



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES

January 2014 Financial Report

Board of Trustees Meeting

March 27, 2014

A Division of the Department of State Treasurer

Financial Results: Actual v. Budgeted

Calendar Year to Date January 2014

Calendar Year 2014	Actual thru Jan 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	\$228.9 m	\$253.2 m	(\$24.3 m)
Net Claims Payments	\$196.4 m	\$216.5 m	(\$20.1 m)
Medicare Advantage Premiums	\$12.9 m	\$14.5 m	(\$1.6 m)
Net Administrative Expenses	\$23.4 m	\$15.2 m	\$8.2 m
Total Plan Expenses	\$232.7 m	\$246.2 m	(\$13.5 m)
Net Income/(Loss)	(\$3.8 m)	\$7.0 m	(\$10.8 m)
Ending Cash Balance	\$834.7 m	\$702.0 m	\$132.7 m

Adjusted Variance Report

Calendar Year to Date January 2014

Calendar Year 2014	Actual thru Jan 2014, As Adjusted	Certified Budget (per Segal 8-19-13)	Variance Over/(Under) Budget
Plan Revenue *	\$257.8 m	\$253.2 m	\$4.6 m
Net Claims Payments ^	\$157.7 m	\$216.5 m	(\$58.8 m)
Medicare Advantage Premiums	\$12.9 m	\$14.5 m	(\$1.6 m)
Net Administrative Expenses ^	\$14.9 m	\$15.2 m	(\$0.3 m)
Total Plan Expenses	\$185.5 m	\$246.2 m	(\$60.7 m)
Net Income/(Loss)	\$72.3 m	\$7.0 m	\$65.3 m

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

^ Adjusted for timing issues.

Financial Results Actual v. Budgeted

Calendar Year to Date January 2014

Per Member Per Month (PMPM) Analysis

Calendar Year 2014	Actual thru Jan 2014	Certified Budget (per Segal 8-19-13)	Variance Over/(Under) Budget
Plan Revenue	\$338.20	\$379.96	(\$41.76)
Net Claims Payments	\$292.21	\$324.69	(\$32.48)
Medicare Advantage Premiums	\$19.21	\$21.66	(\$2.45)
Net Administrative Expenses	\$34.86	\$22.80	\$12.06
Total Plan Expenses	\$346.28	\$369.15	(\$22.87)
Net Income/(Loss)	(\$8.08)	\$10.81	(\$18.89)

