



**Ventura County Medi-Cal Managed  
Care Commission (VCMCC) dba  
Gold Coast Health Plan (GCHP)  
Executive / Finance Committee Meeting**

Executive Conference Room at Gold Coast Health Plan  
711 E. Daily Drive, Suite 106, Camarillo, CA 93010  
**Thursday, October 8, 2015  
3:00 PM**

**AMENDED AGENDA**

**CALL TO ORDER / ROLL CALL**

**PUBLIC COMMENT** Comments are limited to three (3) minutes. Those wishing to comment must complete and submit a Speaker Card to the Clerk of the Board.

- **Public Comment** – Comments regarding items not on the agenda but within the subject matter jurisdiction of the Committee.
- **Agenda Item Comment** – Comments within the subject matter jurisdiction of the Committee pertaining to a specific item on the agenda. The speaker is recognized and introduced by the Committee Chair during Committee's consideration of the item.

**1. APPROVE MINUTES**

- a. July 9, 2015 Regular Executive / Finance Meeting Minutes

**2. APPROVAL ITEMS**

- a. 2016 Executive / Finance Committee Meeting Calendar

Meeting Agenda Available at <http://www.goldcoasthealthplan.org>

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**ADMINISTRATIVE REPORTS RELATING TO THIS AGENDA AND MATERIALS RELATED TO AN AGENDA ITEM SUBMITTED TO THE COMMITTEE AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC REVIEW DURING NORMAL BUSINESS HOURS AT THE OFFICE OF THE CLERK OF THE BOARD, 711 E. DAILY DRIVE, SUITE #106, CAMARILLO, CA.**

**IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT TRACI AT (805) 437-5509. REASONABLE ADVANCE NOTIFICATION OF THE NEED FOR ACCOMMODATION PRIOR TO THE MEETING (48 HOURS ADVANCE NOTICE IS PREFERABLE) WILL ENABLE US TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.**

**Ventura County Medi-Cal Managed Care Commission (VCMCC) dba Gold Coast Health Plan (GCHP)  
October 8, 2015 Executive / Finance Committee Meeting Agenda (continued)**

**LOCATION:** Executive Conference Room, 711 E. Daily Drive, Suite 106, Camarillo, CA 93010

**TIME:** 3:00 PM

**PAGE:** 2 of 2

**3. ACCEPT AND FILE ITEMS**

- a. CEO Update
- b. CFO Update - July and August Financials

**COMMENTS FROM COMMITTEE MEMBERS**

**CLOSED SESSION**

- a. **Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8**  
**Agency Designated Representatives:** Scott Campbell, legal counsel; Dale Villani, CEO; Ruth Watson, COO; Jeffrey Gauthier, Facilities Manager; William G. Kiefer, Executive Vice President NAI Capital, Inc.  
**Property Owners and Subject Real Property:** 711 Building LLC, 770 Paseo Camarillo, Camarillo, CA 93010  
**Under Negotiation:** Price and Term of Payment

**ADJOURNMENT**

Unless otherwise determined by the Committee, the next regular meeting of the Committee will be held on November 5, 2015 in the Executive Conference Room, 711 E. Daily Drive, Suite 106, Camarillo, CA 93010

Meeting Agenda Available at <http://www.goldcoasthealthplan.org>

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**Ventura County Medi-Cal Managed Care Commission  
(VCOMMCC) dba Gold Coast Health Plan (GCHP)  
Executive / Finance Committee Meeting Minutes**

**July 9, 2015**

*(Not official until approved)*

**CALL TO ORDER**

Chair Araujo called the meeting to order at 3:03 p.m. in the Executive Conference Room at Gold Coast Health Plan, 711 E. Daily Drive, Suite 106, Camarillo, CA 93010.

**ROLL CALL**

**COMMITTEE MEMBERS PRESENT**

**David Araujo, MD**, Ventura County Medical Center Family Medicine Residency Program

**David Glycer**, Private Hospitals / Healthcare System

**Gagan Pawar, MD**, Clinicas del Camino Real, Inc.

**Dee Pupa**, Ventura County Health Care Agency

**EXCUSED / ABSENT COMMITTEE MEMBERS**

**Antonio Alatorre**, Clinicas del Camino Real, Inc.

**STAFF IN ATTENDANCE**

**Dale Villani**, Chief Executive Officer

**Lyndon Turner**, Financial Analysis Director

**Traci R. McGinley**, Clerk of the Board

**Scott Campbell**, Legal Counsel

**William Freeman**, Network Operations Director

**Steven Lalich**, Communications Director

**Allen Maithel**, Controller

**Al Reeves, MD**, Chief Medical Officer

**Melissa Scrymgeour**, Chief Information Officer

**Ruth Watson**, Chief Operating Officer

**PUBLIC COMMENTS**

None.

**1. APPROVE MINUTES**

**a. June 4, 2015 Regular Meeting Minutes**

Committee Member Pupa moved to approve the June 4, 2015 Regular Meeting Minutes as amended. Committee Member Pawar seconded. The motion carried with the following vote:

AYE: Araujo, Pawar and Pupa.

NAY: None.  
ABSTAIN: Glycer.  
ABSENT: Alatorre.

## **2. ACCEPT AND FILE ITEMS**

### **a. CEO Update**

CEO Villani announced that the new CFO, Patricia Mowlavi, will be joining the Plan on July 28, 2015. She is currently a Senior Director at L.A. Care Plan and has vast experience in Medi-Cal.

CEO Villani advised the Committee that the State will be doing a large recoupment on the Adult Expansion (AE) population. A significant amount of money had been set aside because the Plan had anticipated that this would occur.

Financial Analysis Director Turner added that staff believes the recoupment is currently \$28 million. He explained that the State had continued to pay last year's rate for the AE population which is 19% more than this year's rate. This overpayment made by the State will continue to grow and Staff will continue to set aside the rate differential. The Plan has accrued a total of \$143 million as "Payable to the State" which is a combination of the \$28 million rate overpayment and the MLR difference for the AE population.

Committee Member Pawar asked if the State was seeking more than the difference Financial Analysis Director Turner responded that staff believes the recoupment of \$28 million covers the rate differential. COO Watson added that the State indicated it will take it back in January 2016. CEO Villani noted that a call is scheduled with the State on the following Monday and the Plan should be advised at that time if the funds will be deducted from future payments.

CEO Villani updated the Committee on the Knox Keene legislation. SB 260 passed the first assembly health care committee and will now go before appropriations. The Department of Managed Health Care Services is in favor of the legislation. It wants uniform oversight on all health plans in California. GCHP is the only County Organized Health System (COHS) in California that does not have any type of Knox Keene license. Staff anticipates that it will take the Plan 18-24 months because GCHP is the only COHS that does not have any type of Knox Keene license.

COO Watson noted that staff estimates that the costs will be over \$200,000. Chair Araujo asked if that was a one-time cost. CEO Villani responded that it was the estimate for a consultant and the application. Additional FTE would still be required and a tax will be levied on the Plan.

COO Watson added that the COHS argument is that there is very little difference in regulations regarding member rights which was the main argument for requiring COHS to move to Knox Keene licensure. However, some of the regulations are different, so there is a question as to which regulation would take precedence.

CMO Dr. Reeves added that advocates expressed concern about members' appeal rights are also not the same, however members do have a right to appeal through an administrative judge and the Plan's process is faster. COO Watson added that the COHS have agreed to adopt the Independent Medical Review (IMR) process if that is a concern.

Committee Member Glycer asked if there would be any benefit to having a Knox Keene license.

COO Watson responded that it would allow the Plan to have additional products and is a requirement for duals so the Plan would still have to obtain the license at that time.

**b. CFO Update – April Financials**

Financial Analysis Director Turner briefly reviewed the financials. He reported that membership increased to 187,800. The majority of growth is in the Adult Expansion population, but the Plan is seeing regular adult enrollment increasing as well. Overall revenue was \$7.3 million below budget, Administrative expenses were over budget predominantly due to the ACS / Xerox contract which is volume driven.

Committee Member Glycer asked what the loss ratio was on the AE population. Financial Analysis Director Turner responded it was up to approximately 68%.

Committee Member Pupa asked about an MLR audit for the Medical Administrative. Financial Analysis Director Turner responded that there had been one last October and it had worked out very well, the auditor's had recommendations that they passed to DHCS.

Committee Member Glycer asked how the Plan showed a 6.79% bottom line if staff was setting aside and preparing for the State to take funds back. COO Watson explained that the only funds affected were from the AE population because it is federally funded through the State and any funds not used specifically for that population must be returned. Financial Analysis Director Turner added that the Plan has other areas that are doing very well, like the TLIC.

Financial Analysis Director Turner advised the Committee that there had not been any payments made to providers due to the Affordable Care Act (ACA) 1202 between April and May, but approximately \$187,000 did go out in June and approximately \$600,000 will be paid out at the end of the month.

Financial Analysis Director Turner reviewed the preliminary rate package from the State. The AE population rates were reduced by 23%. The rate package for traditional Medi-Cal decreased by 2%, which is approximately \$6 million per year. One of the largest cuts was in the child category: it was cut 19%. The TLIC and child portion of the family were combined into one child rate which is significantly less.

Committee Member Glycer moved to accept and file the CEO Update and the CFO Update – April Financials. Committee Member Pupa seconded. The motion carried with the following vote:

AYE: Araujo, Glyer, Pawar and Pupa.  
NAY: None.  
ABSTAIN: None.  
ABSENT: Alatorre.

### **COMMENTS FROM COMMITTEE MEMBERS**

Chair Araujo suggested the Executive / Finance Committee meet every other month, the financials would then go to the Commission every other month as well.

### **ADJOURNMENT**

Meeting adjourned at 3:43 p.m.



**AGENDA ITEM 3.a.**

TO: Gold Coast Health Plan Commission

FROM: Ruth Watson, COO

DATE: October 8, 2015

RE: CEO Update

GCHP previously reported to the Commission that the PBM RFP had been released, and subsequently 7 proposals were received. Based upon concerns by Best Best and Krieger, LLC (BBK) regarding the use of consultants in scoring RFP's who might have business relationships with the proposers, the Plan requested an opinion from the Fair Political Practices Commission ( FPPC). That request was made prior to the RFP being released and the FPPC's response was received after the proposals had been received from the PBM vendors. This opinion provided clarity and specific detailed guidance regarding potential conflicts of interest as it relates to the use of consultants. Due to the information received and the broad legal opinion on which it was based, GCHP felt it was in the best interest of the Plan to terminate the current RFP process and re-issue a new RFP that is completely free from any potential conflicts of interest. At this time, the new RFP is scheduled to be released the first week of November. Coincidentally, there are new regulations regarding pharmacy rebates that may be significantly beneficial to the Plan and these will now be built into the new PBM RFP.

As a result of this delay in the RFP, the current contract with Script Care will need to be extended.



**AGENDA ITEM 3.b.**

TO: Gold Coast Health Plan Commission

FROM: Patricia Mowlavi, CFO

DATE: October 8, 2015

RE: CFO Update - July and August Financials

**FINANCIAL UPDATE**

**External Audit**

The FY 2013-14 audited financials were sent to Department of Health Care Services (DHCS) for review on Friday, October 2, 2015. The financial results are consistent with the information reviewed at the September 28, 2015 Commission Meeting. This is the first step required by DHCS to gain permission to repay the Lines of Credit (LOC) to Ventura County. Staff will keep the Committee apprised of the feedback received from DHCS. The Plan's goal is to repay the line of credit as soon possible.

Staff is working diligently with the new Auditors, Moss-Adams, to complete the FY 2014-15 audit as quickly as possible. The major phase of the audit cannot start until the FY 2013-14 financials are complete and access provided to McGladrey work papers. McGladrey is engaged and cooperating to provide Moss-Adams access to this information.

