## Financial Results: Actual vs. Budgeted
### Fiscal Year to Date April 2019

<table>
<thead>
<tr>
<th>Fiscal Year 2019</th>
<th>Actual thru APR 2019</th>
<th>Authorized Budget (per Segal 4-02-19)</th>
<th>Variance Fav/(Unfav) Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Cash Balance</td>
<td>$1.063b</td>
<td>$971.1m</td>
<td>$ 91.7m</td>
</tr>
<tr>
<td>Plan Revenue</td>
<td>$3.053b</td>
<td>$3.035b</td>
<td>$18.8m</td>
</tr>
<tr>
<td>Net Claims Payments</td>
<td>$2.623b</td>
<td>$2.769b</td>
<td>$145.8m</td>
</tr>
<tr>
<td>Medicare Advantage Premiums</td>
<td>$160.9m</td>
<td>$176.1m</td>
<td>$ 15.2m</td>
</tr>
<tr>
<td>Net Administrative Expenses</td>
<td>$98.2m</td>
<td>$163.3m</td>
<td>$ 65.1m</td>
</tr>
<tr>
<td>Total Plan Expenses</td>
<td>$2.883b</td>
<td>$3.109b</td>
<td>$226.1m</td>
</tr>
<tr>
<td>Net Income/(Loss)</td>
<td>$170.8m</td>
<td>($74.2m)</td>
<td>$244.9m</td>
</tr>
<tr>
<td>Ending Cash Balance</td>
<td>$1.234b</td>
<td>$897.0m</td>
<td>$336.6m</td>
</tr>
</tbody>
</table>
Financial Results Actual vs. Budgeted
Fiscal Year to Date April 2019

Per Member Per Month (PMPM) Analysis

<table>
<thead>
<tr>
<th>Fiscal Year 2019</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Plan Revenue</td>
<td>$418.14</td>
<td>$419.87</td>
<td>($1.73)</td>
</tr>
<tr>
<td>Net Claims Payments</td>
<td>$360.05</td>
<td>$383.74</td>
<td>$23.69</td>
</tr>
<tr>
<td>Medicare Advantage Premiums</td>
<td>$22.09</td>
<td>$24.40</td>
<td>$2.32</td>
</tr>
<tr>
<td>Net Administrative Expenses</td>
<td>$13.48</td>
<td>$22.63</td>
<td>$9.15</td>
</tr>
<tr>
<td>Total Plan Expenses</td>
<td>$395.62</td>
<td>$430.77</td>
<td>$35.15</td>
</tr>
<tr>
<td>Net Income/(Loss)</td>
<td>$22.52</td>
<td>($10.90)</td>
<td>$33.43</td>
</tr>
</tbody>
</table>

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

**Fiscal YTD April 2019**

- Medical Claims: 69.2%
- Pharmacy Claims: 21.9%
- MAPDP Premiums: 5.6%
- Admin: 3.4%

*Total Expenses = $2.883 billion*

*After rebates

**Fiscal YTD April 2018**

- Medical Claims: 69.4%
- Pharmacy Claims: 19.9%
- MAPDP Payments: 6.2%
- Admin: 4.1%

*Total Expenses = $2.809 billion*

Sources: BCBSNC Net Disbursements reports; Financial Status Reports FY-YTD
### Financial Results: Actual vs. Budgeted
Calendar Year to Date April 2019

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<thead>
<tr>
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<th>Authorized Budget (per Segal 4-02-19)</th>
<th>Variance Fav/(Unfav) Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Cash Balance</td>
<td>$1.118b</td>
<td>$1.118b</td>
<td>$ 0.0m</td>
</tr>
<tr>
<td>Plan Revenue</td>
<td>$1.224b</td>
<td>$1.210b</td>
<td>$ 14.0m</td>
</tr>
<tr>
<td>Net Claims Payments</td>
<td>$1.017b</td>
<td>$1.052b</td>
<td>$ 35.2m</td>
</tr>
<tr>
<td>Medicare Advantage Premiums</td>
<td>$57.7m</td>
<td>$57.7m</td>
<td>$ 0.0m</td>
</tr>
<tr>
<td>Net Administrative Expenses</td>
<td>$33.5m</td>
<td>$87.6m</td>
<td>$ 54.1m</td>
</tr>
<tr>
<td>Total Plan Expenses</td>
<td>$1.108b</td>
<td>$1.197b</td>
<td>$ 89.4m</td>
</tr>
<tr>
<td>Net Income/(Loss)</td>
<td>$115.9m</td>
<td>$12.6m</td>
<td>$103.3m</td>
</tr>
<tr>
<td>Ending Cash Balance</td>
<td>$1.234b</td>
<td>$1.130b</td>
<td>$103.3m</td>
</tr>
</tbody>
</table>
Calendar Year 2019 Administrative Expenses

**CY-YTD April 2019 ($33.5 Million)**

- BCBSNC + Medcost: 62%
- Eligibility, Enrollment, and Billing: 17%
- Actuarial, Auditing, and Legal: 2%
- Population Health Mgmt: 8%
- State Health Plan: 8%
- Wellness Initiatives: 1%
- ACA Fees: 0%
- PBM: CVS and Express Scripts: 11%

**CY-YTD April 2018 ($36.7 Million)**

- BCBSNC and MedCost: 56%
- Eligibility, Enrollment, and Billing: 12%
- Actuarial, Auditing, and Legal: 3%
- Population Health Mgmt: 17%
- State Health Plan: 7%
- Wellness Initiatives: <1%
- ACA Fees: 0%
- PBM: CVS + Express Scripts: 4%

Note: The charts show administrative fees that were paid in 2019 YTD vs Total 2018 and reflect some inconsistencies in the timing of payments. These data do not reflect admin fee balances being negotiated with BCBS.
## Clinic/Facility Fees

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2018</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan Paid Hospital Clinic/Facility Fees</td>
<td>$8,622,695</td>
<td>$12,437,894</td>
<td>44.2%</td>
</tr>
<tr>
<td>Member Paid Hospital Clinic/Facility Fees</td>
<td>$1,430,033</td>
<td>$1,423,485</td>
<td>-0.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$10,052,728</strong></td>
<td><strong>$13,861,379</strong></td>
<td><strong>37.9%</strong></td>
</tr>
</tbody>
</table>

### Over 5 Year Period

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan Paid</td>
<td>$52,374,050</td>
</tr>
<tr>
<td>Member Paid</td>
<td>$7,738,322</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$60,085,372</strong></td>
</tr>
</tbody>
</table>