

Appendix XXVI: Community Health Solutions of Louisiana Plan Audited Financial Statement

BAYOU HEALTH
Shared Savings Health Plan
Certification Statement
Revision date: 3-31-2013

QUARTERLY CERTIFICATION STATEMENT OF

Community Health Solutions of Louisiana Plan # SS185

to

Louisiana Department of Health and Hospitals
Bureau of Health Services Financing
BAYOU HEALTH
BAYOU HEALTH - Shared Savings Plan

FOR THE PERIOD ENDING

12/31/2013

Name of Preparer Lisa Fuentes
Title Staff Accountant
Phone Number 727-565-0655

I hereby attest that the information submitted in the reports herein is current, complete and accurate to the best of my knowledge. I understand that whoever knowingly and willfully makes or causes to be made a false statement or representation on the reports may be prosecuted under the applicable state laws. In addition, knowingly and willfully failing to fully and accurately disclose the information requested may result in denial of a request to participate, or where the entity already participates, a termination of a Plan's agreement or contract with the Louisiana Department of Health and Hospitals/Bureau of Health Services Financing. Failure to sign a Certification Statement will result in DHH/BHSF non acceptance of the attached reports.

(Date Signed)

Signed statement embedded
Tab AB line 121
Signature

Chief Executive Officer
Title

Financial Reporting Template Instructions

This template has been created for the Financial Reporting Guide for BAYOU HEALTH - Shared Savings Organizations, participating as contracted entities with the Louisiana Department of Health and Hospitals.

- On the Certification cover sheet, fill in health plan name, quarter ended, preparer's information and signatures in **BLUE INK**.
The Certification Statement should be submitted as a PDF with signature included.
- Enter information in red cells only in all worksheets. Each worksheet must be entered separately.**
- Enter appropriate BAYOU HEALTH - Shared Savings Plan name and quarter ending dates on rows on rows 8 and 18 of the Certification Statement.
- Each quarter, prior to entering information, zero the region profitability spreadsheets and supplemental schedules (red cells only). Region totals roll into total profitability spreadsheet. The totals on the total profitability spreadsheet should agree to the quarterly amounts on the Income Statement.
- Parent company audited financial statements (AFS), if applicable, is an additional report that should be included with the Contractor's year end Financial Statements. The parent AFS should be embedded in tab W.
- Submit an electronic copy.**
[Send electronic copy to Steve Annison at DHHS: steve.annison@la.gov](mailto:steve.annison@la.gov)
[Send electronic copy to Stewart Guerin at DOI: squerin@lsj.state.la.us](mailto:squerin@lsj.state.la.us)
Send hard copy with certification signature to:
 Steve Annison
 Louisiana Department of Health and Hospitals
 Bureau of Health Services Financing
 628 North 4th Street
 Post Office Box 91030
 Baton Rouge, Louisiana 70821- 9030
- With the exception of the annual audit related Schedules W through AA, all worksheets should be submitted every quarter.
- Confirm that audit check figures below match. If they do not match, please submit a separate enclosure explaining why the check figures do not match.

| Check Figures | | |
|--|-------------------------------------|--------------------------|
| Community Health Solutions of Louisiana Plan # SS185 | | |
| FOR THE PERIOD ENDING 12/31/2013 | | |
| | Amount 1 | Amount 2 |
| Balance Sheet Total Assets = Balance Sheet Total Liabilities + Balance Sheet Total Equity | \$6,637,492 | \$6,637,492 |
| Income Statement Net Income/Loss (YTD) = Balance Sheet Equity/Net Assets Increase/Decrease (YTD) | \$3,218,198 | \$3,218,198 |
| Supplemental Schedules agree to Balance Sheet and Revenue, Expense and Equity Statement line items: | | |
| Current Investments | \$0 | \$0 |
| Long Term Investments | \$0 | \$0 |
| Net Risk Pool Receivable/Payable | \$ 2,064 | \$2,064 |
| Other Current Assets | \$2,386,556 | \$2,386,556 |
| Other Non-Current Assets | \$2,000,000 | \$2,000,000 |
| Other Current Liabilities | \$0 | \$0 |
| Other Non-Current Liabilities | \$0 | \$0 |
| Fraud and Abuse Recoveries | \$0 | \$0 |
| Total Profitability = Income Statement QTRLY | | |
| Schedule D Member Months = Income Statement Quarterly Member Months | 2,374,700.00 | 2,374,700 |
| Schedule D Revenue = Income Statement Quarterly Revenue | \$ 30,650,659 | 30,650,658 |
| Schedule D Provider Payments = Income Statement Quarterly Provider Payments | \$ 5,630,387 | 5,630,387 |
| Schedule D Net Provider Payments = Income Statement Quarterly Net Provider Payments | \$ 5,630,387 | 5,630,387 |
| Schedule D Administrative Expenses = Income Statement Quarterly Administrative Expenses | \$ 21,787,079 | 21,787,079 |
| Schedule D Expenses = Income Statement Quarterly Expenses | \$ 27,417,466 | 27,417,466 |
| Schedule D Net Income = Income Statement Quarterly Net Income | \$ 3,218,200 | 3,218,198 |
| Utilization Member Months = Schedule C Member Months | 2,374,700.00 | 2,374,700.00 |
| | Yes | No |
| Grand Total Net Income (Loss) on Total Profitability Statement = Net Income (Loss) on Income Statement? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Community Health Solutions of Louisiana Plan # SS185
Schedule A
Balance Sheet
12/31/2013

| | | Year end: 2013 | | | |
|--------|---|----------------|-------------|-------------|-------------|
| | | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr |
| | | 03/31/2013 | 06/30/2013 | 09/30/2013 | 12/31/2013 |
| Line # | BALANCE SHEET | | | | YTD |
| | ASSETS | | | | |
| | Current Assets | | | | |
| 1 | Cash and cash equivalents | \$853,691 | \$1,141,994 | \$727,782 | \$1,810,950 |
| 2 | Short-term investments | \$ - | \$ - | \$ - | \$ - |
| 3 | PCCM capitation and newborn/deceased member payments receivable | \$1,253 | \$1,253 | \$ - | \$ - |
| 4 | Shared Savings payments receivable | \$ - | \$ - | \$ - | \$ - |
| 5 | Investment income receivable | \$ - | \$ - | \$ - | \$ - |
| 6 | Current due from affiliates | \$3,615,503 | \$5,259,274 | \$20,733 | \$254,430 |
| 7 | Provider group receivable | \$2,000 | \$3,714 | \$3,028 | \$2,064 |
| 8 | Other current assets | \$232,514 | \$551,626 | \$668,729 | \$2,386,556 |
| 9 | Total Current Assets | \$4,704,961 | \$6,957,861 | \$1,420,272 | \$4,454,000 |
| | Other Assets | | | | |
| 10 | Statutory deposits | \$ - | \$ - | \$ - | \$ - |
| 11 | Restricted cash and other assets | \$20,833 | \$14,583 | \$267,487 | \$183,492 |
| 12 | Long-term investments | \$ - | \$ - | \$ - | \$ - |
| 13 | Non-current due from affiliates | \$ - | \$ - | \$ - | \$ - |
| 14 | Other non-current assets | \$ - | \$ - | \$2,000,000 | \$2,000,000 |
| 15 | Total Other Assets | \$20,833 | \$14,583 | \$2,267,487 | \$2,183,492 |
| | Property and Equipment | | | | |
| 16 | Land | \$ - | \$ - | \$ - | \$ - |
| 17 | Buildings | \$ - | \$ - | \$ - | \$ - |
| 18 | Leasehold improvements | \$ - | \$ - | \$ - | \$ - |
| 19 | Furniture and equipment | \$15,599 | \$15,599 | \$15,599 | \$282,172 |
| 20 | Other property and equipment | \$ - | \$ - | \$ - | \$ - |
| 21 | Total Property and Equipment | \$15,599 | \$15,599 | \$15,599 | \$282,172 |
| 22 | Accumulated depreciation/amortization | \$15,599 | \$15,599 | \$15,599 | \$282,172 |
| 23 | Net Property and Equipment | \$ - | \$ - | \$ - | \$ - |
| 24 | TOTAL ASSETS | \$4,725,794 | \$6,972,444 | \$3,687,759 | \$6,637,492 |
| | LIABILITIES | | | | |
| | Current Liabilities | | | | |
| 25 | Accounts payable | \$466,290 | \$731,341 | \$28,623 | \$151,584 |
| 26 | Accrued administrative expenses | \$241,036 | \$599,841 | (\$106,641) | \$137,125 |
| 27 | Provider group payable | \$ - | \$ - | \$ - | \$ - |
| 28 | Current portion of long-term debt | \$ - | \$ - | \$ - | \$7,376 |
| 29 | Due to affiliates | \$5,191,488 | \$6,157,194 | \$4,098,420 | \$4,743,819 |
| 30 | Dividends Payable | \$ - | \$ - | \$ - | \$ - |
| 31 | Other current liabilities | \$ - | \$ - | \$ - | \$ - |
| 32 | Total Current Liabilities | \$5,898,814 | \$7,488,376 | \$4,020,402 | \$5,039,904 |
| | Other Liabilities | | | | |
| 33 | Non-current portion long-term debt | \$ - | \$ - | \$ - | \$ - |
| 34 | Non-current due to affiliates | \$ - | \$ - | \$ - | \$ - |
| 35 | Other non-current liabilities | \$ - | \$ - | \$ - | \$ - |
| 36 | Total Other Liabilities | \$ - | \$ - | \$ - | \$ - |
| 37 | TOTAL LIABILITIES | \$5,898,814 | \$7,488,376 | \$4,020,402 | \$5,039,904 |

Community Health Solutions of Louisiana Plan # SS185
Schedule A
Balance Sheet
12/31/2013

| | | Year end: | | | | 2013 |
|--------|--|----------------|---------------|---------------|----------------|----------------|
| | | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | YTD |
| | | 03/31/2013 | 06/30/2013 | 09/30/2013 | 12/31/2013 | 12/31/2013 |
| Line # | BALANCE SHEET | | | | | |
| | EQUITY/NET ASSETS | | | | | |
| 38 | Preferred stock | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | Common stock | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | Treasury stock | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | Additional paid-in capital | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | Contributed capital | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Retained earnings - beginning | (\$1,620,610) | (\$1,620,610) | (\$1,620,610) | \$ (1,620,610) | \$ (1,620,610) |
| 44 | Increase (decrease) YTD | \$447,589 | \$1,104,676 | \$1,287,968 | \$ 3,218,198 | \$ 3,218,198 |
| 45 | Retained earnings/net assets | \$ (1,173,021) | \$ (515,934) | \$ (332,642) | \$ 1,597,588 | \$ 1,597,588 |
| 46 | TOTAL EQUITY/NET ASSETS | \$ (1,173,021) | \$ (515,934) | \$ (332,642) | \$ 1,597,588 | \$ 1,597,588 |
| 47 | TOTAL LIABILITIES & EQUITY/NET ASSETS | \$ 4,725,793 | \$ 6,972,442 | \$ 3,687,760 | \$ 6,637,492 | \$ 6,637,492 |

Community Health Solutions of Louisiana Plan # SS185
Schedule B
Income Statement
12/31/2013

| | | Year end: | | | | 2013 |
|---------------|---|---------------------|---------------------|---------------------|----------------------|----------------------|
| | | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | YTD |
| | | 03/31/2013 | 06/30/2013 | 09/30/2013 | 12/31/2013 | 12/31/2013 |
| Line # | REVENUE & EXPENSES | | | | | |
| 1 | Assigned Member Count at end of reporting period | 194,318.00 | 199,672.00 | 199,901.00 | 200,910.00 | 794,801.00 |
| 2 | Member Months | 581,461.00 | 591,804.00 | 598,726.00 | 602,709.00 | 2,374,700.00 |
| 3 | Newborn Count | 1,416.00 | 1,603.00 | 1,622.00 | 1,579.00 | 6,220.00 |
| 4 | Deceased Member Count | 47.00 | 42.00 | 37.00 | 28.00 | 154.00 |
| | REVENUES | | | | | |
| 5 | PCCM Capitation | \$ 9,764 | \$ (47) | \$ (5) | \$ (57) | \$ 9,656 |
| 6 | Enhanced PCCM Capitation | \$ 6,375,885 | \$ 6,534,765 | \$ 6,583,859 | \$ 6,627,292 | \$ 26,121,802 |
| 7 | Shared Savings Revenue | \$ - | \$ - | \$ - | \$ 4,519,201 | \$ 4,519,201 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 6,385,649 | \$ 6,534,718 | \$ 6,583,855 | \$ 11,146,436 | \$ 30,650,658 |
| | EXPENSES | | | | | |
| | Provider | | | | | |
| 11 | PCP care management services | \$ 322,367 | \$ - | \$ - | \$ - | \$ 322,367 |
| 12 | Enhanced PCCM payments | \$ 38,352 | \$ 369,934 | \$ 504,336 | \$ 243,118 | \$ 1,155,739 |
| 13 | Provider incentive payments | \$ 789,548 | \$ 273,874 | \$ 324,915 | \$ 564,189 | \$ 1,952,525 |
| 14 | Other Provider payments | \$ - | \$ - | \$ - | \$ 2,199,756 | \$ 2,199,756 |
| 15 | Total Provider Payments | \$ 1,150,267 | \$ 643,807 | \$ 829,251 | \$ 3,007,062 | \$ 5,630,387 |
| Less: | | | | | | |
| 16 | Fraud and Abuse recoveries | | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 1,150,267 | \$ 643,807 | \$ 829,251 | \$ 3,007,062 | \$ 5,630,387 |
| | ADMINISTRATIVE SERVICE EXPENSES | | | | | |
| | Health Care Quality Improvement (HCQI) | | | | | |
| 19 | Case management | \$ 230,166 | \$ 189,616 | \$ 412,013 | \$ 449,291 | \$ 1,281,086 |
| 20 | Care coordination | \$ 153,486 | \$ 178,071 | \$ 146,273 | \$ 226,872 | \$ 704,702 |
| 21 | Chronic disease management | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | Racial disparity prevention efforts | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Quality reporting and documentation | \$ 16,531 | \$ 16,152 | \$ 36,015 | \$ 10,982 | \$ 79,680 |
| 24 | HIT quality and outcome improvements | \$ 68,744 | \$ 71,849 | \$ 35,891 | \$ 43,479 | \$ 219,962 |
| 25 | Patient-centered education and counseling | \$ 1,310 | \$ 39,000 | \$ 37,000 | \$ 34,264 | \$ 111,574 |
| 26 | Clinical practice improvement oversight | \$ 132,510 | \$ 154,983 | \$ 108,802 | \$ 88,322 | \$ 484,617 |
| 27 | Public health education | \$ 135,736 | \$ - | \$ - | \$ - | \$ 135,736 |
| 28 | Other HCQI/HIT expenses or adjustments | \$ - | \$ 103,371 | \$ 94,671 | \$ 107,823 | \$ 305,865 |
| 29 | Health Care Quality Improvement Expense subtotal | \$ 738,483 | \$ 753,042 | \$ 870,665 | \$ 961,032 | \$ 3,323,222 |
| | Other Administrative Costs | | | | | |
| 29 | Fraud and abuse detection and recovery expenses | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | Utilization review | \$ 24,797 | \$ 24,228 | \$ 38,983 | \$ 81,101 | \$ 169,108 |
| 31 | Network development and credentialing costs | \$ 227,723 | \$ 255,486 | \$ 149,384 | \$ 170,309 | \$ 802,902 |
| 32 | Marketing | \$ 44,489 | \$ 39,422 | \$ 107,460 | \$ 125,475 | \$ 316,846 |
| 33 | Member / Enrollment Services | \$ 1,204,044 | \$ 1,172,379 | \$ 1,182,161 | \$ 1,318,891 | \$ 4,877,475 |
| 34 | General and Operational Management | \$ 280,268 | \$ 286,330 | \$ 280,807 | \$ 366,714 | \$ 1,214,119 |
| 35 | Accounting and Finance | \$ 41,328 | \$ 40,379 | \$ 48,448 | \$ 61,282 | \$ 191,437 |
| 36 | Claims and Referral Processing | \$ 470,857 | \$ 746,434 | \$ 755,153 | \$ 658,068 | \$ 2,630,512 |
| 37 | Information Systems | \$ 1,107,330 | \$ 834,120 | \$ 1,754,592 | \$ 1,082,122 | \$ 4,778,164 |
| 38 | Administrative Services Only (ASO) Cost | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | Other Direct Costs | \$ 423,111 | \$ 188,571 | \$ 261,843 | \$ 592,307 | \$ 1,465,831 |
| 40 | Indirect Costs - Corporate Overhead Allocations | \$ 173,578 | \$ 321,673 | \$ 442,870 | \$ 367,886 | \$ 1,306,006 |
| 41 | Sanctions and Late Payment Interest Penalties | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | Other Costs | \$ 46,613 | \$ 568,083 | \$ (314,680) | \$ 411,440 | \$ 711,455 |
| 43 | Total Other Administrative Costs | \$ 4,044,137 | \$ 4,477,104 | \$ 4,707,021 | \$ 5,235,595 | \$ 18,463,857 |
| 44 | TOTAL ADMINISTRATIVE EXPENSES | \$ 4,782,620 | \$ 5,230,146 | \$ 5,577,686 | \$ 6,196,627 | \$ 21,787,079 |
| 45 | TOTAL EXPENSES | \$ 5,932,887 | \$ 5,873,953 | \$ 6,406,937 | \$ 9,203,689 | \$ 27,417,466 |
| 46 | Income (Loss) From Operations | \$ 452,762 | \$ 660,765 | \$ 176,917 | \$ 1,942,748 | \$ 3,233,193 |
| 47 | Non-operating income (loss) | \$ (26) | \$ (3,678) | \$ 6,374 | \$ (12,517) | \$ (9,846) |
| 48 | Income (Loss) Before Taxes | \$ 452,737 | \$ 657,087 | \$ 183,292 | \$ 1,930,230 | \$ 3,223,346 |
| 49 | Income taxes | \$ 5,148 | \$ - | \$ - | \$ - | \$ 5,148 |
| 50 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - |

Community Health Solutions of Louisiana Plan # SS185
 Schedule B
 Income Statement
 12/31/2013

| | | Year end: | | | | 2013 |
|--------|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------|
| | | 1st Qtr 03/31/2013 | 2nd Qtr 06/30/2013 | 3rd Qtr 09/30/2013 | 4th Qtr 12/31/2013 | YTD 12/31/2013 |
| Line # | REVENUE & EXPENSES | | | | | |
| 51 | NET INCOME (LOSS) | \$ 447,589 | \$ 657,087 | \$ 183,292 | \$ 1,930,230 | \$ 3,218,198 |

Community Health Solutions of Louisiana Plan # SS185
Schedule C
Footnotes Disclosures
12/31/2013

| Line # | Quarterly financial footnote disclosures | Indicate as N/A if no reportable items | Footnote Disclosures Notes - Reference and include narrative or analysis in Supplemental Working Area (Schedule AB) |
|--------|---|--|--|
| 1 | Organizational structure | | |
| 2 | Summary of significant accounting policies changes | | Income Statement line #39 has a \$330K increase due to a change in recognition of Healthy Habits Healthy Rewards forfeited. |
| 3 | Other amounts included in the financial statements > 5% of the reporting category | | Line 19 - Care Management RN Salaries & Benefits - \$1.21M Line 20 - Care Coordination Salaries & Benefits - \$365K Line 24 - HIT quality and outcome improvements Salaries & Benefits - \$220K Line 26 - Clinical practice improvement oversight - \$478K Line 30 - Utilization review - \$168K Line 31 - Network development and credentialing Salaries & Benefits - \$795K Line 34 - General and Operational Management - \$1.2M Line 39 - Other Direct Costs Salaries & Benefits - \$154K; \$394K Healthy Habits Healthy Rewards Program; \$266K for computer servers |
| 4 | Pledges, assignments and guarantees | | |
| 5 | Statutory Deposits or performance bonds | | 02/01/13 - 01/31/14 \$25,000.00 Performance Bond LA-Bouchard Insurance - 08/01/13 - 07/31/14 \$310,984 Surety Bond James B. Oswald Company received 7/31/13 - 08/01/13 - 07/31/14 \$2M Surety Bond Escrow Funds - One Beacon Surety Group received 8/1/13 |
| 6 | Material adjustments | | \$211,722 reduction in line 27 - Public Health Education due to reclassification to line 39 - Other Direct Costs. \$480,401 Reduction to line 39 - Other Direct Costs due to recalculation of Healthy Habit Healthy Rewards forfeited. |
| 7 | Contingent liabilities | | |
| 8 | Due from/to affiliates (current and non-current) | | On January 1, 2012, the Company sold an internally developed care management software application valued at \$12 million, and a related integrated data warehouse valued at \$4 million. The related capitalized development costs at December 31, 2011, totaled \$716,535. On January 1, 2012, those related capitalized development costs were expensed and netted against the sales price realizing a net long term capital gain of \$15,283,465. |
| 9 | Related party transaction activities | | Parent company sold SC MCO conversion rights to Molina Healthcare on 7/31/2013. CHS continues to operate as MHN in SC until 12/31/2013 conversion. As of 01/01/2014 CHS will only administers the MCCW program for SC DHHS. |
| 10 | Equity activity | | |

Community Health Solutions of Louisiana Plan # SS185
 Schedule C
 Footnotes Disclosures
 12/31/2013

| Line # | Quarterly financial footnote disclosures | Indicate as N/A if no reportable items | Footnote Disclosures Notes - Reference and include narrative or analysis in Supplemental Working Area (Schedule AB) |
|--------|---|--|--|
| 11 | Non-compliance with financial viability standards and performance guidelines | | |
| 12 | Charitable contributions, penalties or sanctions included in the financial statements | | |
| 13 | Significant changes in provider reimbursement methodologies | | <p>Rate paid to providers changed effective 2013-07 in order to increase profit margin (also in 2012-08, but as a result of decrease of PMPM rates received from DHHS).</p> <p>-</p> <p>The CHN preferred group requested reimbursement of rate change (per their contract, an amendment must be signed prior to effecting their rate changes). Negotiations to accomodate this preferred provider group for the current and prior rate changes ranging from 2012-08 through 2013-07 resulted in payment on 2013-08 of \$65,302.25 to CHN group.</p> <p>-</p> <p>7/1/13 Exclusive providers are paid \$0.75 PMPM for Urgent Care Services as prepayment of the Shared Savings. Upon receipt of Shared Savings these funds will be recovered.</p> |
| 14 | Non-operating income/loss amounts | | |
| 15 | Other Recovery amounts reported on Line 17 | | |
| 16 | Allocation methodologies used for categorical profitability statements | | Please refer to Schedule AB - Supplemental for factor calculations used in E through M. Slight differences may be due to fractional rounding. |

Community Health Solutions of Louisiana Plan # SS185
Schedule D
Total Profitability by Eligibility Category
12/31/2013

| Total Profitability by Eligibility Category | | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+yrs MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|---|--|--------------------|--------------------|------------------|-------------------|--------------------|-------------------|------------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 10.00 | 480.00 | 5,685.00 | 16,000.00 | 9,933.00 | 40,954.00 | 22,763.00 | 95,825.00 | 6,106.00 | 33,406.00 | 205,557.00 |
| 2 | Member Months | 45.00 | 1,381.00 | 17,158.00 | 47,938.00 | 29,622.00 | 122,850.00 | 67,871.00 | 286,865.00 | 18,395.00 | 99,825.00 | 615,585.00 |
| 3 | Newborn Count | 10.00 | - | - | - | - | - | - | 10.00 | 6,208.00 | - | - |
| 4 | Deceased Member Count | - | 4.00 | 5.00 | 2.00 | 2.00 | 21.00 | 75.00 | 109.00 | 14.00 | 11.00 | 5.00 |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 0 | \$ 6 | \$ 70 | \$ 196 | \$ 121 | \$ 502 | \$ 277 | \$ 1,172 | \$ 75 | \$ 408 | \$ 2,515 |
| 6 | Enhanced PCCM Capitation | \$ 699 | \$ 21,447 | \$ 266,464 | \$ 744,477 | \$ 460,030 | \$ 1,907,860 | \$ 1,054,037 | \$ 4,455,013 | \$ 189,355 | \$ 1,027,580 | \$ 6,336,719 |
| 7 | Shared Savings Revenue | \$ 86 | \$ 2,624 | \$ 32,600 | \$ 91,082 | \$ 56,282 | \$ 233,415 | \$ 128,955 | \$ 545,044 | \$ 34,951 | \$ 189,668 | \$ 1,169,612 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 785 | \$ 24,076 | \$ 299,134 | \$ 835,755 | \$ 516,432 | \$ 2,141,777 | \$ 1,183,269 | \$ 5,001,229 | \$ 224,380 | \$ 1,217,655 | \$ 7,508,845 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 6 | \$ 187 | \$ 2,329 | \$ 6,508 | \$ 4,021 | \$ 16,677 | \$ 9,214 | \$ 38,942 | \$ 2,497 | \$ 13,551 | \$ 83,566 |
| 12 | Enhanced PCCM payments | \$ 22 | \$ 672 | \$ 8,351 | \$ 23,331 | \$ 14,417 | \$ 59,790 | \$ 33,032 | \$ 139,614 | \$ 8,953 | \$ 48,584 | \$ 299,598 |
| 13 | Provider incentive payments | \$ 37 | \$ 1,135 | \$ 14,108 | \$ 39,416 | \$ 24,356 | \$ 101,010 | \$ 55,805 | \$ 235,866 | \$ 15,125 | \$ 82,078 | \$ 506,146 |
| 14 | Other Provider payments | \$ 42 | \$ 1,279 | \$ 15,894 | \$ 44,406 | \$ 27,440 | \$ 113,800 | \$ 62,871 | \$ 265,732 | \$ 17,040 | \$ 92,471 | \$ 570,235 |
| 15 | Total Provider Payments | \$ 107 | \$ 3,274 | \$ 40,681 | \$ 113,660 | \$ 70,233 | \$ 291,276 | \$ 160,921 | \$ 680,154 | \$ 43,614 | \$ 236,684 | \$ 1,459,545 |
| | Less: | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 107 | \$ 3,274 | \$ 40,681 | \$ 113,660 | \$ 70,233 | \$ 291,276 | \$ 160,921 | \$ 680,154 | \$ 43,614 | \$ 236,684 | \$ 1,459,545 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 413 | \$ 12,670 | \$ 157,419 | \$ 439,815 | \$ 271,772 | \$ 1,127,108 | \$ 622,694 | \$ 2,631,891 | \$ 168,768 | \$ 915,861 | \$ 5,647,787 |
| 20 | TOTAL EXPENSES | \$ 520 | \$ 15,945 | \$ 198,100 | \$ 553,476 | \$ 342,005 | \$ 1,418,384 | \$ 783,615 | \$ 3,312,044 | \$ 212,382 | \$ 1,152,545 | \$ 7,107,332 |
| 21 | Income (Loss) From Operations | \$ 265 | \$ 8,132 | \$ 101,034 | \$ 282,280 | \$ 174,427 | \$ 723,394 | \$ 399,654 | \$ 1,689,185 | \$ 11,998 | \$ 65,111 | \$ 401,513 |
| 22 | Non-operating income (loss) | \$ (0) | \$ (11) | \$ (135) | \$ (377) | \$ (233) | \$ (966) | \$ (534) | \$ (2,256) | \$ (145) | \$ (785) | \$ (4,841) |
| 23 | Income (Loss) Before Taxes | \$ 265 | \$ 8,121 | \$ 100,899 | \$ 281,903 | \$ 174,194 | \$ 722,428 | \$ 399,120 | \$ 1,686,929 | \$ 11,853 | \$ 64,325 | \$ 396,672 |
| 24 | Income taxes | \$ 0 | \$ 3 | \$ 37 | \$ 104 | \$ 64 | \$ 266 | \$ 147 | \$ 622 | \$ 40 | \$ 216 | \$ 1,334 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2 | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 265 | \$ 8,118 | \$ 100,862 | \$ 281,799 | \$ 174,130 | \$ 722,161 | \$ 398,973 | \$ 1,686,307 | \$ 11,811 | \$ 64,109 | \$ 395,338 |

Community Health Solutions of Louisiana Plan # SS185

Schedule D

Total Profitability by Eligibility Category

12/31/2013

| Total Profitability by Eligibility Category | | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer |
|---|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 267,775.00 | 64,849.00 | 63,335.00 | 38,761.00 | 4,275.00 | 2,507.00 | 663.00 | 687,234.00 | 7,967.00 | 3,371.00 | 404.00 |
| 2 | Member Months | 798,639.00 | 193,424.00 | 189,414.00 | 115,570.00 | 12,808.00 | 7,416.00 | 1,958.00 | 2,053,034.00 | 23,665.00 | 9,924.00 | 1,212.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | 6,208.00 | 2.00 | - | - |
| 4 | Deceased Member Count | 4.00 | 1.00 | 2.00 | 5.00 | - | 1.00 | - | 43.00 | - | - | 2.00 |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 3,263 | \$ 790 | \$ 774 | \$ 472 | \$ 52 | \$ 30 | \$ 8 | \$ 8,388 | \$ 97 | \$ 41 | \$ 5 |
| 6 | Enhanced PCCM Capitation | \$ 8,221,043 | \$ 1,991,071 | \$ 1,949,793 | \$ 1,189,656 | \$ 131,843 | \$ 76,339 | \$ 20,155 | \$ 21,133,554 | \$ 367,517 | \$ 154,120 | \$ 18,822 |
| 7 | Shared Savings Revenue | \$ 1,517,414 | \$ 367,506 | \$ 359,887 | \$ 219,583 | \$ 24,335 | \$ 14,090 | \$ 3,720 | \$ 3,900,765 | \$ 44,964 | \$ 18,856 | \$ 2,303 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 9,741,720 | \$ 2,359,367 | \$ 2,310,453 | \$ 1,409,711 | \$ 156,231 | \$ 90,460 | \$ 23,883 | \$ 25,042,706 | \$ 412,578 | \$ 173,016 | \$ 21,130 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 108,416 | \$ 26,257 | \$ 25,713 | \$ 15,689 | \$ 1,739 | \$ 1,007 | \$ 266 | \$ 278,701 | \$ 3,213 | \$ 1,347 | \$ 165 |
| 12 | Enhanced PCCM payments | \$ 388,688 | \$ 94,137 | \$ 92,186 | \$ 56,247 | \$ 6,234 | \$ 3,609 | \$ 953 | \$ 999,188 | \$ 11,517 | \$ 4,830 | \$ 590 |
| 13 | Provider incentive payments | \$ 656,657 | \$ 159,037 | \$ 155,740 | \$ 95,024 | \$ 10,531 | \$ 6,098 | \$ 1,610 | \$ 1,688,045 | \$ 19,458 | \$ 8,160 | \$ 997 |
| 14 | Other Provider payments | \$ 739,803 | \$ 179,174 | \$ 175,460 | \$ 107,056 | \$ 11,864 | \$ 6,870 | \$ 1,814 | \$ 1,901,787 | \$ 21,922 | \$ 9,193 | \$ 1,123 |
| 15 | Total Provider Payments | \$ 1,893,564 | \$ 458,606 | \$ 449,098 | \$ 274,015 | \$ 30,368 | \$ 17,583 | \$ 4,642 | \$ 4,867,720 | \$ 56,109 | \$ 23,530 | \$ 2,874 |
| | Less: | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 1,893,564 | \$ 458,606 | \$ 449,098 | \$ 274,015 | \$ 30,368 | \$ 17,583 | \$ 4,642 | \$ 4,867,720 | \$ 56,109 | \$ 23,530 | \$ 2,874 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 7,327,246 | \$ 1,774,601 | \$ 1,737,810 | \$ 1,060,316 | \$ 117,509 | \$ 68,039 | \$ 17,964 | \$ 18,835,901 | \$ 217,118 | \$ 91,049 | \$ 11,120 |
| 20 | TOTAL EXPENSES | \$ 9,220,810 | \$ 2,233,207 | \$ 2,186,909 | \$ 1,334,331 | \$ 147,877 | \$ 85,623 | \$ 22,606 | \$ 23,703,621 | \$ 273,228 | \$ 114,579 | \$ 13,993 |
| 21 | Income (Loss) From Operations | \$ 520,910 | \$ 126,160 | \$ 123,545 | \$ 75,380 | \$ 8,354 | \$ 4,837 | \$ 1,277 | \$ 1,339,085 | \$ 139,350 | \$ 58,437 | \$ 7,137 |
| 22 | Non-operating income (loss) | \$ (6,281) | \$ (1,521) | \$ (1,490) | \$ (909) | \$ (101) | \$ (58) | \$ (15) | \$ (16,146) | \$ (186) | \$ (78) | \$ (10) |
| 23 | Income (Loss) Before Taxes | \$ 514,629 | \$ 124,639 | \$ 122,055 | \$ 74,471 | \$ 8,253 | \$ 4,779 | \$ 1,262 | \$ 1,322,939 | \$ 139,164 | \$ 58,359 | \$ 7,127 |
| 24 | Income taxes | \$ 1,731 | \$ 419 | \$ 411 | \$ 251 | \$ 28 | \$ 16 | \$ 4 | \$ 4,451 | \$ 51 | \$ 22 | \$ 3 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2 | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 512,897 | \$ 124,220 | \$ 121,644 | \$ 74,221 | \$ 8,225 | \$ 4,763 | \$ 1,257 | \$ 1,318,485 | \$ 139,112 | \$ 58,337 | \$ 7,125 |