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 January 2014

Per Member Per Month (PMPM) Analysis

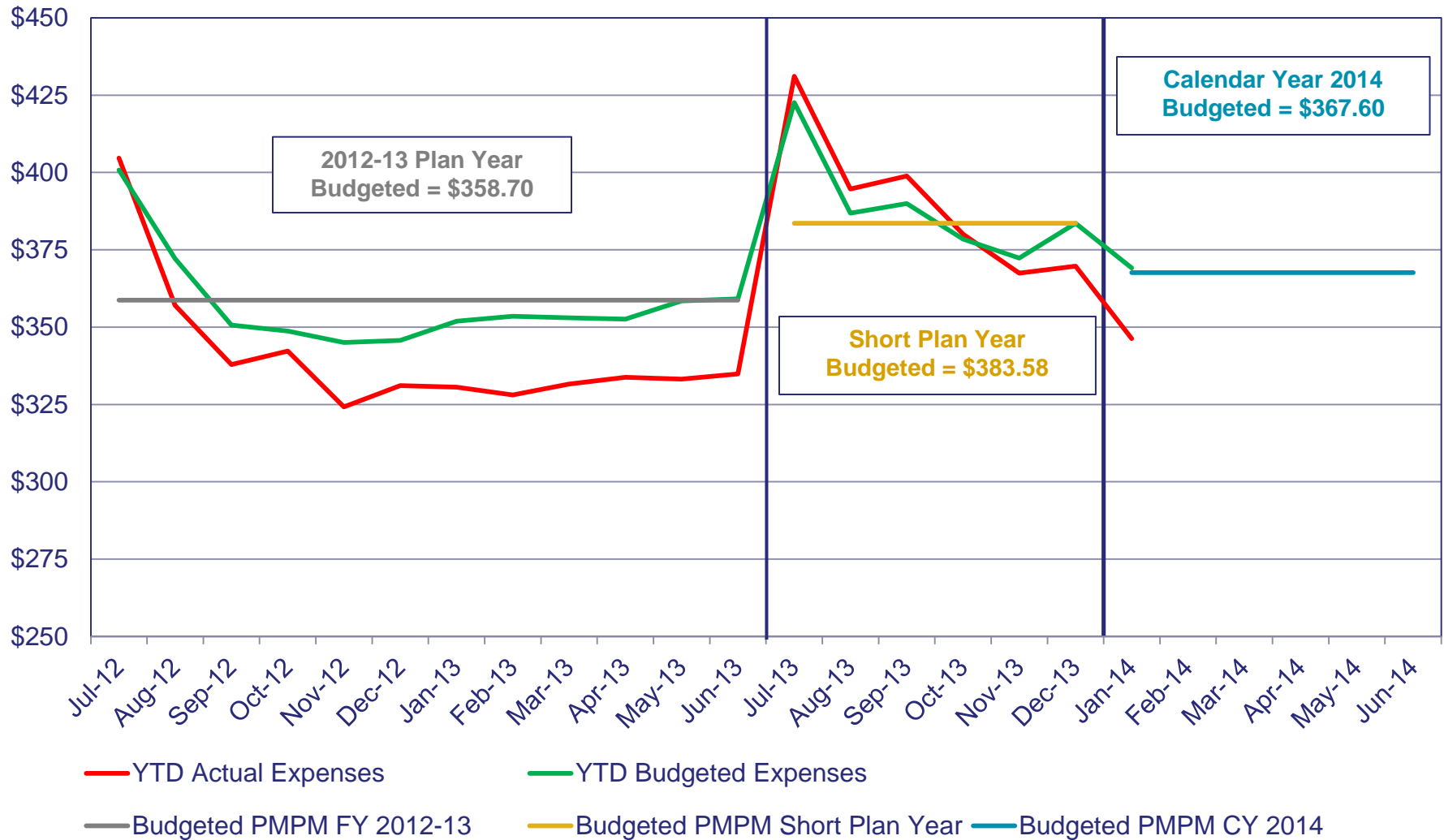
Calendar Year 2014	Actual thru Jan 2014, as Adjusted	Certified Budget (per Segal 8-19-13)	Variance Over/(Under) Budget
Plan Revenue *	\$380.91	\$379.96	\$0.95
Net Claims Payments ^	\$234.69	\$324.69	(\$90.00)
Medicare Advantage Premiums	\$19.21	\$21.66	(\$2.45)
Net Administrative Expenses ^	\$22.22	\$22.80	(\$0.58)
Total Plan Expenses	\$276.12	\$369.15	(\$93.03)
Net Income/(Loss)	\$104.79	\$10.81	\$93.98

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

^ Adjusted for timing issues.

