,073)	2,021,369,178	1,995,716,227	25,652,951	1,995,716,227	25,652,951
20 Medical Claim Refunds/Recoveries	(2,026,657)	(2,045,266)	18,609	(24,839,428)	(23,520,519)	(1,318,909)	(23,520,519)	(1,318,909)
21 Net Medical Claims 22	190,470,128	200,855,592	(10,385,464)	1,996,529,750	1,972,195,708	24,334,042	1,972,195,708	24,334,042
23 Pharmacy Claim Payments	56,876,966	54,429,294	2,447,672	725,607,106	686,943,428	38,663,678	686,943,428	38,663,678
24 Pharmacy Claim Rebates		(10,000,000)	10,000,000	(51,114,709)	(74,166,940)	23,052,231	(74,166,940)	23,052,231
25 Pharmacy Claim Refunds/Recoveries	(56,426)	-	(56,426)	(4,137,813)		(4,137,813)		(4,137,813)
26 Net Pharmacy Claims 27	56,820,540	44,429,294	12,391,246	670,354,584	612,776,488	57,578,096	612,776,488	57,578,096
28 Net Claim Payments 29	247,290,668	245,284,886	2,005,782	2,666,884,334	2,584,972,196	81,912,138	2,584,972,196	81,912,138
30 Medicare Advantage Premium Payments	14,151,943	14,065,998	85,945	162,400,394	163,281,044	(880,650)	163,281,044	(880,650)
32 Net Administrative Expenses	14,796,209	15,800,168	(1,003,959)	168,416,645	223,971,245	(55,554,600)	223,971,245	(55,554,600)
33 34 Total Plan Expenses (excludes internal transfers) 35	276,238,820	275,151,052	1,087,768	2,997,701,373	2,972,224,485	25,476,888	2,972,224,485	25,476,888
36 Plan Income/(Loss)	(32,977,239)	(30,127,230)	(2,850,009)	65,561,583	7,828,002	57,733,581	7,828,002	57,733,581
37								
38 Cash Availability: 39								
40 Beginning Cash Balance/(Deficit)	1,057,096,862	996,513,272	60,583,590	958,558,040	958,558,040	-	958,558,040	-
41 Ending Cash Balance/(Deficit)	1,024,119,623	966,386,042	57,733,581	1,024,119,623	966,386,042	57,733,581	966,386,042	57,733,581
42 43 Target Stabilization Reserve @ 6/30/15 44	232,647,498	232,647,498	-	232,647,498	232,647,498	-	232,647,498	-
45 Cash Balance Over/(Under) Reserve Target	\$ 791,472,125	\$ 733,738,544	\$ 57,733,581	\$ 791,472,125	\$ 733,738,544	\$ 57,733,581	\$ 733,738,544	\$ 57,733,581

#### Comments:

- a. Premium receivables totaled \$54,302.64 as of June 30, 2015.
- b. The average weekly medical claims cost net of claims refunds was \$38,094,025.60 for the five scheduled weekly claim cycles.
- c. Total pharmacy claims, before rebates and refunds, included two bi-weekly invoice cycles averaging \$28,438,483.00 per cycle.
- d. The target stabilization reserve is 9% of the projected net claims for Fiscal Year 2014-15.
- e. Minor differences compared to other reports are due to rounding.