Community Health Solutions of Louisiana Plan # SS185

Schedule D

Total Profitability by Eligibility Category

12/31/2013

| Total Profitability by Eligibility Category | | Grand Total |
|---|--|----------------------|
| Line # | REVENUE & EXPENSES | |
| | Assigned Member Count at end of reporting period | 794,801.00 |
| 1 | | |
| 2 | Member Months | 2,374,700.00 |
| 3 | Newborn Count | 6,220.00 |
| 4 | Deceased Member Count | 154.00 |
| | REVENUES | |
| 5 | PCCM Capitation | \$ 9,702 |
| 6 | Enhanced PCCM Capitation | \$ 26,129,027 |
| 7 | Shared Savings Revenue | \$ 4,511,930 |
| 8 | Investment income | \$ - |
| 9 | Other income | \$ - |
| 10 | TOTAL REVENUES | \$ 30,650,659 |
| | EXPENSES | |
| | Provider | |
| 11 | PCP care management services | \$ 322,367 |
| 12 | Enhanced PCCM payments | \$ 1,155,739 |
| 13 | Provider incentive payments | \$ 1,952,525 |
| 14 | Other Provider payments | \$ 2,199,756 |
| 15 | Total Provider Payments | \$ 5,630,387 |
| | Less: | |
| 16 | Fraud and Abuse recoveries | \$ - |
| 17 | Other Recoveries | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 5,630,387 |
| | | |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 21,787,079 |
| | | |
| 20 | TOTAL EXPENSES | \$ 27,417,466 |
| | | |
| 21 | Income (Loss) From Operations | \$ 3,233,193 |
| 22 | Non-operating income (loss) | \$ (9,842) |
| 23 | Income (Loss) Before Taxes | \$ 3,223,350 |
| 24 | Income taxes | \$ 5,148 |
| 25 | Premium taxes | \$ 2 |
| 26 | NET INCOME (LOSS) | \$ 3,218,200 |

Community Health Solutions of Louisiana Plan # SS185
Schedule E
Alexandria Profitability
12/31/2013

| Alexandria | | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+yrs MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|------------|--|--------------------|--------------------|------------------|-------------------|--------------------|-------------------|------------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | - | 27.00 | 310.00 | 1,000.00 | 615.00 | 2,849.00 | 2,108.00 | 6,909.00 | 262.00 | 1,352.00 | 10,903.00 |
| 2 | Member Months | 1.00 | 80.00 | 938.00 | 2,981.00 | 1,842.00 | 8,479.00 | 6,287.00 | 20,608.00 | 789.00 | 3,998.00 | 32,537.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | - | 265.00 | - | - |
| 4 | Deceased Member Count | - | - | - | - | - | - | 5.00 | 5.00 | - | - | - |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 0 | \$ 0 | \$ 4 | \$ 12 | \$ 8 | \$ 35 | \$ 26 | \$ 84 | \$ 3 | \$ 16 | \$ 133 |
| 6 | Enhanced PCCM Capitation | \$ 16 | \$ 1,242 | \$ 14,567 | \$ 46,295 | \$ 28,606 | \$ 131,679 | \$ 97,637 | \$ 320,042 | \$ 8,122 | \$ 41,155 | \$ 334,930 |
| 7 | Shared Savings Revenue | \$ 2 | \$ 152 | \$ 1,782 | \$ 5,664 | \$ 3,500 | \$ 16,110 | \$ 11,945 | \$ 39,155 | \$ 1,499 | \$ 7,596 | \$ 61,820 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 17 | \$ 1,395 | \$ 16,353 | \$ 51,971 | \$ 32,114 | \$ 147,824 | \$ 109,608 | \$ 359,282 | \$ 9,624 | \$ 48,767 | \$ 396,883 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 0 | \$ 11 | \$ 127 | \$ 405 | \$ 250 | \$ 1,151 | \$ 853 | \$ 2,798 | \$ 107 | \$ 543 | \$ 4,417 |
| 12 | Enhanced PCCM payments | \$ 0 | \$ 39 | \$ 457 | \$ 1,451 | \$ 896 | \$ 4,127 | \$ 3,060 | \$ 10,030 | \$ 384 | \$ 1,946 | \$ 15,835 |
| 13 | Provider incentive payments | \$ 1 | \$ 66 | \$ 771 | \$ 2,451 | \$ 1,515 | \$ 6,972 | \$ 5,169 | \$ 16,944 | \$ 649 | \$ 3,287 | \$ 26,753 |
| 14 | Other Provider payments | \$ 1 | \$ 74 | \$ 869 | \$ 2,761 | \$ 1,706 | \$ 7,854 | \$ 5,824 | \$ 19,090 | \$ 731 | \$ 3,703 | \$ 30,140 |
| 15 | Total Provider Payments | \$ 2 | \$ 190 | \$ 2,224 | \$ 7,068 | \$ 4,367 | \$ 20,104 | \$ 14,906 | \$ 48,861 | \$ 1,871 | \$ 9,479 | \$ 77,145 |
| Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 2 | \$ 190 | \$ 2,224 | \$ 7,068 | \$ 4,367 | \$ 20,104 | \$ 14,906 | \$ 48,861 | \$ 1,871 | \$ 9,479 | \$ 77,145 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 9 | \$ 734 | \$ 8,606 | \$ 27,350 | \$ 16,900 | \$ 77,792 | \$ 57,681 | \$ 189,072 | \$ 7,239 | \$ 36,680 | \$ 298,516 |
| 20 | TOTAL EXPENSES | \$ 12 | \$ 924 | \$ 10,830 | \$ 34,418 | \$ 21,267 | \$ 97,896 | \$ 72,588 | \$ 237,933 | \$ 9,110 | \$ 46,160 | \$ 375,661 |
| | | | | | | | | | | | | |
| 21 | Income (Loss) From Operations | \$ 6 | \$ 471 | \$ 5,523 | \$ 17,553 | \$ 10,846 | \$ 49,928 | \$ 37,021 | \$ 121,349 | \$ 515 | \$ 2,608 | \$ 21,222 |
| 22 | Non-operating income (loss) | \$ (0) | \$ (1) | \$ (7) | \$ (23) | \$ (14) | \$ (67) | \$ (49) | \$ (162) | \$ (6) | \$ (31) | \$ (256) |
| 23 | Income (Loss) Before Taxes | \$ 6 | \$ 470 | \$ 5,516 | \$ 17,530 | \$ 10,832 | \$ 49,861 | \$ 36,971 | \$ 121,187 | \$ 508 | \$ 2,576 | \$ 20,966 |
| 24 | Income taxes | \$ 0 | \$ 0 | \$ 2 | \$ 6 | \$ 4 | \$ 18 | \$ 14 | \$ 45 | \$ 2 | \$ 9 | \$ 71 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 6 | \$ 470 | \$ 5,514 | \$ 17,524 | \$ 10,828 | \$ 49,843 | \$ 36,957 | \$ 121,142 | \$ 507 | \$ 2,568 | \$ 20,896 |

Community Health Solutions of Louisiana Plan # SS185
Schedule E
Alexandria Profitability
12/31/2013

| Alexandria | | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer | Grand Total |
|------------|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|----------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 15,301.00 | 3,858.00 | 3,851.00 | 1,804.00 | 294.00 | 166.00 | 41.00 | 37,832.00 | 565.00 | 210.00 | 28.00 | 45,544.00 |
| 2 | Member Months | 45,576.00 | 11,472.00 | 11,506.00 | 5,397.00 | 837.00 | 495.00 | 126.00 | 112,733.00 | 1,642.00 | 634.00 | 88.00 | 135,705.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | 265.00 | - | - | - | 265.00 |
| 4 | Deceased Member Count | - | - | - | - | - | - | - | - | - | - | - | 5.00 |
| | REVENUES | | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 186 | \$ 47 | \$ 47 | \$ 22 | \$ 3 | \$ 2 | \$ 1 | \$ 461 | \$ 7 | \$ 3 | \$ 0 | \$ 554 |
| 6 | Enhanced PCCM Capitation | \$ 469,151 | \$ 118,091 | \$ 118,441 | \$ 55,556 | \$ 8,616 | \$ 5,095 | \$ 1,297 | \$ 1,160,453 | \$ 25,500 | \$ 9,846 | \$ 1,367 | \$ 1,517,208 |
| 7 | Shared Savings Revenue | \$ 86,594 | \$ 21,797 | \$ 21,861 | \$ 10,254 | \$ 1,590 | \$ 941 | \$ 239 | \$ 214,193 | \$ 3,120 | \$ 1,205 | \$ 167 | \$ 257,840 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 555,932 | \$ 139,934 | \$ 140,349 | \$ 65,832 | \$ 10,210 | \$ 6,038 | \$ 1,537 | \$ 1,375,106 | \$ 28,627 | \$ 11,053 | \$ 1,534 | \$ 1,775,602 |
| | EXPENSES | | | | | | | | | | | | |
| | Provider | | | | | | | | | | | | |
| 11 | PCP care management services | \$ 6,187 | \$ 1,557 | \$ 1,562 | \$ 733 | \$ 114 | \$ 67 | \$ 17 | \$ 15,304 | \$ 223 | \$ 86 | \$ 12 | \$ 18,422 |
| 12 | Enhanced PCCM payments | \$ 22,181 | \$ 5,583 | \$ 5,600 | \$ 2,627 | \$ 407 | \$ 241 | \$ 61 | \$ 54,866 | \$ 799 | \$ 309 | \$ 43 | \$ 66,046 |
| 13 | Provider incentive payments | \$ 37,473 | \$ 9,433 | \$ 9,460 | \$ 4,438 | \$ 688 | \$ 407 | \$ 104 | \$ 92,691 | \$ 1,350 | \$ 521 | \$ 72 | \$ 111,579 |
| 14 | Other Provider payments | \$ 42,218 | \$ 10,627 | \$ 10,658 | \$ 4,999 | \$ 775 | \$ 459 | \$ 117 | \$ 104,428 | \$ 1,521 | \$ 587 | \$ 82 | \$ 125,708 |
| 15 | Total Provider Payments | \$ 108,060 | \$ 27,200 | \$ 27,281 | \$ 12,796 | \$ 1,985 | \$ 1,174 | \$ 299 | \$ 267,289 | \$ 3,893 | \$ 1,503 | \$ 209 | \$ 321,755 |
| | Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 108,060 | \$ 27,200 | \$ 27,281 | \$ 12,796 | \$ 1,985 | \$ 1,174 | \$ 299 | \$ 267,289 | \$ 3,893 | \$ 1,503 | \$ 209 | \$ 321,755 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 418,145 | \$ 105,252 | \$ 105,564 | \$ 49,516 | \$ 7,679 | \$ 4,541 | \$ 1,156 | \$ 1,034,288 | \$ 15,065 | \$ 5,817 | \$ 807 | \$ 1,245,048 |
| 20 | TOTAL EXPENSES | \$ 526,205 | \$ 132,452 | \$ 132,844 | \$ 62,312 | \$ 9,664 | \$ 5,715 | \$ 1,455 | \$ 1,301,576 | \$ 18,958 | \$ 7,320 | \$ 1,016 | \$ 1,566,803 |
| 21 | Income (Loss) From Operations | \$ 29,727 | \$ 7,483 | \$ 7,505 | \$ 3,520 | \$ 546 | \$ 323 | \$ 82 | \$ 73,530 | \$ 9,669 | \$ 3,733 | \$ 518 | \$ 208,799 |
| 22 | Non-operating income (loss) | \$ (358) | \$ (90) | \$ (90) | \$ (42) | \$ (7) | \$ (4) | \$ (1) | \$ (887) | \$ (13) | \$ (5) | \$ (1) | \$ (1,067) |
| 23 | Income (Loss) Before Taxes | \$ 29,368 | \$ 7,392 | \$ 7,414 | \$ 3,478 | \$ 539 | \$ 319 | \$ 81 | \$ 72,643 | \$ 9,656 | \$ 3,728 | \$ 517 | \$ 207,732 |
| 24 | Income taxes | \$ 99 | \$ 25 | \$ 25 | \$ 12 | \$ 2 | \$ 1 | \$ 0 | \$ 244 | \$ 4 | \$ 1 | \$ 0 | \$ 294 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 29,270 | \$ 7,367 | \$ 7,389 | \$ 3,466 | \$ 538 | \$ 318 | \$ 81 | \$ 72,399 | \$ 9,652 | \$ 3,727 | \$ 517 | \$ 207,437 |

Community Health Solutions of Louisiana Plan # SS185
Schedule F
Baton Rouge Profitability
12/31/2013

| Baton Rouge | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+yrs MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|---------------|--|--------------------|------------------|-------------------|--------------------|-------------------|------------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | | | | | | | | | | |
| 2 | 1.00 | 41.00 | 684.00 | 1,689.00 | 1,269.00 | 4,230.00 | 2,104.00 | 10,018.00 | 619.00 | 3,342.00 | 19,499.00 |
| 3 | 2.00 | 117.00 | 2,029.00 | 5,088.00 | 3,786.00 | 12,780.00 | 6,300.00 | 30,102.00 | 1,960.00 | 9,896.00 | 58,538.00 |
| 4 | 1.00 | - | - | - | - | - | - | 1.00 | 647.00 | - | - |
| 5 | - | 3.00 | - | - | - | 6.00 | 11.00 | 20.00 | 1.00 | 1.00 | 1.00 |
| 6 | REVENUES | | | | | | | | | | |
| 7 | \$ 0 | \$ 0 | \$ 8 | \$ 21 | \$ 15 | \$ 52 | \$ 26 | \$ 123 | \$ 8 | \$ 40 | \$ 239 |
| 8 | \$ 31 | \$ 1,817 | \$ 31,510 | \$ 79,017 | \$ 58,797 | \$ 198,473 | \$ 97,839 | \$ 467,484 | \$ 20,176 | \$ 101,868 | \$ 602,579 |
| 9 | \$ 4 | \$ 222 | \$ 3,855 | \$ 9,667 | \$ 7,193 | \$ 24,282 | \$ 11,970 | \$ 57,194 | \$ 3,724 | \$ 18,802 | \$ 111,222 |
| 10 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ 35 | \$ 2,040 | \$ 35,374 | \$ 88,705 | \$ 66,005 | \$ 222,808 | \$ 109,835 | \$ 524,801 | \$ 23,908 | \$ 120,710 | \$ 714,041 |
| 16 | EXPENSES | | | | | | | | | | |
| 17 | Provider | | | | | | | | | | |
| 18 | \$ 0 | \$ 16 | \$ 275 | \$ 691 | \$ 514 | \$ 1,735 | \$ 855 | \$ 4,086 | \$ 266 | \$ 1,343 | \$ 7,947 |
| 19 | \$ 1 | \$ 57 | \$ 987 | \$ 2,476 | \$ 1,843 | \$ 6,220 | \$ 3,066 | \$ 14,650 | \$ 954 | \$ 4,816 | \$ 28,490 |
| 20 | \$ 2 | \$ 96 | \$ 1,668 | \$ 4,183 | \$ 3,113 | \$ 10,508 | \$ 5,180 | \$ 24,750 | \$ 1,612 | \$ 8,137 | \$ 48,131 |
| 21 | \$ 2 | \$ 108 | \$ 1,880 | \$ 4,713 | \$ 3,507 | \$ 11,838 | \$ 5,836 | \$ 27,884 | \$ 1,816 | \$ 9,167 | \$ 54,226 |
| 22 | \$ 5 | \$ 277 | \$ 4,811 | \$ 12,064 | \$ 8,977 | \$ 30,301 | \$ 14,937 | \$ 71,372 | \$ 4,647 | \$ 23,463 | \$ 138,793 |
| 23 | Less: | | | | | | | | | | |
| 24 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | \$ 5 | \$ 277 | \$ 4,811 | \$ 12,064 | \$ 8,977 | \$ 30,301 | \$ 14,937 | \$ 71,372 | \$ 4,647 | \$ 23,463 | \$ 138,793 |
| 27 | TOTAL NET PROVIDER PAYMENTS | | | | | | | | | | |
| 28 | \$ 18 | \$ 1,073 | \$ 18,615 | \$ 46,681 | \$ 34,735 | \$ 117,252 | \$ 57,800 | \$ 276,176 | \$ 17,982 | \$ 90,792 | \$ 537,067 |
| 29 | TOTAL ADMINISTRATIVE EXPENSES | | | | | | | | | | |
| 30 | \$ 23 | \$ 1,351 | \$ 23,426 | \$ 58,744 | \$ 43,712 | \$ 147,553 | \$ 72,738 | \$ 347,547 | \$ 22,629 | \$ 114,256 | \$ 675,860 |
| 31 | TOTAL EXPENSES | | | | | | | | | | |
| 32 | \$ 12 | \$ 689 | \$ 11,948 | \$ 29,960 | \$ 22,294 | \$ 75,254 | \$ 37,097 | \$ 177,254 | \$ 1,278 | \$ 6,455 | \$ 38,181 |
| 33 | \$ (0) | \$ (1) | \$ (16) | \$ (40) | \$ (30) | \$ (101) | \$ (50) | \$ (237) | \$ (15) | \$ (78) | \$ (460) |
| 34 | \$ 12 | \$ 688 | \$ 11,932 | \$ 29,920 | \$ 22,264 | \$ 75,154 | \$ 37,048 | \$ 177,017 | \$ 1,263 | \$ 6,377 | \$ 37,721 |
| 35 | \$ 0 | \$ 0 | \$ 4 | \$ 11 | \$ 8 | \$ 28 | \$ 14 | \$ 65 | \$ 4 | \$ 21 | \$ 127 |
| 36 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | \$ 12 | \$ 688 | \$ 11,927 | \$ 29,909 | \$ 22,256 | \$ 75,126 | \$ 37,034 | \$ 176,952 | \$ 1,259 | \$ 6,355 | \$ 37,594 |
| 38 | NET INCOME (LOSS) | | | | | | | | | | |

Community Health Solutions of Louisiana Plan # SS185
Schedule F
Baton Rouge Profitability
12/31/2013

| Baton Rouge | | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+ys F | Fam&Children 45+ys M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer | Grand Total |
|-------------|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|-------------------------|-------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|----------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 24,196.00 | 6,514.00 | 6,326.00 | 3,354.00 | 296.00 | 228.00 | 52.00 | 64,426.00 | 562.00 | 150.00 | 66.00 | 75,222.00 |
| 2 | Member Months | 72,604.00 | 19,523.00 | 18,963.00 | 10,033.00 | 939.00 | 687.00 | 160.00 | 193,303.00 | 1,701.00 | 438.00 | 196.00 | 225,740.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | 647.00 | - | - | - | 648.00 |
| 4 | Deceased Member Count | - | - | 1.00 | 1.00 | - | - | - | 5.00 | - | - | - | 25.00 |
| | REVENUES | | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 297 | \$ 80 | \$ 77 | \$ 41 | \$ 4 | \$ 3 | \$ 1 | \$ 790 | \$ 7 | \$ 2 | \$ 1 | \$ 922 |
| 6 | Enhanced PCCM Capitation | \$ 747,372 | \$ 200,966 | \$ 195,202 | \$ 103,278 | \$ 9,666 | \$ 7,072 | \$ 1,647 | \$ 1,989,825 | \$ 26,417 | \$ 6,802 | \$ 3,044 | \$ 2,493,572 |
| 7 | Shared Savings Revenue | \$ 137,948 | \$ 37,094 | \$ 36,030 | \$ 19,063 | \$ 1,784 | \$ 1,305 | \$ 304 | \$ 367,276 | \$ 3,232 | \$ 832 | \$ 372 | \$ 428,906 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 885,616 | \$ 238,140 | \$ 231,309 | \$ 122,382 | \$ 11,454 | \$ 8,380 | \$ 1,952 | \$ 2,357,891 | \$ 29,655 | \$ 7,636 | \$ 3,417 | \$ 2,923,400 |
| | EXPENSES | | | | | | | | | | | | |
| | Provider | | | | | | | | | | | | |
| 11 | PCP care management services | \$ 9,856 | \$ 2,650 | \$ 2,574 | \$ 1,362 | \$ 127 | \$ 93 | \$ 22 | \$ 26,241 | \$ 231 | \$ 59 | \$ 27 | \$ 30,644 |
| 12 | Enhanced PCCM payments | \$ 35,336 | \$ 9,502 | \$ 9,229 | \$ 4,883 | \$ 457 | \$ 334 | \$ 78 | \$ 94,078 | \$ 828 | \$ 213 | \$ 95 | \$ 109,865 |
| 13 | Provider incentive payments | \$ 59,696 | \$ 16,052 | \$ 15,592 | \$ 8,249 | \$ 772 | \$ 565 | \$ 132 | \$ 158,938 | \$ 1,399 | \$ 360 | \$ 161 | \$ 185,608 |
| 14 | Other Provider payments | \$ 67,255 | \$ 18,085 | \$ 17,566 | \$ 9,294 | \$ 870 | \$ 636 | \$ 148 | \$ 179,062 | \$ 1,576 | \$ 406 | \$ 182 | \$ 209,110 |
| 15 | Total Provider Payments | \$ 172,143 | \$ 46,289 | \$ 44,961 | \$ 23,788 | \$ 2,226 | \$ 1,629 | \$ 379 | \$ 458,319 | \$ 4,033 | \$ 1,038 | \$ 465 | \$ 535,227 |
| | Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 172,143 | \$ 46,289 | \$ 44,961 | \$ 23,788 | \$ 2,226 | \$ 1,629 | \$ 379 | \$ 458,319 | \$ 4,033 | \$ 1,038 | \$ 465 | \$ 535,227 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 666,117 | \$ 179,117 | \$ 173,979 | \$ 92,049 | \$ 8,615 | \$ 6,303 | \$ 1,468 | \$ 1,773,490 | \$ 15,606 | \$ 4,019 | \$ 1,798 | \$ 2,071,089 |
| 20 | TOTAL EXPENSES | \$ 838,261 | \$ 225,406 | \$ 218,940 | \$ 115,838 | \$ 10,841 | \$ 7,932 | \$ 1,847 | \$ 2,231,810 | \$ 19,639 | \$ 5,057 | \$ 2,263 | \$ 2,606,316 |
| 21 | Income (Loss) From Operations | \$ 47,356 | \$ 12,734 | \$ 12,369 | \$ 6,544 | \$ 612 | \$ 448 | \$ 104 | \$ 126,081 | \$ 10,016 | \$ 2,579 | \$ 1,154 | \$ 317,084 |
| 22 | Non-operating income (loss) | \$ (571) | \$ (154) | \$ (149) | \$ (79) | \$ (7) | \$ (5) | \$ (1) | \$ (1,520) | \$ (13) | \$ (3) | \$ (2) | \$ (1,775) |
| 23 | Income (Loss) Before Taxes | \$ 46,785 | \$ 12,580 | \$ 12,219 | \$ 6,465 | \$ 605 | \$ 443 | \$ 103 | \$ 124,561 | \$ 10,003 | \$ 2,576 | \$ 1,153 | \$ 315,309 |
| 24 | Income taxes | \$ 157 | \$ 42 | \$ 41 | \$ 22 | \$ 2 | \$ 1 | \$ 0 | \$ 419 | \$ 4 | \$ 1 | \$ 0 | \$ 489 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 46,627 | \$ 12,538 | \$ 12,178 | \$ 6,443 | \$ 603 | \$ 441 | \$ 103 | \$ 124,142 | \$ 9,999 | \$ 2,575 | \$ 1,152 | \$ 314,820 |

Community Health Solutions of Louisiana Plan # SS185
Schedule G
LaFayette Profitability
12/31/2013

| LaFayette | | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+ys MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|-----------|--|--------------------|--------------------|------------------|-------------------|--------------------|-------------------|-----------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 1.00 | 71.00 | 554.00 | 1,563.00 | 1,012.00 | 5,771.00 | 3,025.00 | 11,997.00 | 843.00 | 4,735.00 | 23,581.00 |
| 2 | Member Months | 1.00 | 208.00 | 1,677.00 | 4,679.00 | 3,006.00 | 17,517.00 | 9,107.00 | 36,195.00 | 2,588.00 | 14,311.00 | 70,641.00 |
| 3 | Newborn Count | 1.00 | - | - | - | - | - | - | 1.00 | 859.00 | - | - |
| 4 | Deceased Member Count | - | 1.00 | - | - | - | 5.00 | 11.00 | 17.00 | 3.00 | 1.00 | 2.00 |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 0 | \$ 1 | \$ 7 | \$ 19 | \$ 12 | \$ 72 | \$ 37 | \$ 148 | \$ 11 | \$ 58 | \$ 289 |
| 6 | Enhanced PCCM Capitation | \$ 16 | \$ 3,230 | \$ 26,044 | \$ 72,665 | \$ 46,683 | \$ 272,039 | \$ 141,432 | \$ 562,108 | \$ 26,640 | \$ 147,315 | \$ 727,165 |
| 7 | Shared Savings Revenue | \$ 2 | \$ 395 | \$ 3,186 | \$ 8,890 | \$ 5,711 | \$ 33,282 | \$ 17,303 | \$ 68,771 | \$ 4,917 | \$ 27,191 | \$ 134,218 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 17 | \$ 3,626 | \$ 29,237 | \$ 81,574 | \$ 52,407 | \$ 305,393 | \$ 158,772 | \$ 631,027 | \$ 31,568 | \$ 174,564 | \$ 861,672 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 0 | \$ 28 | \$ 228 | \$ 635 | \$ 408 | \$ 2,378 | \$ 1,236 | \$ 4,913 | \$ 351 | \$ 1,943 | \$ 9,590 |
| 12 | Enhanced PCCM payments | \$ 0 | \$ 101 | \$ 816 | \$ 2,277 | \$ 1,463 | \$ 8,525 | \$ 4,432 | \$ 17,616 | \$ 1,260 | \$ 6,965 | \$ 34,380 |
| 13 | Provider incentive payments | \$ 1 | \$ 171 | \$ 1,379 | \$ 3,847 | \$ 2,472 | \$ 14,403 | \$ 7,488 | \$ 29,760 | \$ 2,128 | \$ 11,767 | \$ 58,082 |
| 14 | Other Provider payments | \$ 1 | \$ 193 | \$ 1,553 | \$ 4,334 | \$ 2,785 | \$ 16,227 | \$ 8,436 | \$ 33,529 | \$ 2,397 | \$ 13,257 | \$ 65,437 |
| 15 | Total Provider Payments | \$ 2 | \$ 493 | \$ 3,976 | \$ 11,094 | \$ 7,127 | \$ 41,533 | \$ 21,593 | \$ 85,818 | \$ 6,136 | \$ 33,931 | \$ 167,489 |
| Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 2 | \$ 493 | \$ 3,976 | \$ 11,094 | \$ 7,127 | \$ 41,533 | \$ 21,593 | \$ 85,818 | \$ 6,136 | \$ 33,931 | \$ 167,489 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 9 | \$ 1,908 | \$ 15,386 | \$ 42,928 | \$ 27,579 | \$ 160,713 | \$ 83,554 | \$ 332,077 | \$ 23,744 | \$ 131,299 | \$ 648,108 |
| 20 | TOTAL EXPENSES | \$ 12 | \$ 2,401 | \$ 19,362 | \$ 54,022 | \$ 34,706 | \$ 202,245 | \$ 105,146 | \$ 417,895 | \$ 29,880 | \$ 165,230 | \$ 815,597 |
| 21 | Income (Loss) From Operations | \$ 6 | \$ 1,225 | \$ 9,875 | \$ 27,552 | \$ 17,701 | \$ 103,148 | \$ 53,626 | \$ 213,132 | \$ 1,688 | \$ 9,334 | \$ 46,075 |
| 22 | Non-operating income (loss) | \$ (0) | \$ (2) | \$ (13) | \$ (37) | \$ (24) | \$ (138) | \$ (72) | \$ (285) | \$ (20) | \$ (113) | \$ (556) |
| 23 | Income (Loss) Before Taxes | \$ 6 | \$ 1,223 | \$ 9,862 | \$ 27,515 | \$ 17,677 | \$ 103,010 | \$ 53,554 | \$ 212,847 | \$ 1,668 | \$ 9,222 | \$ 45,520 |
| 24 | Income taxes | \$ 0 | \$ 0 | \$ 4 | \$ 10 | \$ 7 | \$ 38 | \$ 20 | \$ 78 | \$ 6 | \$ 31 | \$ 153 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 6 | \$ 1,223 | \$ 9,858 | \$ 27,505 | \$ 17,670 | \$ 102,972 | \$ 53,535 | \$ 212,769 | \$ 1,662 | \$ 9,191 | \$ 45,367 |