Plan Year to Date Expenditure Trend

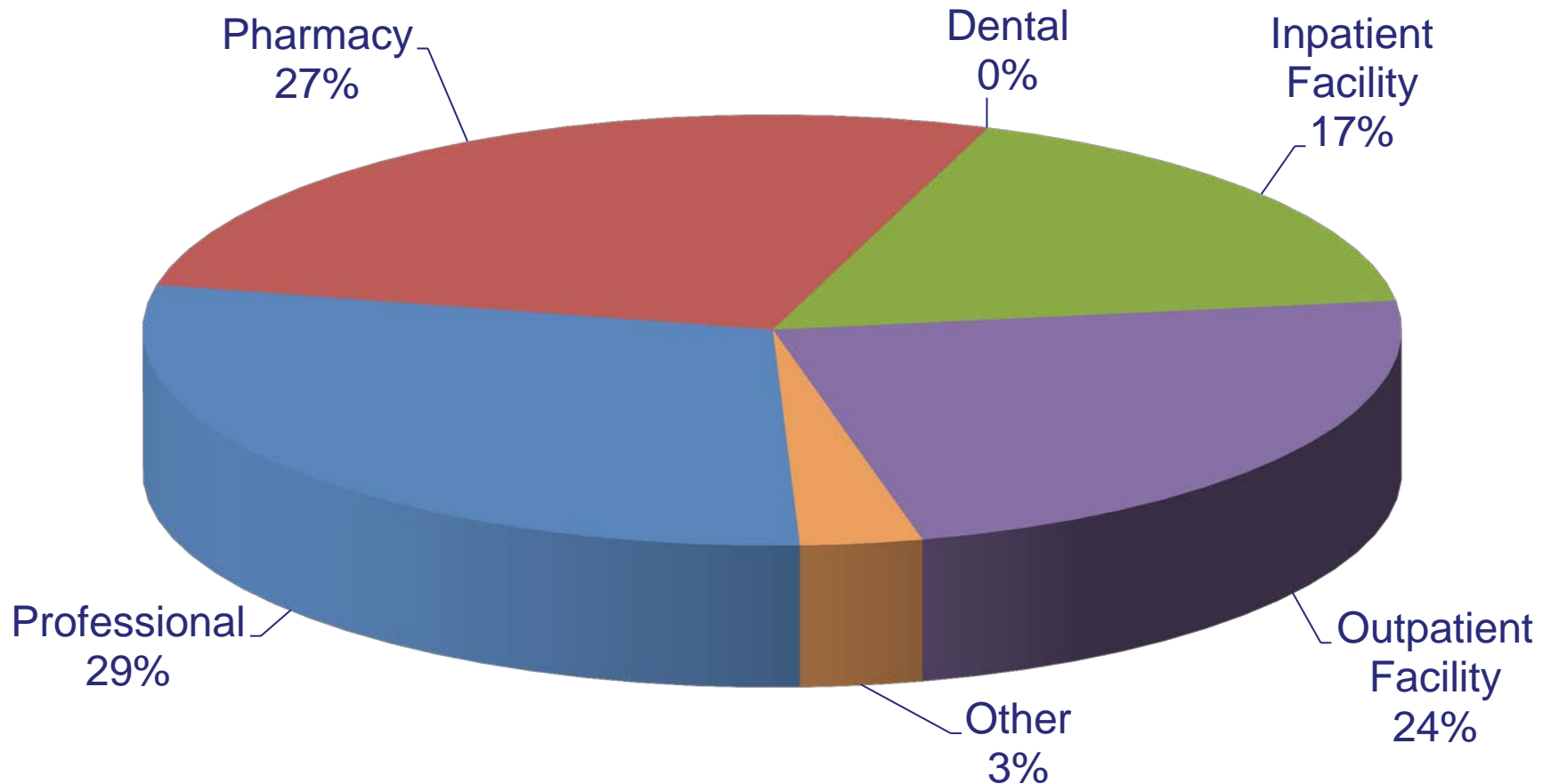
Per Member Per Month



Allocation of Claims Expenditures

Fiscal Year to Date

Includes Medical, Blue Card & Pharmacy Payments



Source: BCBSNC Summary of Billed Charges, fiscal year to date through January 2014

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 January 2014
Calendar Year 2014