**Internal Audit**

The Audit Committee Charter was adopted at the September 28, 2015 Commission Meeting. Marty Haisma of Etonien, Financial Consultants, has been contracted to establish the internal audit process for the Plan. The internal audit function is intended to bring a systematic and disciplined approach to evaluate the effectiveness of the organization's governance, risk management and internal control. The Audit Committee appointments are anticipated to take place at the November 16, 2015 Commission Meeting. The Audit Committee will review the draft Internal Audit Activity Policies and Procedures and the Audit Plan Guidelines. The Plan will hire an Internal Auditor, which is included in the FY 2015-16 budget. This position will report functionally to the Commission and administratively to the CEO or the CFO. An audit plan will be established based on organizational risk, and internal audit reports will be presented to the Audit Committee and Commission.



## **Financial Highlights**

Overall Performance – For the two months ending August 31, 2015, the Plan's gain in unrestricted net assets was approximately \$6.6 million compared to the \$2.4 million budget. The favorable variance was driven by strong Adult Expansion (AE) membership growth, lower than anticipated health care and administrative costs.

Tangible Net Equity – Favorable operating results contributed to a Tangible Net Equity (TNE) level of approximately \$113.8 million, which exceeded both the budget of \$82.4 million by \$31.46 million and the State minimum required TNE amount of \$22.0 million by \$91.8 million. August's TNE was 485% of the State required TNE, excluding the \$7.2 million County of Ventura lines of credit (LOC).

Membership – August membership of 193,867 exceeded budget by 2,248 members. The increase was primarily in the Adult Expansion (AE) category, which grew by 809 members this fiscal year.

Revenue – For the month ending August, fiscal year to date net revenue was \$105.1 million or \$1.7 million favorable to budget. This is largely due to the increase in membership with higher capitation rates (Adult Expansion).

Revenue includes a \$3.2 million reserve for rate reductions associated with AE. This reserve represents an expected refund, to DHCS, of rate overpayments (DHCS is paying at July 1, 2014 rates rather than the July 1, 2015 published rates) and the anticipated refund of revenue to achieve a medical loss ratio (MLR) of 85%, for this aid category. (The MLR is calculated by dividing health care costs by revenue.)

Health Care Costs – For month ending August, fiscal year to date health care costs were \$92.5 million or \$1.7 million favorable to budget. Health care cost increased by \$3.2 million or 7% in August over July driven by increased membership. The MLR for the fiscal year is 88% versus 90% in July. Additional detail by major line item follows:

- Capitation – For the fiscal year, capitation was \$15.0 million or \$3.0 million over budget. The Enhanced Adult Capitation program was revised effective July 2015. The effect has been a greater than anticipated capitation rate coupled with higher than budgeted membership growth.
- Fee for Service – For the fiscal year, total claims expense was \$74.5 million compared to a budget of \$78.5 million. While there was some movement of services between categories, the overall variance is comprised of the \$13.0 million in Physician Specialty savings.
- Inpatient – Two unusually large claims are impacting inpatient costs this fiscal year.
- LTC / SNF – New AB 1629 rates were contemplated in the budget, but rates

scheduled to be released August 1, 2014 have not yet been published by DHCS. Staff is in the process of researching an appropriate accrual estimate until rates are published and operationalized by the Plan.

- Pharmacy – For the fiscal year, overall Pharmacy was \$14.0 million or \$800,000 million favorable to budget. Lower than expected utilization in the AE category contributed to savings, however AE Pharmacy has been trending higher.

Administrative Expenses – For the month ending August, fiscal year to date administrative costs totaled \$6.6 million or \$818,000 favorable to budget. Savings were realized due to the delay in new hires and related costs associated with personnel.

The administrative cost ratio (ACR) is 6% or 1% favorable to budget. (The ACR is calculated by dividing administrative expenses by total revenue.)

Cash and Medi-Cal Receivable – Total Cash and Medi-Cal Premium Receivable balances were \$414.8 million, as of August 31, 2015. This includes pass-through payments for AB 85 of \$1.7 million and Managed Care Organizations (MCO) tax of \$9.3 million. Excluding the impact of the pass through amount, the total of Cash and Medi-Cal Receivable balance as of August 31, 2015 was \$403.8 million or \$4.3 million better than the budgeted level of \$399.5 million.

Investment Portfolio – During the months of July and August, \$95.0 million net transfer to short term investments was completed. As of August 31, 2015, the value the investments are as follows:

- Short-term Investments \$260.1 million: Cal Trust \$80.1 million; Ventura County Investment Pool \$80.0 million; LAIF CA State \$50.0 million; Commercial paper and bonds \$50.0 million.
- Long-term Investments (Bonds) \$24.6 million.



**FINANCIAL PACKAGE**

For the month ended August 31, 2015

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- Financial Overview
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- Tangible Net Equity Comparisons
- Top 10 Diagnoses Charts
- Membership
- Statement of Financial Positions
- Statement of Revenues, Expenses and Changes in Net Assets
- YTD Statement of Revenues, Expenses and Changes in Net Assets
- Monthly Cash Flow
- YTD Cash Flow

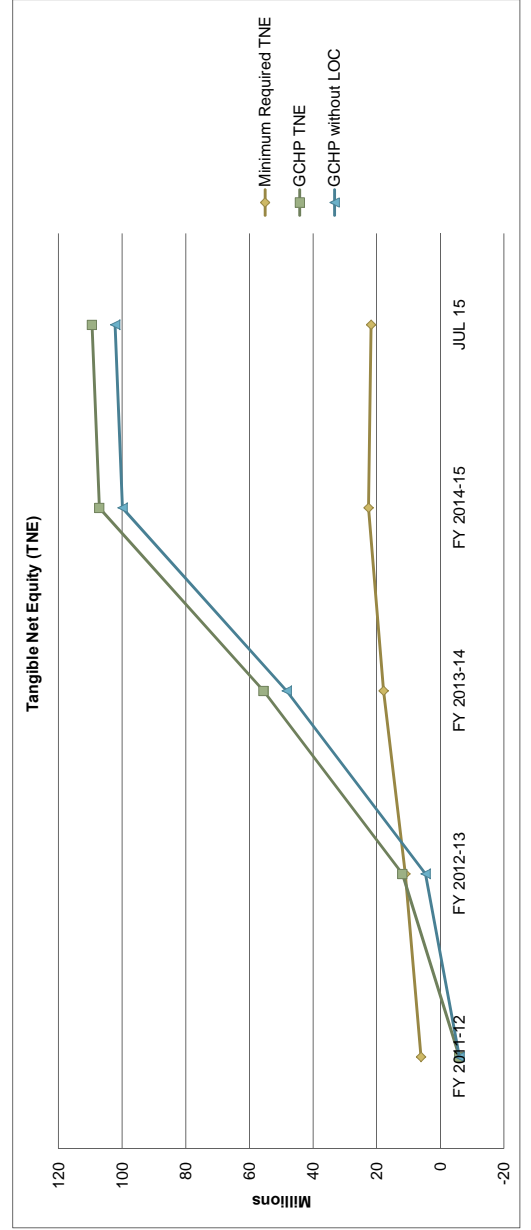
**APPENDIX**

- Cash Trend Combined
- Paid Claims and IBNP Composition
- Total Expense Composition
- Pharmacy Cost & Utilization Trends

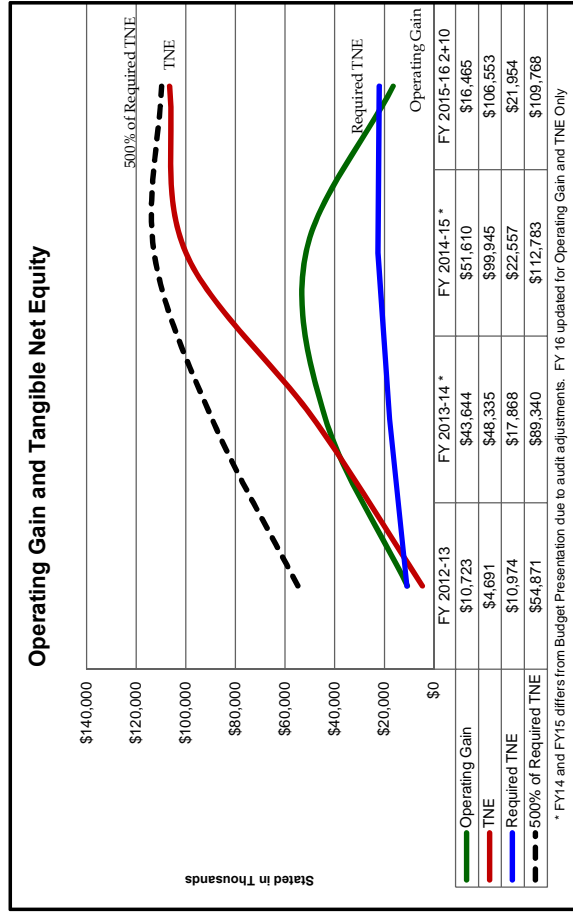
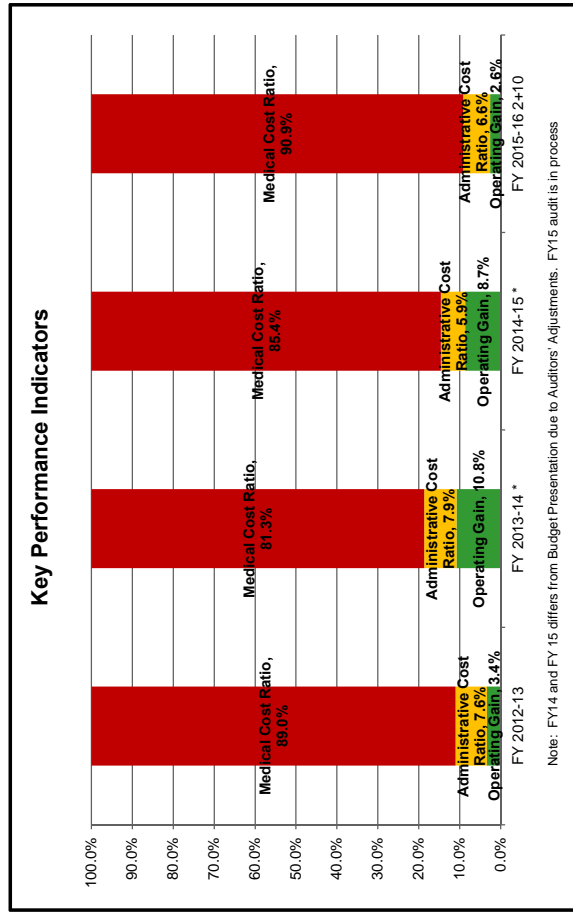
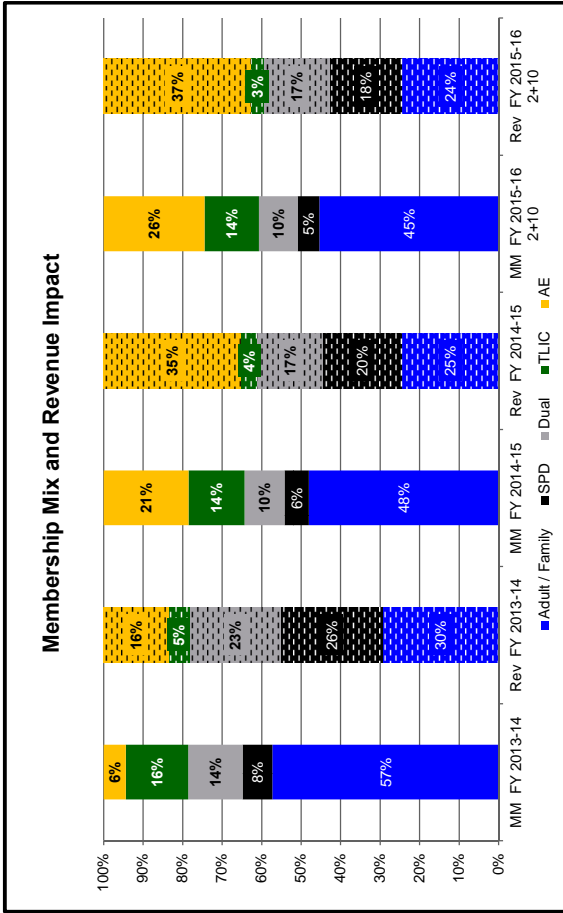
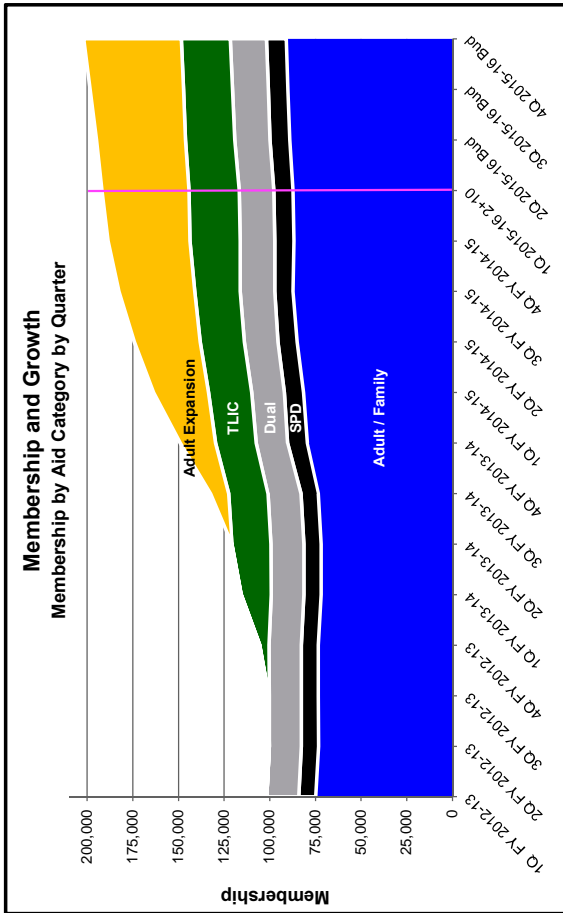
**GOLD COAST HEALTH PLAN**  
Financial Results Summary