Community Health Solutions of Louisiana Plan # SS185
Schedule G
LaFayette Profitability
12/31/2013

| LaFayette | | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer | Grand Total |
|-----------|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|----------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 33,070.00 | 8,700.00 | 8,679.00 | 5,500.00 | 553.00 | 299.00 | 86.00 | 86,046.00 | 861.00 | 321.00 | 59.00 | 99,284.00 |
| 2 | Member Months | 99,115.00 | 26,090.00 | 26,087.00 | 16,484.00 | 1,666.00 | 881.00 | 252.00 | 258,115.00 | 2,530.00 | 962.00 | 174.00 | 297,976.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | 859.00 | - | - | - | 860.00 |
| 4 | Deceased Member Count | 1.00 | - | 1.00 | - | - | - | - | 8.00 | - | - | - | 25.00 |
| | REVENUES | | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 405 | \$ 107 | \$ 107 | \$ 67 | \$ 7 | \$ 4 | \$ 1 | \$ 1,055 | \$ 10 | \$ 4 | \$ 1 | \$ 1,217 |
| 6 | Enhanced PCCM Capitation | \$ 1,020,272 | \$ 268,566 | \$ 268,535 | \$ 169,683 | \$ 17,149 | \$ 9,069 | \$ 2,594 | \$ 2,656,988 | \$ 39,291 | \$ 14,940 | \$ 2,702 | \$ 3,276,030 |
| 7 | Shared Savings Revenue | \$ 188,319 | \$ 49,571 | \$ 49,565 | \$ 31,320 | \$ 3,165 | \$ 1,674 | \$ 479 | \$ 490,419 | \$ 4,807 | \$ 1,828 | \$ 331 | \$ 566,154 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 1,208,995 | \$ 318,243 | \$ 318,207 | \$ 201,070 | \$ 20,322 | \$ 10,746 | \$ 3,074 | \$ 3,148,461 | \$ 44,108 | \$ 16,772 | \$ 3,034 | \$ 3,843,401 |
| | EXPENSES | | | | | | | | | | | | |
| | Provider | | | | | | | | | | | | |
| 11 | PCP care management services | \$ 13,455 | \$ 3,542 | \$ 3,541 | \$ 2,238 | \$ 226 | \$ 120 | \$ 34 | \$ 35,039 | \$ 343 | \$ 131 | \$ 24 | \$ 40,450 |
| 12 | Enhanced PCCM payments | \$ 48,238 | \$ 12,698 | \$ 12,696 | \$ 8,023 | \$ 811 | \$ 429 | \$ 123 | \$ 125,622 | \$ 1,231 | \$ 468 | \$ 85 | \$ 145,021 |
| 13 | Provider incentive payments | \$ 81,494 | \$ 21,452 | \$ 21,449 | \$ 13,553 | \$ 1,370 | \$ 724 | \$ 207 | \$ 212,227 | \$ 2,080 | \$ 791 | \$ 143 | \$ 245,002 |
| 14 | Other Provider payments | \$ 91,813 | \$ 24,168 | \$ 24,165 | \$ 15,270 | \$ 1,543 | \$ 816 | \$ 233 | \$ 239,100 | \$ 2,344 | \$ 891 | \$ 161 | \$ 276,024 |
| 15 | Total Provider Payments | \$ 235,001 | \$ 61,859 | \$ 61,852 | \$ 39,083 | \$ 3,950 | \$ 2,089 | \$ 597 | \$ 611,988 | \$ 5,999 | \$ 2,281 | \$ 413 | \$ 706,498 |
| Less: | | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 235,001 | \$ 61,859 | \$ 61,852 | \$ 39,083 | \$ 3,950 | \$ 2,089 | \$ 597 | \$ 611,988 | \$ 5,999 | \$ 2,281 | \$ 413 | \$ 706,498 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 909,347 | \$ 239,367 | \$ 239,340 | \$ 151,235 | \$ 15,285 | \$ 8,083 | \$ 2,312 | \$ 2,368,119 | \$ 23,212 | \$ 8,826 | \$ 1,596 | \$ 2,733,830 |
| 20 | TOTAL EXPENSES | \$ 1,144,348 | \$ 301,226 | \$ 301,191 | \$ 190,319 | \$ 19,235 | \$ 10,172 | \$ 2,910 | \$ 2,980,107 | \$ 29,211 | \$ 11,107 | \$ 2,009 | \$ 3,440,328 |
| 21 | Income (Loss) From Operations | \$ 64,647 | \$ 17,017 | \$ 17,015 | \$ 10,752 | \$ 1,087 | \$ 575 | \$ 164 | \$ 168,355 | \$ 14,898 | \$ 5,665 | \$ 1,025 | \$ 403,073 |
| 22 | Non-operating income (loss) | \$ (779) | \$ (205) | \$ (205) | \$ (130) | \$ (13) | \$ (7) | \$ (2) | \$ (2,030) | \$ (20) | \$ (8) | \$ (1) | \$ 6,490 |
| 23 | Income (Loss) Before Taxes | \$ 63,868 | \$ 16,812 | \$ 16,810 | \$ 10,622 | \$ 1,074 | \$ 568 | \$ 162 | \$ 166,325 | \$ 14,878 | \$ 5,657 | \$ 1,023 | \$ 409,564 |
| 24 | Income taxes | \$ 215 | \$ 57 | \$ 57 | \$ 36 | \$ 4 | \$ 2 | \$ 1 | \$ 560 | \$ 5 | \$ 2 | \$ 0 | \$ 646 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 63,653 | \$ 16,755 | \$ 16,753 | \$ 10,586 | \$ 1,070 | \$ 566 | \$ 162 | \$ 165,765 | \$ 14,872 | \$ 5,655 | \$ 1,023 | \$ 408,918 |

Community Health Solutions of Louisiana Plan # SS185
Schedule H
Lake Charles Profitability
12/31/2013

| Lake Charles | | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+yrs MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|--------------|--|--------------------|--------------------|------------------|-------------------|--------------------|-------------------|------------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | - | 67.00 | 892.00 | 2,050.00 | 1,007.00 | 4,030.00 | 1,350.00 | 9,396.00 | 955.00 | 5,856.00 | 32,478.00 |
| 2 | Member Months | 2.00 | 200.00 | 2,707.00 | 6,102.00 | 2,963.00 | 11,767.00 | 3,951.00 | 27,692.00 | 2,968.00 | 17,402.00 | 96,663.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | - | 960.00 | - | - |
| 4 | Deceased Member Count | - | - | 1.00 | 1.00 | 1.00 | 2.00 | 8.00 | 13.00 | 3.00 | 2.00 | 1.00 |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 0 | \$ 1 | \$ 11 | \$ 25 | \$ 12 | \$ 48 | \$ 16 | \$ 113 | \$ 12 | \$ 71 | \$ 395 |
| 6 | Enhanced PCCM Capitation | \$ 31 | \$ 3,106 | \$ 42,040 | \$ 94,764 | \$ 46,015 | \$ 182,742 | \$ 61,359 | \$ 430,057 | \$ 30,552 | \$ 179,133 | \$ 995,031 |
| 7 | Shared Savings Revenue | \$ 4 | \$ 380 | \$ 5,143 | \$ 11,594 | \$ 5,630 | \$ 22,357 | \$ 7,507 | \$ 52,615 | \$ 5,639 | \$ 33,064 | \$ 183,660 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 35 | \$ 3,487 | \$ 47,194 | \$ 106,383 | \$ 51,657 | \$ 205,147 | \$ 68,882 | \$ 482,785 | \$ 36,203 | \$ 212,268 | \$ 1,179,086 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 0 | \$ 27 | \$ 367 | \$ 828 | \$ 402 | \$ 1,597 | \$ 536 | \$ 3,759 | \$ 403 | \$ 2,362 | \$ 13,122 |
| 12 | Enhanced PCCM payments | \$ 1 | \$ 97 | \$ 1,317 | \$ 2,970 | \$ 1,442 | \$ 5,727 | \$ 1,923 | \$ 13,477 | \$ 1,444 | \$ 8,469 | \$ 47,045 |
| 13 | Provider incentive payments | \$ 2 | \$ 164 | \$ 2,226 | \$ 5,017 | \$ 2,436 | \$ 9,675 | \$ 3,249 | \$ 22,769 | \$ 2,440 | \$ 14,308 | \$ 79,478 |
| 14 | Other Provider payments | \$ 2 | \$ 185 | \$ 2,508 | \$ 5,652 | \$ 2,745 | \$ 10,900 | \$ 3,660 | \$ 25,652 | \$ 2,749 | \$ 16,120 | \$ 89,542 |
| 15 | Total Provider Payments | \$ 5 | \$ 474 | \$ 6,418 | \$ 14,468 | \$ 7,025 | \$ 27,899 | \$ 9,368 | \$ 65,657 | \$ 7,037 | \$ 41,260 | \$ 229,187 |
| Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 5 | \$ 474 | \$ 6,418 | \$ 14,468 | \$ 7,025 | \$ 27,899 | \$ 9,368 | \$ 65,657 | \$ 7,037 | \$ 41,260 | \$ 229,187 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 18 | \$ 1,835 | \$ 24,836 | \$ 55,984 | \$ 27,185 | \$ 107,958 | \$ 36,249 | \$ 254,065 | \$ 27,230 | \$ 159,658 | \$ 886,851 |
| 20 | TOTAL EXPENSES | \$ 23 | \$ 2,309 | \$ 31,254 | \$ 70,452 | \$ 34,210 | \$ 135,858 | \$ 45,617 | \$ 319,722 | \$ 34,268 | \$ 200,917 | \$ 1,116,038 |
| 21 | Income (Loss) From Operations | \$ 12 | \$ 1,178 | \$ 15,940 | \$ 35,931 | \$ 17,447 | \$ 69,289 | \$ 23,265 | \$ 163,062 | \$ 1,936 | \$ 11,350 | \$ 63,048 |
| 22 | Non-operating income (loss) | \$ (0) | \$ (2) | \$ (21) | \$ (48) | \$ (23) | \$ (93) | \$ (31) | \$ (218) | \$ (23) | \$ (137) | \$ (760) |
| 23 | Income (Loss) Before Taxes | \$ 12 | \$ 1,176 | \$ 15,919 | \$ 35,883 | \$ 17,424 | \$ 69,197 | \$ 23,234 | \$ 162,845 | \$ 1,913 | \$ 11,214 | \$ 62,288 |
| 24 | Income taxes | \$ 0 | \$ 0 | \$ 6 | \$ 13 | \$ 6 | \$ 26 | \$ 9 | \$ 60 | \$ 6 | \$ 38 | \$ 210 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 12 | \$ 1,176 | \$ 15,913 | \$ 35,870 | \$ 17,418 | \$ 69,171 | \$ 23,226 | \$ 162,785 | \$ 1,906 | \$ 11,176 | \$ 62,078 |

Community Health Solutions of Louisiana Plan # SS185
Schedule H
Lake Charles Profitability
12/31/2013

| Lake Charles | | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer |
|--------------|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 41,095.00 | 8,556.00 | 8,589.00 | 3,743.00 | 508.00 | 220.00 | 37.00 | 102,037.00 | 1,826.00 | 800.00 | 31.00 |
| 2 | Member Months | 121,763.00 | 25,172.00 | 25,392.00 | 10,906.00 | 1,496.00 | 642.00 | 110.00 | 302,514.00 | 5,414.00 | 2,325.00 | 90.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | 960.00 | 2.00 | - | - |
| 4 | Deceased Member Count | 1.00 | - | - | - | - | - | - | 7.00 | - | - | - |
| 5 | REVENUES | | | | | | | | | | | |
| 6 | PCCM Capitation | \$ 497 | \$ 103 | \$ 104 | \$ 45 | \$ 6 | \$ 3 | \$ 0 | \$ 1,236 | \$ 22 | \$ 9 | \$ 0 |
| 7 | Enhanced PCCM Capitation | \$ 1,253,406 | \$ 259,116 | \$ 261,381 | \$ 112,264 | \$ 15,400 | \$ 6,609 | \$ 1,132 | \$ 3,114,023 | \$ 84,079 | \$ 36,107 | \$ 1,398 |
| 8 | Shared Savings Revenue | \$ 231,350 | \$ 47,827 | \$ 48,245 | \$ 20,721 | \$ 2,842 | \$ 1,220 | \$ 209 | \$ 574,777 | \$ 10,287 | \$ 4,418 | \$ 171 |
| 9 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 1,485,253 | \$ 307,046 | \$ 309,729 | \$ 133,030 | \$ 18,248 | \$ 7,831 | \$ 1,342 | \$ 3,690,036 | \$ 94,388 | \$ 40,534 | \$ 1,569 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 16,529 | \$ 3,417 | \$ 3,447 | \$ 1,480 | \$ 203 | \$ 87 | \$ 15 | \$ 41,066 | \$ 735 | \$ 316 | \$ 12 |
| 12 | Enhanced PCCM payments | \$ 59,261 | \$ 12,251 | \$ 12,358 | \$ 5,308 | \$ 728 | \$ 312 | \$ 54 | \$ 147,230 | \$ 2,635 | \$ 1,132 | \$ 44 |
| 13 | Provider incentive payments | \$ 100,116 | \$ 20,697 | \$ 20,878 | \$ 8,967 | \$ 1,230 | \$ 528 | \$ 90 | \$ 248,733 | \$ 4,451 | \$ 1,912 | \$ 74 |
| 14 | Other Provider payments | \$ 112,793 | \$ 23,318 | \$ 23,521 | \$ 10,103 | \$ 1,386 | \$ 595 | \$ 102 | \$ 280,228 | \$ 5,015 | \$ 2,154 | \$ 83 |
| 15 | Total Provider Payments | \$ 288,699 | \$ 59,683 | \$ 60,204 | \$ 25,858 | \$ 3,547 | \$ 1,522 | \$ 261 | \$ 717,257 | \$ 12,837 | \$ 5,513 | \$ 213 |
| Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 288,699 | \$ 59,683 | \$ 60,204 | \$ 25,858 | \$ 3,547 | \$ 1,522 | \$ 261 | \$ 717,257 | \$ 12,837 | \$ 5,513 | \$ 213 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 1,117,135 | \$ 230,945 | \$ 232,963 | \$ 100,059 | \$ 13,725 | \$ 5,890 | \$ 1,009 | \$ 2,775,465 | \$ 49,672 | \$ 21,331 | \$ 826 |
| 20 | TOTAL EXPENSES | \$ 1,405,834 | \$ 290,627 | \$ 293,167 | \$ 125,917 | \$ 17,272 | \$ 7,412 | \$ 1,270 | \$ 3,492,722 | \$ 62,508 | \$ 26,844 | \$ 1,039 |
| 21 | Income (Loss) From Operations | \$ 79,420 | \$ 16,418 | \$ 16,562 | \$ 7,113 | \$ 976 | \$ 419 | \$ 72 | \$ 197,314 | \$ 31,880 | \$ 13,691 | \$ 530 |
| 22 | Non-operating income (loss) | \$ (958) | \$ (198) | \$ (200) | \$ (86) | \$ (12) | \$ (5) | \$ (1) | \$ (2,379) | \$ (43) | \$ (18) | \$ (1) |
| 23 | Income (Loss) Before Taxes | \$ 78,462 | \$ 16,220 | \$ 16,362 | \$ 7,028 | \$ 964 | \$ 414 | \$ 71 | \$ 194,935 | \$ 31,837 | \$ 13,672 | \$ 529 |
| 24 | Income taxes | \$ 264 | \$ 55 | \$ 55 | \$ 24 | \$ 3 | \$ 1 | \$ 0 | \$ 656 | \$ 12 | \$ 5 | \$ 0 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 78,198 | \$ 16,166 | \$ 16,307 | \$ 7,004 | \$ 961 | \$ 412 | \$ 71 | \$ 194,279 | \$ 31,826 | \$ 13,667 | \$ 529 |

Community Health Solutions of Louisiana Plan # SS185
Schedule H
Lake Charles Profitability
12/31/2013

| Lake Charles | | Grand Total |
|---------------|--|---------------------|
| Line # | REVENUE & EXPENSES | |
| 1 | Assigned Member Count at end of reporting period | 114,090.00 |
| 2 | Member Months | 338,035.00 |
| 3 | Newborn Count | 962.00 |
| 4 | Deceased Member Count | 20.00 |
| | REVENUES | |
| 5 | PCCM Capitation | \$ 1,381 |
| 6 | Enhanced PCCM Capitation | \$ 3,665,664 |
| 7 | Shared Savings Revenue | \$ 642,267 |
| 8 | Investment income | \$ - |
| 9 | Other income | \$ - |
| 10 | TOTAL REVENUES | \$ 4,309,312 |
| | EXPENSES | |
| | Provider | |
| 11 | PCP care management services | \$ 45,888 |
| 12 | Enhanced PCCM payments | \$ 164,518 |
| 13 | Provider incentive payments | \$ 277,939 |
| 14 | Other Provider payments | \$ 313,132 |
| 15 | Total Provider Payments | \$ 801,477 |
| Less: | | |
| 16 | Fraud and Abuse recoveries | \$ - |
| 17 | Other Recoveries | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 801,477 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 3,101,358 |
| 20 | TOTAL EXPENSES | \$ 3,902,835 |
| 21 | Income (Loss) From Operations | \$ 406,477 |
| 22 | Non-operating income (loss) | \$ (2,658) |
| 23 | Income (Loss) Before Taxes | \$ 403,818 |
| 24 | Income taxes | \$ 733 |
| 25 | Premium taxes | \$ - |
| 26 | NET INCOME (LOSS) | \$ 403,085 |

Community Health Solutions of Louisiana Plan # SS185
Schedule I
Mandeville Profitability
12/31/2013

| Mandeville | | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+yrs MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|------------|--|--------------------|--------------------|------------------|-------------------|--------------------|-------------------|------------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 1.00 | 73.00 | 878.00 | 2,119.00 | 1,411.00 | 5,302.00 | 2,520.00 | 12,304.00 | 1,133.00 | 5,984.00 | 36,946.00 |
| 2 | Member Months | 6.00 | 213.00 | 2,651.00 | 6,371.00 | 4,223.00 | 15,784.00 | 7,532.00 | 36,780.00 | 3,274.00 | 17,872.00 | 110,897.00 |
| 3 | Newborn Count | 1.00 | - | - | - | - | - | - | 1.00 | 1,146.00 | - | - |
| 4 | Deceased Member Count | - | - | 2.00 | - | - | - | 9.00 | 11.00 | 3.00 | 2.00 | - |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 0 | \$ 1 | \$ 11 | \$ 26 | \$ 17 | \$ 64 | \$ 31 | \$ 150 | \$ 13 | \$ 73 | \$ 453 |
| 6 | Enhanced PCCM Capitation | \$ 93 | \$ 3,308 | \$ 41,170 | \$ 98,942 | \$ 65,583 | \$ 245,126 | \$ 116,972 | \$ 571,193 | \$ 33,702 | \$ 183,971 | \$ 1,141,553 |
| 7 | Shared Savings Revenue | \$ 11 | \$ 405 | \$ 5,037 | \$ 12,105 | \$ 8,024 | \$ 29,990 | \$ 14,311 | \$ 69,882 | \$ 6,221 | \$ 33,957 | \$ 210,704 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 105 | \$ 3,713 | \$ 46,218 | \$ 111,073 | \$ 73,624 | \$ 275,180 | \$ 131,314 | \$ 641,226 | \$ 39,936 | \$ 218,001 | \$ 1,352,711 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 1 | \$ 29 | \$ 360 | \$ 865 | \$ 573 | \$ 2,143 | \$ 1,022 | \$ 4,993 | \$ 444 | \$ 2,426 | \$ 15,054 |
| 12 | Enhanced PCCM payments | \$ 3 | \$ 104 | \$ 1,290 | \$ 3,101 | \$ 2,055 | \$ 7,682 | \$ 3,666 | \$ 17,900 | \$ 1,593 | \$ 8,698 | \$ 53,972 |
| 13 | Provider incentive payments | \$ 5 | \$ 175 | \$ 2,180 | \$ 5,238 | \$ 3,472 | \$ 12,978 | \$ 6,193 | \$ 30,241 | \$ 2,692 | \$ 14,695 | \$ 91,182 |
| 14 | Other Provider payments | \$ 6 | \$ 197 | \$ 2,456 | \$ 5,902 | \$ 3,912 | \$ 14,621 | \$ 6,977 | \$ 34,070 | \$ 3,033 | \$ 16,555 | \$ 102,727 |
| 15 | Total Provider Payments | \$ 14 | \$ 505 | \$ 6,285 | \$ 15,106 | \$ 10,013 | \$ 37,424 | \$ 17,858 | \$ 87,205 | \$ 7,763 | \$ 42,374 | \$ 262,936 |
| | Less: | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 14 | \$ 505 | \$ 6,285 | \$ 15,106 | \$ 10,013 | \$ 37,424 | \$ 17,858 | \$ 87,205 | \$ 7,763 | \$ 42,374 | \$ 262,936 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 55 | \$ 1,954 | \$ 24,322 | \$ 58,452 | \$ 38,745 | \$ 144,813 | \$ 69,104 | \$ 337,444 | \$ 30,038 | \$ 163,970 | \$ 1,017,443 |
| 20 | TOTAL EXPENSES | \$ 69 | \$ 2,459 | \$ 30,608 | \$ 73,557 | \$ 48,757 | \$ 182,237 | \$ 86,962 | \$ 424,649 | \$ 37,800 | \$ 206,344 | \$ 1,280,378 |
| 21 | Income (Loss) From Operations | \$ 35 | \$ 1,254 | \$ 15,610 | \$ 37,515 | \$ 24,867 | \$ 92,943 | \$ 44,352 | \$ 216,576 | \$ 2,135 | \$ 11,657 | \$ 72,332 |
| 22 | Non-operating income (loss) | \$ (0) | \$ (2) | \$ (21) | \$ (50) | \$ (33) | \$ (124) | \$ (59) | \$ (289) | \$ (26) | \$ (141) | \$ (872) |
| 23 | Income (Loss) Before Taxes | \$ 35 | \$ 1,253 | \$ 15,589 | \$ 37,465 | \$ 24,834 | \$ 92,819 | \$ 44,292 | \$ 216,287 | \$ 2,110 | \$ 11,516 | \$ 71,460 |
| 24 | Income taxes | \$ 0 | \$ 0 | \$ 6 | \$ 14 | \$ 9 | \$ 34 | \$ 16 | \$ 80 | \$ 7 | \$ 39 | \$ 240 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2 | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 35 | \$ 1,252 | \$ 15,584 | \$ 37,451 | \$ 24,824 | \$ 92,785 | \$ 44,276 | \$ 216,208 | \$ 2,100 | \$ 11,478 | \$ 71,220 |

Community Health Solutions of Louisiana Plan # SS185
Schedule I
Mandeville Profitability
12/31/2013

| Mandeville | | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer | Grand Total |
|------------|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|----------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 48,353.00 | 11,445.00 | 11,252.00 | 5,765.00 | 884.00 | 358.00 | 132.00 | 122,252.00 | 1,878.00 | 797.00 | 66.00 | 137,297.00 |
| 2 | Member Months | 144,387.00 | 34,238.00 | 33,579.00 | 17,172.00 | 2,680.00 | 1,048.00 | 380.00 | 365,527.00 | 5,593.00 | 2,351.00 | 204.00 | 410,455.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | 1,146.00 | - | - | - | 1,147.00 |
| 4 | Deceased Member Count | - | - | - | - | - | - | - | 5.00 | - | - | - | 16.00 |
| | REVENUES | | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 590 | \$ 140 | \$ 137 | \$ 70 | \$ 11 | \$ 4 | \$ 2 | \$ 1,493 | \$ 23 | \$ 10 | \$ 1 | \$ 1,677 |
| 6 | Enhanced PCCM Capitation | \$ 1,486,293 | \$ 352,440 | \$ 345,656 | \$ 176,765 | \$ 27,587 | \$ 10,788 | \$ 3,912 | \$ 3,762,668 | \$ 86,859 | \$ 36,511 | \$ 3,168 | \$ 4,460,399 |
| 7 | Shared Savings Revenue | \$ 274,335 | \$ 65,052 | \$ 63,800 | \$ 32,627 | \$ 5,092 | \$ 1,991 | \$ 722 | \$ 694,501 | \$ 10,627 | \$ 4,467 | \$ 388 | \$ 779,865 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 1,761,218 | \$ 417,632 | \$ 409,593 | \$ 209,462 | \$ 32,690 | \$ 12,783 | \$ 4,635 | \$ 4,458,662 | \$ 97,509 | \$ 40,988 | \$ 3,557 | \$ 5,241,941 |
| | EXPENSES | | | | | | | | | | | | |
| | Provider | | | | | | | | | | | | |
| 11 | PCP care management services | \$ 19,601 | \$ 4,648 | \$ 4,558 | \$ 2,331 | \$ 364 | \$ 142 | \$ 52 | \$ 49,621 | \$ 759 | \$ 319 | \$ 28 | \$ 55,720 |
| 12 | Enhanced PCCM payments | \$ 70,271 | \$ 16,663 | \$ 16,343 | \$ 8,357 | \$ 1,304 | \$ 510 | \$ 185 | \$ 177,898 | \$ 2,722 | \$ 1,144 | \$ 99 | \$ 199,764 |
| 13 | Provider incentive payments | \$ 118,718 | \$ 28,151 | \$ 27,609 | \$ 14,119 | \$ 2,204 | \$ 862 | \$ 312 | \$ 300,543 | \$ 4,599 | \$ 1,933 | \$ 168 | \$ 337,484 |
| 14 | Other Provider payments | \$ 133,750 | \$ 31,716 | \$ 31,105 | \$ 15,907 | \$ 2,483 | \$ 971 | \$ 352 | \$ 338,599 | \$ 5,181 | \$ 2,178 | \$ 189 | \$ 380,217 |
| 15 | Total Provider Payments | \$ 342,340 | \$ 81,178 | \$ 79,615 | \$ 40,715 | \$ 6,354 | \$ 2,485 | \$ 901 | \$ 866,660 | \$ 13,261 | \$ 5,574 | \$ 484 | \$ 973,184 |
| | Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 342,340 | \$ 81,178 | \$ 79,615 | \$ 40,715 | \$ 6,354 | \$ 2,485 | \$ 901 | \$ 866,660 | \$ 13,261 | \$ 5,574 | \$ 484 | \$ 973,184 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 1,324,702 | \$ 314,122 | \$ 308,076 | \$ 157,547 | \$ 24,588 | \$ 9,615 | \$ 3,486 | \$ 3,353,588 | \$ 51,314 | \$ 21,570 | \$ 1,872 | \$ 3,765,787 |
| 20 | TOTAL EXPENSES | \$ 1,667,042 | \$ 395,300 | \$ 387,692 | \$ 198,262 | \$ 30,942 | \$ 12,100 | \$ 4,387 | \$ 4,220,248 | \$ 64,575 | \$ 27,144 | \$ 2,355 | \$ 4,738,972 |
| 21 | Income (Loss) From Operations | \$ 94,176 | \$ 22,332 | \$ 21,902 | \$ 11,200 | \$ 1,748 | \$ 684 | \$ 248 | \$ 238,414 | \$ 32,934 | \$ 13,844 | \$ 1,201 | \$ 502,969 |
| 22 | Non-operating income (loss) | \$ (1,136) | \$ (269) | \$ (264) | \$ (135) | \$ (21) | \$ (8) | \$ (3) | \$ (2,875) | \$ (44) | \$ (18) | \$ (2) | \$ (3,228) |
| 23 | Income (Loss) Before Taxes | \$ 93,040 | \$ 22,062 | \$ 21,638 | \$ 11,065 | \$ 1,727 | \$ 675 | \$ 245 | \$ 235,539 | \$ 32,890 | \$ 13,825 | \$ 1,200 | \$ 499,741 |
| 24 | Income taxes | \$ 313 | \$ 74 | \$ 73 | \$ 37 | \$ 6 | \$ 2 | \$ 1 | \$ 792 | \$ 12 | \$ 5 | \$ 0 | \$ 890 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2 | \$ - | \$ - | \$ - | \$ 2 |
| 26 | NET INCOME (LOSS) | \$ 92,727 | \$ 21,988 | \$ 21,565 | \$ 11,028 | \$ 1,721 | \$ 673 | \$ 244 | \$ 234,744 | \$ 32,878 | \$ 13,820 | \$ 1,199 | \$ 498,849 |

Community Health Solutions of Louisiana Plan # SS185
Schedule J
Monroe Profitability
12/31/2013

| Monroe | | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+yrs MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|--------|--|--------------------|--------------------|------------------|-------------------|--------------------|-------------------|------------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | - | 46.00 | 394.00 | 1,272.00 | 808.00 | 4,125.00 | 2,307.00 | 8,952.00 | 509.00 | 2,720.00 | 15,490.00 |
| 2 | Member Months | 4.00 | 134.00 | 1,157.00 | 3,717.00 | 2,384.00 | 12,292.00 | 6,719.00 | 26,407.00 | 1,595.00 | 8,001.00 | 45,961.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | - | 519.00 | - | - |
| 4 | Deceased Member Count | - | - | - | - | - | - | 4.00 | 4.00 | - | 1.00 | - |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 0 | \$ 1 | \$ 5 | \$ 15 | \$ 10 | \$ 50 | \$ 27 | \$ 108 | \$ 7 | \$ 33 | \$ 188 |
| 6 | Enhanced PCCM Capitation | \$ 62 | \$ 2,081 | \$ 17,968 | \$ 57,725 | \$ 37,024 | \$ 190,895 | \$ 104,346 | \$ 410,101 | \$ 16,419 | \$ 82,361 | \$ 473,114 |
| 7 | Shared Savings Revenue | \$ 8 | \$ 255 | \$ 2,198 | \$ 7,062 | \$ 4,530 | \$ 23,355 | \$ 12,766 | \$ 50,173 | \$ 3,031 | \$ 15,202 | \$ 87,326 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 70 | \$ 2,336 | \$ 20,171 | \$ 64,802 | \$ 41,563 | \$ 214,300 | \$ 117,140 | \$ 460,382 | \$ 19,456 | \$ 97,595 | \$ 560,628 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 1 | \$ 18 | \$ 157 | \$ 505 | \$ 324 | \$ 1,669 | \$ 912 | \$ 3,585 | \$ 217 | \$ 1,086 | \$ 6,239 |
| 12 | Enhanced PCCM payments | \$ 2 | \$ 65 | \$ 563 | \$ 1,809 | \$ 1,160 | \$ 5,982 | \$ 3,270 | \$ 12,852 | \$ 776 | \$ 3,894 | \$ 22,369 |
| 13 | Provider incentive payments | \$ 3 | \$ 110 | \$ 951 | \$ 3,056 | \$ 1,960 | \$ 10,107 | \$ 5,524 | \$ 21,712 | \$ 1,311 | \$ 6,579 | \$ 37,790 |
| 14 | Other Provider payments | \$ 4 | \$ 124 | \$ 1,072 | \$ 3,443 | \$ 2,208 | \$ 11,386 | \$ 6,224 | \$ 24,462 | \$ 1,477 | \$ 7,412 | \$ 42,575 |
| 15 | Total Provider Payments | \$ 9 | \$ 318 | \$ 2,743 | \$ 8,813 | \$ 5,652 | \$ 29,144 | \$ 15,931 | \$ 62,611 | \$ 3,782 | \$ 18,970 | \$ 108,973 |
| | Less: | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 9 | \$ 318 | \$ 2,743 | \$ 8,813 | \$ 5,652 | \$ 29,144 | \$ 15,931 | \$ 62,611 | \$ 3,782 | \$ 18,970 | \$ 108,973 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 37 | \$ 1,229 | \$ 10,615 | \$ 34,102 | \$ 21,872 | \$ 112,775 | \$ 61,645 | \$ 242,275 | \$ 14,634 | \$ 73,407 | \$ 421,677 |
| 20 | TOTAL EXPENSES | \$ 46 | \$ 1,547 | \$ 13,358 | \$ 42,915 | \$ 27,525 | \$ 141,919 | \$ 77,575 | \$ 304,886 | \$ 18,415 | \$ 92,377 | \$ 530,650 |
| 21 | Income (Loss) From Operations | \$ 24 | \$ 789 | \$ 6,813 | \$ 21,887 | \$ 14,038 | \$ 72,381 | \$ 39,564 | \$ 155,496 | \$ 1,040 | \$ 5,219 | \$ 29,978 |
| 22 | Non-operating income (loss) | \$ (0) | \$ (1) | \$ (9) | \$ (29) | \$ (19) | \$ (97) | \$ (53) | \$ (208) | \$ (13) | \$ (63) | \$ (361) |
| 23 | Income (Loss) Before Taxes | \$ 24 | \$ 788 | \$ 6,804 | \$ 21,858 | \$ 14,019 | \$ 72,284 | \$ 39,512 | \$ 155,288 | \$ 1,028 | \$ 5,156 | \$ 29,616 |
| 24 | Income taxes | \$ 0 | \$ 0 | \$ 3 | \$ 8 | \$ 5 | \$ 27 | \$ 15 | \$ 57 | \$ 3 | \$ 17 | \$ 100 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 24 | \$ 788 | \$ 6,801 | \$ 21,850 | \$ 14,014 | \$ 72,257 | \$ 39,497 | \$ 155,231 | \$ 1,024 | \$ 5,138 | \$ 29,517 |