	A	B	C	D	E	F	G	H
	Actual January 2014	Certified Budget January 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
Plan Revenue:								
Member Premiums	\$ 215,624,797	\$ 243,964,546	\$ (28,339,749)	\$ 215,624,797	\$ 243,964,546	\$ (28,339,749)	\$ 2,921,878,532	\$ (2,706,253,735)
Premium Refunds/Retroactive Disenrollments	1,918	(124,354)	126,272	1,918	(124,354)	126,272	(1,489,408)	1,491,326
Medicare Part D (RDS) Subsidy	865,445	603,039	262,406	865,445	603,039	262,406	6,344,076	(5,478,631)
Medicare PDP (EGWP + Wrap) Subsidy	12,080,189	8,534,636	3,545,553	12,080,189	8,534,636	3,545,553	31,047,005	(18,966,816)
Federal Early Retiree Reinsurance Program (ERRP)	-	-	-	-	-	-	-	-
Net Premium & Other Contributions	228,572,349	252,977,867	(24,405,518)	228,572,349	252,977,867	(24,405,518)	2,957,780,205	(2,729,207,856)
Investment Earnings	369,150	232,080	137,070	369,150	232,080	137,070	2,892,005	(2,522,855)
Miscellaneous Revenue	-	-	-	-	-	-	-	-
Other Revenue	369,150	232,080	137,070	369,150	232,080	137,070	2,892,005	(2,522,855)
Total Plan Revenue (excludes internal transfers)	228,941,499	253,209,947	(24,268,448)	228,941,499	253,209,947	(24,268,448)	2,960,672,210	(2,731,730,711)
Plan Expenses:								
Medical Claim Payments	122,660,199	172,999,479	(50,339,280)	122,660,199	172,999,479	(50,339,280)	2,062,826,346	(1,940,166,147)
Medical Claim Refunds/Recoveries	(1,967,807)	(1,883,217)	(84,590)	(1,967,807)	(1,883,217)	(84,590)	(25,469,051)	23,501,244
Net Medical Claims	120,692,392	171,116,262	(50,423,870)	120,692,392	171,116,262	(50,423,870)	2,037,357,295	(1,916,664,903)
Pharmacy Claim Payments	82,399,014	56,670,333	25,728,681	82,399,014	56,670,333	25,728,681	599,541,594	(517,142,580)
Pharmacy Claim Rebates	(6,534,968)	(11,255,379)	4,720,411	(6,534,968)	(11,255,379)	4,720,411	(54,794,623)	48,259,655
Pharmacy Claim Refunds/Recoveries	(174,738)	-	(174,738)	(174,738)	-	(174,738)	-	(174,738)
Net Pharmacy Claims	75,689,308	45,414,954	30,274,354	75,689,308	45,414,954	30,274,354	544,746,971	(469,057,663)
Net Claim Payments	196,381,700	216,531,216	(20,149,516)	196,381,700	216,531,216	(20,149,516)	2,582,104,266	(2,385,722,566)
Medicare Advantage Premiums	12,907,634	14,447,462	(1,539,828)	12,907,634	14,447,462	(1,539,828)	174,162,733	(161,255,099)
Net Administrative Expenses	23,427,097	15,201,741	8,225,356	23,427,097	15,201,741	8,225,356	179,815,010	(156,387,913)
Total Plan Expenses (excludes internal transfers)	232,716,431	246,180,419	(13,463,988)	232,716,431	246,180,419	(13,463,988)	2,936,082,009	(2,703,365,578)
Plan Income/(Loss)	(3,774,932)	7,029,528	(10,804,460)	(3,774,932)	7,029,528	(10,804,460)	24,590,201	(28,365,133)
Cash Availability:								
Beginning Cash Balance/(Deficit)	838,447,137	694,975,133	143,472,004	838,447,137	694,975,133	143,472,004	694,975,133	143,472,004
Ending Cash Balance/(Deficit)	834,672,205	702,004,661	132,667,544	834,672,205	702,004,661	132,667,544	719,565,334	115,106,871
Target Stabilization Reserve @ 12/31/14	234,282,695	234,282,695	-	234,282,695	234,282,695	-	234,282,695	-
Cash Balance Over/(Under) Reserve Target	\$ 600,389,510	\$ 467,721,966	\$ 132,667,544	\$ 600,389,510	\$ 467,721,966	\$ 132,667,544	\$ 485,282,639	\$ 115,106,871

Comments:

- Premium receivables totaled \$138,061.46 as of January 31, 2014.
- The average weekly medical claims cost net of claims refunds was \$30,173,098.00 for the four scheduled weekly claim cycles.
- Total pharmacy claims, before rebates and refunds, included three bi-weekly invoice cycles averaging \$27,466,338.00 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.