Plan Revenue:   Plan Revenue		North Carolina State Health Plan for Teachers and	State Employees						
For the Month Ended June 2015 Fiscal Year 2014-2015    Current Year June   Prior Year Authorized   Actual June   Prior Year Authorized   Actual Human   Prior Year Authorized				В	С	D	E	F	G
Fiscal Year 2014-2015    Actual June   June   June   June   June   Actual Fr 2014-15   Fr 2013-14   Budget		Current Year Actual vs. Prior Year Actual							
Dan Revenue:		For the Month Ended June 2015	Current Year	Prior Year	Current	Prior	Current Year	Prior Year	Prior Year
Plan Revenue:     2015   2014   15		Fiscal Year 2014-2015	Actual	Actual	Year to Date	Year to Date	Authorized	Annual	Actual
Plan Revenue:     2015   2014   15			June	June	Actual	Actual	Annual	Budget	Results
Plan Revenue:					FY 2014-15	FY 2013-14		_	
Plan Revenue:			2015	2014				1 1 2015-14	1 1 2010-14
Plan Revenue:							F1 2014-15		
Member Premiums	1	Plan Revenue:			Julie	June			
Permium RefundsReroactive Disentioliments	_	<u> </u>							
Medicare PDF (GRUP + Wrap) Subsidy   Co. 277,732   1.282,754   19.590,771   1.1583,652   6.276,386   6.218,762   11.583,652   6.276,386   6.218,762   11.583,652   6.3780,569   6.276,386   6.218,762   11.583,652   6.3780,569   6.276,386   6.218,762   11.583,652   6.3780,569   6.276,386   6.218,762   11.583,652   6.3780,569   6.276,386   6.218,762   11.583,652   6.3780,569   6.276,386   6.218,762   11.583,652   6.3780,569   6.276,386   6.278,762   6.3780,569   6.3880,569   6.3880,5			+ 2.0,000,020	\$ 		111		,,,	111
6 Medicare PDP (EGWP + Wrap) Subsidy									
Modicare Advantage (MA) Subsidy   63,929   111,598   833,262   417,565   417,565   417,565			2,021,132	1,282,754					
Federal Early Retires Reinsurance Program (ERRP)   -			63 929	111 598			33,414,009	50,540,402	
10   Investment Earnings			-	-		-	-	_	-
1   Investment Earnings   511,343   369,223   5,065,735   3,861,263   3,933,340   2,868,131   3,861,263   54,972   54,972   32,		Net Premium & Other Contributions	242,750,238	240,928,311	3,058,197,221	3,016,579,541	2,976,119,147	2,957,665,413	3,016,579,541
12 Miscellaneous Revenue		Investment Famings	511 343	369 223	5 065 735	3 861 263	3 933 340	2 868 131	3 861 263
Total Plan Revenue (excludes internal transfers)  7			-	-		-11	-	2,000,101	
Total Plan Revenue (excludes internal transfers) 16		Other Revenue	511,343	369,223	5,065,735	3,916,235	3,933,340	2,868,131	3,916,235
Part		Total Plan Revenue (excludes internal transfers)	243,261,581	241,297,534	3,063,262,956	3,020,495,776	2,980,052,487	2,960,533,544	3,020,495,776
Nedical Claim Payments									
19   Medical Claim Payments   192,496,785   185,033,694   2,021,369,176   1,989,574,333   1,995,716,227   2,107,493,114   1,989,574,333   1,985,716,327   2,107,493,114   1,989,574,333   1,985,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,107,493,114   1,989,574,333   1,995,716,327   2,150,706   2,250,									
Medical Claim Refunds/Recoveries   (2,026,657)   (1,276,891)   (24,839,428)   (22,450,766)   (23,520,519)   (24,63,884)   (24,607,325,560)   (23,63,684,306)   (23,6			192 496 785	185 033 694	2 021 369 178	1 989 574 333	1 995 716 227	2 107 493 114	1 989 574 333
Pharmacy Claim Payments  56,876,966  50,170,813  725,607,106  743,680,114  686,943,428  699,653,578  743,680,114  Pharmacy Claim Rebates  (56,426)  93,603  (4,137,813)  (388,652)  Ret Claim Payments  656,820,540  Medicare Advantage Premium Payments  14,151,943  12,382,444  162,400,394  Net Administrative Expenses  14,796,209  13,001,226  168,416,645  148,134,913  276,238,820  259,404,889  2,997,701,373  2,845,425,684  2,972,224,485  2,999,460,819  2,845,425,684  2,999,460,819  2,845,425,684  175,070,092  7,828,002  1,024,119,623  8 psigning Cash Balance/(Deficit)  1,057,096,862  1,024,119,623  958,558,040  1,024,119,623  1,024,119,623  1,034,620  1,024,119,623  1,034,620  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,024,119,623  1,034,6206  1,034,6206  1,034,6206  1,034,6206  1,038,652)  1,038,652)  1,044,6206  1,038,652)  1,038,652  1,038,652)  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,038,652  1,									