Community Health Solutions of Louisiana Plan # SS185
Schedule J
Monroe Profitability
12/31/2013

| Monroe | | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer | Grand Total |
|--------|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|----------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 20,244.00 | 5,134.00 | 4,888.00 | 3,514.00 | 375.00 | 204.00 | 29.00 | 53,107.00 | 489.00 | 148.00 | 16.00 | 62,712.00 |
| 2 | Member Months | 60,031.00 | 15,207.00 | 14,552.00 | 10,376.00 | 1,096.00 | 575.00 | 83.00 | 157,477.00 | 1,431.00 | 415.00 | 44.00 | 185,774.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | 519.00 | - | - | - | 519.00 |
| 4 | Deceased Member Count | 1.00 | - | - | 1.00 | - | - | - | 3.00 | - | - | - | 7.00 |
| | REVENUES | | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 245 | \$ 62 | \$ 59 | \$ 42 | \$ 4 | \$ 2 | \$ 0 | \$ 643 | \$ 6 | \$ 2 | \$ 0 | \$ 759 |
| 6 | Enhanced PCCM Capitation | \$ 617,948 | \$ 156,538 | \$ 149,796 | \$ 106,809 | \$ 11,282 | \$ 5,919 | \$ 854 | \$ 1,621,039 | \$ 22,223 | \$ 6,445 | \$ 683 | \$ 2,060,492 |
| 7 | Shared Savings Revenue | \$ 114,059 | \$ 28,893 | \$ 27,649 | \$ 19,714 | \$ 2,082 | \$ 1,093 | \$ 158 | \$ 299,206 | \$ 2,719 | \$ 789 | \$ 84 | \$ 352,971 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 732,252 | \$ 185,493 | \$ 177,504 | \$ 126,565 | \$ 13,369 | \$ 7,014 | \$ 1,012 | \$ 1,920,889 | \$ 24,948 | \$ 7,235 | \$ 767 | \$ 2,414,221 |
| | EXPENSES | | | | | | | | | | | | |
| | Provider | | | | | | | | | | | | |
| 11 | PCP care management services | \$ 8,149 | \$ 2,064 | \$ 1,975 | \$ 1,409 | \$ 149 | \$ 78 | \$ 11 | \$ 21,378 | \$ 194 | \$ 56 | \$ 6 | \$ 25,219 |
| 12 | Enhanced PCCM payments | \$ 29,216 | \$ 7,401 | \$ 7,082 | \$ 5,050 | \$ 533 | \$ 280 | \$ 40 | \$ 76,642 | \$ 696 | \$ 202 | \$ 21 | \$ 90,414 |
| 13 | Provider incentive payments | \$ 49,359 | \$ 12,503 | \$ 11,965 | \$ 8,531 | \$ 901 | \$ 473 | \$ 68 | \$ 129,481 | \$ 1,177 | \$ 341 | \$ 36 | \$ 152,747 |
| 14 | Other Provider payments | \$ 55,609 | \$ 14,087 | \$ 13,480 | \$ 9,612 | \$ 1,015 | \$ 533 | \$ 77 | \$ 145,876 | \$ 1,326 | \$ 384 | \$ 41 | \$ 172,088 |
| 15 | Total Provider Payments | \$ 142,333 | \$ 36,056 | \$ 34,503 | \$ 24,601 | \$ 2,599 | \$ 1,363 | \$ 197 | \$ 373,376 | \$ 3,393 | \$ 984 | \$ 104 | \$ 440,468 |
| | Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 142,333 | \$ 36,056 | \$ 34,503 | \$ 24,601 | \$ 2,599 | \$ 1,363 | \$ 197 | \$ 373,376 | \$ 3,393 | \$ 984 | \$ 104 | \$ 440,468 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 550,764 | \$ 139,519 | \$ 133,510 | \$ 95,196 | \$ 10,055 | \$ 5,275 | \$ 761 | \$ 1,444,799 | \$ 13,129 | \$ 3,807 | \$ 404 | \$ 1,704,414 |
| 20 | TOTAL EXPENSES | \$ 693,097 | \$ 175,575 | \$ 168,012 | \$ 119,798 | \$ 12,654 | \$ 6,639 | \$ 958 | \$ 1,818,175 | \$ 16,522 | \$ 4,791 | \$ 508 | \$ 2,144,882 |
| 21 | Income (Loss) From Operations | \$ 39,155 | \$ 9,919 | \$ 9,491 | \$ 6,768 | \$ 715 | \$ 375 | \$ 54 | \$ 102,714 | \$ 8,426 | \$ 2,444 | \$ 259 | \$ 269,339 |
| 22 | Non-operating income (loss) | \$ (472) | \$ (120) | \$ (114) | \$ (82) | \$ (9) | \$ (5) | \$ (1) | \$ (1,238) | \$ (11) | \$ (3) | \$ (0) | \$ (1,461) |
| 23 | Income (Loss) Before Taxes | \$ 38,683 | \$ 9,799 | \$ 9,377 | \$ 6,686 | \$ 706 | \$ 371 | \$ 53 | \$ 101,475 | \$ 8,415 | \$ 2,440 | \$ 259 | \$ 267,878 |
| 24 | Income taxes | \$ 130 | \$ 33 | \$ 32 | \$ 22 | \$ 2 | \$ 1 | \$ 0 | \$ 341 | \$ 3 | \$ 1 | \$ 0 | \$ 403 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 38,553 | \$ 9,766 | \$ 9,346 | \$ 6,664 | \$ 704 | \$ 369 | \$ 53 | \$ 101,134 | \$ 8,412 | \$ 2,440 | \$ 259 | \$ 267,475 |

Community Health Solutions of Louisiana Plan # SS185
Schedule K
New Orleans Profitability
12/31/2013

| New Orleans | | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+yrs MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|-------------|--|--------------------|--------------------|------------------|-------------------|--------------------|-------------------|------------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 3.00 | 48.00 | 750.00 | 2,813.00 | 1,764.00 | 6,483.00 | 4,233.00 | 16,094.00 | 768.00 | 4,095.00 | 31,450.00 |
| 2 | Member Months | 12.00 | 128.00 | 2,284.00 | 8,465.00 | 5,288.00 | 19,748.00 | 12,688.00 | 48,613.00 | 2,294.00 | 12,276.00 | 94,779.00 |
| 3 | Newborn Count | 3.00 | - | - | - | - | - | - | 3.00 | 785.00 | - | - |
| 4 | Deceased Member Count | - | - | 1.00 | 1.00 | - | 5.00 | 17.00 | 24.00 | 2.00 | 2.00 | - |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 0 | \$ 1 | \$ 9 | \$ 35 | \$ 22 | \$ 81 | \$ 52 | \$ 199 | \$ 9 | \$ 50 | \$ 387 |
| 6 | Enhanced PCCM Capitation | \$ 186 | \$ 1,988 | \$ 35,471 | \$ 131,461 | \$ 82,123 | \$ 306,686 | \$ 197,045 | \$ 754,960 | \$ 23,614 | \$ 126,367 | \$ 975,638 |
| 7 | Shared Savings Revenue | \$ 23 | \$ 243 | \$ 4,340 | \$ 16,084 | \$ 10,047 | \$ 37,521 | \$ 24,107 | \$ 92,365 | \$ 4,359 | \$ 23,324 | \$ 180,080 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 209 | \$ 2,232 | \$ 39,819 | \$ 147,580 | \$ 92,191 | \$ 344,288 | \$ 221,204 | \$ 847,523 | \$ 27,982 | \$ 149,741 | \$ 1,156,105 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | \$ 2 | \$ 17 | \$ 310 | \$ 1,149 | \$ 718 | \$ 2,681 | \$ 1,722 | \$ 6,599 | \$ 311 | \$ 1,666 | \$ 12,866 |
| 12 | Enhanced PCCM payments | \$ 6 | \$ 62 | \$ 1,112 | \$ 4,120 | \$ 2,574 | \$ 9,611 | \$ 6,175 | \$ 23,659 | \$ 1,116 | \$ 5,975 | \$ 46,128 |
| 13 | Provider incentive payments | \$ 10 | \$ 105 | \$ 1,878 | \$ 6,960 | \$ 4,348 | \$ 16,237 | \$ 10,432 | \$ 39,971 | \$ 1,886 | \$ 10,094 | \$ 77,929 |
| 14 | Other Provider payments | \$ 11 | \$ 119 | \$ 2,116 | \$ 7,841 | \$ 4,898 | \$ 18,293 | \$ 11,753 | \$ 45,032 | \$ 2,125 | \$ 11,372 | \$ 87,797 |
| 15 | Total Provider Payments | \$ 28 | \$ 303 | \$ 5,415 | \$ 20,070 | \$ 12,538 | \$ 46,822 | \$ 30,083 | \$ 115,261 | \$ 5,439 | \$ 29,106 | \$ 224,720 |
| Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 28 | \$ 303 | \$ 5,415 | \$ 20,070 | \$ 12,538 | \$ 46,822 | \$ 30,083 | \$ 115,261 | \$ 5,439 | \$ 29,106 | \$ 224,720 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 110 | \$ 1,174 | \$ 20,955 | \$ 77,664 | \$ 48,516 | \$ 181,181 | \$ 116,408 | \$ 446,008 | \$ 21,047 | \$ 112,628 | \$ 869,566 |
| 20 | TOTAL EXPENSES | \$ 139 | \$ 1,478 | \$ 26,370 | \$ 97,734 | \$ 61,053 | \$ 228,004 | \$ 146,491 | \$ 561,269 | \$ 26,486 | \$ 141,734 | \$ 1,094,286 |
| 21 | Income (Loss) From Operations | \$ 71 | \$ 754 | \$ 13,449 | \$ 49,846 | \$ 31,138 | \$ 116,285 | \$ 74,712 | \$ 286,254 | \$ 1,496 | \$ 8,007 | \$ 61,819 |
| 22 | Non-operating income (loss) | \$ (0) | \$ (1) | \$ (18) | \$ (67) | \$ (42) | \$ (155) | \$ (100) | \$ (382) | \$ (18) | \$ (97) | \$ (745) |
| 23 | Income (Loss) Before Taxes | \$ 71 | \$ 753 | \$ 13,431 | \$ 49,779 | \$ 31,096 | \$ 116,129 | \$ 74,613 | \$ 285,872 | \$ 1,478 | \$ 7,910 | \$ 61,074 |
| 24 | Income taxes | \$ 0 | \$ 0 | \$ 5 | \$ 18 | \$ 11 | \$ 43 | \$ 28 | \$ 105 | \$ 5 | \$ 27 | \$ 205 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 71 | \$ 752 | \$ 13,426 | \$ 49,761 | \$ 31,085 | \$ 116,087 | \$ 74,585 | \$ 285,767 | \$ 1,473 | \$ 7,884 | \$ 60,868 |

Community Health Solutions of Louisiana Plan # SS185
Schedule K
New Orleans Profitability
12/31/2013

| New Orleans | | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer | Grand Total |
|-------------|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|----------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | 40,616.00 | 9,626.00 | 9,135.00 | 7,578.00 | 719.00 | 599.00 | 160.00 | 104,746.00 | 717.00 | 345.00 | 89.00 | 121,991.00 |
| 2 | Member Months | 121,110.00 | 28,797.00 | 27,487.00 | 22,808.00 | 2,165.00 | 1,807.00 | 476.00 | 313,999.00 | 2,187.00 | 1,027.00 | 270.00 | 366,096.00 |
| 3 | Newborn Count | - | - | - | - | - | - | - | 785.00 | - | - | - | 788.00 |
| 4 | Deceased Member Count | 1.00 | 1.00 | - | 2.00 | - | 1.00 | - | 9.00 | - | - | 1.00 | 34.00 |
| | REVENUES | | | | | | | | | | | | |
| 5 | PCCM Capitation | \$ 495 | \$ 118 | \$ 112 | \$ 93 | \$ 9 | \$ 7 | \$ 2 | \$ 1,283 | \$ 9 | \$ 4 | \$ 1 | \$ 1,496 |
| 6 | Enhanced PCCM Capitation | \$ 1,246,684 | \$ 296,431 | \$ 282,946 | \$ 234,781 | \$ 22,286 | \$ 18,601 | \$ 4,900 | \$ 3,232,248 | \$ 33,964 | \$ 15,949 | \$ 4,193 | \$ 4,041,314 |
| 7 | Shared Savings Revenue | \$ 230,109 | \$ 54,714 | \$ 52,225 | \$ 43,335 | \$ 4,114 | \$ 3,433 | \$ 904 | \$ 596,598 | \$ 4,155 | \$ 1,951 | \$ 513 | \$ 695,582 |
| 8 | Investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | \$ 1,477,288 | \$ 351,263 | \$ 335,284 | \$ 278,210 | \$ 26,408 | \$ 22,042 | \$ 5,806 | \$ 3,830,129 | \$ 38,128 | \$ 17,905 | \$ 4,707 | \$ 4,738,392 |
| | EXPENSES | | | | | | | | | | | | |
| | Provider | | | | | | | | | | | | |
| 11 | PCP care management services | \$ 16,441 | \$ 3,909 | \$ 3,731 | \$ 3,096 | \$ 294 | \$ 245 | \$ 65 | \$ 42,626 | \$ 297 | \$ 139 | \$ 37 | \$ 49,698 |
| 12 | Enhanced PCCM payments | \$ 58,943 | \$ 14,015 | \$ 13,378 | \$ 11,100 | \$ 1,054 | \$ 879 | \$ 232 | \$ 152,820 | \$ 1,064 | \$ 500 | \$ 131 | \$ 178,175 |
| 13 | Provider incentive payments | \$ 99,579 | \$ 23,677 | \$ 22,600 | \$ 18,753 | \$ 1,780 | \$ 1,486 | \$ 391 | \$ 258,176 | \$ 1,798 | \$ 844 | \$ 222 | \$ 301,011 |
| 14 | Other Provider payments | \$ 112,188 | \$ 26,676 | \$ 25,462 | \$ 21,128 | \$ 2,006 | \$ 1,674 | \$ 441 | \$ 290,867 | \$ 2,026 | \$ 951 | \$ 250 | \$ 339,126 |
| 15 | Total Provider Payments | \$ 287,150 | \$ 68,277 | \$ 65,171 | \$ 54,078 | \$ 5,133 | \$ 4,284 | \$ 1,129 | \$ 744,488 | \$ 5,185 | \$ 2,435 | \$ 640 | \$ 868,009 |
| Less: | | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | \$ 287,150 | \$ 68,277 | \$ 65,171 | \$ 54,078 | \$ 5,133 | \$ 4,284 | \$ 1,129 | \$ 744,488 | \$ 5,185 | \$ 2,435 | \$ 640 | \$ 868,009 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | \$ 1,111,144 | \$ 264,203 | \$ 252,184 | \$ 209,256 | \$ 19,863 | \$ 16,579 | \$ 4,367 | \$ 2,880,836 | \$ 20,065 | \$ 9,422 | \$ 2,477 | \$ 3,358,808 |
| 20 | TOTAL EXPENSES | \$ 1,398,294 | \$ 332,480 | \$ 317,355 | \$ 263,333 | \$ 24,996 | \$ 20,863 | \$ 5,496 | \$ 3,625,324 | \$ 25,250 | \$ 11,857 | \$ 3,117 | \$ 4,226,818 |
| 21 | Income (Loss) From Operations | \$ 78,994 | \$ 18,783 | \$ 17,928 | \$ 14,876 | \$ 1,412 | \$ 1,179 | \$ 310 | \$ 204,805 | \$ 12,878 | \$ 6,047 | \$ 1,590 | \$ 511,574 |
| 22 | Non-operating income (loss) | \$ (952) | \$ (226) | \$ (216) | \$ (179) | \$ (17) | \$ (14) | \$ (4) | \$ (2,469) | \$ (17) | \$ (8) | \$ (2) | \$ (2,879) |
| 23 | Income (Loss) Before Taxes | \$ 78,041 | \$ 18,556 | \$ 17,712 | \$ 14,697 | \$ 1,395 | \$ 1,164 | \$ 307 | \$ 202,335 | \$ 12,861 | \$ 6,039 | \$ 1,588 | \$ 508,695 |
| 24 | Income taxes | \$ 263 | \$ 62 | \$ 60 | \$ 49 | \$ 5 | \$ 4 | \$ 1 | \$ 681 | \$ 5 | \$ 2 | \$ 1 | \$ 794 |
| 25 | Premium taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | \$ 77,779 | \$ 18,494 | \$ 17,653 | \$ 14,648 | \$ 1,390 | \$ 1,160 | \$ 306 | \$ 201,655 | \$ 12,856 | \$ 6,037 | \$ 1,587 | \$ 507,902 |

Community Health Solutions of Louisiana Plan # SS185
Schedule L
Shreveport Profitability
12/31/2013

| Shreveport | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+yrs MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|---------------|--|--------------------|------------------|-------------------|--------------------|-------------------|------------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | | | | | | | | | | |
| 2 | 4.00 | 68.00 | 523.00 | 1,834.00 | 1,249.00 | 4,821.00 | 3,599.00 | 12,098.00 | 421.00 | 2,227.00 | 15,268.00 |
| 3 | 12.00 | 185.00 | 1,597.00 | 5,512.00 | 3,721.00 | 14,397.00 | 10,733.00 | 36,157.00 | 1,246.00 | 6,667.00 | 45,612.00 |
| 4 | 4.00 | - | - | - | - | - | - | 4.00 | 425.00 | - | - |
| 5 | - | - | 1.00 | - | - | 2.00 | 7.00 | 10.00 | - | 1.00 | 1.00 |
| 6 | REVENUES | | | | | | | | | | |
| 7 | \$ 0 | \$ 1 | \$ 7 | \$ 23 | \$ 15 | \$ 59 | \$ 44 | \$ 148 | \$ 5 | \$ 27 | \$ 186 |
| 8 | \$ 186 | \$ 2,873 | \$ 24,801 | \$ 85,601 | \$ 57,787 | \$ 223,585 | \$ 166,683 | \$ 561,518 | \$ 12,826 | \$ 68,629 | \$ 469,522 |
| 9 | \$ 23 | \$ 352 | \$ 3,034 | \$ 10,473 | \$ 7,070 | \$ 27,354 | \$ 20,393 | \$ 68,698 | \$ 2,367 | \$ 12,667 | \$ 86,663 |
| 10 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ 209 | \$ 3,225 | \$ 27,842 | \$ 96,097 | \$ 64,872 | \$ 250,999 | \$ 187,120 | \$ 630,364 | \$ 15,199 | \$ 81,323 | \$ 556,371 |
| 16 | EXPENSES | | | | | | | | | | |
| 17 | Provider | | | | | | | | | | |
| 18 | \$ 2 | \$ 25 | \$ 217 | \$ 748 | \$ 505 | \$ 1,954 | \$ 1,457 | \$ 4,908 | \$ 169 | \$ 905 | \$ 6,192 |
| 19 | \$ 6 | \$ 90 | \$ 777 | \$ 2,683 | \$ 1,811 | \$ 7,007 | \$ 5,224 | \$ 17,597 | \$ 606 | \$ 3,245 | \$ 22,199 |
| 20 | \$ 10 | \$ 152 | \$ 1,313 | \$ 4,532 | \$ 3,059 | \$ 11,837 | \$ 8,825 | \$ 29,729 | \$ 1,024 | \$ 5,482 | \$ 37,503 |
| 21 | \$ 11 | \$ 171 | \$ 1,479 | \$ 5,106 | \$ 3,447 | \$ 13,336 | \$ 9,942 | \$ 33,493 | \$ 1,154 | \$ 6,176 | \$ 42,252 |
| 22 | \$ 28 | \$ 439 | \$ 3,786 | \$ 13,069 | \$ 8,822 | \$ 34,135 | \$ 25,448 | \$ 85,728 | \$ 2,954 | \$ 15,807 | \$ 108,146 |
| 23 | Less: | | | | | | | | | | |
| 24 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | \$ 28 | \$ 439 | \$ 3,786 | \$ 13,069 | \$ 8,822 | \$ 34,135 | \$ 25,448 | \$ 85,728 | \$ 2,954 | \$ 15,807 | \$ 108,146 |
| 27 | TOTAL PROVIDER PAYMENTS | | | | | | | | | | |
| 28 | \$ 110 | \$ 1,697 | \$ 14,652 | \$ 50,571 | \$ 34,139 | \$ 132,088 | \$ 98,472 | \$ 331,728 | \$ 11,432 | \$ 61,167 | \$ 418,475 |
| 29 | TOTAL ADMINISTRATIVE EXPENSES | | | | | | | | | | |
| 30 | \$ 139 | \$ 2,136 | \$ 18,438 | \$ 63,640 | \$ 42,961 | \$ 166,223 | \$ 123,920 | \$ 417,456 | \$ 14,386 | \$ 76,975 | \$ 526,620 |
| 31 | TOTAL EXPENSES | | | | | | | | | | |
| 32 | Income (Loss) From Operations | | | | | | | | | | |
| 33 | \$ 71 | \$ 1,089 | \$ 9,404 | \$ 32,457 | \$ 21,911 | \$ 84,776 | \$ 63,201 | \$ 212,908 | \$ 813 | \$ 4,349 | \$ 29,750 |
| 34 | \$ (0) | \$ (1) | \$ (13) | \$ (43) | \$ (29) | \$ (113) | \$ (84) | \$ (284) | \$ (10) | \$ (52) | \$ (359) |
| 35 | \$ 71 | \$ 1,088 | \$ 9,391 | \$ 32,414 | \$ 21,882 | \$ 84,663 | \$ 63,116 | \$ 212,624 | \$ 803 | \$ 4,296 | \$ 29,392 |
| 36 | Income (Loss) Before Taxes | | | | | | | | | | |
| 37 | \$ 0 | \$ 0 | \$ 3 | \$ 12 | \$ 8 | \$ 31 | \$ 23 | \$ 78 | \$ 3 | \$ 14 | \$ 99 |
| 38 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | \$ 71 | \$ 1,088 | \$ 9,388 | \$ 32,402 | \$ 21,874 | \$ 84,631 | \$ 63,093 | \$ 212,545 | \$ 800 | \$ 4,282 | \$ 29,293 |
| 40 | NET INCOME (LOSS) | | | | | | | | | | |

Community Health Solutions of Louisiana Plan # SS185
Schedule L
Shreveport Profitability
12/31/2013

| Shreveport | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44yrs F | Fam&Children 19-44yrs M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer | Grand Total |
|---------------|--|----------------------------|----------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|----------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | | | | | | | | | | | |
| 2 | Member Months | | | | | | | | | | | |
| 3 | Newborn Count | | | | | | | | | | | |
| 4 | Deceased Member Count | | | | | | | | | | | |
| | 22,228.00 | 6,014.00 | 5,647.00 | 3,792.00 | 296.00 | 251.00 | 58.00 | 56,202.00 | 504.00 | 238.00 | 32.00 | 69,074.00 |
| | 66,234.00 | 17,955.00 | 16,899.00 | 11,275.00 | 875.00 | 744.00 | 165.00 | 167,672.00 | 1,471.00 | 693.00 | 96.00 | 206,089.00 |
| | - | - | - | - | - | - | - | 425.00 | - | - | - | 429.00 |
| | - | - | - | 1.00 | - | - | - | 3.00 | - | - | 1.00 | 14.00 |
| | REVENUES | | | | | | | | | | | |
| 5 | PCCM Capitation | | | | | | | | | | | |
| 6 | Enhanced PCCM Capitation | | | | | | | | | | | |
| 7 | Shared Savings Revenue | | | | | | | | | | | |
| 8 | Investment income | | | | | | | | | | | |
| 9 | Other income | | | | | | | | | | | |
| | \$ 271 | \$ 73 | \$ 69 | \$ 46 | \$ 4 | \$ 3 | \$ 1 | \$ 685 | \$ 6 | \$ 3 | \$ 0 | \$ 842 |
| | \$ 681,801 | \$ 184,825 | \$ 173,955 | \$ 116,063 | \$ 9,007 | \$ 7,659 | \$ 1,698 | \$ 1,725,985 | \$ 22,845 | \$ 10,762 | \$ 1,491 | \$ 2,322,601 |
| | \$ 125,845 | \$ 34,115 | \$ 32,108 | \$ 21,423 | \$ 1,663 | \$ 1,414 | \$ 314 | \$ 318,577 | \$ 2,795 | \$ 1,317 | \$ 182 | \$ 391,569 |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | TOTAL REVENUES | | | | | | | | | | | |
| | \$ 807,916 | \$ 219,013 | \$ 206,132 | \$ 137,531 | \$ 10,673 | \$ 9,075 | \$ 2,013 | \$ 2,045,247 | \$ 25,646 | \$ 12,082 | \$ 1,674 | \$ 2,715,012 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | PCP care management services | | | | | | | | | | | |
| 12 | Enhanced PCCM payments | | | | | | | | | | | |
| 13 | Provider incentive payments | | | | | | | | | | | |
| 14 | Other Provider payments | | | | | | | | | | | |
| | \$ 8,991 | \$ 2,437 | \$ 2,294 | \$ 1,531 | \$ 119 | \$ 101 | \$ 22 | \$ 22,762 | \$ 200 | \$ 94 | \$ 13 | \$ 27,977 |
| | \$ 32,235 | \$ 8,738 | \$ 8,225 | \$ 5,487 | \$ 426 | \$ 362 | \$ 80 | \$ 81,604 | \$ 716 | \$ 337 | \$ 47 | \$ 100,301 |
| | \$ 54,459 | \$ 14,763 | \$ 13,895 | \$ 9,271 | \$ 719 | \$ 612 | \$ 136 | \$ 137,863 | \$ 1,209 | \$ 570 | \$ 79 | \$ 169,450 |
| | \$ 61,355 | \$ 16,632 | \$ 15,654 | \$ 10,444 | \$ 811 | \$ 689 | \$ 153 | \$ 155,320 | \$ 1,363 | \$ 642 | \$ 89 | \$ 190,906 |
| 15 | Total Provider Payments | | | | | | | | | | | |
| | \$ 157,040 | \$ 42,571 | \$ 40,067 | \$ 26,733 | \$ 2,075 | \$ 1,764 | \$ 391 | \$ 397,548 | \$ 3,488 | \$ 1,643 | \$ 228 | \$ 488,635 |
| Less: | | | | | | | | | | | | |
| 16 | Fraud and Abuse recoveries | | | | | | | | | | | |
| 17 | Other Recoveries | | | | | | | | | | | |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | TOTAL NET PROVIDER PAYMENTS | | | | | | | | | | | |
| | \$ 157,040 | \$ 42,571 | \$ 40,067 | \$ 26,733 | \$ 2,075 | \$ 1,764 | \$ 391 | \$ 397,548 | \$ 3,488 | \$ 1,643 | \$ 228 | \$ 488,635 |
| 19 | TOTAL ADMINISTRATIVE EXPENSES | | | | | | | | | | | |
| | \$ 607,675 | \$ 164,731 | \$ 155,043 | \$ 103,444 | \$ 8,028 | \$ 6,826 | \$ 1,514 | \$ 1,538,335 | \$ 13,496 | \$ 6,358 | \$ 881 | \$ 1,690,798 |
| 20 | TOTAL EXPENSES | | | | | | | | | | | |
| | \$ 764,715 | \$ 207,302 | \$ 195,110 | \$ 130,177 | \$ 10,102 | \$ 8,590 | \$ 1,905 | \$ 1,935,883 | \$ 16,984 | \$ 8,001 | \$ 1,108 | \$ 2,379,432 |
| 21 | Income (Loss) From Operations | | | | | | | | | | | |
| | \$ 43,201 | \$ 11,711 | \$ 11,022 | \$ 7,354 | \$ 571 | \$ 485 | \$ 108 | \$ 109,364 | \$ 8,662 | \$ 4,081 | \$ 565 | \$ 335,579 |
| 22 | Non-operating income (loss) | | | | | | | | | | | |
| | \$ (521) | \$ (141) | \$ (139) | \$ (89) | \$ (7) | \$ (6) | \$ (1) | \$ (1,319) | \$ (12) | \$ (5) | \$ (1) | \$ (1,621) |
| 23 | Income (Loss) Before Taxes | | | | | | | | | | | |
| | \$ 42,680 | \$ 11,570 | \$ 10,889 | \$ 7,265 | \$ 564 | \$ 479 | \$ 106 | \$ 108,045 | \$ 8,650 | \$ 4,075 | \$ 565 | \$ 333,959 |
| 24 | Income taxes | | | | | | | | | | | |
| | \$ 144 | \$ 39 | \$ 37 | \$ 24 | \$ 2 | \$ 2 | \$ 0 | \$ 363 | \$ 3 | \$ 2 | \$ 0 | \$ 447 |
| 25 | Premium taxes | | | | | | | | | | | |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | NET INCOME (LOSS) | | | | | | | | | | | |
| | \$ 42,536 | \$ 11,531 | \$ 10,853 | \$ 7,241 | \$ 562 | \$ 478 | \$ 106 | \$ 107,681 | \$ 8,647 | \$ 4,074 | \$ 564 | \$ 333,512 |

Community Health Solutions of Louisiana Plan # SS185
 Schedule M
 Thibodaux Profitability
 12/31/2013

| Thibodaux | SSI 0-2 Mos, MF | SSI 3-11Mos, MF | SSI 1-5yrs MF | SSI 6-13yrs MF | SSI 14-18yrs MF | SSI 19-44ys MF | SSI 45+ys MF | SSI Total | Fam&Children 0-2 Mos, MF | Fam&Children 3-11Mos, MF | Fam&Children 1-5yrs MF |
|---------------|--|--------------------|------------------|-------------------|--------------------|-------------------|-----------------|--------------|-----------------------------|-----------------------------|---------------------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | | | | | | | | | | |
| 2 | - | 39.00 | 700.00 | 1,660.00 | 798.00 | 3,343.00 | 1,517.00 | 8,057.00 | 596.00 | 3,095.00 | 19,942.00 |
| 3 | 5.00 | 116.00 | 2,118.00 | 5,023.00 | 2,409.00 | 10,086.00 | 4,554.00 | 24,311.00 | 1,681.00 | 9,402.00 | 59,957.00 |
| 4 | - | - | - | - | - | - | - | - | 602.00 | - | - |
| 5 | - | - | - | - | 1.00 | 1.00 | 3.00 | 5.00 | 2.00 | 1.00 | - |
| 6 | REVENUES | | | | | | | | | | |
| 7 | \$ 0 | \$ 0 | \$ 9 | \$ 21 | \$ 10 | \$ 41 | \$ 19 | \$ 99 | \$ 7 | \$ 38 | \$ 245 |
| 8 | \$ 78 | \$ 1,801 | \$ 32,893 | \$ 78,007 | \$ 37,412 | \$ 156,636 | \$ 70,724 | \$ 377,550 | \$ 17,304 | \$ 96,782 | \$ 617,186 |
| 9 | \$ 10 | \$ 220 | \$ 4,024 | \$ 9,544 | \$ 4,577 | \$ 19,163 | \$ 8,653 | \$ 46,191 | \$ 3,194 | \$ 17,864 | \$ 113,918 |
| 10 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | \$ 87 | \$ 2,022 | \$ 36,925 | \$ 87,571 | \$ 41,999 | \$ 175,840 | \$ 79,395 | \$ 423,840 | \$ 20,505 | \$ 114,685 | \$ 731,350 |
| 16 | EXPENSES | | | | | | | | | | |
| 17 | Provider | | | | | | | | | | |
| 18 | \$ 1 | \$ 16 | \$ 288 | \$ 682 | \$ 327 | \$ 1,369 | \$ 618 | \$ 3,300 | \$ 228 | \$ 1,276 | \$ 8,139 |
| 19 | \$ 2 | \$ 56 | \$ 1,031 | \$ 2,445 | \$ 1,172 | \$ 4,909 | \$ 2,216 | \$ 11,832 | \$ 818 | \$ 4,576 | \$ 29,180 |
| 20 | \$ 4 | \$ 95 | \$ 1,741 | \$ 4,130 | \$ 1,981 | \$ 8,293 | \$ 3,744 | \$ 19,989 | \$ 1,382 | \$ 7,731 | \$ 49,298 |
| 21 | \$ 5 | \$ 107 | \$ 1,962 | \$ 4,653 | \$ 2,232 | \$ 9,343 | \$ 4,219 | \$ 22,520 | \$ 1,557 | \$ 8,709 | \$ 55,540 |
| 22 | \$ 12 | \$ 275 | \$ 5,022 | \$ 11,909 | \$ 5,712 | \$ 23,914 | \$ 10,797 | \$ 57,641 | \$ 3,986 | \$ 22,292 | \$ 142,157 |
| 23 | Less: | | | | | | | | | | |
| 24 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | \$ 12 | \$ 275 | \$ 5,022 | \$ 11,909 | \$ 5,712 | \$ 23,914 | \$ 10,797 | \$ 57,641 | \$ 3,986 | \$ 22,292 | \$ 142,157 |
| 27 | TOTAL NET PROVIDER PAYMENTS | | | | | | | | | | |
| 28 | \$ 46 | \$ 1,064 | \$ 19,432 | \$ 46,084 | \$ 22,102 | \$ 92,536 | \$ 41,781 | \$ 223,045 | \$ 15,423 | \$ 86,260 | \$ 550,085 |
| 29 | TOTAL ADMINISTRATIVE EXPENSES | | | | | | | | | | |
| 30 | \$ 58 | \$ 1,339 | \$ 24,454 | \$ 57,994 | \$ 27,813 | \$ 116,449 | \$ 52,579 | \$ 280,686 | \$ 19,408 | \$ 108,552 | \$ 692,243 |
| 31 | TOTAL EXPENSES | | | | | | | | | | |
| 32 | Income (Loss) From Operations | | | | | | | | | | |
| 33 | \$ 29 | \$ 683 | \$ 12,472 | \$ 29,578 | \$ 14,185 | \$ 59,391 | \$ 26,816 | \$ 143,154 | \$ 1,096 | \$ 6,132 | \$ 39,107 |
| 34 | \$ (0) | \$ (1) | \$ (17) | \$ (40) | \$ (19) | \$ (79) | \$ (36) | \$ (191) | \$ (13) | \$ (74) | \$ (472) |
| 35 | \$ 29 | \$ 682 | \$ 12,455 | \$ 29,538 | \$ 14,166 | \$ 59,311 | \$ 26,780 | \$ 142,962 | \$ 1,083 | \$ 6,058 | \$ 38,635 |
| 36 | Income (Loss) Before Taxes | | | | | | | | | | |
| 37 | \$ 0 | \$ 0 | \$ 5 | \$ 11 | \$ 5 | \$ 22 | \$ 10 | \$ 53 | \$ 4 | \$ 20 | \$ 130 |
| 38 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | \$ 29 | \$ 682 | \$ 12,450 | \$ 29,527 | \$ 14,161 | \$ 59,290 | \$ 26,770 | \$ 142,910 | \$ 1,080 | \$ 6,038 | \$ 38,505 |
| 40 | NET INCOME (LOSS) | | | | | | | | | | |