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 January 2014
Fiscal Year 2013- 2014

	A	B	C	D	E	F	G	H
	Actual January 2014	Certified Budget January 2014	Monthly Variance Over/(Under) Certified Budget	Actual Year to Date FY 2013-14	Certified Budget Year to Date FY 2013-14	Year to Date Variance Over/(Under) Certified Budget	Annual Certified Budget FY 2013-14	Year to Date Variance Over/(Under) Annual Certified Budget
Plan Revenue:								
Member Premiums	\$ 215,624,797	\$ 243,964,546	\$ (28,339,749)	\$ 1,718,202,797	\$ 1,684,043,918	\$ 34,158,879	\$ 2,902,567,015	\$ (1,184,364,218)
Premium Refunds/Retroactive Disenrollments	1,918	(124,354)	126,272	(275,620)	(845,644)	570,024	(1,466,766)	1,191,146
Medicare Part D (RDS) Subsidy	865,445	603,039	262,406	(458,443)	3,387,783	(3,846,226)	6,218,762	(6,677,205)
Medicare PDP (EGWP + Wrap) Subsidy	12,080,189	8,534,636	3,545,553	49,162,774	40,881,937	8,280,837	50,346,402	(1,183,628)
Federal Early Retiree Reinsurance Program (ERRP)	-	-	-	-	-	-	-	-
Net Premium & Other Contributions	228,572,349	252,977,867	(24,405,518)	1,766,631,508	1,727,467,994	39,163,514	2,957,665,413	(1,191,033,905)
Investment Earnings	369,150	232,080	137,070	2,155,265	1,680,082	475,183	2,868,131	(712,866)
Miscellaneous Revenue	-	-	-	54,972	-	54,972	-	54,972
Other Revenue	369,150	232,080	137,070	2,210,237	1,680,082	530,155	2,868,131	(657,894)
Total Plan Revenue (excludes internal transfers)	228,941,499	253,209,947	(24,268,448)	1,768,841,745	1,729,148,076	39,693,669	2,960,533,544	(1,191,691,799)
Plan Expenses:								
Medical Claim Payments	122,660,199	172,999,479	(50,339,280)	1,155,817,599	1,216,998,776	(61,181,177)	2,107,493,114	(951,675,515)
Medical Claim Refunds/Recoveries	(1,967,807)	(1,883,217)	(84,590)	(12,802,185)	(13,943,901)	1,141,716	(24,643,884)	11,841,699
Net Medical Claims	120,692,392	171,116,262	(50,423,870)	1,143,015,414	1,203,054,875	(60,039,461)	2,082,849,230	(939,833,816)
Pharmacy Claim Payments	82,399,014	56,670,333	25,728,681	508,214,483	490,718,773	17,495,710	699,653,578	(191,439,095)
Pharmacy Claim Rebates	(6,534,968)	(11,255,379)	4,720,411	(38,723,609)	(31,828,240)	(6,895,369)	(52,353,361)	13,629,752
Pharmacy Claim Refunds/Recoveries	(174,738)	-	(174,738)	(732,268)	-	(732,268)	-	(732,268)
Net Pharmacy Claims	75,689,308	45,414,954	30,274,354	468,758,606	458,890,533	9,868,073	647,300,217	(178,541,611)
Net Claim Payments	196,381,700	216,531,216	(20,149,516)	1,611,774,020	1,661,945,408	(50,171,388)	2,730,149,447	(1,118,375,427)
Medicare Advantage Premiums	12,907,634	14,447,462	(1,539,828)	12,907,634	14,447,462	(1,539,828)	86,864,744	(73,957,110)
Net Administrative Expenses	23,427,097	15,201,741	8,225,356	92,975,834	106,500,039	(13,524,205)	182,446,628	(89,470,794)
Total Plan Expenses (excludes internal transfers)	232,716,431	246,180,419	(13,463,988)	1,717,657,488	1,782,892,909	(65,235,421)	2,999,460,819	(1,281,803,331)
Plan Income/(Loss)	(3,774,932)	7,029,528	(10,804,460)	51,184,257	(53,744,833)	104,929,090	(38,927,275)	90,111,532
Cash Availability:								
Beginning Cash Balance/(Deficit)	838,447,137	694,975,133	143,472,004	783,487,948	755,749,494	27,738,454	755,749,494	27,738,454
Ending Cash Balance/(Deficit)	834,672,205	702,004,661	132,667,544	834,672,205	702,004,661	132,667,544	716,822,219	117,849,986
Target Stabilization Reserve @ 6/30/14	239,446,206	239,446,206	-	239,446,206	239,446,206	-	239,446,206	-
Cash Balance Over/(Under) Reserve Target	\$ 595,225,999	\$ 462,558,455	\$ 132,667,544	\$ 595,225,999	\$ 462,558,455	\$ 132,667,544	\$ 477,376,013	\$ 117,849,986