Description	AUDITED*		AUDITED		UNAUDITED		FY 2015-16		Budget Comparison	
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	JUL 15	AUG 15	Budget August 15	Variance Fav / (Unfav)	Variance Fav / (Unfav)%	
<b>Member Months</b>	1,258,189	1,223,895	1,553,660	2,130,979	189,314	193,867	191,619	2,248	1.2 %	
<b>Revenue</b>	304,635,932	315,119,611	402,701,476	596,219,281	49,905,030	55,401,591	52,014,819	3,386,772	6.5 %	
<i>pppm</i>	242.12	257.47	259.20	279.79	263.61	285.77	271.45	14.32	5.3 %	
<b>Health Care Costs</b>	287,353,672	280,382,704	327,305,832	509,183,268	44,669,495	47,843,013	47,267,325	(575,688)	(1.2)%	
<i>pppm</i>	228.39	229.09	210.67	238.94	235.95	246.78	246.67	(0.11)	(0.0)%	
% of Revenue	94.3%	89.0%	81.3%	85.4%	89.5%	86.4%	90.9%	4.5 %	5.0 %	
<b>Admin Exp</b>	18,891,320	24,013,927	31,751,533	35,425,960	2,944,855	3,242,001	3,353,199	111,198	3.3 %	
<i>pppm</i>	15.01	19.62	20.44	16.62	15.56	16.72	17.50	0.78	4.4 %	
% of Revenue	6.2%	7.6%	7.9%	5.9%	5.9%	5.9%	6.4%	0.6 %	9.2 %	
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>(1,609,063)</b>	<b>10,722,980</b>	<b>43,644,110</b>	<b>51,610,053</b>	<b>2,290,680</b>	<b>4,316,578</b>	<b>1,394,295</b>	<b>2,922,282</b>	<b>209.6 %</b>	
<i>pppm</i>	(1.26)	8.76	28.09	24.22	12.10	22.27	7.28	14.99	206.0 %	
% of Revenue	-0.5%	3.4%	10.8%	8.7%	4.6%	7.8%	2.7%	5.1%	190.7 %	
<b>YTD</b>	16,769,368	16,138,440	17,867,986	22,556,530	21,790,703	21,953,653	23,367,191	(1,413,538)	(6.0)%	
100% TNE	36%	68%	100%	100%	100%	100%	100%	100%	100%	
% TNE Required	6,036,972	10,974,139	17,867,986	22,556,530	21,790,703	21,953,653	23,367,191	(1,413,538)	(6.0)%	
Minimum Required TNE	(6,031,881)	11,891,099	55,535,211	107,145,264	109,435,944	113,752,522	82,394,345	31,358,177	38.1 %	
GCHP TNE	(12,068,853)	916,960	37,667,225	84,588,734	87,655,241	91,798,869	59,027,154	32,771,715	55.5 %	
TNE Excess / (Deficiency)			311%	475%	502%	518%	353%			
% of Required TNE level			271%	443%	469%	485%	322%			
% of Required TNE level (excluding \$7.2 million LOC)										

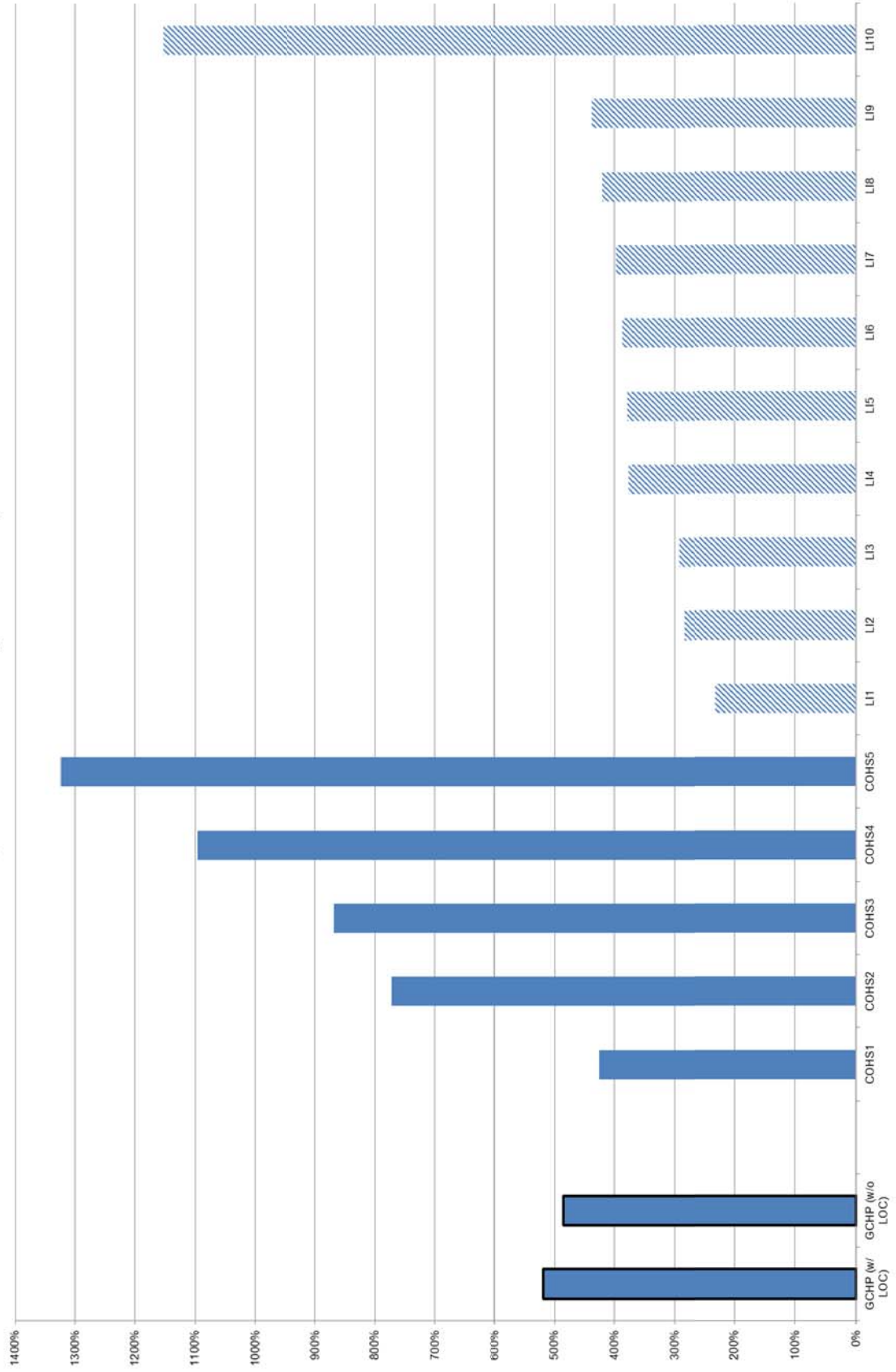
Note: TNE amount includes \$7.2 million related to the Lines of Credit (LOC) from Ventura County.  
\* Audited amounts reflect financial adjustments made by auditors, but exclude presentation reclassifications without P&L impact (i.e. reporting package kept the same).