Community Health Solutions of Louisiana Plan # SS185
Schedule M
Thibodaux Profitability
12/31/2013

| Thibodaux | Fam&Children 6-13yrs MF | Fam&Children 14-18yrs F | Fam&Children 14-18yrs M | Fam&Children 19-44ys F | Fam&Children 19-44ys M | Fam&Children 45+yrs F | Fam&Children 45+yrs M | Fam&Children Subtotal | Foster Care Children | LaCHIP Affordable Plan | Breast and Cervical Cancer | Grand Total |
|---------------|--|----------------------------|----------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|-------------------------|---------------------------|-------------------------------|----------------|
| Line # | REVENUE & EXPENSES | | | | | | | | | | | |
| 1 | Assigned Member Count at end of reporting period | | | | | | | | | | | |
| 2 | 67,819.00 | 14,970.00 | 14,949.00 | 11,119.00 | 1,054.00 | 537.00 | 206.00 | 60,586.00 | 565.00 | 362.00 | 17.00 | 69,587.00 |
| 3 | - | - | - | - | - | - | - | 181,694.00 | 1,696.00 | 1,079.00 | 50.00 | 208,830.00 |
| 4 | - | - | - | - | - | - | - | 602.00 | - | - | - | 602.00 |
| | | | | | | | | 3.00 | - | - | - | 8.00 |
| | REVENUES | | | | | | | | | | | |
| 5 | \$ 277 | \$ 61 | \$ 61 | \$ 45 | \$ 4 | \$ 2 | \$ 1 | \$ 742 | \$ 7 | \$ 4 | \$ 0 | \$ 853 |
| 6 | \$ 698,116 | \$ 154,098 | \$ 153,882 | \$ 114,457 | \$ 10,850 | \$ 5,528 | \$ 2,121 | \$ 1,870,325 | \$ 26,339 | \$ 16,757 | \$ 776 | \$ 2,291,747 |
| 7 | \$ 128,856 | \$ 28,443 | \$ 28,403 | \$ 21,126 | \$ 2,003 | \$ 1,020 | \$ 391 | \$ 345,219 | \$ 3,222 | \$ 2,050 | \$ 95 | \$ 396,777 |
| 8 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | \$ 827,249 | \$ 182,603 | \$ 182,346 | \$ 135,628 | \$ 12,857 | \$ 6,550 | \$ 2,513 | \$ 2,216,285 | \$ 29,568 | \$ 18,811 | \$ 872 | \$ 2,689,377 |
| | EXPENSES | | | | | | | | | | | |
| | Provider | | | | | | | | | | | |
| 11 | \$ 9,206 | \$ 2,032 | \$ 2,029 | \$ 1,509 | \$ 143 | \$ 73 | \$ 28 | \$ 24,665 | \$ 230 | \$ 146 | \$ 7 | \$ 28,349 |
| 12 | \$ 33,007 | \$ 7,286 | \$ 7,276 | \$ 5,411 | \$ 513 | \$ 261 | \$ 100 | \$ 88,428 | \$ 825 | \$ 525 | \$ 24 | \$ 101,635 |
| 13 | \$ 55,762 | \$ 12,309 | \$ 12,291 | \$ 9,142 | \$ 867 | \$ 442 | \$ 169 | \$ 149,392 | \$ 1,394 | \$ 887 | \$ 41 | \$ 171,704 |
| 14 | \$ 62,823 | \$ 13,867 | \$ 13,848 | \$ 10,300 | \$ 976 | \$ 497 | \$ 191 | \$ 168,309 | \$ 1,571 | \$ 1,000 | \$ 46 | \$ 193,445 |
| 15 | \$ 160,798 | \$ 35,494 | \$ 35,444 | \$ 26,363 | \$ 2,499 | \$ 1,273 | \$ 488 | \$ 430,794 | \$ 4,021 | \$ 2,558 | \$ 119 | \$ 495,134 |
| Less: | | | | | | | | | | | | |
| 16 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | \$ 160,798 | \$ 35,494 | \$ 35,444 | \$ 26,363 | \$ 2,499 | \$ 1,273 | \$ 488 | \$ 430,794 | \$ 4,021 | \$ 2,558 | \$ 119 | \$ 495,134 |
| 19 | \$ 622,217 | \$ 137,345 | \$ 137,152 | \$ 102,013 | \$ 9,670 | \$ 4,927 | \$ 1,890 | \$ 1,666,982 | \$ 15,560 | \$ 9,899 | \$ 459 | \$ 1,915,945 |
| 20 | \$ 783,015 | \$ 172,838 | \$ 172,596 | \$ 128,376 | \$ 12,169 | \$ 6,200 | \$ 2,378 | \$ 2,097,776 | \$ 19,581 | \$ 12,458 | \$ 577 | \$ 2,411,079 |
| 21 | \$ 44,235 | \$ 9,764 | \$ 9,750 | \$ 7,252 | \$ 687 | \$ 350 | \$ 134 | \$ 118,509 | \$ 9,987 | \$ 6,354 | \$ 294 | \$ 278,298 |
| 22 | \$ (533) | \$ (118) | \$ (118) | \$ (87) | \$ (8) | \$ (4) | \$ (2) | \$ (1,429) | \$ (13) | \$ (8) | \$ (0) | \$ (1,642) |
| 23 | \$ 43,701 | \$ 9,646 | \$ 9,633 | \$ 7,165 | \$ 679 | \$ 346 | \$ 133 | \$ 117,080 | \$ 9,973 | \$ 6,345 | \$ 294 | \$ 276,655 |
| 24 | \$ 147 | \$ 32 | \$ 32 | \$ 24 | \$ 2 | \$ 1 | \$ 0 | \$ 394 | \$ 4 | \$ 2 | \$ 0 | \$ 453 |
| 25 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | \$ 43,554 | \$ 9,614 | \$ 9,600 | \$ 7,141 | \$ 677 | \$ 345 | \$ 132 | \$ 116,686 | \$ 9,970 | \$ 6,343 | \$ 294 | \$ 276,203 |

Community Health Solutions of Louisiana Plan # SS185
Schedule N
Investments Report
12/31/2013

| | Investment description | Type | Amortized cost | Market value | Carrying value |
|---------------|--|--------------|----------------|--------------|----------------|
| Line # | <i>Short-term Investments</i> | | | | |
| 1 | Short-term investments | Bond | \$ - | \$ - | \$ - |
| 2 | Short-term investments | Stock | \$ - | \$ - | \$ - |
| 3 | Short-term investments | Other | \$ - | \$ - | \$ - |
| 4 | <i>Subtotal</i> | | \$ - | \$ - | \$ - |
| | | | | | |
| | <i>General Performance Bond</i> | | | | |
| 5 | General performance bonds | Bond | \$ - | \$ - | \$ - |
| 6 | <i>Subtotal</i> | | \$ - | \$ - | \$ - |
| | | | | | |
| | <i>Long-Term Investments</i> | | | | |
| 7 | Long-term investments | Stock | \$ - | \$ - | \$ - |
| 8 | Long-term investments | US Gov't Sec | \$ - | \$ - | \$ - |
| 9 | <i>Subtotal</i> | | \$ - | \$ - | \$ - |
| 10 | <i>Total</i> | | \$ - | \$ - | \$ - |

Community Health Solutions of Louisiana Plan # SS185
Schedule O
Provider Group Receivable/ Payable Report
12/31/2013

| | Provider Names | Amount |
|---------------|--|----------|
| Line # | <i>Provider Group Receivable</i> | |
| 1 | DeQuincy Memorial Hospital | \$ 1,201 |
| 2 | DeSoto Hospital Association | \$ 863 |
| 3 | | \$ - |
| 4 | | \$ - |
| 5 | | \$ 2,064 |
| | <i>Provider Group Payable</i> | |
| 6 | | \$ - |
| 7 | | \$ - |
| 8 | | \$ - |
| 9 | | \$ - |
| 10 | | \$ - |
| 15 | <i>Total Net Provider Group Receivable/Payable Balance</i> | \$ 2,064 |

Community Health Solutions of Louisiana Plan # SS185
Schedule P
Other Assets Report
12/31/2013

| | Asset description | Amount |
|---------------|--|---------------------|
| Line # | <i>Other Current Assets (list)</i> | |
| 1 | Rent - Security Deposit | \$ 6,800 |
| 2 | Utility Deposit | \$ 546 |
| 3 | See Supplemental Area | \$ 2,379,210 |
| 4 | Subtotal | \$ 2,386,556 |
| | <i>Other Non-Current Assets(list)</i> | |
| 5 | Performance Bond | \$ 2,000,000 |
| 6 | Other non-current assets 2 | \$ - |
| 7 | Other non-current assets 3 | \$ - |
| 8 | Subtotal | \$ 2,000,000 |
| 9 | Total | \$ 4,386,556 |

Community Health Solutions of Louisiana Plan # SS185
Schedule Q
Accounts Payable Analysis
12/31/2013

| Payment Aging Analysis | | | | | | | |
|------------------------|--|--|------------|------------|-------------|------------|-----------------------------|
| Line # | Subcontractor/Vendor account | Received days prior to end of reporting period | | | | | Late Interest Payments Made |
| | | 1-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121 + Days | |
| 1 | PEOPLE Premier, Inc. | \$ 110,495 | \$ - | \$ - | \$ - | \$ - | \$ 110,495 |
| 2 | Clear Recruiting Solutions, LLC | \$ 4,500 | \$ - | \$ - | \$ - | \$ - | \$ 4,500 |
| 3 | Clear Processing Solutions, LLC | \$ 1,953 | \$ - | \$ - | \$ - | \$ - | \$ 1,953 |
| 4 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | Aggregate accounts not individually listed | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | Total Subcontractor Payments | \$ 116,949 | \$ - | \$ - | \$ - | \$ - | \$ 116,949 |
| 23 | Vendor Payments | \$ 21,931 | \$ - | \$ - | \$ - | \$ - | \$ 21,931 |
| 24 | McKesson Technologies Inc. | \$ - | \$ 10,105 | \$ - | \$ - | \$ - | \$ 10,105 |
| 25 | Wright Feigley | \$ 3,737 | \$ - | \$ - | \$ - | \$ - | \$ 3,737 |
| 26 | Roedel, Parsons, Koch, Blache, Balhoff & | \$ 854 | \$ - | \$ - | \$ - | \$ - | \$ 854 |
| 27 | Zeno Office Solutions | \$ - | \$ 480 | \$ - | \$ - | \$ - | \$ 480 |
| 28 | Air Control Engineering, Inc | \$ 428 | \$ - | \$ - | \$ - | \$ - | \$ 428 |
| 29 | Jackie's Cleaning Service | \$ - | \$ - | \$ - | \$ 143 | \$ - | \$ 143 |
| 30 | LA - State Board of Nursing | \$ 87 | \$ - | \$ - | \$ - | \$ - | \$ 87 |
| 31 | Cellular One | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 33 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | Aggregate accounts not individually listed | \$ 10,947 | \$ 6 | \$ - | \$ - | \$ - | \$ 10,953 |
| 22 | Total Vendor Payments | \$ 37,983 | \$ 10,591 | \$ - | \$ 143 | \$ - | \$ 48,716 |
| 45 | Total | \$ 154,932 | \$ 10,591 | \$ - | \$ 143 | \$ - | \$ 165,665 |

Note: Individually listed creditors should include those who largest to smallest total payments payable

Community Health Solutions of Louisiana Plan # SS185
 Schedule R
 Other Liabilities Report
 12/31/2013

| | Liability description | Amount |
|--------|--|--------|
| Line # | Other Current Liabilities | |
| 1 | Other current liabilities 1 (list) | \$ - |
| 2 | Other current liabilities 2 (list) | \$ - |
| 3 | Other current liabilities 3 (list) | \$ - |
| 4 | Subtotal | \$ - |
| | | |
| | Other Non-Current Liabilities | |
| 5 | Other non-current liabilities 1 (list) | \$ - |
| 6 | Other non-current liabilities 2 (list) | \$ - |
| 7 | Other non-current liabilities 3 (list) | \$ - |
| 8 | Subtotal | \$ - |
| 9 | Total | \$ - |

Community Health Solutions of Louisiana Plan # SS185
Schedule S
Long-Term Debt Report
12/31/2013

| | Lender name | Amount |
|--------|---|-------------|
| Line # | <i>Current Portion of Long-term Debt</i> | |
| 1 | Lender 1 (list) | \$ - |
| 2 | Lender 2 (list) | \$ - |
| 3 | Lender 3 (list) | \$ - |
| 4 | <i>Subtotal</i> | \$ - |
| | | |
| | <i>Non-current Portion of Long-term Debt</i> | |
| 6 | Lender 1 (list) | \$ - |
| 7 | Lender 2 (list) | \$ - |
| 8 | Lender 3 (list) | \$ - |
| 9 | <i>Subtotal</i> | \$ - |
| 10 | <i>Total</i> | \$ - |

Community Health Solutions of Louisiana Plan # SS185
Schedule T
Utilization Report
12/31/2013

| Quarterly total member months for period | | 2,374,700 | | | | |
|--|---|------------|---------------------------|------------------------|-------|--------------------------|
| | | Discharges | Days /visits/ quantity | Discharges per 1000 | ALOS | Days/ visits per 1000 |
| Line # | Utilization | | | | | |
| Hospitalization | | | | | | |
| 1 | Inpatient medical | 4,614.00 | 13,005.00 | 23.32 | 2.82 | 65.72 |
| 2 | Inpatient surgical | 2,166.00 | 11,959.00 | 10.95 | 5.52 | 60.43 |
| 3 | Inpatient ICU/CCU | 1,137.00 | 7,108.00 | 5.75 | 6.25 | 35.92 |
| 4 | Inpatient Maternity | 12,731.00 | 30,609.00 | 64.33 | 2.40 | 154.68 |
| 4a | C-section deliveries and nursery | 4,371.00 | 12,713.00 | 22.09 | 2.91 | 64.24 |
| 4b | Vaginal deliveries and nursery | 8,360.00 | 17,896.00 | 42.25 | 2.14 | 90.43 |
| 5 | Inpatient NICU | 1,054.00 | 18,975.00 | 5.33 | 18.00 | 95.89 |
| 6 | Inpatient rehab | 51.00 | 820.00 | 0.26 | 16.08 | 4.14 |
| 7 | Inpatient psych/detox | 2,841.00 | 14,036.00 | 14.36 | 4.94 | 70.93 |
| 9 | Total Hospitalization | 24,594.00 | 96,512.00 | 124.28 | 3.92 | 487.70 |
| Outpatient and Physician | | | | | | |
| 10 | • Outpatient Hospital Services | | 204,482.00 | | | 1,033.30 |
| 11 | • Freestanding Dialysis Center Services | | 3,320.00 | | | 16.78 |
| 12 | • Ancillary Medical Services | | 334,039.00 | | | 1,687.99 |
| 13 | • EPSDT/Well Child Visits | | 304,204.00 | | | 1,537.22 |
| 14 | • Emergency Medical Services | | 143,925.00 | | | 727.29 |
| 15 | • Communicable Disease Services | | 51,438.00 | | | 259.93 |
| 16 | • Home Health Services | | 1,235.00 | | | 6.24 |
| 17 | • Family Planning Services | | 23,430.00 | | | 118.40 |
| 18 | • Basic Behavioral Health Services | | 137,005.00 | | | 692.32 |
| 19 | • School-Based Health Clinic Services | | 4,111.00 | | | 20.77 |
| 20 | • Physician Services | | 877,877.00 | | | 4,436.15 |
| 21 | • Maternity Services | | 203,556.00 | | | 1,028.62 |
| 22 | • Chiropractic Services | | 68.00 | | | 0.34 |
| | • Therapy Services (physical, occupational, and | | | | | |
| 23 | speech therapies) | | 26,299.00 | | | 132.90 |
| 24 | • Women, Infants and Children (WIC) Referrals | | - | | | - |
| 25 | • Other Services | | 878,620.00 | | | 4,439.90 |
| 26 | Total Outpatient/Physician Services | | 3,193,609.00 | | | 16,138.17 |
| 27 | TOTAL MEDICAL UTILIZATION | | 3,290,121.00 | - | - | 16,625.87 |

Community Health Solutions of Louisiana Plan # SS185
Schedule U
FQHC/RHC Payments
12/31/2013

| Line # | FQHC Case Management or Rural Health Clinic/Incentive Fee Payment (list by center or clinic name) | FQHC = F RHC = R | Total |
|--------|--|---------------------|----------|
| 1 | JEFFERSON COMMUNITY HEALTH CARE CLINICS | F | \$3,521 |
| 2 | MOREHOUSE COMMUNITY MEDICAL CENTERS | F | \$6,438 |
| 3 | WEST BATON ROUGE PRIMARY CARE | F | \$1,321 |
| 4 | SOUTHEAST COMMUNITY HEALTH SYSTEMS-ALBANY | F | \$715 |
| 5 | BENTON CASON DELAHOUSAYE MD-1097110 | F | \$5 |
| 6 | SLAUGHTER HEALTH CENTER | F | \$335 |
| 7 | MICHAEL F MELANSON MD-1312487 | F | \$58 |
| 8 | ST THOMAS COMMUNITY HEALTH CENTER INC | F | \$2,495 |
| 9 | SWLA CENTER FOR HEALTH SERVICES - LAFAYETTE | F | \$1,309 |
| 10 | PRIMARY HEALTH SERVICES CENTER | F | \$12,054 |
| 11 | INNIS COMMUNITY HEALTH CENTER | F | \$2,074 |
| 12 | RAPIDES PRIMARY HEALTH CARE CENTER | F | \$1,820 |
| 13 | ST CHARLES COMMUNITY HEALTH CENTER | F | \$25,394 |
| 14 | BATON ROUGE PRIMARY CARE COLLABORATIVE INC | F | \$7,177 |
| 15 | MULTIPRACTICE CLINIC, INC-1448109 | F | \$76 |
| 16 | CONCORDIA COMMUNITY HEALTH CENTER | F | \$3,014 |
| 17 | JACKSON COMPLEX HEALTH CENTER | F | \$474 |
| 18 | TENSAS COMMUNITY HEALTH CENTER INC | F | \$122 |
| 19 | RKM PRIMARY CARE | F | \$9,622 |
| 20 | LIVONIA COMMUNITY HEALTH CENTER | F | \$155 |
| 21 | TECHE ACTION CLINIC @ HOUMA | F | \$697 |
| 22 | FAMILY HEALTHCARE CLINIC APMC-1493465 | F | \$51 |
| 23 | VERSAILLES NEIGHBORHOOD CLINIC-1675261 | F | \$800 |
| 24 | DAVID RAINES COMMUNITY HEALTH CENTER INC BOSSIER | F | \$5,405 |
| 25 | COMMON GROUND HEALTH CLINIC-1803154 | F | \$158 |
| 26 | TECHE ACTION @ RESERVE | F | \$344 |
| 27 | SOUTHEAST COMMUNITY HEALTH SYSTEMS-KENTWOOD | F | \$1,640 |
| 28 | SOUTHEAST COMMUNITY HEALTH SYSTEMS-CHENEYVILLE | F | \$319 |
| 29 | MOREHOUSE COMMUNITY MEDICAL CENTERS, INC | F | \$1,822 |
| 30 | SWLA CENTER FOR HEALTH SERVICES | F | \$817 |
| 31 | WINN COMMUNITY HEALTH CENTER | F | \$2,729 |
| 32 | WEST ST MARY SCHOOL BASED HEALTH CENTER | F | \$274 |
| 33 | TECHE ACTION CLINIC @ PIERRE PART | F | \$535 |
| 34 | SICILY ISLAND MEDICAL CENTER | F | \$2,083 |
| 35 | HEALTHCARE FOR THE HOMELESS | F | \$787 |
| 36 | SWLA CENTER FOR HEALTH SERVICES | F | \$8,387 |
| 37 | TECHE ACTION CLINIC | F | \$1,281 |
| 38 | IBERIA COMPREHENSIVE COMMUNITY HEALTH CENTER INC | F | \$22,587 |
| 39 | OUTPATIENT MEDICAL CENTER INC - NATCHITOCHES | F | \$602 |
| 40 | OUTPATIENT MEDICAL CENTER INC LEESVILLE | F | \$774 |
| 41 | OUTPATIENT MEDICAL CENTER INC TALLULAH | F | \$303 |
| 42 | DAVID RAINES COMMUNITY HEALTH CENTER INC SHREVEPORT | F | \$3,208 |
| 43 | SOUTHWEST LOUISIANA PRIMARY HEALTHCARE CENTER | F | \$4,415 |
| 44 | SOUTHEAST COMMUNITY HEALTH SYSTEMS-GREENSBURG | F | \$1,756 |
| 45 | ST GABRIEL HEALTH CLINIC, INC | F | \$944 |
| 46 | WISNER MEDICAL CLINIC | F | \$1,094 |
| 47 | CAPITOL CITY FAMILY HEALTH CENTER INC | F | \$2,154 |
| 48 | PRIMARY HEALTH SERVICES CENTER | F | \$3,330 |
| 49 | DAUGHTERS OF CHARITY HEALTH CENTER - ST. CECILIA | F | \$694 |
| 50 | DAUGHTERS OF CHARITY HEALTH CENTER - METAIRIE | F | \$1,102 |
| 51 | DAUGHTERS OF CHARITY HEALTH CENTER - CARROLLTON | F | \$2,404 |
| 52 | ST THOMAS COMMUNITY HEALTH CENTER INC | F | \$7,678 |
| 53 | TECHE ACTION CLINIC @ DULAC | F | \$1,046 |
| 54 | TECHE ACTION CLINIC @ EDGARD | F | \$1,251 |
| 55 | EXCELTH FAMILY HEALTH CENTER GENTILLY | F | \$1,898 |
| 56 | NOELA COMMUNITY HEALTH CENTER | F | \$5,238 |
| 57 | CASSE COMMUNITY HEALTH INSTITUTE | F | \$272 |
| 58 | EXCELTH FAMILY HEALTH CENTER ALGIERS | F | \$6,043 |
| 59 | ST THOMAS COMMUNITY HEALTH CENTER - MAGAZINE | F | \$3,583 |
| 60 | TECHE ACTION CLINIC AT MORGAN CITY | F | \$711 |

Community Health Solutions of Louisiana Plan # SS185
Schedule U
FQHC/RHC Payments
12/31/2013

| Line # | FQHC Case Management or Rural Health Clinic/Incentive Fee Payment (list by center or clinic name) | FQHC = F RHC = R | Total |
|--------|--|---------------------|-------------------|
| 61 | BELLE CHASE COMMUNITY HEALTH CENTER | F | \$1,545 |
| 62 | DELHI COMMUNITY HEALTH CENTER | F | \$1,336 |
| 63 | DAUGHTERS OF CHARITY HEALTH CENTER- CARROLLTON | F | \$4,401 |
| 64 | DAUGHTERS OF CHARITY HEALTH CENTER - ST. CECILIA | F | \$623 |
| 65 | DAUGHTERS OF CHARITY HEALTH CENTER- METAIRIE | F | \$234 |
| 66 | CAPITOL CITY FAMILY HEALTH CENTER, INC. | F | \$198 |
| 67 | PRIMARY HEALTH SERVICES CENTER | F | \$163 |
| 68 | DAVID RAINES COMMUNITY HEALTH CENTER INC - HAYNESVILLE | F | \$69 |
| 69 | DAVID RAINES COMMUNITY HEALTH CENTER INC | F | \$2,285 |
| 70 | DAVID RAINES COMMUNITY HEALTH CENTER INC | F | \$665 |
| 71 | MAURICE COMMUNITY CARE CLINIC | R | \$2,254 |
| 72 | STERLINGTON RURAL HEALTH CLINIC | R | \$6,504 |
| 73 | WK OIL CITY MEDICAL CLINIC-1014991 | R | \$565 |
| 74 | MANSURA FAMILY CLINIC | R | \$1,791 |
| 75 | WOODWORTH FAMILY MEDICINE, INC | R | \$369 |
| 76 | CHILDREN FIRST KIDMED LLC | R | \$6,449 |
| 77 | PEDIATRIC & ADOLESCENT CLINIC | R | \$586 |
| 78 | SABINE MEDICAL CENTER - MANY | R | \$1,292 |
| 79 | ST MARTINVILLE MATERNAL CHILD CLINIC | R | \$1,234 |
| 80 | SABINE MEDICAL ASSOCIATES INC. | R | \$3,401 |
| 81 | RAYMOND F SCHNEIDER MEMORIAL CLINIC, LLC | R | \$13,247 |
| 82 | SABINE MEDICAL CENTER - ZWOLLE | R | \$3,881 |
| 83 | ACADIA FAMILY CLINIC LLC | R | \$829 |
| 84 | NCMC MEDICAL AND SURGICAL CLINIC | R | \$2,881 |
| 85 | FAMILY MEDICINE ASSOCIATES OF MINDEN LLC | R | \$1,092 |
| 86 | CANNON FAMILY MEDICINE LLC-1048577 | R | \$817 |
| 87 | HEALTHCARE FIRST MEDICAL CLINIC LLC | R | \$2,522 |
| 88 | US MEDCARE, LLC-1107719 | R | \$700 |
| 89 | Other (List in Supplemental Schedule) | | \$229,446 |
| 90 | Total Expenses | | \$ 470,762 |

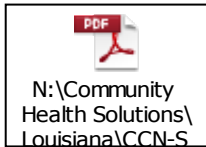
Community Health Solutions of Louisiana Plan # SS185
Schedule V
Fraud and Abuse
12/31/2013

| Line # | Provider / Case ID # | Active Case Y/N | New Case Y/N | Case Closed Y/N | Amount of Lien | Amount of Recoveries |
|--------|----------------------|-----------------|--------------|-----------------|----------------|----------------------|
| 1 | | | | | | \$ - |
| 2 | | | | | | \$ - |
| 3 | | | | | | \$ - |
| 4 | | | | | | \$ - |
| 5 | | | | | | \$ - |
| 6 | | | | | | \$ - |
| 7 | | | | | | \$ - |
| 8 | | | | | | \$ - |
| 9 | | | | | | \$ - |
| 10 | | | | | | \$ - |
| 11 | | | | | | \$ - |
| 12 | | | | | | \$ - |
| 13 | | | | | | \$ - |
| 14 | | | | | | \$ - |
| 15 | | | | | | \$ - |
| 16 | | | | | | \$ - |
| 17 | | | | | | \$ - |
| 18 | | | | | | \$ - |
| 19 | | | | | | \$ - |
| 20 | | | | | | \$ - |
| 21 | | | | | | \$ - |
| 22 | | | | | | \$ - |
| 23 | | | | | | \$ - |
| 24 | | | | | | \$ - |
| 25 | | | | | | \$ - |
| 26 | | | | | | \$ - |
| 27 | | | | | | \$ - |
| 28 | | | | | | \$ - |
| 29 | | | | | | \$ - |
| 30 | | | | | | \$ - |
| Total | | - | - | - | - | \$ - |

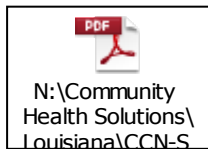
* Do not include member specific names or ID numbers

Community Health Solutions of Louisiana Plan # SS185
Schedule W
Parent Company Audited Financial Statements
Year Ended: 2013

Insert Parent Company Audited Financial Statements



See PDF pg.49 for Parent Company Audited Statements



Community Health Solutions of Louisiana Plan # SS185
Schedule X
BAYOU HEALTH - Shared Savings Plan Annual Financial Statements
Year Ended: 2013