Comments:

- Premium receivables totaled \$138,061.46 as of January 31, 2014.
- The average weekly medical claims cost net of claims refunds was \$30,173,098.00 for the four scheduled weekly claim cycles.
- Total pharmacy claims, before rebates and refunds, included three bi-weekly invoice cycles averaging \$27,466,338.00 per cycle.
- The target stabilization reserve is 8.5% of the projected net claims and Medicare Advantage premiums for Fiscal Year 2013-14.
- 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)
January 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 January 2014
 Fiscal Year 2013-2014

	A	B	C	D	E	F	G
	Current Year Actual January 2014	Prior Year Actual January 2013	Current Year to Date Actual FY 2013-14 thru January	Prior Year to Date Actual FY 2012-13 thru January	Current Year Certified Annual Budget FY 2013-14	Prior Year Annual Budget FY 2012-13	Prior Year Actual Results FY 2012-13
1 Plan Revenue:							
2							
3 Member Premiums	\$ 215,624,797	\$ 217,336,501	\$ 1,718,202,797	\$ 1,687,804,549	\$ 2,902,567,015	\$ 2,872,808,844	\$ 2,895,366,140
4 Premium Refunds/Retroactive Disenrollments	1,918	(33,965)	(275,620)	(278,427)	(1,466,766)	(1,437,243)	(487,819)
5 Medicare Part D (RDS) Subsidy	865,445	-	(458,443)	25,570,898	6,218,762	39,519,892	38,056,016
6 Medicare PDP (EGWP + Wrap) Subsidy	12,080,189	3,879,515	49,162,774	3,879,515	50,346,402	19,759,856	24,435,483
7 Federal Early Retiree Reinsurance Program (ERRP)	-	-	-	(558,219)	-	-	(558,219)
8 Net Premium & Other Contributions	228,572,349	221,182,051	1,766,631,508	1,716,418,316	2,957,665,413	2,930,651,349	2,956,811,601
9							
10 Investment Earnings	369,150	266,690	2,155,265	1,669,770	2,868,131	5,658,262	3,117,666
11 Miscellaneous Revenue	-	-	54,972	8,159	-	-	119,047
12 Other Revenue	369,150	266,690	2,210,237	1,677,929	2,868,131	5,658,262	3,236,713
13							
14 Total Plan Revenue (excludes internal transfers)	228,941,499	221,448,741	1,768,841,745	1,718,096,245	2,960,533,544	2,936,309,611	2,960,048,314
15							
16 Plan Expenses:							
17							
18 Medical Claim Payments	122,660,199	137,118,189	1,155,817,599	1,056,190,175	2,107,493,114	2,003,583,417	1,858,096,405
19 Medical Claim Refunds/Recoveries	(1,967,807)	(2,361,986)	(12,802,185)	(14,655,055)	(24,643,884)	(31,216,928)	(23,467,914)
20 Net Medical Claims	120,692,392	134,756,203	1,143,015,414	1,041,535,120	2,082,849,230	1,972,366,489	1,834,628,491
21							
22 Pharmacy Claim Payments	82,399,014	84,034,775	508,214,483	442,935,930	699,653,578	743,853,418	755,896,440
23 Pharmacy Claim Rebates	(6,534,968)	(10,854,294)	(38,723,609)	(37,046,327)	(52,353,361)	(53,173,873)	(69,641,941)
24 Pharmacy Claim Refunds/Recoveries	(174,738)	(651)	(732,268)	(456,133)	-	-	(3,476,790)
25 Net Pharmacy Claims	75,689,308	73,179,830	468,758,606	405,433,470	647,300,217	690,679,545	682,777,709
26							
27 Net Claim Payments	196,381,700	207,936,033	1,611,774,020	1,446,968,590	2,730,149,447	2,663,046,034	2,517,406,200
28							
29 Medicare Advantage Premiums	12,907,634	-	12,907,634	-	86,864,744	-	-
30							
31 Net Administrative Expenses	23,427,097	11,491,663	92,975,834	91,386,482	182,446,628	189,387,392	161,401,639
32							
33 Total Plan Expenses (excludes internal transfers)	232,716,431	219,427,696	1,717,657,488	1,538,355,072	2,999,460,819	2,852,433,426	2,678,807,839
34							
35 Plan Income/(Loss)	(3,774,932)	2,021,045	51,184,257	179,741,173	(38,927,275)	83,876,185	281,240,475
36							
37 Cash Availability:							
38							
39 Beginning Cash Balance/(Deficit)	838,447,137	679,967,599	783,487,948	502,247,471	755,749,494	502,247,475	502,247,471
40 Ending Cash Balance/(Deficit)	834,672,205	681,988,644	834,672,205	681,988,644	716,822,219	586,123,660	783,487,946
41							
42 Target Stabilization Reserve @ 6/30/14	239,446,206	199,728,453	239,446,206	199,728,453	239,446,206	199,728,453	188,805,465
43							
44 Cash Balance Over/(Under) Reserve Target	\$ 595,225,999	\$ 482,260,191	\$ 595,225,999	\$ 482,260,191	\$ 477,376,013	\$ 386,395,207	\$ 594,682,481