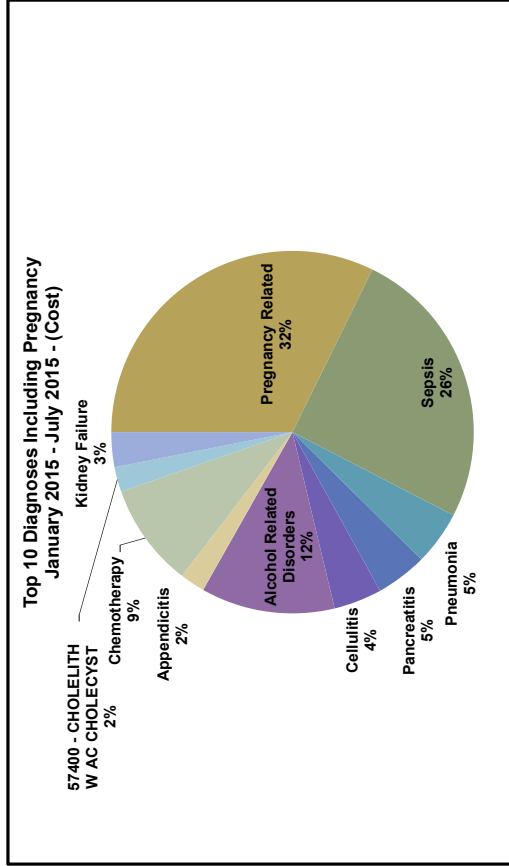
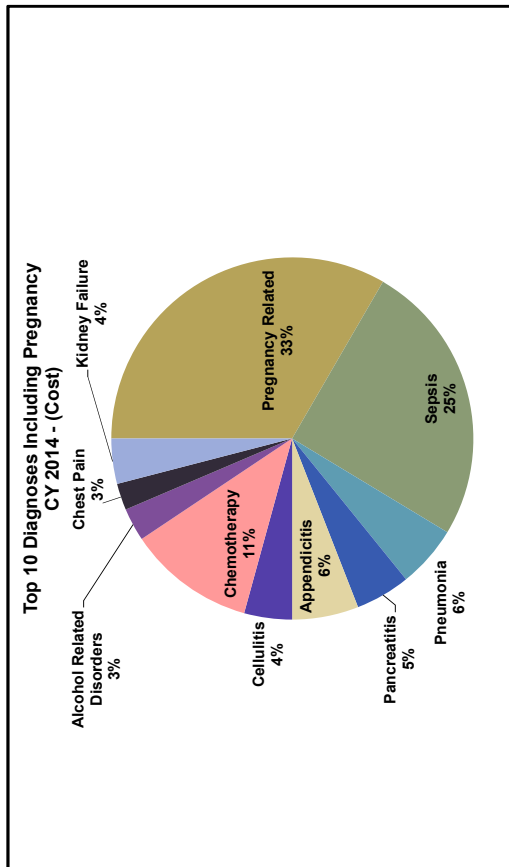
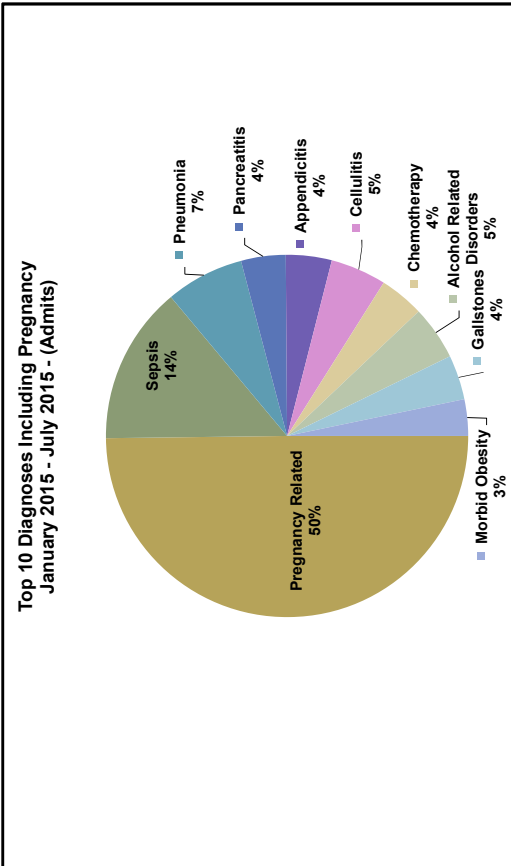
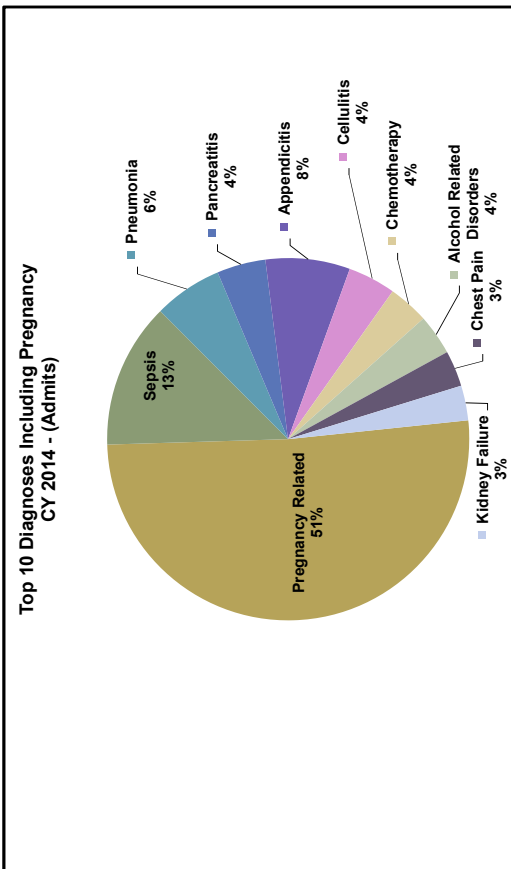
**Financial Performance**  
For Month Ending August 31, 2015



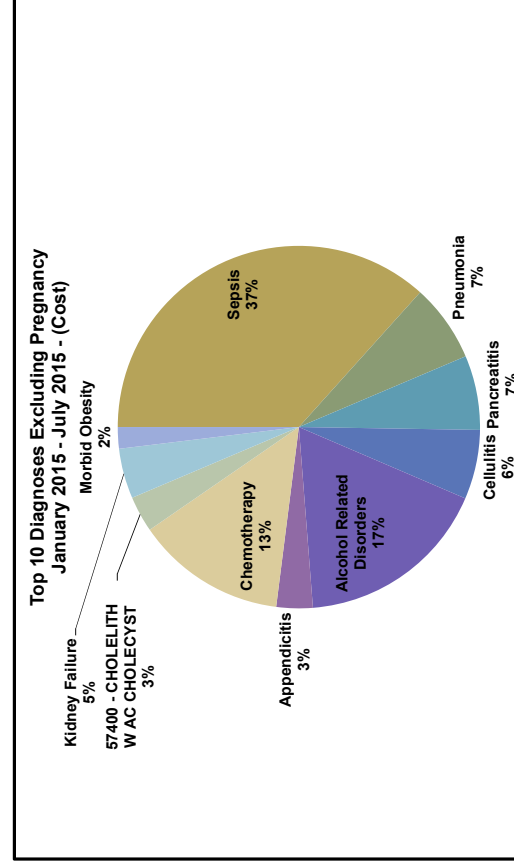
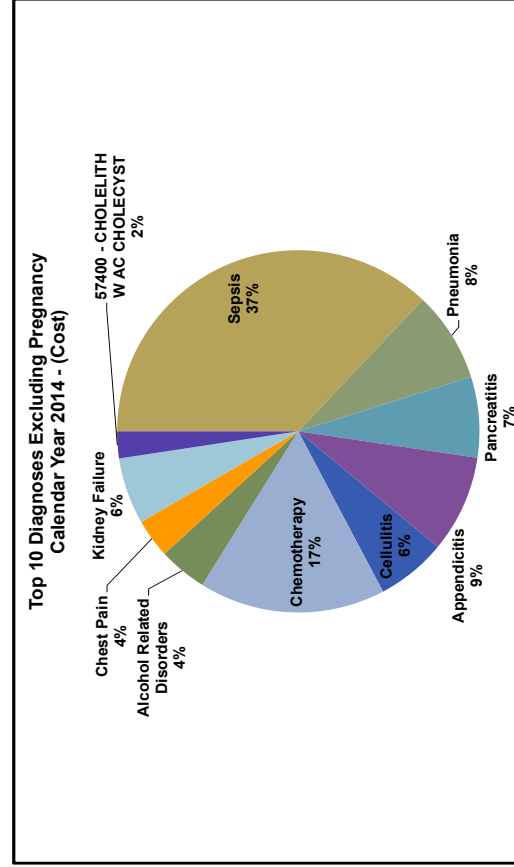
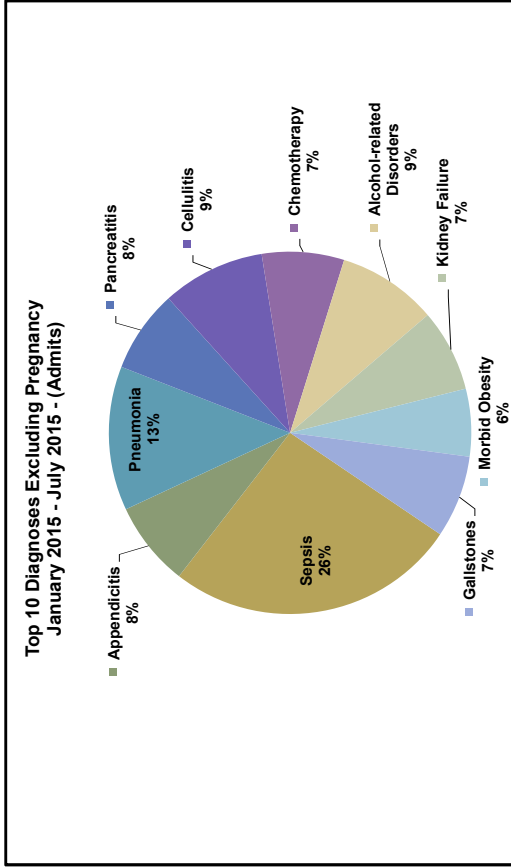
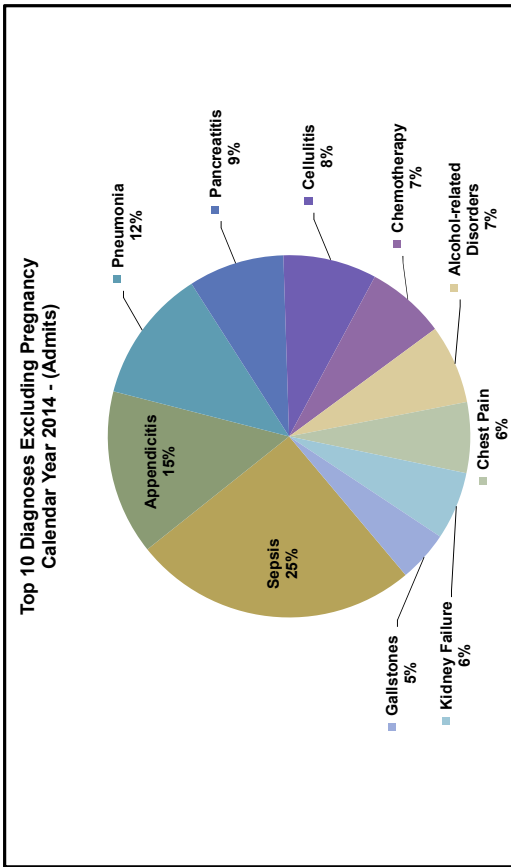
**% TNE to Required - Public Plans**  
**TNE for All Plans Except GCHP as of Most Recent Quarter - June 30, 2015**  
**GCHP TNE as of August 31, 2015**  
 (Source: DHCS Medi-Cal Managed Care Dashboard)