Pharmacy Claim Payments Pharmacy Claim Rebates Pharmacy Claim Refunds/Recoveries Pharmacy Cla			190,470,128	183,756,803	1,996,529,750	1,967,123,567	1,972,195,708	2,082,849,230	1,967,123,567
24         Pharmacy Claim Rebates         (51,114,709)         (91,653,105)         (74,166,940)         (52,353,361)         (91,653,105)           25         Pharmacy Claim Refunds/Recoveries         (56,426)         93,603         (4,137,813)         (398,652)         612,776,488         647,300,217         651,628,357           27         See Pharmacy Claim Refunds/Recoveries         56,820,540         50,264,416         670,354,584         651,628,357         612,776,488         647,300,217         651,628,357           28         Net Claim Payments         247,290,668         234,021,219         2,666,884,334         2,618,751,924         2,584,972,196         2,730,149,447         2,618,751,924           30         Medicare Advantage Premium Payments         14,151,943         12,382,444         162,400,394         78,538,847         163,281,044         86,864,744         78,538,847           31         Net Administrative Expenses         14,796,209         13,001,226         168,416,645         148,134,913         223,971,245         182,446,628         148,134,913           33         Total Plan Expenses (excludes internal transfers)         276,238,820         259,404,889         2,997,701,373         2,845,425,684         2,972,224,485         2,999,460,819         2,845,425,684           40         Beginning Cash									
25 Pharmacy Claim Refunds/Recoveries   (56,426)   93,603   (4,137,813)   (398,652)   -     -     (398,652)     -       (398,652)			56,876,966	50,170,813					
26         Net Pharmacy Claims         56,820,540         50,264,416         670,354,584         651,628,357         612,776,488         647,300,217         651,628,357           27         Net Claim Payments         247,290,668         234,021,219         2,666,884,334         2,618,751,924         2,584,972,196         2,730,149,447         2,618,751,924           29         Medicare Advantage Premium Payments         14,151,943         12,382,444         162,400,394         78,538,847         163,281,044         86,864,744         78,538,847           31         Net Administrative Expenses         14,796,209         13,001,226         168,416,645         148,134,913         223,971,245         182,446,628         148,134,913           33         Total Plan Expenses (excludes internal transfers)         276,238,820         259,404,889         2,997,701,373         2,845,425,684         2,972,224,485         2,999,460,819         2,845,425,684           36         Plan Income/(Loss)         (32,977,239)         (18,107,355)         65,561,583         175,070,092         7,828,002         (38,927,275)         175,070,092           37         Seginning Cash Balance/(Deficit)         1,057,096,862         976,665,395         958,558,040         783,487,948         958,558,040         755,749,494         783,487,948			(56.426)	03 603			(74,166,940)	(52,353,361)	
Net Claim Payments							612,776,488	647.300.217	
Medicare Advantage Premium Payments  14,151,943  12,382,444  162,400,394  78,538,847  163,281,044  86,864,744  78,538,847  31  Net Administrative Expenses  14,796,209  13,001,226  168,416,645  148,134,913  223,971,245  182,446,628  148,134,913  33  Total Plan Expenses (excludes internal transfers)  276,238,820  259,404,889  2,997,701,373  2,845,425,684  2,972,224,485  2,999,460,819  2,845,425,684  36  Plan Income/(Loss)  (32,977,239)  (18,107,355)  65,561,583  175,070,092  7,828,002  (38,927,275)  175,070,092  38  Cash Availability:  39  40  Beginning Cash Balance/(Deficit)  1,057,096,862  976,665,395  958,558,040  783,487,948  958,558,040  755,749,494  783,487,948  1024,119,623  958,558,040  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  232,647,498  239,446,206  232,647,498  239,446,206  232,647,498  239,446,206  232,647,498  239,446,206  232,647,498		not manually claims	00,020,010	00,201,110	0.0,00.,00.	551,525,551	0.12,1.10,100	011,000,211	001,020,001