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 January 2014
Calendar Year 2014

	A	B	C	D	E	F
	Actual Year to Date Calendar Year thru January	Adjustments for Timing, Unusual & Onetime Events	Adjusted Actual Year to Date	Certified Budget Calendar Year to Date thru January	Year to Date Adjusted Variance Over/(Under) Budget	Adjusted Variance as Percentage of Budget
Plan Revenue:						
Member Premiums (Notes 1 and 2)	\$ 215,624,797	\$ 29,484,769	\$ 245,109,566	\$ 243,964,546	\$ 1,145,020	0.47%
Premium Refunds/Retroactive Disenrollments	1,918		1,918	(124,354)	126,272	-101.54%
Medicare Part D (RDS) Subsidy	865,445		865,445	603,039	262,406	43.51%
Medicare PDP (EGWP + Wrap) Subsidy (Note 3)	12,080,189	(572,152)	11,508,037	8,534,636	2,973,401	34.84%
Federal Early Retiree Reinsurance Program (ERRP)	-		-	-	-	
Net Premium & Other Contributions	228,572,349	28,912,617	257,484,966	252,977,867	4,507,099	1.78%
Other Revenue	369,150		369,150	232,080	137,070	59.06%
Total Plan Revenue (excludes internal transfers)	228,941,499	28,912,617	257,854,116	253,209,947	4,644,169	1.83%
Plan Expenses:						
Net Medical Claims	120,692,392		120,692,392	171,116,262	(50,423,870)	-29.47%
Net Pharmacy Claims (Notes 4 and 5)	75,689,308	(38,657,674)	37,031,634	45,414,954	(8,383,320)	-18.46%
Net Claim Payments	196,381,700	(38,657,674)	157,724,026	216,531,216	(58,807,190)	-27.16%
Medicare Advantage Premiums	12,907,634		12,907,634	14,447,462	(1,539,828)	-10.66%
Net Administrative Expenses (Note 6)	23,427,097	(8,491,208)	14,935,889	15,201,741	(265,852)	-1.75%
Total Plan Expenses (excludes internal transfers)	232,716,431	(47,148,881)	185,567,550	246,180,419	(60,612,869)	-24.62%
Plan Income/(Loss)	(3,774,932)	76,061,498	72,286,566	7,029,528	65,257,038	928.33%
Cash Availability:						
Beginning Cash Balance/(Deficit)	838,447,137		838,447,137	694,975,133	143,472,004	20.64%
Ending Cash Balance/(Deficit)	834,672,205	76,061,498	910,733,703	702,004,661	208,729,042	29.73%
Target Stabilization Reserve @ 12/31/2014	234,282,695		234,282,695	234,282,695	-	
Cash Balance Over/(Under) Reserve Target	\$ 600,389,510	\$ 76,061,498	\$ 676,451,008	\$ 467,721,966	\$ 208,729,042	44.63%

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 \$31.3 million in prepaid February premiums received in January.
3. EGWP Subsidies adjusted to exclude an unbudgeted Direct Subsidy.
4. 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.
5. Pharmacy claims adjusted to include \$5.6 million in EGWP rebates budgeted for January and received in February.
6. Administrative expenses adjusted to exclude December 2013 vendor invoices that were not processed until January 2014.