### Top 10 Diagnoses Including Pregnancy



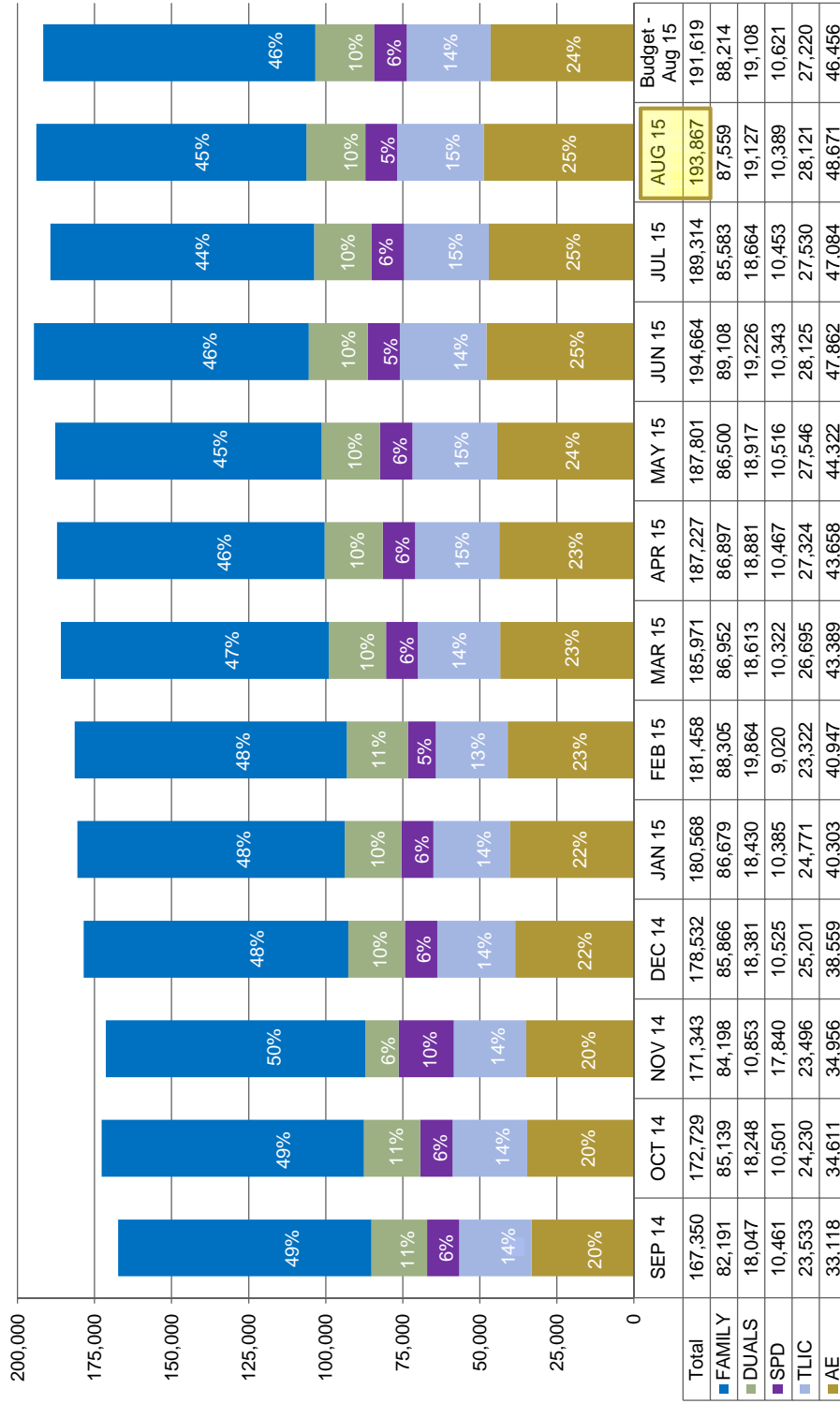
## Top 10 Diagnoses Excluding Pregnancy





## GOLD COAST HEALTH PLAN

### Membership - Rolling 12 Month



**SPD = Seniors and Persons with Disabilities**    **TLIC = Targeted Low Income Children**    **AE = Adult Expansion**  
 Note: Beginning in Apr 14 actual membership reflects new Dual definition as implement by DHCS. Prior months have not been restated.

**Statement of Financial Position**

	08/31/15	07/31/15	06/30/15	Audited FY 2013-14
<b>ASSETS</b>				
<b>Current Assets:</b>				
<b>Total Cash and Cash Equivalents</b>	\$ 95,355,438	\$ 41,673,499	\$ 57,218,141	\$ 60,176,698
<b>Total Short-Term Investments</b>	260,146,494	135,116,663	165,090,357	0
Medi-Cal Receivable	59,326,724	186,030,070	129,782,958	119,538,688
Interest Receivable	204,793	277,605	208,010	0
Provider Receivable	480,792	478,672	579,482	395,129
Other Receivables	172,364	171,945	979,647	1,821,475
<b>Total Accounts Receivable</b>	<b>60,184,672</b>	<b>186,958,292</b>	<b>131,550,096</b>	<b>121,755,292</b>
Total Prepaid Accounts	1,598,954	1,158,110	766,831	994,278
Total Other Current Assets	81,702	81,702	81,702	81,719
<b>Total Current Assets</b>	<b>417,367,260</b>	<b>364,988,265</b>	<b>354,707,127</b>	<b>183,007,987</b>
<b>Total Fixed Assets</b>	<b>1,028,172</b>	<b>1,058,798</b>	<b>1,084,113</b>	<b>1,163,269</b>
<b>Total Long-Term Investments</b>	<b>24,600,960</b>	<b>24,624,169</b>	<b>24,647,362</b>	<b>0</b>
<b>Total Assets</b>	<b>\$ 442,996,391</b>	<b>\$ 390,671,233</b>	<b>\$ 380,438,602</b>	<b>\$ 184,171,256</b>
<b>LIABILITIES &amp; NET ASSETS</b>				
<b>Current Liabilities:</b>				
Incurring But Not Reported	\$ 57,561,903	\$ 54,084,060	\$ 52,372,146	\$ 40,304,158
Claims Payable	11,835,727	12,708,417	13,747,426	9,482,660
Capitation Payable	31,772,366	37,186,547	34,466,106	12,444,575
Physician ACA 1202 Payable	10,965,642	10,965,642	10,965,642	12,765,516
AB 85 Payable	1,706,301	5,413,364	3,818,147	2,325,587
Accounts Payable	769,423	427,576	3,449,087	2,875,709
Accrued ACS	3,066,737	2,876,754	1,480,556	0
Accrued Expenses	26,184,994	6,212,442	6,249,194	5,748,120
Accrued Premium Tax	9,324,756	5,863,776	3,641,573	15,925,782
Accrued Interest Payable	77,588	73,998	70,711	42,062
Current Portion of Deferred Revenue	383,333	421,667	460,000	460,000
Accrued Payroll Expense	860,619	707,576	1,152,720	760,032
<b>Total Current Liabilities</b>	<b>154,509,388</b>	<b>136,941,818</b>	<b>131,873,310</b>	<b>103,134,200</b>
<b>Long-Term Liabilities:</b>				
DHCS - Reserve for Capitation Recoup	174,218,172	143,810,602	140,970,602	24,970,000
Other Long-term Liability-Deferred Rent	516,310	482,868	449,427	71,845
Deferred Revenue - Long Term Portion	0	0	0	460,000
Notes Payable	7,200,000	7,200,000	7,200,000	7,200,000
<b>Total Long-Term Liabilities</b>	<b>181,934,481</b>	<b>151,493,470</b>	<b>148,620,029</b>	<b>32,701,845</b>
<b>Total Liabilities</b>	<b>336,443,869</b>	<b>288,435,288</b>	<b>280,493,338</b>	<b>135,836,045</b>
<b>Net Assets:</b>				
Beginning Net Assets	99,945,264	99,945,264	48,335,211	4,691,101
Total Increase / (Decrease in Unrestricted Net /	6,607,258	2,290,680	51,610,053	43,644,110
<b>Total Net Assets</b>	<b>106,552,522</b>	<b>102,235,944</b>	<b>99,945,264</b>	<b>48,335,211</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 442,996,391</b>	<b>\$ 390,671,233</b>	<b>\$ 380,438,602</b>	<b>\$ 184,171,256</b>

<b>FINANCIAL INDICATORS</b>				
Current Ratio	2.7 : 1	2.67 : 1	2.69 : 1	1.77 : 1
Days Cash on Hand	209	111	67	116
Days Cash + State Capitation Rec	244	229	107	347
Days Cash + State Capitation Rec (less Tax Li	238	225	106	316

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

	FY 2014-15 Monthly Trend		FY 2015-16	Current Month		
	MAY 15	JUN 15	JUL 15	AUGUST 2015		Variance
				Actual	Budget	Fav / (Unfav)
<b>Membership (includes retro members)</b>	187,801	194,664	189,314	193,867	191,619	2,248
<b>Revenue:</b>						
Premium	\$ 60,609,305	\$ 57,237,879	\$ 54,776,298	\$ 57,880,936	\$ 57,952,707	\$ (71,771)
Reserve for Rate Reduction	(13,685,324)	27,500,000	(2,840,000)	(350,000)	(3,949,859)	3,599,859
MCO Premium Tax	(2,386,510)	(3,344,080)	(2,156,817)	(2,279,062)	(2,126,362)	(152,700)
<b>Total Net Premium</b>	<b>44,537,471</b>	<b>81,393,799</b>	<b>49,779,481</b>	<b>55,251,874</b>	<b>51,876,486</b>	<b>3,375,388</b>
<b>Other Revenue:</b>						
Miscellaneous Income	38,333	38,333	38,333	38,333	38,333	(0)
<b>Total Other Revenue</b>	<b>38,333</b>	<b>38,333</b>	<b>38,333</b>	<b>38,333</b>	<b>38,333</b>	<b>(0)</b>
<b>Total Revenue</b>	<b>44,575,805</b>	<b>81,432,133</b>	<b>49,817,814</b>	<b>55,290,207</b>	<b>51,914,819</b>	<b>3,375,388</b>
<b>Medical Expenses:</b>						
<u>Capitation (PCP, Specialty, Kasier, NEMT &amp; Vision)</u>	4,406,664	57,292,433	6,642,386	8,374,655	6,019,914	(2,354,741)
<u>FFS Claims Expenses:</u>						
Inpatient	6,776,899	7,345,269	7,760,571	12,017,812	9,636,507	(2,381,305)
LTC / SNF	6,139,754	6,314,577	9,162,478	7,700,632	8,985,677	1,285,045
Outpatient	2,355,940	7,358,224	4,014,644	2,643,296	3,123,499	480,203
Laboratory and Radiology	196,578	(2,687,938)	243,129	285,529	219,300	(66,229)
Emergency Room	1,052,564	2,005,556	1,346,738	1,469,605	1,274,785	(194,820)
Physician Specialty	2,605,488	10,079,684	3,621,741	3,229,913	4,089,785	859,872
Primary Care Physician	830,822	(8,639,511)	1,005,439	1,152,060	1,299,084	147,024
Home & Community Based Services	698,217	1,287,871	860,648	1,314,514	1,230,053	(84,461)
Applied Behavior Analysis Services	20,429	27,547	39,965	47,436	0	(47,436)
Mental Health Services	697,231	703,182	810,272	259,327	438,157	178,830
Pharmacy	6,312,066	6,691,948	6,839,470	7,245,754	7,483,363	237,609
<b>Adult Expansion Reserve</b>	0	8,100,000	0	0	0	0
<b>Provider Reserve</b>	0	0	0	0	564,295	564,295
Other Medical Professional	150,919	16,819	135,125	111,134	203,071	91,937
Other Medical Care	0	0	398	0	0	0
Other Fee For Service	627,872	(322,299)	590,364	401,396	592,269	190,873
Transportation	65,367	(764,134)	138,797	78,685	140,341	61,656
<b>Total Claims</b>	<b>28,530,146</b>	<b>37,516,794</b>	<b>36,569,779</b>	<b>37,957,093</b>	<b>39,280,186</b>	<b>1,323,093</b>
Medical & Care Management Expense	1,112,867	1,102,685	1,294,135	1,440,569	1,697,816	257,247
Reinsurance	535,763	(258,261)	271,171	273,383	269,409	(3,975)
Claims Recoveries	(89,868)	(84,767)	(107,976)	(202,687)	0	202,687
Sub-total	1,558,762	759,657	1,457,331	1,511,265	1,967,225	455,959
<b>Total Cost of Health Care</b>	<b>34,495,572</b>	<b>95,568,884</b>	<b>44,669,495</b>	<b>47,843,013</b>	<b>47,267,325</b>	<b>(575,688)</b>
<b>Contribution Margin</b>	<b>10,080,233</b>	<b>(14,136,751)</b>	<b>5,148,319</b>	<b>7,447,194</b>	<b>4,647,494</b>	<b>2,799,700</b>
<b>General &amp; Administrative Expenses:</b>						
Salaries and Wages	840,098	789,369	716,867	773,532	816,748	43,216
Payroll Taxes and Benefits	197,312	265,818	197,598	193,404	241,216	47,812
Travel and Training	14,277	38,926	10,754	12,243	65,562	53,319
Outside Service - ACS	1,327,673	1,488,853	1,397,235	1,632,136	1,482,426	(149,710)
Outside Services - Other	164,778	168,960	133,376	138,017	172,160	34,143
Accounting & Actuarial Services	10,000	10,000	40,000	0	60,000	60,000
Legal	68,274	173,994	99,724	91,347	87,500	(3,847)
Insurance	38,039	53,714	32,645	32,645	27,168	(5,477)
Lease Expense - Office	68,687	63,689	66,034	66,034	86,940	20,906
Consulting Services	93,310	45,523	16,942	87,665	93,625	5,960
Translation Services	4,909	7,143	0	0	0	0
Advertising and Promotion	7,060	17,774	28,023	5,613	0	(5,613)
General Office	120,899	221,608	148,784	151,257	135,988	(15,269)
Depreciation & Amortization	19,444	19,905	20,352	20,463	27,320	6,857
Printing	19,038	10,792	681	5,911	13,270	7,359
Shipping & Postage	13,128	29,252	12,809	87	19,244	19,157
Interest	10,774	39,373	19,745	28,058	21,252	(6,806)
<b>Total G &amp; A Expenses</b>	<b>3,017,700</b>	<b>3,444,694</b>	<b>2,941,567</b>	<b>3,238,411</b>	<b>3,350,419</b>	<b>112,008</b>
<b>Total Operating Gain / (Loss)</b>	<b>7,062,533</b>	<b>(17,581,445)</b>	<b>2,206,752</b>	<b>4,208,783</b>	<b>1,297,075</b>	<b>2,911,708</b>
<b>Non Operating:</b>						
Revenues - Interest	112,844	87,799	87,216	111,384	100,000	11,384
Expenses - Interest	1,921	2,743	3,287	3,590	2,780	(810)
<b>Total Non-Operating</b>	<b>110,923</b>	<b>85,056</b>	<b>83,929</b>	<b>107,794</b>	<b>97,220</b>	<b>10,574</b>
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>7,173,456</b>	<b>(17,496,389)</b>	<b>2,290,680</b>	<b>4,316,578</b>	<b>1,394,295</b>	<b>2,922,282</b>
<b>Full Time Employees</b>				<b>166</b>	<b>189</b>	<b>23</b>