Insert BAYOU HEALTH Annual Financial Statements



See PDF pg. 68 for Audited Financial Statements



Community Health Solutions of Louisiana Plan # SS185
Schedule Y
Annual Audited Balance Sheet Reconciliation
Year ended: 12/31/2013

| | 4th Quarter | Draft Adjustments | Draft Audit | Final Audit Adjustments | Final Audit |
|--|---------------------|----------------------|---------------------|----------------------------|---------------------|
| Line # BALANCE SHEET | | | | | |
| ASSETS | | | | | |
| Current Assets | | | | | |
| 1 Cash and cash equivalents | \$ 1,810,950 | \$ - | \$ 1,810,950 | \$ - | \$ 1,810,950 |
| 2 Short-term investments | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 PCCM capitation and newborn/deceased member payments receivable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 Shared Savings payments receivable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 Investment income receivable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 Current due from affiliates | \$ 254,430 | \$ - | \$ 254,430 | \$ - | \$ 254,430 |
| 7 Provider group receivable | \$ 2,064 | \$ - | \$ 2,064 | \$ - | \$ 2,064 |
| 8 Other current assets | \$ 2,386,556 | \$ - | \$ 2,386,556 | \$ - | \$ 2,386,556 |
| 9 Total Current Assets | \$ 4,454,000 | \$ - | \$ 4,454,000 | \$ - | \$ 4,454,000 |
| Other Assets | | | | | |
| 10 Statutory deposits | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 Restricted cash and other assets | \$ 183,492 | \$ - | \$ 183,492 | \$ - | \$ 183,492 |
| 12 Long-term investments | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 Non-current due from affiliates | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 Other non-current assets | \$ 2,000,000 | \$ - | \$ 2,000,000 | \$ - | \$ 2,000,000 |
| 15 Total Other Assets | \$ 2,183,492 | \$ - | \$ 2,183,492 | \$ - | \$ 2,183,492 |
| Property and Equipment | | | | | |
| 16 Land | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 Buildings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 Leasehold improvements | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 Furniture and equipment | \$ 282,172 | \$ - | \$ 282,172 | \$ - | \$ 282,172 |
| 20 Other property and equipment | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 Total Property and Equipment | \$ 282,172 | \$ - | \$ 282,172 | \$ - | \$ 282,172 |
| 22 Accumulated depreciation/amortization | \$ 282,172 | \$ - | \$ 282,172 | \$ - | \$ 282,172 |
| 23 Net Property and Equipment | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 TOTAL ASSETS | \$ 6,637,492 | \$ - | \$ 6,637,492 | \$ - | \$ 6,637,493 |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| 25 Accounts payable | \$ 151,584 | \$ - | \$ 151,584 | \$ - | \$ 151,584 |
| 26 Accrued administrative expenses | \$ 137,125 | \$ - | \$ 137,125 | \$ - | \$ 137,125 |
| 27 Provider group payable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 Current portion □ long-term debt | \$ 7,376 | \$ - | \$ 7,376 | \$ - | \$ 7,376 |
| 29 Due to affiliates | \$ 4,728,073 | \$ (15,746) | \$ 4,712,327 | \$ - | \$ 4,712,327 |
| 30 Dividends Payable | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 Other current liabilities | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 Total Current Liabilities | \$ 5,024,158 | \$ (15,746) | \$ 5,008,412 | \$ - | \$ 5,008,412 |
| Other Liabilities | | | | | |
| 33 Non-current portion long-term debt | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 Non-current due to affiliates | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 Other non-current liabilities | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 Total Other Liabilities | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 TOTAL LIABILITIES | \$ 5,024,158 | \$ (15,746) | \$ 5,008,412 | \$ - | \$ 5,008,412 |
| EQUITY/NET ASSETS | | | | | |
| 38 Preferred stock | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 Common stock | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 Treasury stock | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 Additional paid-in capital | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 Contributed capital | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 Retained earnings - beginning | \$ (1,620,610) | \$ - | \$ (1,620,610) | \$ - | \$ (1,620,610) |
| 44 Increase (decrease) YTD | \$ 3,233,944 | \$ 15,746 | \$ 3,249,690 | \$ - | \$ 3,249,690 |
| 45 Retained earnings/net assets | \$ 1,613,335 | \$ 15,746 | \$ 1,629,081 | \$ - | \$ 1,629,081 |
| 46 TOTAL EQUITY/NET ASSETS | \$ 1,613,335 | \$ 15,746 | \$ 1,629,081 | \$ - | \$ 1,629,081 |
| 47 TOTAL LIABILITIES & EQUITY/NET ASSETS | \$ 6,637,492 | \$ (0) | \$ 6,637,492 | \$ - | \$ 6,637,492 |

Community Health Solutions of Louisiana Plan # SS185
Schedule Z
Audited Income Statement Reconciliation
Year ended: 12/31/2013

| | 4th quarter | Draft adjustments | Draft Audit | Final Audit adjustments | Final audit |
|--|----------------------|----------------------|----------------------|----------------------------|----------------------|
| Line # REVENUE & EXPENSES | | | | | |
| 1 Assigned Member Count at end of reporting period | 794,801 | - | 794,801 | - | 794,801 |
| 2 Member Months | 2,374,700 | - | 2,374,700 | - | 2,374,700 |
| 3 Newborn Count | 6,220 | - | 6,220 | - | 6,220 |
| 4 Deceased Member Count | 154 | - | 154 | - | 154 |
| REVENUES | | | | | |
| 5 PCCM Capitation | \$ 9,702 | \$ (47) | \$ 9,655 | \$ - | \$ 9,655 |
| 6 Enhanced PCCM Capitation | \$ 26,121,755 | \$ 47 | \$ 26,121,802 | \$ - | \$ 26,121,802 |
| 7 Shared Savings Revenue | \$ 4,519,201 | \$ - | \$ 4,519,201 | \$ - | \$ 4,519,201 |
| 8 Investment income | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 Other income | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 TOTAL REVENUES | \$ 30,650,658 | \$ - | \$ 30,650,658 | \$ - | \$ 30,650,658 |
| EXPENSES | | | | | |
| Provider | | | | | |
| 11 PCP care management services | \$ 322,367 | \$ - | \$ 322,367 | \$ - | \$ 322,367 |
| 12 Enhanced PCCM payments | \$ 1,155,739 | \$ - | \$ 1,155,739 | \$ - | \$ 1,155,739 |
| 13 Provider incentive payments | \$ 1,952,525 | \$ - | \$ 1,952,525 | \$ - | \$ 1,952,525 |
| 14 Other Provider payments | \$ 2,199,756 | \$ - | \$ 2,199,756 | \$ - | \$ 2,199,756 |
| 15 Total Provider Payments | \$ 5,630,387 | \$ - | \$ 5,630,387 | \$ - | \$ 5,630,387 |
| Less: | | | | | |
| 16 Fraud and Abuse recoveries | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 Other Recoveries | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 TOTAL NET PROVIDER PAYMENTS | \$ 5,630,387 | \$ - | \$ 5,630,387 | \$ - | \$ 5,630,387 |
| ADMINISTRATIVE SERVICE EXPENSES | | | | | |
| Health Care Quality Improvement | | | | | |
| 19 Case management | \$ 1,281,086 | \$ - | \$ 1,281,086 | \$ - | \$ 1,281,086 |
| 20 Care coordination | \$ 688,956 | \$ 15,746 | \$ 704,702 | \$ - | \$ 704,702 |
| 21 Chronic disease management | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 Racial disparity prevention efforts | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 Quality reporting and documentation | \$ 79,680 | \$ - | \$ 79,680 | \$ - | \$ 79,680 |
| 24 HIT quality and outcome improvements | \$ 219,963 | \$ - | \$ 219,963 | \$ - | \$ 219,963 |
| 25 Patient-centered education and counseling | \$ 111,574 | \$ - | \$ 111,574 | \$ - | \$ 111,574 |
| 26 Clinical practice improvement oversight | \$ 484,617 | \$ - | \$ 484,617 | \$ - | \$ 484,617 |
| 27 Public health education | \$ 347,458 | \$ (211,722) | \$ 135,736 | \$ - | \$ 135,736 |
| | \$ 305,865 | \$ - | \$ 305,865 | \$ - | \$ 305,865 |
| 28 Health Care Quality Improvement Expense subtotal | \$ 3,519,199 | \$ (195,976) | \$ 3,323,223 | \$ - | \$ 3,323,223 |
| Other Administrative Costs | | | | | |
| 29 Fraud and abuse detection and recovery expenses | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 Utilization review | \$ 169,108 | \$ - | \$ 169,108 | \$ - | \$ 169,108 |
| 31 Network development/PCP contracting costs | \$ 802,902 | \$ - | \$ 802,902 | \$ - | \$ 802,902 |
| 32 Marketing | \$ 316,846 | \$ - | \$ 316,846 | \$ - | \$ 316,846 |
| 33 Member / Enrollment Services | \$ 4,877,475 | \$ - | \$ 4,877,475 | \$ - | \$ 4,877,475 |
| 34 General and Operational Management | \$ 1,214,119 | \$ - | \$ 1,214,119 | \$ - | \$ 1,214,119 |
| 35 Accounting and Finance | \$ 191,438 | \$ - | \$ 191,438 | \$ - | \$ 191,438 |
| 36 Claims Processing | \$ 2,630,512 | \$ - | \$ 2,630,512 | \$ - | \$ 2,630,512 |
| 37 Information Systems | \$ 4,778,163 | \$ - | \$ 4,778,163 | \$ - | \$ 4,778,163 |
| 38 Administrative Services Only (ASO) Cost | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 Other Direct Costs | \$ 1,946,232 | \$ (480,401) | \$ 1,465,831 | \$ - | \$ 1,465,831 |
| 40 Indirect Costs - Corporate Overhead Allocations | \$ 1,330,388 | \$ (24,382) | \$ 1,306,006 | \$ - | \$ 1,306,006 |
| 41 Sanctions and Late Payment Interest Penalties | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 Other Costs | \$ 674,431 | \$ 37,024 | \$ 711,455 | \$ - | \$ 711,455 |
| 43 Total Other Administrative Costs subtotal | \$ 18,931,615 | \$ (467,759) | \$ 18,463,856 | \$ - | \$ 18,463,856 |
| 44 TOTAL ADMINISTRATIVE EXPENSES | \$ 22,450,813 | \$ (663,735) | \$ 21,787,078 | \$ - | \$ 21,787,078 |
| 45 TOTAL EXPENSES | \$ 28,081,200 | \$ (663,735) | \$ 27,417,465 | \$ - | \$ 27,417,465 |
| 46 Income (Loss) From Operations | \$ 2,569,458 | \$ 663,735 | \$ 3,233,193 | \$ - | \$ 3,233,193 |
| 47 Non-operating income (loss) | \$ (9,846) | \$ - | \$ (9,846) | \$ - | \$ (9,846) |
| 48 Income (Loss) Before Taxes | \$ 2,559,612 | \$ 663,735 | \$ 3,223,346 | \$ - | \$ 3,223,347 |
| 49 Income taxes | \$ 5,148 | \$ - | \$ 5,148 | \$ - | \$ 5,148 |
| 50 Other | \$ - | \$ - | \$ - | \$ - | \$ - |
| 51 NET INCOME (LOSS) | \$ 2,554,464 | \$ 663,735 | \$ 3,218,198 | \$ - | \$ 3,218,199 |

Community Health Solutions of Louisiana Plan # SS185

Schedule AA

Audit Adjustment Entries

Year ended: 12/31/2013

| Line # | Line item description | Debit | Credit | Explanation |
|--------|-----------------------|-------|--------|-------------|
| 1 | | \$ - | \$ - | |
| 2 | | \$ - | \$ - | |
| 3 | | \$ - | \$ - | |
| 4 | | \$ - | \$ - | |
| 5 | | \$ - | \$ - | |
| 6 | | \$ - | \$ - | |
| 7 | | \$ - | \$ - | |
| 8 | | \$ - | \$ - | |
| 9 | | \$ - | \$ - | |
| 10 | | \$ - | \$ - | |
| 11 | | \$ - | \$ - | |
| 12 | | \$ - | \$ - | |
| 13 | | \$ - | \$ - | |
| 14 | | \$ - | \$ - | |
| 15 | | \$ - | \$ - | |
| 16 | | \$ - | \$ - | |
| 17 | | \$ - | \$ - | |
| 18 | | \$ - | \$ - | |
| 19 | | \$ - | \$ - | |
| 20 | | \$ - | \$ - | |
| 21 | | \$ - | \$ - | |
| 22 | | \$ - | \$ - | |
| 23 | | \$ - | \$ - | |
| 24 | | \$ - | \$ - | |
| 25 | | \$ - | \$ - | |
| Total | | \$ - | \$ - | |

Community Health Solutions of Louisiana Plan # SS185
Schedule AB
Supplemental Working Area
Year Ended: 2013

Tab P - Other Assets

| | Asset description | Amount | |
|--------|------------------------------------|---------------------|--------------------|
| Line # | <i>Other Current Assets (list)</i> | | |
| 1 | Office Receivable | \$ 1,500,000 | |
| 2 | Prepaid Expenses | \$ 153,605 | |
| 6 | | \$ - | |
| 7 | | \$ - | |
| 8 | Subtotal | \$ - | |
| | | | \$20,139.50 |
| 9 | Total | \$ 2,386,556 | |

Tab U - FQHC RHC Payments

| Line # | FQHC Case Management or Rural Health Clinic/Incentive Fee Payment (list by center or clinic name) | FQHC = F RHC = R | Total |
|--------|--|---------------------|----------|
| 89 | HEALTHY STEPS PEDIATRIC | R | \$20,140 |
| 90 | KD HEALTH AND WELLNESS CENTER, LLC | R | \$282 |
| 91 | COUNTRY CLINIC-1138258 | R | \$23 |
| 92 | MAURICE J GREMILLION MD-1138967 | R | \$1,248 |
| 93 | IOTA FAMILY HEALTH CARE-1142701 | R | \$694 |
| 94 | BOGALUSA FAMILY PRACTICE-1365858 | R | \$22 |
| 95 | RIVERSIDE FAMILY MEDICINE, LLC | R | \$2,094 |
| 96 | WISNER RURAL HEALTH CLINIC | R | \$351 |
| 97 | PRIME HEALTH, LLC | R | \$7,541 |
| 98 | NEWELLTON RURAL HEALTH CLINIC | R | \$1,479 |
| 99 | UNION GENERAL RURAL HEALTH CLINIC | R | \$2,535 |
| 100 | WK CLAIBORNE REGIONAL HEALTH CENTER | R | \$625 |
| 101 | LAKE ARTHUR HEALTH CLINIC, LLC | R | \$3,031 |
| 102 | LADY OF THE SEA MEDICAL CLINIC-CUT OFF | R | \$6,435 |
| 103 | BIENVILLE FAMILY CLINIC ARCADIA | R | \$1,533 |
| 104 | CHRISTUS COUSHATTA RURAL HEALTH CLINIC | R | \$1,708 |
| 105 | CITIZENS RURAL CLINIC | R | \$4,056 |
| 106 | CHRISTUS COUSHATTA RINGGOLD RURAL HEALTH CLINIC | R | \$2,312 |
| 107 | DESOTO REGIONAL FAMILY MEDICINE - LOGANSPOUT | R | \$1,486 |
| 108 | ZWOLLE RURAL CLINIC | R | \$1,834 |
| 109 | RIVERPARK MEDICAL CLINIC JONESVILLE | R | \$2,665 |
| 110 | FLEUR DE LIS COMMUNITY HEALTH | R | \$616 |
| 111 | JACKSON PARISH HOSPITAL FAMILY CARE CLINIC | R | \$1,199 |
| 112 | ST JOSEPH RURAL HEALTH CLINIC | R | \$312 |
| 113 | GARDINER CENTER HEALTH CLINIC | R | \$306 |
| 114 | FAMILY MEDICAL CLINIC | R | \$2,234 |
| 115 | ABBEVILLE GENERAL HOSPITAL CLINIC | R | \$2,989 |
| 116 | JONESBORO FAMILY CARE CLINIC | R | \$745 |
| 117 | SMC DOCTORS CLINIC | R | \$1,600 |
| 118 | CENLA RURAL HEALTH CENTERS LLC | R | \$288 |
| 119 | FAMILY FIRST MEDICINE APMC | R | \$426 |
| 120 | COTTONPORT FAMILY CLINIC | R | \$1,807 |
| 121 | SIMMESPORT FAMILY CLINIC | R | \$2,206 |
| 122 | ST JAMES PRIMARY CARE APMC | R | \$2,866 |
| 123 | HARDTNER MEDICAL CLINIC | R | \$1,262 |
| 124 | UNION CLINIC OF MARION | R | \$394 |
| 125 | LASALLE PRIMARY HEALTHCARE CENTER | R | \$350 |
| 126 | ST JOSEPH MEDICAL CLINIC | R | \$718 |
| 127 | WINNSBORO RURAL HEALTH CLINIC | R | \$1,039 |
| 128 | START COMMUNITY CLINIC | R | \$1,881 |
| 129 | BUNKIE FAMILY CARE CLINIC | R | \$1,693 |
| 130 | VINTON MEDICAL CLINIC | R | \$1,690 |
| 131 | ALLEN PARISH HOSPITAL RURAL HEALTH CLINIC | R | \$3,410 |
| 132 | CHADHA MEDICAL CLINIC | R | \$743 |
| 133 | ELIZABETH FAMILY HEALTH CLINIC | R | \$1,317 |
| 134 | LADY OF THE SEA MEDICAL CLINIC-LAROSE | R | \$3,461 |
| 135 | LADY OF THE SEA MEDICAL CLINIC-GOLDEN MEADOW | R | \$1,469 |

Community Health Solutions of Louisiana Plan # SS185
Schedule AB
Supplemental Working Area
Year Ended: 2013

| | | | |
|-----|--|---|-----------|
| 136 | FAMILY HEALTH OF ST HELENA LLC | R | \$996 |
| 137 | ROBERT C ALBRECHT, MD | R | \$7,375 |
| 138 | MOREHOUSE GENERAL HOSPITAL RURAL HEALTH CLINIC | R | \$202 |
| 139 | NORTH NATCHITOCHE MEDICAL CLINIC | R | \$309 |
| 140 | JOHNSON BAYOU RURAL HEALTH CLINIC | R | \$2,238 |
| 141 | CHATHAM MEDICAL CLINIC-1887161 | R | \$2,682 |
| 142 | OAK GROVE MEDICAL CENTER | R | \$7,806 |
| 143 | BUNKIE RURAL HEALTH CLINIC | R | \$1,995 |
| 144 | WEST CARROLL MEDICAL CLINIC | R | \$4,586 |
| 145 | AMITE RURAL HEALTH CLINIC | R | \$708 |
| 146 | WINTERS CLINIC | R | \$1,173 |
| 147 | BUTLER-ABSHIRE MEDICAL CLINIC, APMC | R | \$2,513 |
| 148 | LAKE PROVIDENCE MEDICAL CLINIC | R | \$4,241 |
| 149 | JEANERETTE RURAL HEALTH CLINIC | R | \$808 |
| 150 | MINDEN FAMILY CARE CENTER | R | \$2,498 |
| 151 | COMMUNITY MEDICAL CLINIC | R | \$3,494 |
| 152 | NORTHEAST LOUISIANA HEALTH CENTER | R | \$2,921 |
| 153 | HACKBERRY RURAL HEALTH CLINIC | R | \$746 |
| 154 | DELHI RURAL HEALTH CLINIC | R | \$7,525 |
| 155 | REEVES MEMORIAL MEDICAL CENTER | R | \$3,828 |
| 156 | IOWA HEALTH CENTER | R | \$442 |
| 157 | CHRISTUS CABRINI GROUP PRACTICE - MARKSVILLE FAMILY CARE C | R | \$2,226 |
| 158 | FAMILY PRACTICE CLINIC | R | \$8,248 |
| 159 | SAVOY FAMILY CARE | R | \$1,009 |
| 160 | ELTON RURAL HEALTH CLINIC | R | \$945 |
| 161 | REDDY FAMILY MEDICAL CLINIC | R | \$3,548 |
| 162 | RURAL HEALTH CLINIC JAMES ROMERO MD RHC | R | \$254 |
| 163 | MADISON PARISH HOSPITAL RURAL HEALTH CLINIC | R | \$14,066 |
| 164 | STEWART FAMILY MEDICINE AND AFTER HOURS | R | \$3,834 |
| 165 | DESOTO HEALTHCARE CENTER INC | R | \$508 |
| 166 | WOMENS CLINIC OF OAKDALE | R | \$2,213 |
| 167 | D GREGORY BELL MD & WILLIS-KNIGHTON MEDICAL CENTER | R | \$3,476 |
| 168 | THIBODAUX MEDICAL CLINIC | R | \$2,720 |
| 169 | LASALLE FAMILY MEDICINE CLINIC | R | \$772 |
| 170 | NORTH WEBSTER MEDICAL CLINIC | R | \$4,120 |
| 171 | RAYVILLE FAMILY CLINIC | R | \$3,992 |
| 172 | RELIABLE MEDICAL SERVICES, LLC-2171542 | R | \$169 |
| 173 | DESOTO REGIONAL FAMILY MEDICINE MANSFIELD | R | \$720 |
| 174 | IBERIA HEALTHCARE, LLC | R | \$11,994 |
| 175 | AVOYELLES PEDIATRICS | R | \$1,417 |
| 176 | BASTROP RURAL HEALTH CLINIC | R | \$217 |
| 177 | NCMC PLAIN DEALING CLINIC | R | \$2,126 |
| 178 | MOREHOUSE GENERAL HOSPITAL RURAL HEALTH CLINIC | R | \$451 |
| 179 | MER ROUGE RURAL HEALTH CLINIC | R | \$513 |
| 180 | FRANKLIN MEDICAL CENTER - CROWVILLE HEALTH CENTER | R | \$699 |
| 181 | DESOTO HEALTHCARE CENTER, RHC | R | \$945 |
| 182 | CHATHAM MEDICAL CLINIC | | \$59 |
| 183 | CROSSROADS HOLLOWAY HEALTH CLINIC | | \$22 |
| | | | |
| | | | |
| | | | |
| | Total Expenses | | \$229,446 |

Community Health Solutions of Louisiana Plan # SS185
Schedule AB
Supplemental Working Area
Year Ended: 2013

Community Health Solutions of Louisiana Plan # SS185
Schedule E-M
Factor Calculation:
12/31/2013

PCCM Capitation:

\$ 9,702 2013 PCCM Capitation Revenue
2,374,700 Divide by Member Months from D (also in T)
0.00409 line #5 multiplier

PMPM Revenue for SSI:

\$ 4,947,646 2013 SSI Revenue
282,296 SSI Member Months Sum in D-M
34,801 Foster, LaCHIP, Breast & Cervical = 15,406 counted towards TANF (Non-SSI member months)
15.53 Line 6 Multiplier: Actual receipt is \$15.74; variance due to Foster, LaCHIP, Breast & Cervical not allocated to SSI or TANF

PMPM Revenue for TANF (Non-SSI):

\$ 21,183,811 2013 TANF Revenue
2,053,157 Non-SSI Member Months Sum in D-M (Including Foster, LaCHIP, Breast & Cervical)
10.29 Line #6 Multiplier: Actual receipt is \$10.24; variance due to Foster, LaCHIP, Breast & Cervical not allocated to SSI or TANF

PMPM Revenue for Shared Savings

\$ 4,519,201 2013 SSI Revenue (\$3,589,433.11 actual due to rate changes throughout year from \$19.66 to \$15.74, BUT must match IS)
2,374,700 Divide by Member Months from D (also in T)
1.90 Line #7 Multiplier

PMPM for PCP care management services

\$ 322,367 PCP Care Management Services from IS (line 11 - row 23)
2,374,700 Divide by Member Months from D (also in T)
0.14 Line #11 Multiplier

Enhanced PCCM payments

\$ 1,155,739 Enhanced PCP Payments from IS (line 12 - row 24)
2,374,700 Divide by Member Months from D (also in T)
0.49 Line #12 Multiplier

Provider incentive payments

\$ 1,952,525 Provider Incentive Payments from IS (line 13 - row 25)
2,374,700 Divide by Member Months from D (also in T)
0.82 Line # 13 Multiplier

Other Provider Payments

\$ 2,199,756
2,374,700
0.93 Line # 14 Multiplier

PMPM for Admin Expenses:

\$ 21,787,079 Admin Expenses from IS (row 62 - line 44)
2,374,700 Divide by Member Months from D (also in T)
9.17 Line # 19 Multiplier

Non-operating income (loss)

\$ (9,846.00)
2,374,700
(0.00786) Line # 22 Multiplier

Income Taxes

5148
2,374,700
0.00217 Line #24 Multiplier

Community Health Solutions of America, Inc.
Combined Balance Sheet
As of December 31, 2013

| | Total as of Dec 31, 2013 |
|--|-------------------------------------|
| ASSETS | |
| Current Assets | |
| Cash | \$ 2,165,899 |
| Short Term Investments | 5,155,150 |
| Accounts Receivable | 391,314 |
| Other Receivables | 8,758,174 |
| Allocated State (SC & LA) Expenses Rec (Payable) | - |
| Intercompany Rec (Payables) | 258,903 |
| Deposits | 40,181 |
| Performance Bond | 2,000,000 |
| Prepaid Expenses | |
| Clear Tec Solutions, LLC Fees | 5,435,085 |
| Healthy Rewards Program | 14,762 |
| Insurance | 249,865 |
| Providers | 727,668 |
| Other Prepaid Expenses | 140,674 |
| Total Prepaid Expenses | <u>6,568,055</u> |
| Total Current Assets | <u>25,337,676</u> |
| Fixed Assets | |
| Land and Buildings | 754,402 |
| Automobile | 8,987 |
| Computer Hardware | 589,598 |
| Computer Software | - |
| Furniture & Fixtures | 218,544 |
| Office Equipment | 12,011 |
| Accumulated Depreciation | <u>(1,583,542)</u> |
| Total Fixed Assets, Net | <u>-</u> |
| Other Assets | |
| Bonds | 183,492 |
| Consensus Software Asset, Net | - |
| Mortgages | 326,951 |
| Total Other Assets | <u>510,444</u> |
| TOTAL ASSETS | <u><u>\$ 25,848,120</u></u> |

Community Health Solutions of America, Inc.
Combined Balance Sheet
As of December 31, 2013

| | Total as of Dec 31, 2013 |
|---|-------------------------------------|
| LIABILITIES & EQUITY | |
| Current Liabilities | |
| Accounts Payable | 874,160 |
| Other Payables | |
| Providers Payable | 7,340 |
| Healthy Habits Healthy Rewards Program | 73,513 |
| Shared Savings Settlement | 993,139 |
| Tenant Improvement Payable to CD REH | 8,224 |
| Other Payables | 56 |
| Total Other Payables | 1,082,272 |
| Accrued Expenses | 123,423 |
| Short Term & Current LT Debt | 52,117 |
| Total Other Current Liabilities | 1,257,812 |
| Total Current Liabilities | 2,131,972 |
| Long Term Liabilities | |
| Long Term Debt - N/P Investors | 300,000 |
| Total Liabilities | 2,431,972 |
| Equity | |
| Stock Holders' Equity - Common Stock | 7,650,000 |
| Retained Earnings | 6,529,039 |
| Net Income | 9,237,109 |
| Total Equity | 23,416,147 |
| TOTAL LIABILITIES & EQUITY | \$ 25,848,120 |

Community Healthy Solutions of America, Inc.
Statement of Operations
January through December 31, 2013

| | <u>Total 2013</u> |
|--|--------------------------|
| Revenue | |
| Administration Fees Earned | |
| SC MHN (\$10 PMPM) | 17,664,140 |
| SC-MCCW (Parts A, C and Pre-Adm Scrng) | 958,934 |
| LA PCCM Capitation (TANF-\$10.24 PMPM) | 21,183,811 |
| LA PCCM Capitation (SSI-\$15.74 PMPM) | 4,947,646 |
| Lurie Children's Hospital | 179,542 |
| PCMH | 467,339 |
| Total Revenue | <u>45,401,412</u> |
| Cost of Revenues | |
| Medical Provider Fees Incurred | |
| SC PMPM-MHN (\$2.50 PMPM) | 4,471,862 |
| SC PMPM-MCCW A (\$107.43 PMPM) | 198,746 |
| LA Provider PMPM (Variable) | 2,895,810 |
| LA Provider Incentives | 534,822 |
| Lurie Children's Hospital Expenses | 143,425 |
| PCMH | 438,051 |
| Total Medical Provider Fees Incurred | <u>8,682,714</u> |
| Consulting Fees Incurred | |
| Medical Consulting Fees | 685,067 |
| Non-Medical Consulting Fees | 626,292 |
| Total Consulting Fees Incurred | <u>1,311,359</u> |
| Compliance | 2,324 |
| Contract Sale | 17,804 |
| Healthy Habits Healthy Rewards Program, Net | 393,871 |
| TPA Services/System Fees Incurred | |
| TPA Services/System Fees-Related Entities | |
| Clear Processing Solutions | 2,150,677 |
| Clear Tec Solutions | 6,700,417 |
| PAS (Provider/Member Serv) | 7,898,596 |
| Total TPA Services/System Fees-Related Entities | <u>16,749,689</u> |
| Other Third Prty Service/System Fees | <u>113,298</u> |
| Total TPA Services/System Fees Incurred | <u>16,862,987</u> |
| | - |
| Total Cost of Revenues | <u>27,271,059</u> |
| | - |
| Gross Profit | <u>18,130,353</u> |

Community Healthy Solutions of America, Inc.
Statement of Operations
January through December 31, 2013

| | <u>Total 2013</u> |
|---|--------------------------------|
| Expenses | |
| Sales | 254,435 |
| Employee Compensation, Benefits & Taxes | 9,803,376 |
| General & Administrative | |
| Computer Hardware/Software | 1,760,894 |
| Consulting | 2,135,627 |
| Depreciation | 457,312 |
| Office Expense | 155,522 |
| Office Lease | 351,326 |
| Federal Express | 20,610 |
| Printing | 52,327 |
| US Postage | 347,134 |
| Repairs | 99,694 |
| Travel | 367,647 |
| Other General & Administrative | 1,113,602 |
| Total General & Administrative | <u>6,861,694</u> |
| Total Expenses | <u>16,919,505</u> |
| Net Ordinary Income | 1,210,848 |
| Other Income/Expense | |
| Coordinated Health Plans of OH | 26,779 |
| Gain on Sale of Contract | 7,500,000 |
| Equity Adjustment | 12,477 |
| Interest Income | 408,878 |
| Interest Expense | (590) |
| Income Tax Expense | (1,504,348) |
| Income Tax Refund | - |
| Management Fees | (736,380) |
| Shared Savings Bonus Earned, Net | 2,319,445 |
| Shared Savings Retained-Termed Providers | - |
| Shared Savings Settlement Expense | - |
| Net Income | <u><u>9,237,109</u></u> |

Community Healthy Solutions of America, Inc.
Statement of Cash Flows
As of December 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|--|-----------------------|
| Net Income (Loss) | \$ 9,237,109 |
| Adjustments to reconcile Net Income (Loss) to net Cash: | |
| (Increase) Decrease in: | |
| Due from Affiliates | \$ 7,097,453 |
| Accounts Receivable | \$ (8,578,482) |
| Shared Savings Receivables | \$ - |
| Deposits | \$ (1,974,870) |
| Prepaid Expenses | \$ 2,774,178 |
| Increase (Decrease) in: | |
| Accounts Payable | \$ (6,386,613) |
| Accrued Expenses | \$ (345,135) |
| Due to Affiliates | \$ (1,992,751) |
| Shared Savings Payable | \$ - |
| Short Term & Current LT Debt | \$ (81,230) |
| Total Adjustments | \$ (9,487,450) |
| Net Cash Provided by (Used In) Operating Activities | \$ (250,341) |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|--|-------------------|
| Fixed Assets | \$ (373,132) |
| Bonds | \$ (335,984) |
| Mortgages | \$ 642,533 |
| Amortization | \$ 152,492 |
| Depreciation Expense (Recognized in Net Income (Loss)) | \$ 407,312 |
| Net Cash Provided by (Used In) Investing Activities | \$ 493,221 |

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|--|---------------------|
| Long Term Debt | \$ (115,000) |
| Net Cash Provided by (Used In) Financing Activities | \$ (115,000) |

NET INCREASE (DECREASE) IN CASH

\$ 127,880

CASH AT BEGINNING OF PERIOD

\$ 7,193,169

CASH AT END OF PERIOD

\$ 7,321,049



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April 30, 2014

Community Health Solutions of America, Inc.
1000 118th Avenue N.
St. Petersburg, FL 33716

To the Board of Directors and Stockholders of
Community Health Solutions of America, Inc.