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 January 2014
Fiscal Year 2013-2014

	A	B	C	D	E	F
	Actual Year to Date Fiscal Year thru January	Adjustments for Timing, Unusual & Overtime Events	Adjusted Actual Year to Date	Certified Budget Fiscal Year to Date thru January	Year to Date Adjusted Variance Over/(Under) Budget	Adjusted Variance as Percentage of Budget
Plan Revenue:						
Member Premiums (Notes 1 and 2)	\$ 1,718,202,797	\$ (20,994,494)	\$ 1,697,208,303	\$ 1,684,043,918	\$ 13,164,385	0.78%
Premium Refunds/Retroactive Disenrollments	(275,620)		(275,620)	(845,644)	570,024	-67.41%
Medicare Part D (RDS) Subsidy (Note 3)	(458,443)	5,717,385	5,258,942	3,387,783	1,871,159	55.23%
Medicare PDP (EGWP + Wrap) Subsidy (Note 4)	49,162,774	(572,152)	48,590,622	40,881,937	7,708,685	18.86%
Federal Early Retiree Reinsurance Program (ERRP)	-		-	-	-	
Net Premium & Other Contributions	1,766,631,508	(15,849,261)	1,750,782,247	1,727,467,994	23,314,253	1.35%
Other Revenue (Note 5)	2,210,237	(54,973)	2,155,264	1,680,082	475,182	28.28%
Total Plan Revenue (excludes internal transfers)	1,768,841,745	(15,904,233)	1,752,937,512	1,729,148,076	23,789,436	1.38%
Plan Expenses:						
Net Medical Claims	1,143,015,414		1,143,015,414	1,203,054,875	(60,039,461)	-4.99%
Net Pharmacy Claims (Notes 6 and 7)	468,758,606	225,718	468,984,324	458,890,533	10,093,791	2.20%
Net Claim Payments	1,611,774,020	225,718	1,611,999,738	1,661,945,408	(49,945,670)	-3.01%
Medicare Advantage Premiums	12,907,634		12,907,634	14,447,462	(1,539,828)	-10.66%
Net Administrative Expenses	92,975,834		92,975,834	106,500,039	(13,524,205)	-12.70%
Total Plan Expenses (excludes internal transfers)	1,717,657,488	225,718	1,717,883,206	1,782,892,909	(65,009,703)	-3.65%
Plan Income/(Loss)	51,184,257	(16,129,951)	35,054,306	(53,744,833)	88,799,139	-165.22%
Cash Availability:						
Beginning Cash Balance/(Deficit)	783,487,948		783,487,948	755,749,494	27,738,454	3.67%
Ending Cash Balance/(Deficit)	834,672,205	(16,129,951)	818,542,254	702,004,661	116,537,593	16.60%
Target Stabilization Reserve @ 6/30/14	239,446,206		239,446,206	239,446,206	-	
Cash Balance Over/(Under) Reserve Target	\$ 595,225,999	\$ (16,129,951)	\$ 579,096,048	\$ 462,558,455	\$ 116,537,593	25.19%

Adjustment Notes:

1. Member premiums adjusted to include \$10.3 million in prepaid July premiums received in June 2013.
2. Member premiums adjusted to exclude \$31.3 million in prepaid February premiums received in January.
3. Medicare Part D Subsidy adjusted to remove the impact of an unbudgeted repayment of subsidy revenues from prior years.
4. EGWP Subsidies adjusted to exclude an unbudgeted Direct Subsidy received in January.
5. Other revenue adjusted to exclude unbudgeted reimbursement of prior year expenditures.
6. Pharmacy claims adjusted to exclude \$5.8 million in unbudgeted EGWP rebates earned last fiscal year but not received until October 2013.
7. Pharmacy claims adjusted to include \$5.6 million in EGWP rebates budgeted for January and received in February.

Adjusted Variance Report Based on Certified (Original) Budget
Fiscal Year to Date Through January 2014