**PMPM Statement of Revenues, Expenses and Changes in Net Assets**

	MAY 15	JUN 15	JUL 15	AUGUST 2015		Variance Fav / (Unfav)
				Actual	Budget	
<b>Membership (includes retro members)</b>	187,801	194,664	189,314	193,867	191,619	2,248
<b>Revenue:</b>						
Premium	322.73	294.03	289.34	298.56	302.44	(3.88)
Reserve for Rate Reduction	(72.87)	141.27	(15.00)	(1.81)	(20.61)	18.81
MCO Premium Tax	(12.71)	(17.18)	(11.39)	(11.76)	(11.10)	(0.66)
<b>Total Net Premium</b>	<b>237.15</b>	<b>418.12</b>	<b>262.95</b>	<b>285.00</b>	<b>270.73</b>	<b>14.27</b>
<b>Other Revenue:</b>						
Interest Income	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Income	0.20	0.20	0.20	0.20	0.20	(0.00)
<b>Total Other Revenue</b>	<b>0.20</b>	<b>0.20</b>	<b>0.20</b>	<b>0.20</b>	<b>0.20</b>	<b>(0.00)</b>
<b>    Total Revenue</b>	<b>237.36</b>	<b>418.32</b>	<b>263.15</b>	<b>285.20</b>	<b>270.93</b>	<b>14.27</b>
<b>Medical Expenses:</b>						
<u>Capitation (PCP, Specialty, Kasier, NEMT &amp; Vision)</u>	23.46	294.31	35.09	43.20	31.42	(11.78)
<u>FFS Claims Expenses:</u>						
Inpatient	36.09	37.73	40.99	61.99	50.29	(11.70)
LTC / SNF	32.69	32.44	48.40	39.72	46.89	7.17
Outpatient	12.54	37.80	21.21	13.63	16.30	2.67
Laboratory and Radiology	1.05	(13.81)	1.28	1.47	1.14	(0.33)
Emergency Room	5.60	10.30	7.11	7.58	6.65	(0.93)
Physician Specialty	13.87	51.78	19.13	16.66	21.34	4.68
Primary Care Physician	4.42	(44.38)	5.31	5.94	6.78	0.84
Home & Community Based Services	3.72	6.62	4.55	6.78	6.42	(0.36)
Applied Behavior Analysis Services	0.11	0.14	0.21	0.24	0.00	(0.24)
Mental Health Services	3.71	3.61	4.28	1.34	2.29	0.95
Pharmacy	33.61	34.38	36.13	37.37	39.05	1.68
<b>Adult Expansion Reserve</b>	0.00	41.61	0.00	0.00	0.00	0.00
<b>Provider Reserve</b>	0.00	0.00	0.00	0.00	2.94	2.94
Other Medical Professional	0.80	0.09	0.71	0.57	1.06	0.49
Other Medical Care	0.00	0.00	0.00	0.00	0.00	0.00
Other Fee For Service	3.34	(1.66)	3.12	2.07	3.09	1.02
Transportation	0.35	(3.93)	0.73	0.41	0.73	0.33
<b>Total Claims</b>	<b>151.92</b>	<b>192.73</b>	<b>193.17</b>	<b>195.79</b>	<b>204.99</b>	<b>9.20</b>
Medical & Care Management Expense	5.93	5.66	6.84	7.43	8.86	1.43
Reinsurance	2.85	(1.33)	1.43	1.41	1.41	(0.00)
Claims Recoveries	(0.48)	(0.44)	(0.57)	(1.05)	0.00	1.05
Sub-total	8.30	3.90	7.70	7.80	10.27	2.47
<b>    Total Cost of Health Care</b>	<b>183.68</b>	<b>490.94</b>	<b>235.95</b>	<b>246.78</b>	<b>246.67</b>	<b>(0.11)</b>
<b>    Contribution Margin</b>	<b>53.68</b>	<b>(72.62)</b>	<b>27.19</b>	<b>38.41</b>	<b>24.25</b>	<b>14.16</b>
<b>General &amp; Administrative Expenses:</b>						
Salaries and Wages	4.47	4.06	3.79	3.99	4.26	0.27
Payroll Taxes and Benefits	1.05	1.37	1.04	1.00	1.26	0.26
Travel and Training	0.08	0.20	0.06	0.06	0.34	0.28
Outside Service - ACS	7.07	7.65	7.38	8.42	7.74	(0.68)
Outside Services - Other	0.88	0.87	0.70	0.71	0.90	0.19
Accounting & Actuarial Services	0.05	0.05	0.21	0.00	0.31	0.31
Legal	0.36	0.89	0.53	0.47	0.46	(0.01)
Insurance	0.20	0.28	0.17	0.17	0.14	(0.03)
Lease Expense - Office	0.37	0.33	0.35	0.34	0.45	0.11
Consulting Services	0.50	0.23	0.09	0.45	0.49	0.04
Translation Services	0.03	0.04	0.00	0.00	0.00	0.00
Advertising and Promotion	0.04	0.09	0.15	0.03	0.00	(0.03)
General Office	0.64	1.14	0.79	0.78	0.71	(0.07)
Depreciation & Amortization	0.10	0.10	0.11	0.11	0.14	0.04
Printing	0.10	0.06	0.00	0.03	0.07	0.04
Shipping & Postage	0.07	0.15	0.07	0.00	0.10	0.10
Interest	0.06	0.20	0.10	0.14	0.11	(0.03)
Other/ Miscellaneous Expenses	0.00	0.00	0.00	0.00	0.00	0.00
<b>    Total G &amp; A Expenses</b>	<b>16.07</b>	<b>17.70</b>	<b>15.54</b>	<b>16.70</b>	<b>17.48</b>	<b>0.78</b>
<b>Total Operating Gain / (Loss)</b>	<b>37.61</b>	<b>(90.32)</b>	<b>11.66</b>	<b>21.71</b>	<b>6.77</b>	<b>14.94</b>
<b>Non Operating:</b>						
Revenues - Interest	0.60	0.45	0.46	0.57	0.52	0.05
Expenses - Interest	0.01	0.01	0.02	0.02	0.01	(0.00)
<b>Total Non-Operating</b>	<b>0.59</b>	<b>0.44</b>	<b>0.44</b>	<b>0.56</b>	<b>0.51</b>	<b>0.05</b>
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>38.20</b>	<b>(89.88)</b>	<b>12.10</b>	<b>22.27</b>	<b>7.28</b>	<b>14.99</b>

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**For Two Months Ended August 31, 2015**

	August 15 Year-To-Date		Variance
	Actual	Budget	Fav / (Unfav)
<b>Membership (includes retro members)</b>	383,181	382,112	1,069
<b>Revenue</b>			
Premium	\$ 112,657,233	\$ 115,370,168	\$ (2,712,935)
Reserve for Rate Reduction	(3,190,000)	(7,821,995)	4,631,995
MCO Premium Tax	(4,435,879)	(4,234,709)	(201,170)
<b>Total Net Premium</b>	<b>105,031,355</b>	<b>103,313,464</b>	<b>1,717,891</b>
<b>Other Revenue:</b>			
Miscellaneous Income	76,667	76,666	1
<b>Total Other Revenue</b>	<b>76,667</b>	<b>76,666</b>	<b>1</b>
<b>Total Revenue</b>	<b>105,108,021</b>	<b>103,390,130</b>	<b>1,717,891</b>
<b>Medical Expenses:</b>			
<u>Capitation (PCP, Specialty, Kaiser, NEMT &amp; Vision)</u>	15,017,040	11,976,092	(3,040,948)
<u>FFS Claims Expenses:</u>			
Inpatient	19,778,383	19,171,431	(606,952)
LTC / SNF	16,863,110	17,934,640	1,071,530
Outpatient	6,657,940	6,219,168	(438,772)
Laboratory and Radiology	528,658	436,357	(92,301)
Emergency Room	2,816,343	2,539,073	(277,270)
Physician Specialty	6,851,654	8,139,217	1,287,563
Primary Care Physician	2,157,499	2,588,946	431,447
Home & Community Based Services	2,175,162	2,455,044	279,882
Applied Behavior Analysis Services	87,400	0	(87,400)
Mental Health Services	1,069,599	872,780	(196,819)
Pharmacy	14,085,224	14,899,775	814,551
Adult Expansion Reserve	0	0	0
Provider Reserve	0	1,124,508	1,124,508
Other Medical Professional	246,259	404,274	158,015
Other Medical Care	398	0	(398)
Other Fee For Service	991,760	1,180,615	188,855
Transportation	217,482	279,414	61,932
Total Claims	74,526,872	78,245,242	3,718,371
Medical & Care Management Expense	2,734,705	3,412,768	678,063
Reinsurance	544,554	535,607	(8,948)
Claims Recoveries	(310,663)	0	310,663
Sub-total	2,968,596	3,948,375	979,779
<b>Total Cost of Health Care</b>	<b>92,512,508</b>	<b>94,169,709</b>	<b>1,657,201</b>
<b>Contribution Margin</b>	<b>12,595,514</b>	<b>9,220,421</b>	<b>3,375,092</b>
<b>General &amp; Administrative Expenses:</b>			
Salaries and Wages	1,490,399	1,626,979	136,580
Payroll Taxes and Benefits	391,002	480,365	89,363
Travel and Training	22,997	111,595	88,598
Outside Service - ACS	3,029,370	2,956,408	(72,962)
Outside Services - Other	271,393	345,170	73,777
Accounting & Actuarial Services	40,000	90,000	50,000
Legal	191,070	175,000	(16,070)
Insurance	65,290	54,336	(10,954)
Lease Expense - Office	132,068	173,880	41,812
Consulting Services	104,606	219,350	114,744
Advertising and Promotion	33,636	11,090	(22,546)
General Office	300,040	564,214	264,174
Depreciation & Amortization	40,815	49,915	9,100
Printing	6,592	48,935	42,343
Shipping & Postage	12,896	49,613	36,717
Interest	47,803	42,394	(5,409)
Total G & A Expenses	<b>6,179,979</b>	<b>6,999,244</b>	<b>819,265</b>
<b>Total Operating Gain / (Loss)</b>	<b>\$ 6,415,535</b>	<b>\$ 2,221,177</b>	<b>\$ 4,194,358</b>
<b>Non Operating</b>			
Revenues - Interest	198,600	200,000	(1,400)
Expenses - Interest	6,877	5,558	(1,319)
<b>Total Non-Operating</b>	<b>191,723</b>	<b>194,442</b>	<b>(2,719)</b>
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>\$ 6,607,258</b>	<b>\$ 2,415,619</b>	<b>\$ 4,191,638</b>
Net Assets, Beginning of Year	99,945,264		
Net Assets, End of Year	<u>106,552,522</u>		