Medicare Advantage Premium Payments  14,151,943  12,382,444  162,400,394  78,538,847  163,281,044  86,864,744  78,538,847  12382,444  162,400,394  78,538,847  163,281,044  86,864,744  78,538,847  182,446,628  148,134,913  223,971,245  182,446,628  148,134,913  223,971,245  182,446,628  148,134,913  234  105,100,092		Net Claim Payments	247,290,668	234,021,219	2,666,884,334	2,618,751,924	2,584,972,196	2,730,149,447	2,618,751,924
32 Net Administrative Expenses     14,796,209     13,001,226     168,416,645     148,134,913     223,971,245     182,446,628     148,134,913       33 Total Plan Expenses (excludes internal transfers)     276,238,820     259,404,889     2,997,701,373     2,845,425,684     2,972,224,485     2,999,460,819     2,845,425,684       36 Plan Income/(Loss)     (32,977,239)     (18,107,355)     65,561,583     175,070,092     7,828,002     (38,927,275)     175,070,092       37 September 1     38 Cash Availability:     39 Cash Availability:     30 Cash Availability:     39 Cash Availability:     30 Cash Availability:     30 Cash Availability:     39 Cash Availability:     39 Cash Availabili		Medicare Advantage Premium Payments	14,151,943	12,382,444	162,400,394	78,538,847	163,281,044	86,864,744	78,538,847
Total Plan Expenses (excludes internal transfers)  276,238,820  259,404,889  2,997,701,373  2,845,425,684  2,972,224,485  2,999,460,819  2,845,425,684  2,99									
Total Plan Expenses (excludes internal transfers)  754 Total Plan Expenses (excludes internal transfers)  755 Plan Income/(Loss)  756 Plan Income/(Loss)  757 Plan Income/(Loss)  758 Plan Income/(Loss)  759 Plan Income/(Loss)  750 Plan Income/(Los		Net Administrative Expenses	14,796,209	13,001,226	168,416,645	148,134,913	223,971,245	182,446,628	148,134,913
36 Plan Income/(Loss) (32,977,239) (18,107,355) 65,561,583 175,070,092 7,828,002 (38,927,275) 175,070,092 37 38 Cash Availability: 39 Beginning Cash Balance/(Deficit) 1,057,096,862 976,665,395 958,558,040 783,487,948 958,558,040 755,749,494 783,487,948 41 Ending Cash Balance/(Deficit) 1,024,119,623 958,558,040 1,024,119,623 958,558,040 966,386,042 716,822,219 958,558,040 42 Target Stabilization Reserve @ 6/30/15 232,647,498 239,446,206 232,647,498 239,446,206 232,647,498 239,446,206 232,647,498 239,446,206 229,269,716		Total Plan Expenses (excludes internal transfers)	276,238,820	259,404,889	2,997,701,373	2,845,425,684	2,972,224,485	2,999,460,819	2,845,425,684
37 38 Cash Availability: 39 40 Beginning Cash Balance/(Deficit) 41 Ending Cash Balance/(Deficit) 42 43 Target Stabilization Reserve @ 6/30/15 44 6 Cash Availability: 45		Dien Income//Local	(22.077.000)	(40 407 255)	0F F04 F00	475.070.000	7 020 000	(20.027.075)	475.070.000
38 Cash Availability: 39 40 Beginning Cash Balance/(Deficit) 41 Ending Cash Balance/(Deficit) 42 Target Stabilization Reserve @ 6/30/15 43 Farget Stabilization Reserve @ 6/30/15 44 Cash Availability: 45 J.057,096,862 976,665,395 958,558,040 783,487,948 958,558,040 755,749,494 783,487,948 958,558,040 966,386,042 716,822,219 958,558,040 966,386,042 966,3		Plan income/(Loss)	(32,977,239)	(18,107,355)	65,561,583	175,070,092	7,828,002	(38,927,275)	1/5,0/0,092
40 Beginning Cash Balance/(Deficit) 41 Ending Cash Balance/(Deficit) 42 Ending Cash Balance/(Deficit) 43 Target Stabilization Reserve @ 6/30/15 44 Beginning Cash Balance/(Deficit) 45 P58,558,040 46 P58,558,040 47 P58,749,494 48 P58,558,040 4958,558,040 496,385,042 496,386,042 4976,665,395 4976,665,395 4976,665,395 4958,558,040 4958,558,040 496,386,042 4976,862,395 4976,665,395 49	38	Cash Availability:							
41 Ending Cash Balance/(Deficit) 1,024,119,623 958,558,040 1,024,119,623 958,558,040 966,386,042 716,822,219 958,558,040 42 43 Target Stabilization Reserve @ 6/30/15 232,647,498 239,446,206 232,647,498 239,446,206 232,647,498 239,446,206 232,647,498 239,446,206 229,269,716			4.057.000			700 407			700 407 6 17
42 43 Target Stabilization Reserve @ 6/30/15 44 232,647,498 239,446,206 232,647,498 239,446,206 232,647,498 239,446,206 232,647,498 239,446,206 229,269,716									
43 Target Stabilization Reserve @ 6/30/15 232,647,498 239,446,206 232,647,498 239,446,206 232,647,498 239,446,206 239,446,206 229,269,716			1,024,119,623	958,558,040	1,024,119,623	958,558,040	900,380,042	110,822,219	958,558,040