We have audited the accompanying balance sheets of Community Health Solutions of America, Inc. (a corporation) as of December 31, 2013, and 2012, and the related statements of income, retained earnings, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Health Solutions of America, Inc. as of December 31, 2013, and 2012, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Edward Morrow, MBA, CPA, P.A.
Palm Harbor, Florida

Community Health Solutions of America, Inc.
Balance Sheet
As of

| ASSETS | | |
|---|--------------------------|--------------------------|
| | December 31, 2013 | December 31, 2012 |
| CURRENT ASSETS | | |
| Cash & Cash Equivalents (Note 2) | \$ 7,321,049 | \$ 7,193,169 |
| Accounts Receivable (Note 3) | 391,314 | 36,962 |
| Other Receivables (Note 4) | 8,758,174 | 5,495 |
| Intercompany Receivables (Note 5) | 258,903 | 5,892,154 |
| Deposits (Note 6) | 2,040,181 | 65,311 |
| Prepaid Expenses (Note 7) | 6,568,249 | 5,342,233 |
| Total Current Assets | \$ 25,337,870 | \$ 18,535,325 |
| PROPERTY AND EQUIPMENT (Note 8) | | |
| Fixed Assets | \$ 1,583,542 | \$ 1,210,410 |
| Less: Accumulated Depreciation | (1,583,542) | (1,176,230) |
| Total Property and Equipment | \$ - | \$ 34,180 |
| OTHER ASSETS | | |
| Intangible Assets | \$ 335,984 | \$ - |
| Less: Accumulated Amortization | (152,492) | - |
| Mortgage Receivable | 326,951 | 969,484 |
| Total Other Assets | \$ 510,444 | \$ 969,484 |
| TOTAL ASSETS | \$ 25,848,313 | \$ 19,538,989 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$ 874,160 | \$ 1,471,477 |
| Other Payables (Note 9) | 1,127,013 | 2,916,309 |
| Accrued Expenses (Note 10) | 123,423 | 468,559 |
| Current portion of Long-term Debt | 7,376 | 88,606 |
| Total Current Liabilities | 2,131,972 | 4,944,951 |
| LONG-TERM LIABILITIES | | |
| Notes Payable | \$ 300,000 | \$ 415,000 |
| Total Long-Term Liabilities | \$ 300,000 | \$ 415,000 |
| Total Liabilities | \$ 2,431,972 | \$ 5,359,951 |
| STOCKHOLDERS' EQUITY | | |
| Common Stock | \$ 7,650,000 | \$ 7,650,000 |
| Retained Earnings | 15,766,341 | 6,529,038 |
| Total Stockholders' Equity | \$ 23,416,341 | \$ 14,179,038 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 25,848,313 | \$ 19,538,989 |

Community Health Solutions of America, Inc.
Statement of Operations and Changes in Shareholders' Equity
for the 12 Months Ended

| | <u>December 31, 2013</u> | <u>December 31, 2012</u> |
|---|--------------------------|--------------------------|
| Revenue | | |
| Administration Fees | \$ 45,401,412 | \$ 38,720,191 |
| Total Revenue | \$ 45,401,412 | \$ 38,720,191 |
| Direct Expenses | | |
| Medical Provider Fees | \$ 8,539,289 | \$ 8,471,037 |
| Consulting Fees | 1,454,784 | 1,183,607 |
| Third-Party Service Fees | 17,276,986 | 15,953,623 |
| Other Costs | - | 184,773 |
| Total Cost of Revenues | \$ 27,271,059 | \$ 25,793,038 |
| Gross Profit | \$ 18,130,353 | \$ 12,927,153 |
| Operating Expenses | | |
| Sales Expenses | \$ 254,435 | \$ 420,077 |
| Corporate Employee Compensation | 9,803,376 | 9,109,761 |
| General & Administrative Expenses | 6,861,500 | 4,563,517 |
| Total Operating Expenses | \$ 16,919,311 | \$ 14,093,355 |
| Total Operating Revenue/(Loss) | \$ 1,211,042 | \$ (1,166,202) |
| Shared Savings Net Revenue/(Loss) | \$ 2,331,090 | \$ - |
| Net Operating Revenue/(Loss) | \$ 3,542,132 | \$ (1,166,202) |
| Other Income/(Expenses) | | |
| Other Income | \$ 27,413 | \$ - |
| Interest Expense | 408,288 | (423,557) |
| Management Fees | (736,183) | - |
| Shared Savings Settlement Expense | - | (1,716,679) |
| Sale of Software | - | 11,283,465 |
| Gain on Sale of South Carolina Operations (Note 13) | 7,500,000 | - |
| Total Other Expenses | \$ 7,199,519 | \$ 9,143,229 |
| Income (Loss) Before Income Taxes | \$ 10,741,651 | \$ 7,977,027 |
| Income Tax Expense | 1,504,348 | 9,867 |
| Net Income (Loss) After Taxes | \$ 9,237,303 | \$ 7,967,160 |
| Beginning Retained Earnings | 6,529,038 | (1,438,122) |
| Ending Retained Earnings | <u>\$ 15,766,341</u> | <u>\$ 6,529,038</u> |

Community Health Solutions of America, Inc.
Statement of Cash Flows
For the 12 Months Ended

| | <u>December 31, 2013</u> | <u>December 31, 2012</u> |
|--|----------------------------|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Income (Loss) | \$ 9,237,303 | \$ 7,967,160 |
| Adjustments to reconcile Net Income (Loss) to net Cash: | | |
| (Increase) Decrease in: | | |
| Accounts Receivable | \$ (354,352) | \$ 1,617,529 |
| Other Receivables | (8,752,679) | 64,189 |
| Intercompany Receivables (Payables) | 5,633,251 | (6,251,550) |
| Deposits | (1,974,870) | - |
| Prepaid Expenses | (1,226,016) | (5,091,902) |
| Mortgage Receivable | 642,533 | 47,638 |
| Increase (Decrease) in: | | |
| Accounts Payable | (597,317) | 733,727 |
| Other Payables | (1,789,296) | (1,258,683) |
| Accrued Expenses | (345,135) | 2,914,901 |
| Unearned Revenues | - | - |
| Depreciation and Amortization (Net) | 559,804 | 431,174 |
| Total Adjustments | <u>\$ (8,204,077)</u> | <u>\$ (6,792,975)</u> |
| Net Cash Provided By (Used In) Operating Activities | \$ 1,033,225 | \$ 1,174,184 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Fixed Assets | (373,132) | 146,122 |
| Intangible Assets | <u>(335,984)</u> | <u>335,014</u> |
| Net Cash Provided By Investing Activities | (709,116) | 481,136 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long Term Debt | \$ (196,230) | \$ 419,516 |
| Common Stock | <u>-</u> | <u>(75,000)</u> |
| Net Cash Provided By Financing Activities | <u>(196,230)</u> | <u>344,516</u> |
| NET INCREASE (DECREASE) IN CASH | \$ 127,880 | \$ 1,999,836 |
| CASH AT BEGINNING OF PERIOD | <u>\$ 7,193,169</u> | <u>\$ 5,193,333</u> |
| CASH AT END OF PERIOD | <u><u>\$ 7,321,049</u></u> | <u><u>\$ 7,193,169</u></u> |

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business – Community Health Solutions of America, Inc., was incorporated in Florida in 2003, to obtain and manage state Medicaid and Children Health Insurance Programs (CHIP), and operates as an S Corporation for income tax purposes. CHS was awarded its first CHIP program from the state of Texas to create, grow and manage a medical provider network to meet the medical needs of its members. CHS was awarded the Florida CHIP program in the subsequent year. In 2005, CHS was awarded the South Carolina Medical Home Network (MHN) program, whereby Medicaid participants would select a medical home that would focus on primary care, coordination of services, and appropriate use of the health care system. This strategy envisioned use of managed care techniques long in practice among commercial insurance plans that would result in long-term savings through emphasis on prevention and quality, as well as greater budget predictability.

An MHN is composed of a contracted Primary Care Case Management (PCCM) organization and the primary care physicians enrolled in its network. The PCCM provides the infrastructure for the management of care, with the primary care physicians working with the beneficiary to manage care and authorize services rendered by other providers. The MHN is paid an administrative fee, as well as an amount for “shared savings” that is calculated from a pre-determined formula if savings on claims payments are recognized. Conversely, should the costs associated with the enrolled MHN members exceed what the expected costs would have been in the MCO environment, the MHN is at risk for reimbursing the state up to all of the administrative fees paid to the MHN.

CHS offers clinical and preventive care programs to Commercial, Government and Private health insurers. Programs offered under the CHS umbrella of care include:

- Care Management
- Utilization Management
- Case Management
- Disease Management
- Wellness and Prevention
- 24/7 Nurse Triage Line
- Drug Utilization Management
- Network Development
- Member/Provider Relations
- Claims Adjudication

Basis of Presentation – The financial statements have been prepared in conformity with United States generally accepted accounting principles. All significant inter-company receivables are properly recorded and disclosed in the financial statements.

Use of Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. In the preparation of these financial statements, estimates and assumptions have been made by management concerning the collectability of inter-company receivables which is the Company’s most significant estimate; the selection of useful lives for fixed assets and intangible assets; provisions, if any, necessary for trade receivables, commitments and contingencies and accrued liabilities; the returns and discount rates from long-term assets; income tax valuation allowances; and other similar evaluations. Actual results could differ materially from those estimates.

Cash and Cash Equivalents – Cash and cash equivalents principally consist of bank demand deposits and certificates of deposit having original maturities of twelve months or less at the date of purchase.

Accounts Receivable – Accounts receivable are stated at estimated net realizable values. Allowances are recorded, when necessary, in an amount considered by management to be sufficient to meet probable future losses related to uncollectible accounts.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

Investments – At December 31, 2013 and 2012, the Company's investments, comprised of certificates of deposit classified as cash equivalents, and as for sale and reported at fair value in accordance with Accounting Standards Codification (ASC) No. 320, *Investments – Debt and Equity Securities*. These securities are carried at fair market value, with unrealized gains and losses reported in other comprehensive income. Realized gains and losses on investments sold are included in net income and are derived using the specific identification method for determining the cost of services.

The fair value for fixed maturity securities is largely determined by third-party pricing service market prices based on reported trades, benchmark yields, issuer spreads, bids, offers, and estimated cash flows and prepayment speeds. Based on the typical trading volumes and the lack of quoted market prices for fixed maturities, third-party pricing services will normally derive the security prices through recent reported trades for identical or similar securities making adjustments through the reporting date based upon available market observable information as outlined above. If there are no recent reported trades, the third-party pricing services may use matrix or model processes to develop a security price where they develop future cash flow expectations based upon collateral performance and discount this at an estimated market rate. Included in the pricing for mortgage-backed and asset-backed securities are estimates of the rate of future prepayments of principal over the remaining life of the securities. Such estimates are derived based on the characteristics of the underlying structure and prepayment speeds previously experienced at the interest rate levels projected for the underlying collateral. Actual prepayment experience may vary from these estimates.

The Company regularly evaluates the amortized cost of investments compared to the fair value of those investments. The Company recognizes impairments of securities when a decline in fair value below the amortized cost basis is considered to be other than temporary. The evaluation includes the intent and ability to hold the security to recovery, and it is considered on an individual security basis, not on a portfolio basis. Impairment losses for mortgage-backed and asset-backed securities are recognized when an adverse change in the amount or timing of estimated cash flows occurs, unless the adverse change is solely a result of changes in estimated market interest rates. The Company also recognizes impairment losses when declines in fair values based on quoted prices are determined to be other than temporary.

The evaluation of impairment is a quantitative and qualitative process which is subject to risks and uncertainties such as changes in general economic conditions, the issuer's financial condition or near term recovery prospects, the effects of changes in interest rates or credit spreads, and the recovery period.

Unrealized gains and losses on available-for-sale investments are excluded from earnings and reported as accumulated other comprehensive income (loss), net of tax, unless the losses are determined to be other than temporary. Realized capital gains and losses are determined using the specific identification basis.

Investment income is recorded when earned. Premiums and discounts arising from the purchase of mortgage-backed and asset-backed securities are amortized into investment income over the estimated remaining term of the securities, adjusted for anticipated prepayments. The Company uses the prospective method to account for the impact on investment income of changes in the estimated future cash flows for these securities. Premiums and discounts on other fixed maturity securities are amortized using the interest method over the remaining term of the security.

Property, Equipment, and Capitalized Software – Property, equipment, and capitalized software are recorded at cost, less accumulated depreciation. Capitalized software consists of certain costs incurred in the development of internal-use software, including external direct costs of materials, services and payroll costs of employees devoted to specific software development. Depreciation expense is computed using Section 179 of the Internal Revenue Code. All assets are depreciated fully in accordance with the annual allowances of the Internal Revenue Code.

Amortization of capitalized lease assets is included in depreciation and amortization expense and accumulated depreciation. Amortization of leased assets and leasehold improvements is computed based on the shorter of the life of the lease or the useful lives of the leased assets.

Maintenance and repair costs are charged to expense during the period incurred. Major improvements that extend the lives of the assets are capitalized, and the useful lives are adjusted as necessary.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

Beginning in 2011, the Company purchased customized external computer software to meet internal needs and has not and does not intend or plan to market this software externally, other than to affiliates. In accordance with ASC 350-40-25 and 350-50-25, the Company capitalized certain costs associated with the process of software development and implementation, with the remaining costs being expensed as incurred. Generally, capitalized costs included costs incurred in the development stages, with costs incurred in the planning and operating stages being expensed.

Fair Value of Financial Instruments – The carrying values of cash and cash equivalents, marketable securities, accounts receivable, and accounts payable and other accrued liabilities approximate fair value.

Valuation of Long-Lived Assets – The Company periodically evaluates the carrying value of long-lived assets when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when indicators of impairment are present and undiscounted cash flows estimated to be generated by the asset are less than the asset's carrying amount. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the related risk.

Capitalization of Expenditures – Expenditures in excess of \$10,000 per item for improvements are capitalized and expenditures under \$10,000 per item or repairs are expensed to operations as incurred. Upon sale or retirement, the cost and related accumulated depreciation and amortization are removed from the accounts and the resulting gain or loss, if any, is reflected in other income. Depreciation has been determined using Section 179 of the Internal Revenue Code.

Revenue Recognition – The gross billings that the Company charges its clients under its Client Services Agreements include billings for premiums, case management and provider network administration. All charges by the Company are invoiced monthly based on the client's fee schedule and amount of per member per month charges processed. The Company accounts for its revenues using the accrual method of accounting. Under the accrual method of accounting, the Company recognizes its revenues in the period in which the client members are covered by the related benefits. The Company accrues revenues and unbilled receivables for administrative fees relating to the period of benefit coverage and/or premiums received but claims unpaid at the end of each period. In addition, the related costs of services are accrued as a liability for the same period. Subsequent to the end of each period, such costs are paid and the related service fees are billed.

The Company reports revenues from claims administration fees in accordance with Emerging Issues Task Force ("EITF") No. 99-19, *Reporting Revenue Gross as a Principal versus Net as an Agent*. The Company reports as revenues, on a gross basis, the total amount billed to clients for professional administrative fees and other services agreed to by clients. The Company reports revenues on a gross basis for these fees because the Company is the primary obligor and deemed to be the principal in these transactions under EITF No. 99-19.

Income Taxes – The Company operates as an S Corporation for U.S. income tax purposes and accounts for income taxes under Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS 109"). SFAS 109 requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities, if any, are determined based on the differences between the financial statement and the tax basis of assets and liabilities using enacted tax rates currently in effect. There were no deferred tax assets or liabilities as of December 31, 2013. The Company reports its total Net Income by K-1 (Form 1120-S) to its shareholders who are accountable for the Company's total Net Income with other K-1 reported income or losses.

Community Health Solutions of America, Inc.
Notes to December 31, 2013 and 2012 Financial Statements

2. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents consist of deposits in bank checking, and savings accounts plus cash invested in certificates of deposits with maturities of 12 months and consisting of the following:

| Cash and Cash Equivalants Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|--|---------------------------------|---------------------------------|
| Bank of America | \$ 27,839 | \$ 17,534 |
| Certificate of Deposit | 5,155,150 | 5,155,150 |
| Hancock Bank | 2,138,060 | 2,020,485 |
| Total Cash & Cash Equivalents | <u>\$ 7,321,049</u> | <u>\$ 7,193,169</u> |

3. ACCOUNTS RECEIVABLE

Accounts Receivable represents monies due from clients in the course of normal business operations. Shared Savings Receivable represents "shared savings" that is calculated from a pre-determined formula when savings on claims payments are recognized. Accounts Receivable at December 31, 2013 and 2012 consist of the following:

| Payer Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|--|---------------------------------|---------------------------------|
| Molina - HMO | \$ 211,125 | \$ - |
| LA Department of Health & Human Services | - | 1,253 |
| SC Department of Health & Human Services-PCMH | 108,037 | - |
| SC Department of Health & Human Services-Part C | 27,912 | 5,350 |
| SC Department of Health & Human Services-Pre-admission Screening | 19,654 | 30,360 |
| Lurie Children's Hospital | 24,587 | - |
| Total Accounts Receivable | <u>\$ 391,314</u> | <u>\$ 36,962</u> |

Management has determined that all Accounts Receivable represent current and valid receivables at December 31, 2013.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

4. OTHER RECEIVABLES

Other receivables represent amounts due to the Company for operations in the ordinary course of the Company's business. Other receivables at December 31, 2013 and 2012 consist of the following:

| Other Receivables Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|-------------------------------|-------------------------|-------------------------|
| Officer's Receivable | \$ 8,351,028 | \$ 535 |
| Other | 141 | 4,622 |
| Payroll Benefits | 338 | 338 |
| Premier Servicing, LLC | 406,667 | - |
| Total Other Receivables | \$ 8,758,174 | \$ 5,495 |

Management has determined that all Other Receivables represent current and valid receivables at December 31, 2013. On January 31, 2014, the shareholder paid to Company \$8.351 million thereby satisfying the Officer's Receivable outstanding on December 31, 2013.

5. INTERCOMPANY RECEIVABLES, NET

Intercompany receivables, net of payables, represent monies due to or from the Company to or from its various affiliates for monies advanced for its use as determined by the affiliates, including the provision of certain administrative services relative to the Company's operations and in the ordinary course of the Company's business. Intercompany receivables at December 31, 2013 and 2012 consist of the following:

| Affiliated Company | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|--|-------------------------|-------------------------|
| PEOPLE Premier, Inc. | \$ 218 | \$ 10,258 |
| Premier Administrative Solutions, Inc. | 130,589 | 94,961 |
| Premier Servicing, LLC. | - | 633 |
| Premier Insurance Benefits, LLC. | 151,700 | 275,787 |
| PEOPLE Premier II, LLC. | - | 34 |
| CD Real Estate Holdings, LLC. | (1,500) | (450) |
| CHS-Louisiana | (248,033) | (2,202,235) |
| CHS-South Carolina | 278,425 | 1,704,078 |
| CHS-Shared Services | (30,392) | 498,157 |
| Clear Processing Solutions, LLC. | (23,528) | 1,502,988 |
| Clear Tec Solutions, LLC. | (1,082) | 4,007,942 |
| Clear Recruiting Solutions, LLC. | 2,505 | - |
| Total Due from Affiliates | \$ 258,903 | \$ 5,892,154 |

Management has determined that all of the monies due or owed related parties are valid receivables and/or payables at December 31, 2013 and that all amounts due and/or owed will be received and/or paid by January 31, 2014.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

6. DEPOSITS

Deposits consist mainly of a \$2,000,000 cash deposit on a surety bond, issued by an “A” rated insurance company, recoverable after the termination of the Company’s Louisiana contract, and the full payment of all claims, if any, filed against the Company’s surety bond at January 31, 2015.

7. PREPAID EXPENSES

Prepaid expenses consist of expenses that are paid in advance for premiums, bonding fees, computer licensing, administration fees and various other consulting fees. Prepaid expenses at December 31, 2013 and 2012 consist of the following:

| Expense Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|--|-------------------------|-------------------------|
| Bonds | \$ - | \$ 2,083 |
| Conferences | 4,800 | - |
| Insurance | 249,865 | 221,806 |
| Information Technology System, Processing & Consulting | 5,433,633 | 4,947,897 |
| Healthy Rewards Program | - | 118,051 |
| Travel & Other | 41,522 | 52,397 |
| Shared Savings Advance - Urgent Care | 725,605 | - |
| Software | 112,824 | - |
| Total Prepaid Expenses | <u>\$ 6,568,249</u> | <u>\$ 5,342,233</u> |

8. PROPERTY, EQUIPMENT AND ACCUMULATED DEPRECIATION

Expenditures in excess of \$10,000 per item for improvements are capitalized and expenditures under \$10,000 per item or repairs are expensed to operations as incurred. Upon sale or retirement, the cost and related accumulated depreciation and amortization are removed from the accounts and the resulting gain or loss, if any, is reflected in other income. Depreciation has been determined using Section 179 of the Internal Revenue Code whereby all assets are fully depreciated using the conventions set forth annually by the Internal Revenue Service. For fiscal year 2013 and 2012, the maximum deduction was \$500,000 and the limit on capital purchases was \$2,000,000 for qualified expenditures.

Property, equipment, and capitalized software, along with accumulated depreciation and amortization consisted of the following:

| Expense Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|---|-------------------------|-------------------------|
| Building and Leasehold Improvements | \$ 754,402 | \$ 754,402 |
| Computer Hardware & Software | 589,598 | 216,466 |
| Equipment | 20,998 | 20,998 |
| Furniture & Fixtures | 218,544 | 218,544 |
| Less: Accumulated Depreciation/Amortization | <u>(1,583,542)</u> | <u>(1,176,230)</u> |
| Total Property and Equipment | <u>\$ -</u> | <u>\$ 34,180</u> |

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

9. OTHER PAYABLES

Other Payables represent expenses incurred in the normal course of business operations. All other payables are considered current liabilities and will be paid within one year of incurring them. At December 31, 2013 and 2012, accrued expenses consisted of the following items:

| Expense Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|-------------------------------|-------------------------|-------------------------|
| Providers Payable | \$ 676,009 | \$ 414,457 |
| Healthy Rewards Program | 73,513 | 116,674 |
| Shared Savings Settlement | 324,471 | 1,730,510 |
| Building Improvements Payable | 8,224 | 414,285 |
| Other Payables | 44,797 | 240,384 |
| Total Other Payables | <u>\$ 1,127,013</u> | <u>\$ 2,916,309</u> |

10. ACCRUED EXPENSES

Accrued expenses represent expenses incurred in the normal course of business operations outside of typical vendors. All accrued expenses are considered current liabilities and will be paid within one year of incurring them. At December 31, 2013 and 2012, accrued expenses consisted of the following items:

| Affiliated Company | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|------------------------|-------------------------|-------------------------|
| Employee Leasing Costs | \$ 81,405 | \$ 454,602 |
| Legal Fees | 15,926 | - |
| Consulting Fees | 22,500 | 4,633 |
| Insurance Premiums | - | 3,182 |
| Other Office Expenses | 3,592 | 6,142 |
| Total Accrued Expenses | <u>\$ 123,423</u> | <u>\$ 468,559</u> |

11. RELATED PARTY TRANSACTIONS

On January 1, 2012, the Company entered into a sales agreement with Clear Tec Solutions, LLC. (CTS), an affiliate, whereby it exchanged certain internally-developed and customized software (Consensus), valued at \$12,000,000 and a related data warehouse valued at \$4,000,000, for specified Information Technology (IT) services. The proceeds of this sale were offset against Accounts Payable due to CTS and incurred in the course of normal business operations for IT services provided and relating to member services provided under the Company's agreement with South Carolina and Louisiana. Invoiced amounts for IT services provided by CTS are submitted monthly and the balance owed by CTS for Consensus is reduced accordingly. This process resulted in a prepaid expense of \$4,727,902 and \$5,435,085 for IT fees as of December 31, 2013 and 2012, respectively from the original receivable balance that was computed at a discounted rate of \$1.90 per member per month. All Federal income taxes incurred from the sales agreement were properly computed, and paid in full to the United States Department of the Treasury.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

12. BUSINESS CONCENTRATIONS

A significant portion of business written by the Company is for state governmental programs. Accordingly, the occurrence of adverse economic conditions, an adverse regulatory climate, or a disaster in the state could have a material adverse effect on the Company's business, although no such conditions have been encountered in the past.

On March 16, 2012, the Company entered in to a settlement agreement with the South Carolina Department of Health and Human Services (SCDHHS), whereby SCDHHS released certain withheld shared savings payments and acknowledged SCDHHS errors in their computation of the shared settlement payments to the Company resulting in a shared savings liability to the Company of \$1,730,510 for the year ended December 31, 2012. Repayment of this liability began in 2013, with \$324,471 being withheld from each quarterly shared settlement payment during the year.

In the first quarter of 2014, SCDHHS recalculated the amount of the net savings through the third quarter of 2012, resulting in an actual savings of \$1,494,363 by the Company. The Company is having an independent actuarial firm review the SCDHHS net savings calculations to determine if they were properly calculated. Inconsistencies in the calculation will be brought to SCDHHS for further review. Prior amounts to be withheld by the SCDHHS were offset against this recognized savings, resulting in a receivable of \$826,888 to the Company. All receivables were received and recognized in the first quarter of 2014.

For the year ended December 31, 2013, more than 90% of the Company's total revenues were derived from state regulated programs. The Company is actively marketing its services to generate new customers and revenue resulting in some additional expense without current revenue being realized and recorded in the statement of operations.

Major competitors are Medical Care Organizations, including First Choice by Select Health, Absolute Total Care, Blue Choice Health Plan of South Carolina, and Absolute Total Care in South Carolina and Amerigroup, LaCare, Louisiana Health Connections, and United Healthcare Community Plan in Louisiana.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

13. SIGNIFICANT EVENTS

On July 26, 2013, Community Health Solutions of America, Inc. (CHS) entered into an agreement with Molina Healthcare, Inc. (Molina) to sell certain CHS South Carolina (SC) assets, including the rights to convert CHS's non-risk Medicaid members into SC's full-risk Medicaid program effective January 1, 2014, plus the right to apply for a SC 2014 Medicaid Dual Eligible contract. The conversion of such members was contingent on three conditions: the successful receipt by Molina of a HMO license issued by the South Carolina Department of Insurance, the award to Molina Healthcare of a full-risk Medicaid managed care contract by the South Carolina Department of Health and Human Services, and the state's conversion to a full-risk Medicaid managed care program.

Each of these three conditions was satisfied by January 01, 2014. On January 01, 2014, CHS's approximately 137,000 South Carolina Medicaid non-risk members were converted to Medicaid full-risk members. As of April 01, 2014, which was the end of the converted members' choice period, approximately 88% of the converted members choose to be enrolled with Molina. The remaining 12% of converted members selected to be enrolled into other HMO Medicaid plans operating in South Carolina or dropped out of SC's Medicaid program.

The conversion right's Total Sales Price was based on SC's April 01, 2014 MCO Final Enrollment report received during April 2014 which reported that 120,521 converted Medicaid members were enrolled with Molina. The conversion right Total Sales Price of approximately \$57.2 million has been paid to CHS or deposited into a jointly held bank money market escrow account in five payments: \$7.5 million was received by CHS on July 26, 2013, \$33.6 million was received by CHS on January 07, 2014, and \$10.5 million was received by CHS on April 17, 2014. The interim and final withhold amounts of \$4.5 million and \$1.1 million were deposited on January 07, 2014 and April 17, 2014, respectively, into a CHS and Molina jointly held bank money market account whose balance, less any amount used to offset losses incurred by Molina resulting from the conversion, will be released and paid to CHS on the eighteenth month anniversary of the effective date of the FAD contract.

Conversion Right Calculation Summary:

| | |
|---|---------------------|
| Closing Payment (7/26/13) | \$7,500,000 |
| MCO Purchase Price Interim Payment to Sellers | 33,556,800 |
| MCO Purchase Price Final Payment | 10,465,926 |
| Interim Withhold Amount | 4,561,867 |
| Final Withhold Amount | <u>1,162,882</u> |
| Total | <u>\$57,247,475</u> |

The payments for the right to apply for SC's 2014 Medicaid Dual Eligible contract will be determined during 2014 based on and if Molina is awarded a Medicaid Dual Eligible contract and after the final Dual members are assigned to Molina.

Community Health Solutions of America, Inc.
Notes to December 31, 2013 and 2012 Financial Statements

14. SUBSEQUENT EVENT

On January 1, 2014, the Company purchased 100% of the outstanding stock of several affiliates from their respective shareholder. The purchase price paid for each affiliate was equal to the affiliate's book value, thus there was no gain or loss recognized by any of the affiliates and no income taxes were incurred on these transactions. The affiliates purchased were as follows:

Affiliates Equity Balances:

| | |
|--|--------------------|
| CD Real Estate Holdings, LLC | \$ 822,360 |
| CD PEO Plus, LLC | 1,043,627 |
| Clear Processing Solutions, LLC | 977,434 |
| Clear Recruiting Solutions, LLC | 50,378 |
| Clear Tec Solutions, LLC | 3,217,399 |
| Premier Administrative Solutions, Inc. | <u>1,917,311</u> |
| Total | <u>\$8,028,509</u> |

Upon receipt by shareholder of approximately \$8.028 million from the Company, the shareholder paid to Company \$8.351 million thereby satisfying the Officer Receivable outstanding on December 31, 2013.

Additionally, on January 1, 2014 the shareholders of Company transferred their common stock interest to Premier Business Solutions Group, LLC (PBSG). This reorganization resulted in both PBSG, and the Company to qualify as a minority owned company due to shareholder Cheryl K. Haigley owning 51% of the common stock of PBSG.

Community Health Solutions of Louisiana
Balance Sheet
As of December 31, 2013

| | <u>December 2013</u> |
|---------------------------------------|--------------------------------|
| Assets | |
| Current Assets | |
| Checking/Savings | 1,810,950 |
| Intercompany Receivables (Payables) | 254,430 |
| Intangible Assets (Net) | 183,492 |
| Other Current Assets | 4,388,620 |
| Total Assets | <u><u>6,637,493</u></u> |
| Liabilities & Equity | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | 151,584 |
| Due to Affiliates | 4,743,818 |
| Accrued Expenses | 47,746 |
| Other Current Liabilities | 96,755 |
| Total Current Liabilities | <u>5,039,903</u> |
| Total Liabilities | <u>5,039,903</u> |
| Equity | |
| Retained Earnings | (1,620,609) |
| Net Income | 3,218,198 |
| Total Equity | <u>1,597,590</u> |
| Total Liabilities & Equity | <u><u>6,637,493</u></u> |

Community Health Solutions of Louisiana
Income Statement
January 1 through December 31, 2013

| | December 31, 2013 |
|--|------------------------------|
| Revenue | |
| Administration Fees Earned | |
| LA PCCM Capitation (TANF-\$10.24 PMPM) | 21,183,811 |
| LA PCCM Capitation (SSI-\$15.74 PMPM) | 4,947,646 |
| Total Revenue | 26,131,457 |
| Cost of Revenues | |
| Medical Provider Fees Incurred | |
| LA Provider PMPM (TANF) | 1,322,148 |
| LA Provider PMPM (SSI) | 155,959 |
| LA Provider PMPM (Variable) | 2,040,525 |
| Total Medical Provider Fees Incurred | 3,518,631 |
| Consulting Fees Incurred | |
| Medical Consulting Fees | 11,011 |
| Non-Medical Consulting Fees | 81,418 |
| Total Consulting Fees Incurred | 92,429 |
| Healthy Habits Healthy Rewards Program, Net | 393,871 |
| TPA Services/System Fees Incurred | |
| TPA Services/System Fees-Related Entities | |
| Clear Processing Solutions | 1,355,413 |
| Clear Tec Solutions (\$1.90 PMPM Eff 01/13) | 3,329,203 |
| PAS (Provider/Member Serv) | 6,301,705 |
| Total TPA Services/System Fees-Related Entities | 10,986,321 |
| Other Third Prty Service/System Fees | 63,663 |
| Total TPA Services/System Fees Incurred | 11,049,985 |
| Total Cost of Revenues | 15,054,917 |
| Gross Profit | 11,076,541 |

Community Health Solutions of Louisiana
Income Statement
January 1 through December 31, 2013

| | December 31, 2013 |
|--|------------------------------|
| Expenses | |
| Sales | 59,980 |
| Employee Compensation, Benefits & Taxes | 5,816,597 |
| General & Administrative | |
| Computer Hardware/Software | 1,205,946 |
| Consulting | 805,553 |
| Depreciation | 266,573 |
| Office Expense | 97,060 |
| Office Lease | 223,749 |
| Federal Express | 13,085 |
| Printing | 49,176 |
| US Postage | 306,501 |
| Repairs | 55,592 |
| Travel | 191,714 |
| Other General & Administrative | 612,738 |
| Total General & Administrative | 3,827,685 |
| Total Expenses | 9,704,262 |
| Net Ordinary Income | 1,372,278 |
| Other Income/Expense | |
| Interest Expense | (21,491) |
| Shared Savings (Net) | 2,319,445 |
| Management Fees | 452,034 |
| Net Income | 3,218,198 |



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April 30, 2014

Community Health Solutions of America, Inc.
1000 118th Avenue N.
St. Petersburg, FL 33716

To the Board of Directors and Stockholders of
Community Health Solutions of America, Inc.