## Statement of Cash Flows - Monthly

	AUG 15	JUL 15	JUN 15
<b>Cash Flow From Operating Activities</b>			
Collected Premium	\$ 208,708,144	\$ 189,788	\$ -
Miscellaneous Income	111,384	87,216	89,520
State Pass Through Funds	23,304,639	-	-
<b><u>Paid Claims</u></b>			
Medical & Hospital Expenses	(32,510,910)	(29,007,568)	(35,377,714)
Pharmacy	(7,757,457)	(7,306,977)	(6,796,493)
Capitation	(3,926,229)	(4,033,191)	(40,139,869)
Reinsurance of Claims	(273,383)	(271,171)	(549,442)
State Pass Through Funds Distributed	(5,356,712)	-	(5,895,955)
Paid Administration	(3,599,447)	(5,190,430)	(1,939,953)
MCO Tax Received / (Paid)	(7,473)	-	-
<b>Net Cash Provided / (Used) by Operating Activities</b>	<b>178,692,555</b>	<b>(45,532,334)</b>	<b>(90,609,905)</b>
<b>Cash Flow From Investing / Financing Activities</b>			
Net Acquisition of Investments	(125,006,621)	29,996,886	40,009,301
Net Acquisition of Property / Equipment	(3,995)	(9,195)	(32,157)
<b>Net Cash Provided / (Used) by Investing / Financing Activities</b>	<b>(125,010,616)</b>	<b>29,987,691</b>	<b>39,977,144</b>
<b>Net Cash Flow</b>	<b>\$ 53,681,939</b>	<b>\$ (15,544,643)</b>	<b>\$ (50,632,761)</b>
Cash and Cash Equivalents (Beg. of Period)	41,673,499	57,218,141	107,850,902
Cash and Cash Equivalents (End of Period)	95,355,438	41,673,499	57,218,141
	<b>\$ 53,681,939</b>	<b>\$ (15,544,643)</b>	<b>\$ (50,632,761)</b>
<b>Adjustment to Reconcile Net Income to Net Cash Flow</b>			
Net (Loss) Income	4,316,578	2,290,680	(17,496,389)
Depreciation & Amortization	34,621	34,510	34,063
Decrease / (Increase) in Receivables	126,773,620	(55,408,196)	(61,391,948)
Decrease / (Increase) in Prepaids & Other Current Assets	(440,845)	(391,278)	65,407
(Decrease) / Increase in Payables	16,953,951	(508,706)	(1,047,746)
(Decrease) / Increase in Other Liabilities	30,402,678	2,835,108	(27,504,892)
Changes in Withhold / Risk Incentive Pool	-	-	-
Change in MCO Tax Liability	3,460,981	2,222,203	3,521,974
Changes in Claims and Capitation Payable	(6,286,871)	1,681,431	16,618,512
Changes in IBNR	3,477,842	1,711,914	(3,408,886)
	178,692,555	(45,532,334)	(90,609,905)
<b>Net Cash Flow from Operating Activities</b>	<b>178,692,555</b>	<b>(45,532,334)</b>	<b>(90,609,905)</b>

## Statement of Cash Flows - YTD

	<b>AUG 2015</b>
Cash Flow From Operating Activities	
Collected Premium	\$ 208,897,931
Miscellaneous Income	198,600
State Pass Through Funds	23,304,639
<u>Paid Claims</u>	
Medical & Hospital Expenses	(61,518,479)
Pharmacy	(15,064,434)
Capitation	(7,959,420)
Reinsurance of Claims	(544,554)
State Pass Through Funds Distributed	(5,356,712)
Paid Administration	(8,789,877)
MCO Taxes Received / (Paid)	(7,473)
Net Cash Provided / (Used) by Operating Activities	<b>133,160,221</b>
Cash Flow From Investing / Financing Activities	
Net Acquisition of Investments	(95,009,736)
Net Acquisition of Property / Equipment	(13,190)
Net Cash Provided / (Used) by Investing / Financing	<b>(95,022,926)</b>
<b>Net Cash Flow</b>	<b>\$ 38,137,296</b>
Cash and Cash Equivalents (Beg. of Period)	57,218,141
Cash and Cash Equivalents (End of Period)	95,355,438
	<b>\$ 38,137,296</b>
Adjustment to Reconcile Net Income to Net Cash Flow	
Net Income / (Loss)	6,607,258
Depreciation & Amortization	69,132
Decrease / (Increase) in Receivables	71,365,424
Decrease / (Increase) in Prepaids & Other Current Assets	(832,123)
(Decrease) / Increase in Payables	16,445,245
(Decrease) / Increase in Other Liabilities	33,237,786
Change in MCO Tax Liability	5,683,184
Changes in Claims and Capitation Payable	(4,605,440)
Changes in IBNR	5,189,756
	<b>133,160,221</b>
<b>Net Cash Flow from Operating Activities</b>	<b>\$ 133,160,221</b>



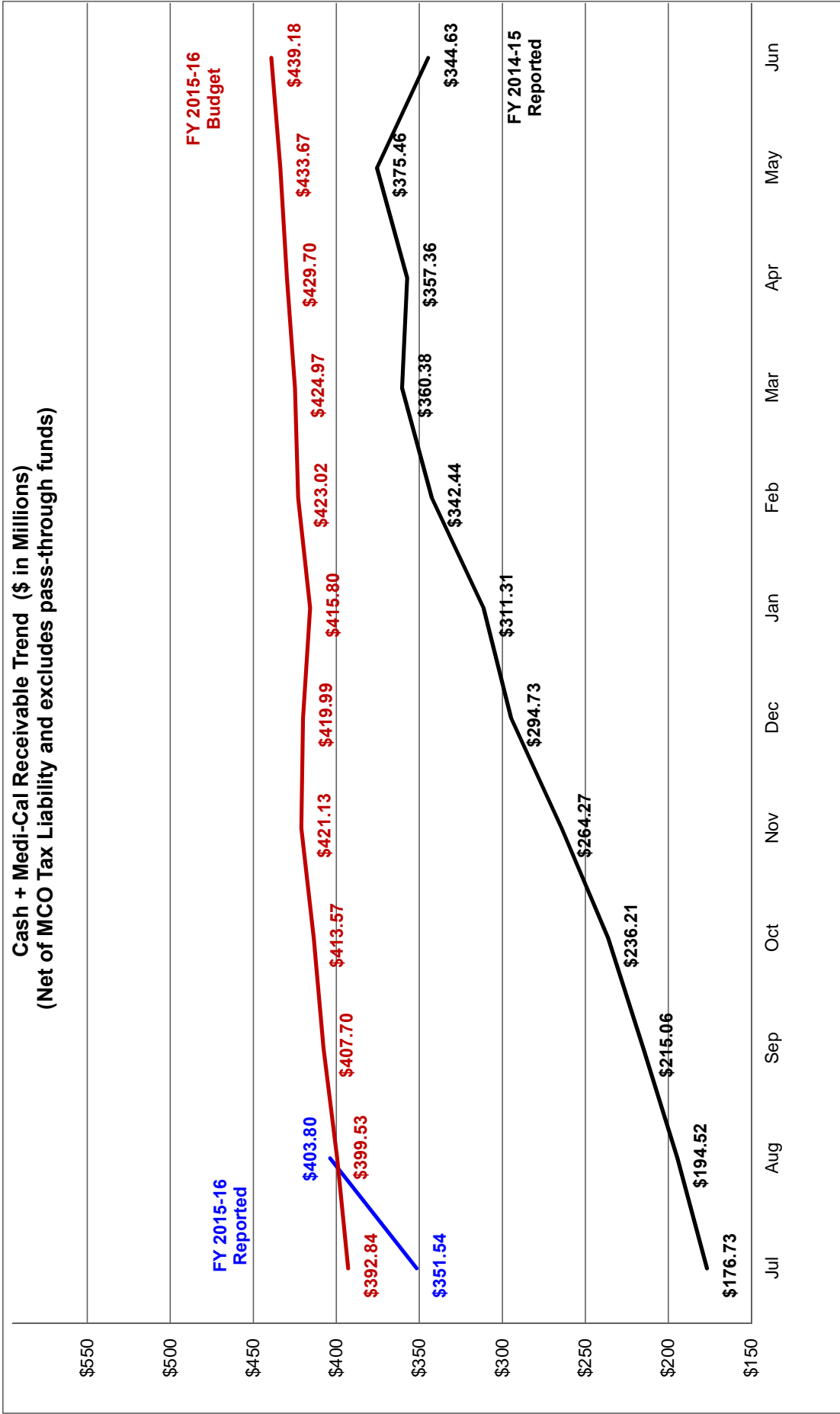
For the month ended August 31, 2015

**APPENDIX**

- Cash Trend Combined
- Paid Claims and IBNP Composition
- Total Expense Composition
- Pharmacy Cost Trend
- Pharmacy Cost & Utilization Analysis

