

Merit Health Insurance Company
Schedule B
Income Statement
12/31/2012

					Year end:		
					2012	YTD	
					Total Current Qtr	12/31/2012	
Line #	REVENUE & EXPENSES	1st Qtr 03/31/2012	2nd Qtr 06/30/2012	3rd Qtr 09/30/2012	4th Qtr 12/31/2012	12/31/2012	12/31/2012
1	Member months - at risk	268,440	842,468	826,714	848,121	848,121	2,785,743
2	Member months - administrative capitated	736,925	2,219,493	2,255,903	2,269,331	2,269,331	7,481,652
3	Members in service - administrative non-capitated	19,801	83,823	100,334	12,461	12,461	216,419
REVENUES							
4	Capitated revenue - at-risk	\$ 10,366,311	\$ 32,466,213	\$ 31,690,780	\$ 32,217,938	\$ 32,217,938	\$ 106,741,242
5	Capitated revenue - administrative	\$ 1,419,826	\$ 4,418,726	\$ 4,546,634	\$ 4,583,920	\$ 4,583,920	\$ 14,969,106
6	Other administrative revenue	\$ 533,528	\$ 1,600,584	\$ 1,600,660	\$ 1,600,584	\$ 1,600,584	\$ 5,335,356
7	Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Open	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Open	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	TOTAL REVENUES	\$ 12,319,665	\$ 38,485,523	\$ 37,838,074	\$ 38,402,442	\$ 38,402,442	\$ 127,045,704
EXPENSES							
Inpatient Services							
12	Inpatient-Freestanding Psych Facilities	\$ 286,310	\$ 35,554	\$ 471,313	\$ 546,752	\$ 546,752	\$ 1,339,929
13	Inpatient-Distinct Part Psych Facilities	\$ 6,721	\$ 8,654,779	\$ 9,447,497	\$ 10,275,295	\$ 10,275,295	\$ 28,384,292
14	Inpatient-General Hospital	\$ -	\$ 92,973	\$ 294,156	\$ 417,505	\$ 417,505	\$ 804,633
15	Addiction Services - Residential	\$ -	\$ 79,348	\$ 202,732	\$ 621,218	\$ 621,218	\$ 903,298
16	Inpatient-Incurred But Not Reported Claim Expense	\$ 5,584,018	\$ 6,656,270	\$ 4,605,626	\$ 432,608	\$ 432,608	\$ 17,278,522
17	Total Inpatient Services	\$ 5,877,049	\$ 15,518,924	\$ 15,021,325	\$ 12,293,377	\$ 12,293,377	\$ 48,710,675
Other Services							
18	Hospital Outpatient Services	\$ -	\$ 692	\$ 691,401	\$ 3,237	\$ 3,237	\$ 695,329
19	Outpatient Emergency Room	\$ -	\$ 70,945	\$ 105,934	\$ 711,933	\$ 711,933	\$ 888,812
20	FQHC Services	\$ -	\$ 23,472	\$ 169,606	\$ 170,297	\$ 170,297	\$ 363,375
21	Crisis Intervention	\$ -	\$ 6,069	\$ 25,987	\$ 70,384	\$ 70,384	\$ 102,440
22	Psychosocial Rehabilitation	\$ 57,569	\$ 840,167	\$ 528,774	\$ 518,964	\$ 518,964	\$ 1,945,474
23	Community Psychiatric Support and Treatment	\$ 86,195	\$ 2,353,396	\$ 4,556,181	\$ 3,145,707	\$ 3,145,707	\$ 10,141,480
24	Addiction Services - Outpatient	\$ 1,548	\$ 27,066	\$ 75,810	\$ 153,347	\$ 153,347	\$ 257,771
25	1915(b)(3) Services - Case Conference	\$ -	\$ 220	\$ 10	\$ -	\$ -	\$ 230
26	Medical Physician/Psychiatrist	\$ -	\$ -	\$ 1,554,299	\$ 2,044,060	\$ 2,044,060	\$ 3,598,359
27	Psychologist	\$ -	\$ -	\$ 19,613	\$ 23,019	\$ 23,019	\$ 42,632
28	Licensed Professional Counselor	\$ -	\$ -	\$ 129,025	\$ 116,046	\$ 116,046	\$ 245,072
29	Social Worker	\$ -	\$ -	\$ 30,496	\$ 87,604	\$ 87,604	\$ 118,099
30	Licensed Marriage and Family Therapist	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31	Other Psych Services	\$ -	\$ -	\$ 217,224	\$ 164,021	\$ 164,021	\$ 381,245
32	Lab	\$ -	\$ -	\$ 1,038	\$ -	\$ -	\$ 1,038