We have audited the accompanying balance sheets of Community Health Solutions of America, Inc. (a corporation) as of December 31, 2013, and 2012, and the related statements of income, retained earnings, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Health Solutions of America, Inc. as of December 31, 2013, and 2012, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Edward Morrow, MBA, CPA, P.A.
Palm Harbor, Florida

**Community Health Solutions of America, Inc. and
Community Health Solutions of Louisiana
Balance Sheet
As of**

ASSETS

| | Community Health Solutions of Louisiana | Consolidated | |
|---|--|--------------------------|--------------------------|
| | December 31, 2013 | December 31, 2013 | December 31, 2012 |
| CURRENT ASSETS | | | |
| Cash & Cash Equivalents (Note 2) | \$ 1,810,950 | \$ 7,321,049 | \$ 7,193,169 |
| Accounts Receivable | - | 391,314 | 36,962 |
| Other Receivables (Note 4) | 1,500,000 | 8,725,443 | 5,495 |
| Intercompany Receivables (Note 5) | 254,430 | 291,634 | 5,892,154 |
| Deposits (Note 6) | 2,007,346 | 2,040,181 | 65,311 |
| Prepaid Expenses (Note 7) | 881,274 | 6,568,249 | 5,342,233 |
| Total Current Assets | \$ 6,454,000 | \$ 25,337,870 | \$ 18,535,325 |
| PROPERTY AND EQUIPMENT (Note 8) | | | |
| Fixed Assets | \$ 282,172 | \$ 1,583,542 | \$ 1,210,410 |
| Less: Accumulated Depreciation | (282,172) | (1,583,542) | (1,176,230) |
| Total Property and Equipment | \$ - | \$ - | \$ 34,180 |
| OTHER ASSETS | | | |
| Intangible Assets | \$ 335,984 | \$ 335,984 | \$ - |
| Less: Accumulated Amortization | (152,492) | (152,492) | - |
| Mortgage Receivable | - | 326,951 | 969,484 |
| Total Other Assets | \$ 183,492 | \$ 510,444 | \$ 969,484 |
| TOTAL ASSETS | \$ 6,637,493 | \$ 25,848,313 | \$ 19,538,989 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Accounts Payable | \$ 151,584 | \$ 874,160 | \$ 1,471,477 |
| Due to Affiliates | 4,743,819 | - | - |
| Other Payables (Note 9) | 89,378 | 1,127,013 | 2,916,309 |
| Accrued Expenses (Note 10) | 47,746 | 123,423 | 468,559 |
| Current portion of Long-term Debt | 7,376 | 7,376 | 88,606 |
| Total Current Liabilities | 5,039,904 | 2,131,972 | 4,944,951 |
| LONG-TERM LIABILITIES | | | |
| Notes Payable | \$ - | \$ 300,000 | \$ 415,000 |
| Total Long-Term Liabilities | \$ - | \$ 300,000 | \$ 415,000 |
| Total Liabilities | \$ 5,039,904 | \$ 2,431,972 | \$ 5,359,951 |
| STOCKHOLDERS' EQUITY | | | |
| Common Stock | \$ - | \$ 7,650,000 | \$ 7,650,000 |
| Retained Earnings | 1,597,589 | 15,766,341 | 6,529,038 |
| Total Stockholders' Equity | \$ 1,597,589 | \$ 23,416,341 | \$ 14,179,038 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 6,637,493 | \$ 25,848,313 | \$ 19,538,989 |

**Community Health Solutions of America, Inc.
and Community Health Solutions of Louisiana
Statement of Operations and Changes in Shareholders' Equity
for the 12 Months Ended**

| | Community Health Solutions of Louisiana | Consolidated | |
|---|--|--------------------------|--------------------------|
| | December 31, 2013 | December 31, 2013 | December 31, 2012 |
| Revenue | | | |
| Administration Fees | \$ 26,131,457 | \$ 45,401,412 | \$ 38,720,191 |
| Total Revenue | \$ 26,131,457 | \$ 45,401,412 | \$ 38,720,191 |
| Direct Expenses | | | |
| Medical Provider Fees | \$ 3,518,631 | \$ 8,539,289 | \$ 8,471,037 |
| Consulting Fees | 90,106 | 1,454,784 | 1,183,607 |
| Third-Party Service Fees | 11,446,180 | 17,276,986 | 15,953,623 |
| Other Costs | - | - | 184,773 |
| Total Cost of Revenues | \$ 15,054,917 | \$ 27,271,059 | \$ 25,793,038 |
| Gross Profit | \$ 11,076,541 | \$ 18,130,353 | \$ 12,927,153 |
| Operating Expenses | | | |
| Sales Expenses | \$ 59,980 | \$ 254,435 | \$ 420,077 |
| Corporate Employee Compensation | 5,816,597 | 9,803,376 | 9,109,761 |
| General & Administrative Expenses | 3,827,685 | 6,861,500 | 4,563,517 |
| Total Operating Expenses | \$ 9,704,262 | \$ 16,919,311 | \$ 14,093,355 |
| Total Operating Revenue/(Loss) | \$ 1,372,278 | \$ 1,211,042 | \$ (1,166,202) |
| Shared Savings Net Revenue/(Loss) | \$ 2,331,090 | \$ 2,331,090 | \$ - |
| Net Operating Revenue/(Loss) | \$ 3,703,368 | \$ 3,542,132 | \$ (1,166,202) |
| Other Income/(Expenses) | | | |
| Other Income | \$ - | \$ 27,413 | \$ - |
| Interest Expense | (21,491) | 408,288 | (423,557) |
| Management Fees | (463,679) | (736,183) | - |
| Shared Savings Settlement Expense | - | - | (1,716,679) |
| Sale of Software | - | - | 11,283,465 |
| Gain on Sale of South Carolina Operations (Note 13) | - | 7,500,000 | - |
| Total Other Expenses | \$ (485,170) | \$ 7,199,519 | \$ 9,143,229 |
| Income (Loss) Before Income Taxes | \$ 3,218,198 | \$ 10,741,651 | \$ 7,977,027 |
| Income Tax Expense | - | 1,504,348 | 9,867 |
| Net Income (Loss) After Taxes | \$ 3,218,198 | \$ 9,237,303 | \$ 7,967,160 |
| Beginning Retained Earnings | (1,620,610) | 6,529,038 | (1,438,122) |
| Ending Retained Earnings | \$ 1,597,589 | \$ 15,766,341 | \$ 6,529,038 |

**Community Health Solutions of America, Inc.
and Community Health Solutions of Louisiana
Statement of Cash Flows
For the 12 Months Ended**

| | Community Health Solutions of Louisiana | Consolidated | |
|--|--|--------------------------|--------------------------|
| | December 31, 2013 | December 31, 2013 | December 31, 2012 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net Income (Loss) | \$ 3,218,198 | \$ 9,237,303 | \$ 7,967,160 |
| Adjustments to reconcile Net Income (Loss) to net Cash: | | | |
| (Increase) Decrease in: | | | |
| Accounts Receivable | \$ 1,253 | \$ (354,352) | \$ 1,617,529 |
| Other Receivables | (845,171) | (8,719,948) | 64,189 |
| Intercompany Receivables (Payables) | 2,019,973 | 5,600,520 | (6,251,550) |
| Deposits | (2,000,000) | (1,974,870) | - |
| Prepaid Expenses | (745,547) | (1,226,016) | (5,091,902) |
| Mortgage Receivable | - | 642,533 | 47,638 |
| Increase (Decrease) in: | | | |
| Accounts Payable | (848,554) | (597,317) | 733,727 |
| Other Payables | (467,406) | (1,789,296) | (1,258,683) |
| Accrued Expenses | (25,670) | (345,135) | 2,914,901 |
| Depreciation and Amortization (Net) | 419,065 | 559,804 | 431,174 |
| Total Adjustments | \$ (2,492,058) | \$ (8,204,077) | \$ (6,792,975) |
| Net Cash Provided By (Used In) Operating Activities | \$ 726,140 | \$ 1,033,225 | \$ 1,174,184 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Fixed Assets | (266,573) | (373,132) | 146,122 |
| Intangible Assets | (335,984) | (335,984) | 335,014 |
| Net Cash Provided By Investing Activities | (602,557) | (709,116) | 481,136 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Long Term Debt | \$ 4,403 | \$ (196,230) | \$ 419,516 |
| Common Stock | - | - | (75,000) |
| Net Cash Provided By Financing Activities | 4,403 | (196,230) | 344,516 |
| NET INCREASE (DECREASE) IN CASH | \$ 127,986 | \$ 127,880 | \$ 1,999,836 |
| CASH AT BEGINNING OF PERIOD | \$ 1,682,964 | \$ 7,193,169 | \$ 5,193,333 |
| CASH AT END OF PERIOD | \$ 1,810,950 | \$ 7,321,049 | \$ 7,193,169 |

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business – Community Health Solutions of America, Inc., was incorporated in Florida in 2003, to obtain and manage state Medicaid and Children Health Insurance Programs (CHIP), and operates as an S Corporation for income tax purposes. CHS was awarded its first CHIP program from the state of Texas to create, grow and manage a medical provider network to meet the medical needs of its members. CHS was awarded the Florida CHIP program in the subsequent year. In 2005, CHS was awarded the South Carolina Medical Home Network (MHN) program, whereby Medicaid participants would select a medical home that would focus on primary care, coordination of services, and appropriate use of the health care system. This strategy envisioned use of managed care techniques long in practice among commercial insurance plans that would result in long-term savings through emphasis on prevention and quality, as well as greater budget predictability.

An MHN is composed of a contracted Primary Care Case Management (PCCM) organization and the primary care physicians enrolled in its network. The PCCM provides the infrastructure for the management of care, with the primary care physicians working with the beneficiary to manage care and authorize services rendered by other providers. The MHN is paid an administrative fee, as well as an amount for “shared savings” that is calculated from a pre-determined formula if savings on claims payments are recognized. Conversely, should the costs associated with the enrolled MHN members exceed what the expected costs would have been in the MCO environment, the MHN is at risk for reimbursing the state up to all of the administrative fees paid to the MHN.

CHS offers clinical and preventive care programs to Commercial, Government and Private health insurers. Programs offered under the CHS umbrella of care include:

- Care Management
- Utilization Management
- Case Management
- Disease Management
- Wellness and Prevention
- 24/7 Nurse Triage Line
- Drug Utilization Management
- Network Development
- Member/Provider Relations
- Claims Adjudication

Basis of Presentation – The financial statements have been prepared in conformity with United States generally accepted accounting principles. All significant inter-company receivables are properly recorded and disclosed in the financial statements.

Use of Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. In the preparation of these financial statements, estimates and assumptions have been made by management concerning the collectability of inter-company receivables which is the Company’s most significant estimate; the selection of useful lives for fixed assets and intangible assets; provisions, if any, necessary for trade receivables, commitments and contingencies and accrued liabilities; the returns and discount rates from long-term assets; income tax valuation allowances; and other similar evaluations. Actual results could differ materially from those estimates.

Cash and Cash Equivalents – Cash and cash equivalents principally consist of bank demand deposits and certificates of deposit having original maturities of twelve months or less at the date of purchase.

Accounts Receivable – Accounts receivable are stated at estimated net realizable values. Allowances are recorded, when necessary, in an amount considered by management to be sufficient to meet probable future losses related to uncollectible accounts.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

Investments – At December 31, 2013 and 2012, the Company's investments, comprised of certificates of deposit classified as cash equivalents, and as for sale and reported at fair value in accordance with Accounting Standards Codification (ASC) No. 320, *Investments – Debt and Equity Securities*. These securities are carried at fair market value, with unrealized gains and losses reported in other comprehensive income. Realized gains and losses on investments sold are included in net income and are derived using the specific identification method for determining the cost of services.

The fair value for fixed maturity securities is largely determined by third-party pricing service market prices based on reported trades, benchmark yields, issuer spreads, bids, offers, and estimated cash flows and prepayment speeds. Based on the typical trading volumes and the lack of quoted market prices for fixed maturities, third-party pricing services will normally derive the security prices through recent reported trades for identical or similar securities making adjustments through the reporting date based upon available market observable information as outlined above. If there are no recent reported trades, the third-party pricing services may use matrix or model processes to develop a security price where they develop future cash flow expectations based upon collateral performance and discount this at an estimated market rate. Included in the pricing for mortgage-backed and asset-backed securities are estimates of the rate of future prepayments of principal over the remaining life of the securities. Such estimates are derived based on the characteristics of the underlying structure and prepayment speeds previously experienced at the interest rate levels projected for the underlying collateral. Actual prepayment experience may vary from these estimates.

The Company regularly evaluates the amortized cost of investments compared to the fair value of those investments. The Company recognizes impairments of securities when a decline in fair value below the amortized cost basis is considered to be other than temporary. The evaluation includes the intent and ability to hold the security to recovery, and it is considered on an individual security basis, not on a portfolio basis. Impairment losses for mortgage-backed and asset-backed securities are recognized when an adverse change in the amount or timing of estimated cash flows occurs, unless the adverse change is solely a result of changes in estimated market interest rates. The Company also recognizes impairment losses when declines in fair values based on quoted prices are determined to be other than temporary.

The evaluation of impairment is a quantitative and qualitative process which is subject to risks and uncertainties such as changes in general economic conditions, the issuer's financial condition or near term recovery prospects, the effects of changes in interest rates or credit spreads, and the recovery period.

Unrealized gains and losses on available-for-sale investments are excluded from earnings and reported as accumulated other comprehensive income (loss), net of tax, unless the losses are determined to be other than temporary. Realized capital gains and losses are determined using the specific identification basis.

Investment income is recorded when earned. Premiums and discounts arising from the purchase of mortgage-backed and asset-backed securities are amortized into investment income over the estimated remaining term of the securities, adjusted for anticipated prepayments. The Company uses the prospective method to account for the impact on investment income of changes in the estimated future cash flows for these securities. Premiums and discounts on other fixed maturity securities are amortized using the interest method over the remaining term of the security.

Property, Equipment, and Capitalized Software – Property, equipment, and capitalized software are recorded at cost, less accumulated depreciation. Capitalized software consists of certain costs incurred in the development of internal-use software, including external direct costs of materials, services and payroll costs of employees devoted to specific software development. Depreciation expense is computed using Section 179 of the Internal Revenue Code. All assets are depreciated fully in accordance with the annual allowances of the Internal Revenue Code.

Amortization of capitalized lease assets is included in depreciation and amortization expense and accumulated depreciation. Amortization of leased assets and leasehold improvements is computed based on the shorter of the life of the lease or the useful lives of the leased assets.

Maintenance and repair costs are charged to expense during the period incurred. Major improvements that extend the lives of the assets are capitalized, and the useful lives are adjusted as necessary.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

Beginning in 2011, the Company purchased customized external computer software to meet internal needs and has not and does not intend or plan to market this software externally, other than to affiliates. In accordance with ASC 350-40-25 and 350-50-25, the Company capitalized certain costs associated with the process of software development and implementation, with the remaining costs being expensed as incurred. Generally, capitalized costs included costs incurred in the development stages, with costs incurred in the planning and operating stages being expensed.

Fair Value of Financial Instruments – The carrying values of cash and cash equivalents, marketable securities, accounts receivable, and accounts payable and other accrued liabilities approximate fair value.

Valuation of Long-Lived Assets – The Company periodically evaluates the carrying value of long-lived assets when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when indicators of impairment are present and undiscounted cash flows estimated to be generated by the asset are less than the asset's carrying amount. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the related risk.

Capitalization of Expenditures – Expenditures in excess of \$10,000 per item for improvements are capitalized and expenditures under \$10,000 per item or repairs are expensed to operations as incurred. Upon sale or retirement, the cost and related accumulated depreciation and amortization are removed from the accounts and the resulting gain or loss, if any, is reflected in other income. Depreciation has been determined using Section 179 of the Internal Revenue Code.

Revenue Recognition – The gross billings that the Company charges its clients under its Client Services Agreements include billings for premiums, case management and provider network administration. All charges by the Company are invoiced monthly based on the client's fee schedule and amount of per member per month charges processed. The Company accounts for its revenues using the accrual method of accounting. Under the accrual method of accounting, the Company recognizes its revenues in the period in which the client members are covered by the related benefits. The Company accrues revenues and unbilled receivables for administrative fees relating to the period of benefit coverage and/or premiums received but claims unpaid at the end of each period. In addition, the related costs of services are accrued as a liability for the same period. Subsequent to the end of each period, such costs are paid and the related service fees are billed.

The Company reports revenues from claims administration fees in accordance with Emerging Issues Task Force ("EITF") No. 99-19, *Reporting Revenue Gross as a Principal versus Net as an Agent*. The Company reports as revenues, on a gross basis, the total amount billed to clients for professional administrative fees and other services agreed to by clients. The Company reports revenues on a gross basis for these fees because the Company is the primary obligor and deemed to be the principal in these transactions under EITF No. 99-19.

Income Taxes – The Company operates as an S Corporation for U.S. income tax purposes and accounts for income taxes under Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS 109"). SFAS 109 requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities, if any, are determined based on the differences between the financial statement and the tax basis of assets and liabilities using enacted tax rates currently in effect. There were no deferred tax assets or liabilities as of December 31, 2013. The Company reports its total Net Income by K-1 (Form 1120-S) to its shareholders who are accountable for the Company's total Net Income with other K-1 reported income or losses.

Community Health Solutions of America, Inc.
Notes to December 31, 2013 and 2012 Financial Statements

2. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents consist of deposits in bank checking, and savings accounts plus cash invested in certificates of deposits with maturities of 12 months and consisting of the following:

| Cash and Cash Equivalants Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|--|---------------------------------|---------------------------------|
| Bank of America | \$ 27,839 | \$ 17,534 |
| Certificate of Deposit | 5,155,150 | 5,155,150 |
| Hancock Bank | 2,138,060 | 2,020,485 |
| Total Cash & Cash Equivalents | <u>\$ 7,321,049</u> | <u>\$ 7,193,169</u> |

3. ACCOUNTS RECEIVABLE

Accounts Receivable represents monies due from clients in the course of normal business operations. Shared Savings Receivable represents "shared savings" that is calculated from a pre-determined formula when savings on claims payments are recognized. Accounts Receivable at December 31, 2013 and 2012 consist of the following:

| Payer Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|--|---------------------------------|---------------------------------|
| Molina - HMO | \$ 211,125 | \$ - |
| LA Department of Health & Human Services | - | 1,253 |
| SC Department of Health & Human Services-PCMH | 108,037 | - |
| SC Department of Health & Human Services-Part C | 27,912 | 5,350 |
| SC Department of Health & Human Services-Pre-admission Screening | 19,654 | 30,360 |
| Lurie Children's Hospital | 24,587 | - |
| Total Accounts Receivable | <u>\$ 391,314</u> | <u>\$ 36,962</u> |

Management has determined that all Accounts Receivable represent current and valid receivables at December 31, 2013.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

4. OTHER RECEIVABLES

Other receivables represent amounts due to the Company for operations in the ordinary course of the Company's business. Other receivables at December 31, 2013 and 2012 consist of the following:

| Other Receivables Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|-------------------------------|-------------------------|-------------------------|
| Officer's Receivable | \$ 8,351,028 | \$ 535 |
| Other | 141 | 4,622 |
| Payroll Benefits | 338 | 338 |
| Premier Servicing, LLC | 406,667 | - |
| Total Other Receivables | \$ 8,758,174 | \$ 5,495 |

Management has determined that all Other Receivables represent current and valid receivables at December 31, 2013. On January 31, 2014, the shareholder paid to Company \$8.351 million thereby satisfying the Officer's Receivable outstanding on December 31, 2013.

5. INTERCOMPANY RECEIVABLES, NET

Intercompany receivables, net of payables, represent monies due to or from the Company to or from its various affiliates for monies advanced for its use as determined by the affiliates, including the provision of certain administrative services relative to the Company's operations and in the ordinary course of the Company's business. Intercompany receivables at December 31, 2013 and 2012 consist of the following:

| Affiliated Company | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|--|-------------------------|-------------------------|
| PEOPLE Premier, Inc. | \$ 218 | \$ 10,258 |
| Premier Administrative Solutions, Inc. | 130,589 | 94,961 |
| Premier Servicing, LLC. | - | 633 |
| Premier Insurance Benefits, LLC. | 151,700 | 275,787 |
| PEOPLE Premier II, LLC. | - | 34 |
| CD Real Estate Holdings, LLC. | (1,500) | (450) |
| CHS-Louisiana | (248,033) | (2,202,235) |
| CHS-South Carolina | 278,425 | 1,704,078 |
| CHS-Shared Services | (30,392) | 498,157 |
| Clear Processing Solutions, LLC. | (23,528) | 1,502,988 |
| Clear Tec Solutions, LLC. | (1,082) | 4,007,942 |
| Clear Recruiting Solutions, LLC. | 2,505 | - |
| Total Due from Affiliates | \$ 258,903 | \$ 5,892,154 |

Management has determined that all of the monies due or owed related parties are valid receivables and/or payables at December 31, 2013 and that all amounts due and/or owed will be received and/or paid by January 31, 2014.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

6. DEPOSITS

Deposits consist mainly of a \$2,000,000 cash deposit on a surety bond, issued by an “A” rated insurance company, recoverable after the termination of the Company’s Louisiana contract, and the full payment of all claims, if any, filed against the Company’s surety bond at January 31, 2015.

7. PREPAID EXPENSES

Prepaid expenses consist of expenses that are paid in advance for premiums, bonding fees, computer licensing, administration fees and various other consulting fees. Prepaid expenses at December 31, 2013 and 2012 consist of the following:

| Expense Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|--|-------------------------|-------------------------|
| Bonds | \$ - | \$ 2,083 |
| Conferences | 4,800 | - |
| Insurance | 249,865 | 221,806 |
| Information Technology System, Processing & Consulting | 5,433,633 | 4,947,897 |
| Healthy Rewards Program | - | 118,051 |
| Travel & Other | 41,522 | 52,397 |
| Shared Savings Advance - Urgent Care | 725,605 | - |
| Software | 112,824 | - |
| Total Prepaid Expenses | <u>\$ 6,568,249</u> | <u>\$ 5,342,233</u> |

8. PROPERTY, EQUIPMENT AND ACCUMULATED DEPRECIATION

Expenditures in excess of \$10,000 per item for improvements are capitalized and expenditures under \$10,000 per item or repairs are expensed to operations as incurred. Upon sale or retirement, the cost and related accumulated depreciation and amortization are removed from the accounts and the resulting gain or loss, if any, is reflected in other income. Depreciation has been determined using Section 179 of the Internal Revenue Code whereby all assets are fully depreciated using the conventions set forth annually by the Internal Revenue Service. For fiscal year 2013 and 2012, the maximum deduction was \$500,000 and the limit on capital purchases was \$2,000,000 for qualified expenditures.

Property, equipment, and capitalized software, along with accumulated depreciation and amortization consisted of the following:

| Expense Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|---|-------------------------|-------------------------|
| Building and Leasehold Improvements | \$ 754,402 | \$ 754,402 |
| Computer Hardware & Software | 589,598 | 216,466 |
| Equipment | 20,998 | 20,998 |
| Furniture & Fixtures | 218,544 | 218,544 |
| Less: Accumulated Depreciation/Amortization | <u>(1,583,542)</u> | <u>(1,176,230)</u> |
| Total Property and Equipment | <u>\$ -</u> | <u>\$ 34,180</u> |

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

9. OTHER PAYABLES

Other Payables represent expenses incurred in the normal course of business operations. All other payables are considered current liabilities and will be paid within one year of incurring them. At December 31, 2013 and 2012, accrued expenses consisted of the following items:

| Expense Description | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|-------------------------------|-------------------------|-------------------------|
| Providers Payable | \$ 676,009 | \$ 414,457 |
| Healthy Rewards Program | 73,513 | 116,674 |
| Shared Savings Settlement | 324,471 | 1,730,510 |
| Building Improvements Payable | 8,224 | 414,285 |
| Other Payables | 44,797 | 240,384 |
| Total Other Payables | <u>\$ 1,127,013</u> | <u>\$ 2,916,309</u> |

10. ACCRUED EXPENSES

Accrued expenses represent expenses incurred in the normal course of business operations outside of typical vendors. All accrued expenses are considered current liabilities and will be paid within one year of incurring them. At December 31, 2013 and 2012, accrued expenses consisted of the following items:

| Affiliated Company | Balance @ 12/31/2013 | Balance @ 12/31/2012 |
|------------------------|-------------------------|-------------------------|
| Employee Leasing Costs | \$ 81,405 | \$ 454,602 |
| Legal Fees | 15,926 | - |
| Consulting Fees | 22,500 | 4,633 |
| Insurance Premiums | - | 3,182 |
| Other Office Expenses | 3,592 | 6,142 |
| Total Accrued Expenses | <u>\$ 123,423</u> | <u>\$ 468,559</u> |

11. RELATED PARTY TRANSACTIONS

On January 1, 2012, the Company entered into a sales agreement with Clear Tec Solutions, LLC. (CTS), an affiliate, whereby it exchanged certain internally-developed and customized software (Consensus), valued at \$12,000,000 and a related data warehouse valued at \$4,000,000, for specified Information Technology (IT) services. The proceeds of this sale were offset against Accounts Payable due to CTS and incurred in the course of normal business operations for IT services provided and relating to member services provided under the Company's agreement with South Carolina and Louisiana. Invoiced amounts for IT services provided by CTS are submitted monthly and the balance owed by CTS for Consensus is reduced accordingly. This process resulted in a prepaid expense of \$4,727,902 and \$5,435,085 for IT fees as of December 31, 2013 and 2012, respectively from the original receivable balance that was computed at a discounted rate of \$1.90 per member per month. All Federal income taxes incurred from the sales agreement were properly computed, and paid in full to the United States Department of the Treasury.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

12. BUSINESS CONCENTRATIONS

A significant portion of business written by the Company is for state governmental programs. Accordingly, the occurrence of adverse economic conditions, an adverse regulatory climate, or a disaster in the state could have a material adverse effect on the Company's business, although no such conditions have been encountered in the past.

On March 16, 2012, the Company entered in to a settlement agreement with the South Carolina Department of Health and Human Services (SCDHHS), whereby SCDHHS released certain withheld shared savings payments and acknowledged SCDHHS errors in their computation of the shared settlement payments to the Company resulting in a shared savings liability to the Company of \$1,730,510 for the year ended December 31, 2012. Repayment of this liability began in 2013, with \$324,471 being withheld from each quarterly shared settlement payment during the year.

In the first quarter of 2014, SCDHHS recalculated the amount of the net savings through the third quarter of 2012, resulting in an actual savings of \$1,494,363 by the Company. The Company is having an independent actuarial firm review the SCDHHS net savings calculations to determine if they were properly calculated. Inconsistencies in the calculation will be brought to SCDHHS for further review. Prior amounts to be withheld by the SCDHHS were offset against this recognized savings, resulting in a receivable of \$826,888 to the Company. All receivables were received and recognized in the first quarter of 2014.

For the year ended December 31, 2013, more than 90% of the Company's total revenues were derived from state regulated programs. The Company is actively marketing its services to generate new customers and revenue resulting in some additional expense without current revenue being realized and recorded in the statement of operations.

Major competitors are Medical Care Organizations, including First Choice by Select Health, Absolute Total Care, Blue Choice Health Plan of South Carolina, and Absolute Total Care in South Carolina and Amerigroup, LaCare, Louisiana Health Connections, and United Healthcare Community Plan in Louisiana.

Community Health Solutions of America, Inc.

Notes to December 31, 2013 and 2012 Financial Statements

13. SIGNIFICANT EVENTS

On July 26, 2013, Community Health Solutions of America, Inc. (CHS) entered into an agreement with Molina Healthcare, Inc. (Molina) to sell certain CHS South Carolina (SC) assets, including the rights to convert CHS's non-risk Medicaid members into SC's full-risk Medicaid program effective January 1, 2014, plus the right to apply for a SC 2014 Medicaid Dual Eligible contract. The conversion of such members was contingent on three conditions: the successful receipt by Molina of a HMO license issued by the South Carolina Department of Insurance, the award to Molina Healthcare of a full-risk Medicaid managed care contract by the South Carolina Department of Health and Human Services, and the state's conversion to a full-risk Medicaid managed care program.

Each of these three conditions was satisfied by January 01, 2014. On January 01, 2014, CHS's approximately 137,000 South Carolina Medicaid non-risk members were converted to Medicaid full-risk members. As of April 01, 2014, which was the end of the converted members' choice period, approximately 88% of the converted members choose to be enrolled with Molina. The remaining 12% of converted members selected to be enrolled into other HMO Medicaid plans operating in South Carolina or dropped out of SC's Medicaid program.

The conversion right's Total Sales Price was based on SC's April 01, 2014 MCO Final Enrollment report received during April 2014 which reported that 120,521 converted Medicaid members were enrolled with Molina. The conversion right Total Sales Price of approximately \$57.2 million has been paid to CHS or deposited into a jointly held bank money market escrow account in five payments: \$7.5 million was received by CHS on July 26, 2013, \$33.6 million was received by CHS on January 07, 2014, and \$10.5 million was received by CHS on April 17, 2014. The interim and final withhold amounts of \$4.5 million and \$1.1 million were deposited on January 07, 2014 and April 17, 2014, respectively, into a CHS and Molina jointly held bank money market account whose balance, less any amount used to offset losses incurred by Molina resulting from the conversion, will be released and paid to CHS on the eighteenth month anniversary of the effective date of the FAD contract.

Conversion Right Calculation Summary:

| | |
|---|---------------------|
| Closing Payment (7/26/13) | \$7,500,000 |
| MCO Purchase Price Interim Payment to Sellers | 33,556,800 |
| MCO Purchase Price Final Payment | 10,465,926 |
| Interim Withhold Amount | 4,561,867 |
| Final Withhold Amount | <u>1,162,882</u> |
| Total | <u>\$57,247,475</u> |

The payments for the right to apply for SC's 2014 Medicaid Dual Eligible contract will be determined during 2014 based on and if Molina is awarded a Medicaid Dual Eligible contract and after the final Dual members are assigned to Molina.

Community Health Solutions of America, Inc.
Notes to December 31, 2013 and 2012 Financial Statements

14. SUBSEQUENT EVENT

On January 1, 2014, the Company purchased 100% of the outstanding stock of several affiliates from their respective shareholder. The purchase price paid for each affiliate was equal to the affiliate's book value, thus there was no gain or loss recognized by any of the affiliates and no income taxes were incurred on these transactions. The affiliates purchased were as follows:

Affiliates Equity Balances:

| | |
|--|--------------------|
| CD Real Estate Holdings, LLC | \$ 822,360 |
| CD PEO Plus, LLC | 1,043,627 |
| Clear Processing Solutions, LLC | 977,434 |
| Clear Recruiting Solutions, LLC | 50,378 |
| Clear Tec Solutions, LLC | 3,217,399 |
| Premier Administrative Solutions, Inc. | <u>1,917,311</u> |
| Total | <u>\$8,028,509</u> |

Upon receipt by shareholder of approximately \$8.028 million from the Company, the shareholder paid to Company \$8.351 million thereby satisfying the Officer Receivable outstanding on December 31, 2013.

Additionally, on January 1, 2014 the shareholders of Company transferred their common stock interest to Premier Business Solutions Group, LLC (PBSG). This reorganization resulted in both PBSG, and the Company to qualify as a minority owned company due to shareholder Cheryl K. Haigley owning 51% of the common stock of PBSG.