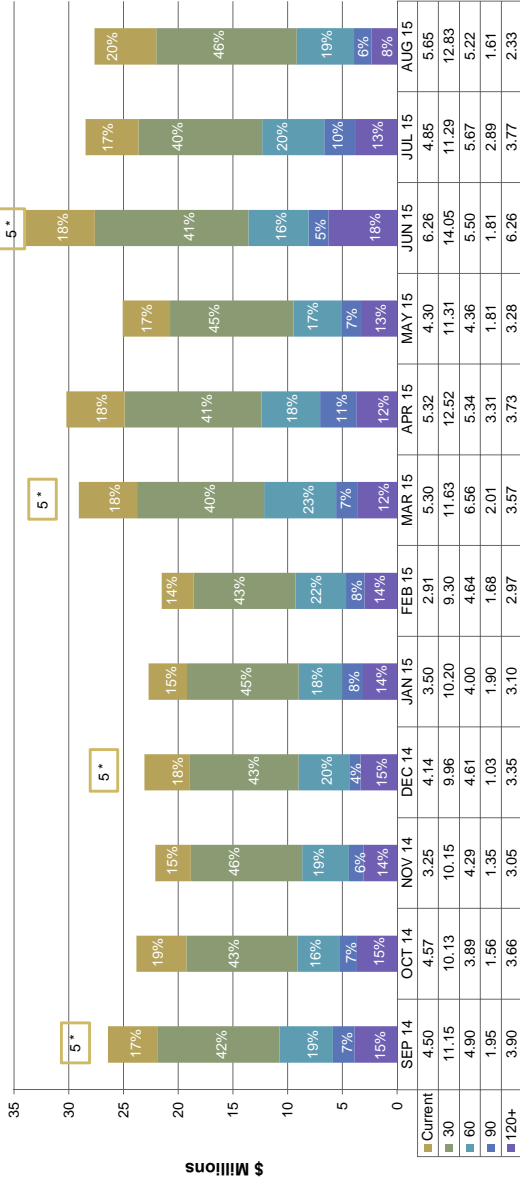


**GOLD COAST HEALTH PLAN  
AUGUST 2015**



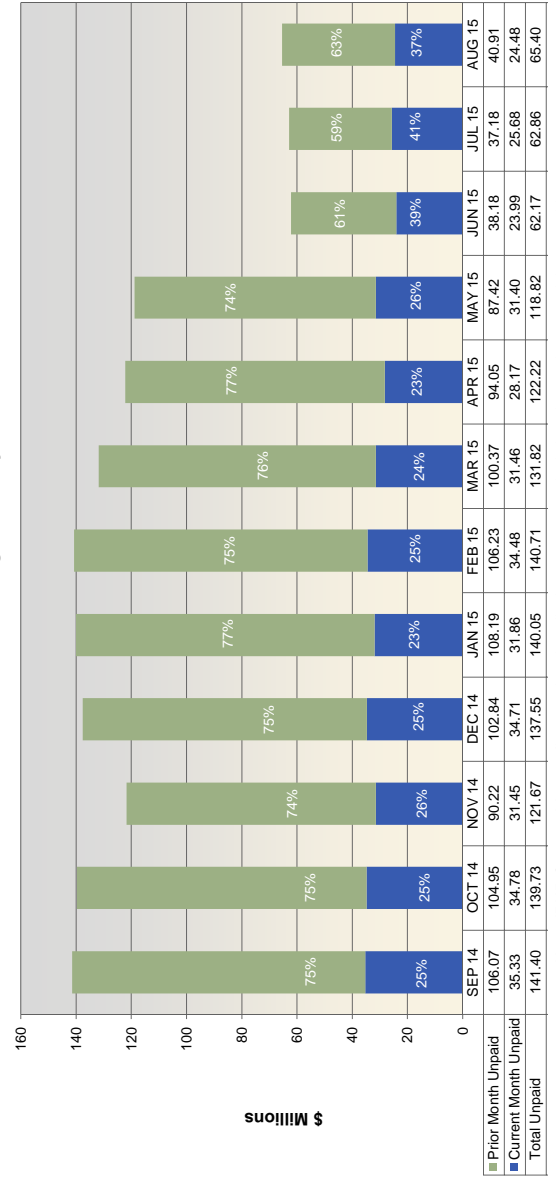
**GOLD COAST HEALTH PLAN  
AUGUST 2015**

**Paid Claims Composition (excluding Pharmacy and Capitation Payments)**



**Note: Paid Claims Composition** - reflects adjusted medical claims payment lag schedule. Months Indicated with 5\* represent months for which there were 5 claim payments. For all other months, 4 claim payments were made.

**IBNP Composition (excluding Pharmacy and Capitation)**



**Note: IBNP Composition** - reflects updated medical cost reserve calculation plus total system claims payable.

# GOLD COAST HEALTH PLAN

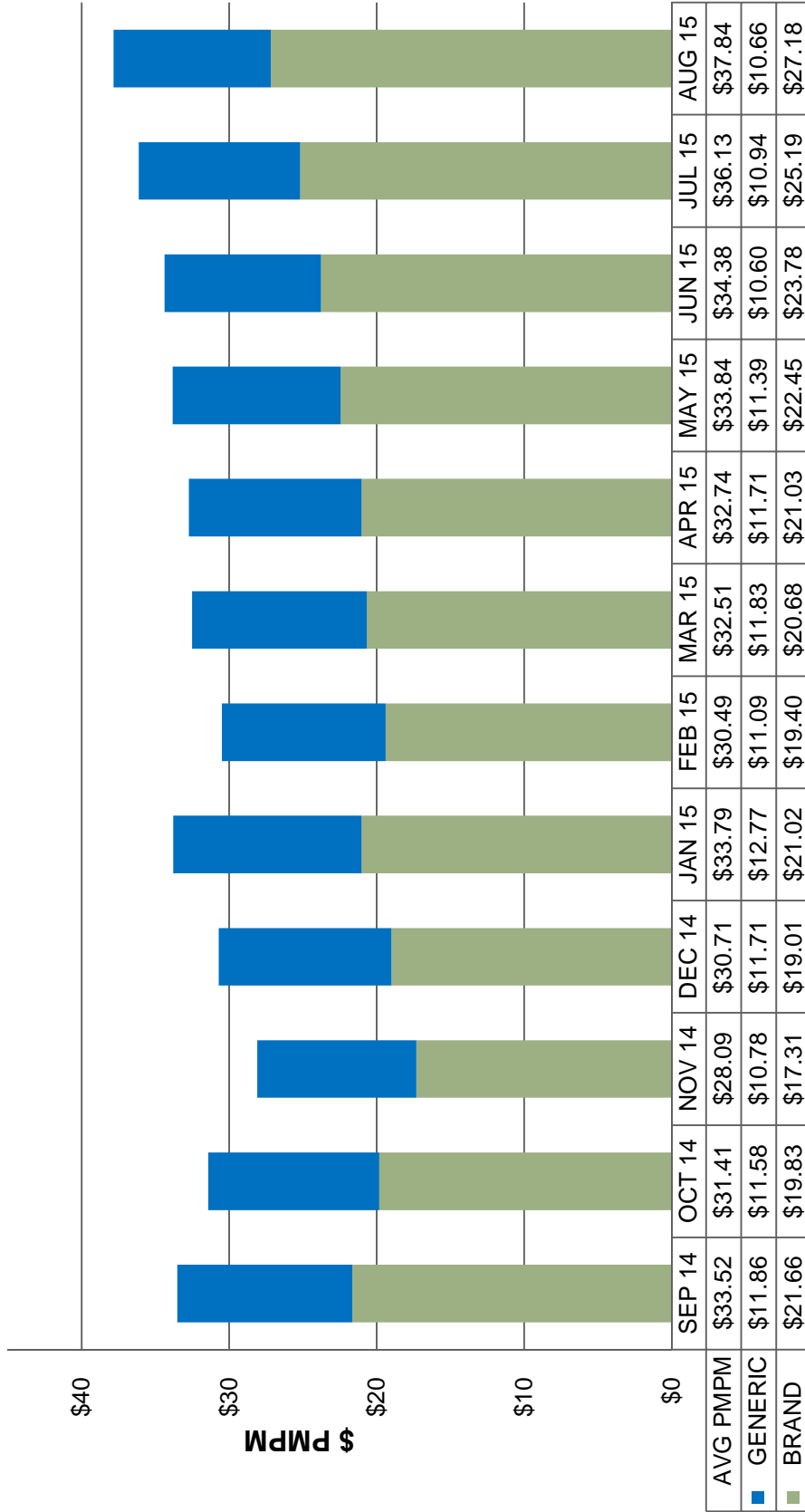
## Total Expense Composition



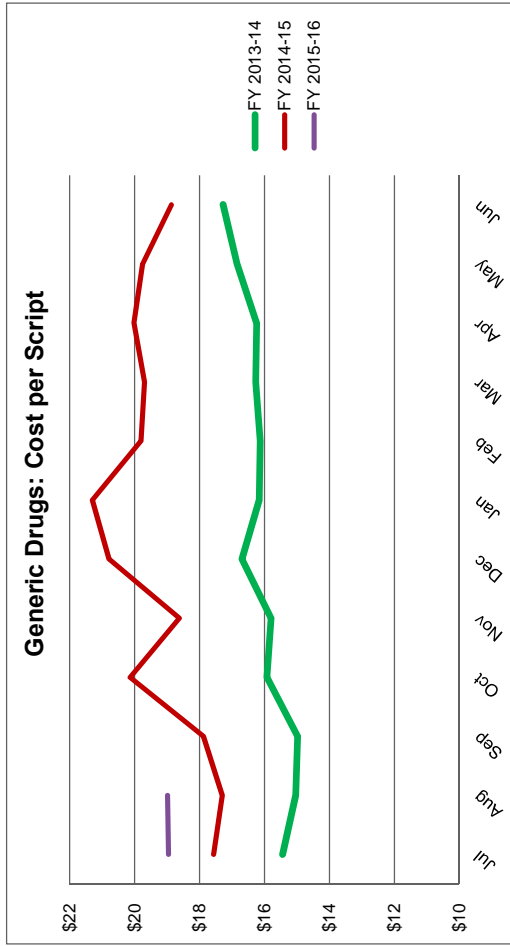
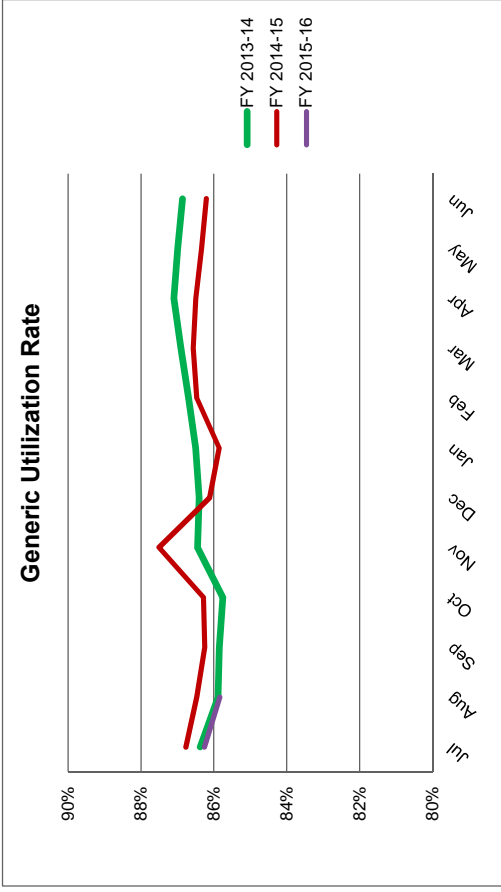
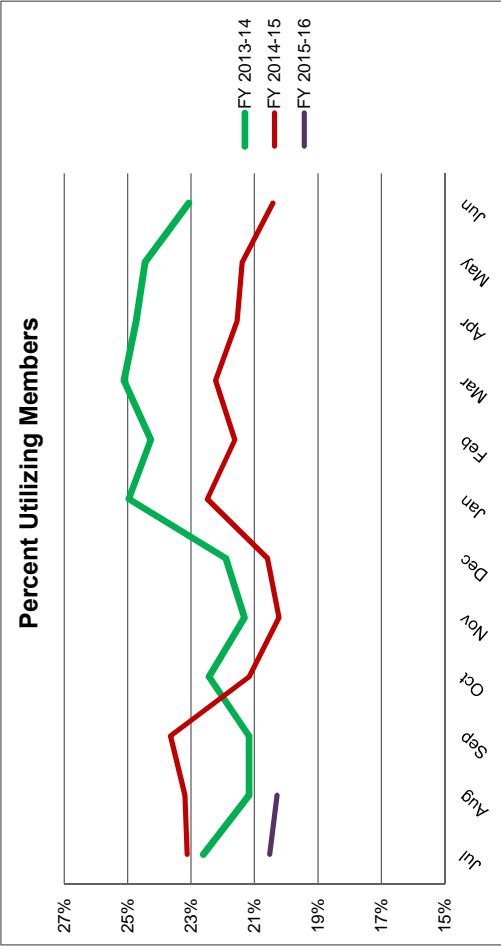
Note: November 14 reflects an adjustment in medical expenses as a result of the Adult Expansion allowance for revenue recoup.  
 January 15 reflects an adjustment to Adult Expansion reserve resulting in a reduction to IBNR.  
 June 15 reflects the Enhanced Adult Capitation program and reclassification of fee-for-service expense to capitation expense.

# GOLD COAST HEALTH PLAN

Pharmacy Cost Trend



**GOLD COAST HEALTH PLAN  
Pharmacy Analysis**



Effective Oct 14, Dual members were responsible for prescription copays, lowering the percentage of utilizing members.