33	Other Non-defined Services (describe)	\$ 27,336	\$ 1,104,871	\$ 1,074	\$ 1,095	\$ 1,095	\$ 1,134,378
34	Other Services-Incurred But Not Reported Claim Expense	\$ 3,562,936	\$ 7,000,329	\$ 3,027,870	\$ 1,745,867	\$ 1,745,867	\$ 15,337,001
35	Total Other Services	\$ 3,735,584	\$ 11,427,228	\$ 11,134,341	\$ 8,955,581	\$ 8,955,581	\$ 35,252,734
36	TOTAL MEDICAL EXPENSES	\$ 9,612,633	\$ 26,946,152	\$ 26,155,667	\$ 21,248,958	\$ 21,248,958	\$ 83,963,409
Reinsurance and Recoveries							
37	Reinsurance premiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Reinsurance recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39	Net cost of reinsurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	TPL/COB recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41	Fraud and abuse recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42	Other recoveries (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43	TOTAL NET MEDICAL EXPENSES	\$ 9,612,633	\$ 26,946,152	\$ 26,155,667	\$ 21,248,958	\$ 21,248,958	\$ 83,963,409
Administrative Services							
44	General management	\$ 196,922	\$ 836,534	\$ 983,336	\$ 1,073,767	\$ 1,073,767	\$ 3,090,559
45	Clinical operations	\$ 125,483	\$ 458,976	\$ 338,048	\$ 348,272	\$ 348,272	\$ 1,270,779
46	Customer service	\$ 128,944	\$ 368,918	\$ 309,489	\$ 275,602	\$ 275,602	\$ 1,082,954
47	QI/Compliance	\$ 98,162	\$ 306,284	\$ 324,233	\$ 318,413	\$ 318,413	\$ 1,047,092
48	Training	\$ 21,081	\$ 53,444	\$ 53,418	\$ 58,228	\$ 58,228	\$ 186,172
49	Utilization management	\$ 297,493	\$ 990,702	\$ 966,259	\$ 976,136	\$ 976,136	\$ 3,230,589
50	CSoc Program	\$ -	\$ -	\$ 224,821	\$ 132,734	\$ 132,734	\$ 357,554
51	Public Support of Housing	\$ -	\$ -	\$ -	\$ 266	\$ 266	\$ 266
52	Recovery and resiliency	\$ 26,812	\$ 81,112	\$ 85,414	\$ 78,811	\$ 78,811	\$ 272,150
53	After hours	\$ 36,091	\$ 148,205	\$ 150,782	\$ 94,043	\$ 94,043	\$ 429,121
54	Information technology	\$ 36,891	\$ 510,682	\$ (547,573)	\$ -	\$ -	\$ 0
55	Corporate service allocation	\$ 1,092,331	\$ 3,381,710	\$ 3,397,805	\$ 3,452,175	\$ 3,452,175	\$ 11,324,022
56	Other administrative costs	\$ -	\$ -	\$ -	\$ 124,000	\$ 124,000	\$ 124,000
57	Sanctions and late payment interest penalties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
58	TOTAL ADMINISTRATIVE EXPENSES	\$ 2,060,210	\$ 7,136,568	\$ 6,286,032	\$ 6,932,448	\$ 6,932,448	\$ 22,415,258
59	TOTAL EXPENSES	\$ 11,672,843	\$ 34,082,719	\$ 32,441,699	\$ 28,181,406	\$ 28,181,406	\$ 106,378,667
60	EARNINGS FROM OPERATIONS	\$ 646,822	\$ 4,402,804	\$ 5,396,375	\$ 10,221,036	\$ 10,221,036	\$ 20,667,037
61	Premium Taxes	\$ 233,242	\$ 730,490	\$ 713,020	\$ 725,722	\$ 725,722	\$ 2,402,474
62	EARNINGS BEFORE INCOME TAXES AND OTHER ITEMS	\$ 413,580	\$ 3,672,314	\$ 4,683,355	\$ 9,495,314	\$ 9,495,314	\$ 18,264,563
63	Other income/(loss) (describe)	\$ (51,961)	\$ (54,692)	\$ (49,944)	\$ (54,980)	\$ (54,980)	\$ (211,577)
64	Income taxes	\$ (126,567)	\$ (1,266,388)	\$ (1,621,694)	\$ (3,304,117)	\$ (3,304,117)	\$ (6,318,766)
65	NET INCOME (LOSS)	\$ 235,052	\$ 2,351,234	\$ 3,011,717	\$ 6,136,217	\$ 6,136,217	\$ 11,734,220