	43		232,647,498	239,446,206	232,647,498	239,446,206	232,647,498	239,446,206	229,269,716
45 Cash balance Overitoriae), reserve rarget   \$ 791,472,125		Cash Balance Over/(Under) Reserve Target	\$ 791,472,125	\$ 719,111,834	\$ 791,472,125	\$ 719,111,834	\$ 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	A	В	С	D	E	F		
	For the Month Ended June 2015								
	Fiscal Year 2014-2015	Actual	Adjustments for	Adjusted	Authorized	Year to Date	Adjusted		
		Year to Date	Timing, Unusual	Actual	Budget	Adjusted	Variance as		
		Fiscal Year	& Onetime	Year to Date	Fiscal Year	Variance	Percentage of		
		thru June	Events		to Date	Over/(Under)	Budget		
		una June	Lvents		thru June	Budget	Duuget		
1	Plan Revenue:				and dans	Dudget			
2									
3	Member Premiums (Notes 1 and 2)	\$ 2,987,502,673	\$ (5,442,332)	\$ 2,982,060,341	\$ 2,937,906,736	\$ 44,153,605	1.50%		
4	Premium Refunds/Retroactive Disenrollments	(11,359)		(11,359)	(1,478,664)	1,467,305	-99.23%		
5	Medicare Part D (RDS) Subsidy	19,590,771		19,590,771	6,276,386	13,314,385	212.13%		
6	Medicare PDP (EGWP + Wrap) Subsidy (Note 3)	50,283,823	(16,868,693)	33,415,130	33,414,689	441	0.00%		
7	Medicare Advantage (MA) Subsidy (Note 4)	833,262	(833,262)	-	-	-			
8	Federal Early Retiree Reinsurance Program (ERRP) (Note 5)	(1,949)	1,949	-	-	-			
9	Net Premium & Other Contributions	3,058,197,221	(23,142,338)	3,035,054,883	2,976,119,147	58,935,736	1.98%		
10									
11	Other Revenue	5,065,735		5,065,735	3,933,340	1,132,395	28.79%		
12									
13	Total Plan Revenue (excludes internal transfers)	3,063,262,956	(23,142,338)	3,040,120,618	2,980,052,487	60,068,131	2.02%		
14									
15	Plan Expenses:								
16 17	Net Medical Claims	1.996.529.750		1.996.529.750	4 072 405 700	24 224 042	1.23%		
18	Net Pharmacy Claims (Note 6)	670,354,584	(21,973,123)	648,381,461	1,972,195,708 612,776,488	24,334,042 35,604,973	5.81%		
19	Net Claim Payments	2,666,884,334	(21,973,123)	2,644,911,211	2,584,972,196	59,939,015	2.32%		
20	Net Claim Fayments	2,000,004,334	(21,373,123)	2,044,311,211	2,504,572,150	55,555,015	2.32 /6		
21	Medicare Advantage Premiums	162,400,394		162,400,394	163,281,044	(880,650)	-0.54%		
22	medicare Advantage i remidina	102,400,554		102,400,554	100,201,044	(000,030)	-0.5470		
23	Net Administrative Expenses (Note 7)	168,416,645	5,642,732	174,059,377	223,971,245	(49,911,869)	-22.28%		
24		100,110,010	5,512,152	,,	220,011,210	(10,011,000)			
25	Total Plan Expenses (excludes internal transfers)	2,997,701,373	(16,330,392)	2,981,370,982	2,972,224,485	9,146,497	0.31%		
26				, , ,		, ,			
27	Plan Income/(Loss)	65,561,583	(6,811,946)	58,749,637	7,828,002	50,921,635	650.51%		
28									
29	Cash Availability:								
30									
31	Beginning Cash Balance/(Deficit)	958,558,040		958,558,040	958,558,040	_	0.00%		
32	Ending Cash Balance/(Deficit)	1,024,119,623	(6,811,946)	1,017,307,677	966,386,042	50,921,635	5.27%		
33									
34	Target Stabilization Reserve @ 6/30/15	232,647,498		232,647,498	232,647,498	-	0.00%		
35									
36	Cash Balance Over/(Under) Reserve Target	\$ 791,472,125	\$ (6,811,946)	\$ 784,660,179	\$ 733,738,544	\$ 50,921,635	6.94%		

#### Adjustment Notes:

- 1. Member premiums adjusted to include \$16.0 million in prepaid July 2014 premiums received in June 2014.
- 2. Member premiums adjusted to exclude \$21.4 million in prepaid July 2015 premiums received in June 2015.
- 3. EGWP subsidy adjusted to exclude the the unbudgeted portion of the Catastrophic Subsidy received in January 2015.
- 4. Medicare Advantage low income premium subsidies were not budgeted and therefore are excluded.
- 5. ERRP revenues adjusted to exclude an unbudgeted repayment of ERRP funds resulting from an audit finding.
- 6. Net pharmacy claims adjusted to assume receipt of rebates that were budgeted but were not received before the end of the fiscal year.
- 7. Administrative expenses adjusted to include a second payment for the ACA Transitional Reinsurance program of \$5.6 million that was budgeted for January but will not be paid until November 2015.