

**APPENDIX XVII: TOTAL FUNDING PAID FOR CLAIMS TO PROVIDERS, ADMINISTRATIVE COSTS
AND PROFIT**

a) Payment of Claims to Providers

Month of Service	Claims Paid Amount
2013-07	\$22,538,692.87
2013-08	\$23,836,689.04
2013-09	\$23,555,879.93
2013-10	\$27,060,742.56
2013-11	\$24,866,435.02
2013-12	\$24,614,223.92
2014-01	\$25,490,876.22
2014-02	\$25,362,755.26
2014-03	\$27,104,039.68
2014-04	\$27,612,589.14
2014-05	\$27,787,227.19
2014-06	\$25,415,410.29
Annual TOTAL	\$305,245,561.12

- b) Administrative costs of the Statewide Management Organization
- c) Profit for the Statewide Management Organization

**Merit Health Insurance Company
Schedule B
Income Statement
12/31/2013**

and

**Merit Health Insurance Company
Schedule B
Income Statement
6/30/2014**

Merit Health Insurance Company
Schedule B
Income Statement
12/31/2013

					Year end:					
					2013					
					1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total Current Qtr	YTD
					03/31/2013	06/30/2013	09/30/2013	12/31/2013	12/31/2013	12/31/2013
Line #	REVENUE & EXPENSES									
1	Member months - at risk		833,917	834,723	834,992	843,835		843,835		3,347,467
2	Member months - administrative capitated		2,230,739	2,235,075	2,287,502	2,269,892		2,269,892		9,023,208
3	Members in service - administrative non-capitated		11,362	14,435	15,340	11,723		11,723		52,860
	REVENUES									
4	Capitated revenue - at-risk	\$	31,908,640	\$ 32,119,060	\$ 32,161,874	\$ 32,393,530		32,393,530	\$	128,583,105
5	Capitated revenue - administrative	\$	4,546,686	\$ 4,990,936	\$ 4,827,325	\$ 4,832,485		4,832,485	\$	19,197,432
6	Other administrative revenue	\$	1,600,584	\$ 1,600,584	\$ 1,995,946	\$ 1,582,969		1,582,969	\$	6,780,083
7	Investment income	\$	-	\$ -	\$ -	\$ -		-	\$	-
8	Other income	\$	-	\$ -	\$ (478,910)	\$ 390,312		390,312	\$	(88,598)
9	Open (for Wrap Around Agencies column report cash in)	\$	614,523	\$ 2,760,175	\$ 2,109,876	\$ 3,049,287		3,049,287	\$	8,533,861
10	Open (for Wrap Around Agencies column report cash out)	\$	(614,523)	\$ (2,760,175)	\$ (2,109,876)	\$ (3,049,287)		(3,049,287)	\$	(8,533,861)
11	TOTAL REVENUES	\$	38,055,910	\$ 38,710,580	\$ 38,506,236	\$ 39,199,296	\$	39,199,296	\$	154,472,022
	EXPENSES									
	Inpatient Services									
12	Inpatient-Freestanding Psych Facilities	\$	542,121	\$ 257,833	\$ 478,178	\$ 955,512		955,512	\$	2,233,645
13	Inpatient-Distinct Part Psych Facilities	\$	11,594,645	\$ 12,425,414	\$ 12,115,605	\$ 22,426,666		22,426,666	\$	58,562,329
14	Inpatient-General Hospital	\$	523,699	\$ 526,657	\$ 869,286	\$ 879,180		879,180	\$	2,798,822
15	Addiction Services - Residential	\$	890,226	\$ 867,063	\$ 1,230,362	\$ 2,953,922		2,953,922	\$	5,941,573
16	Inpatient-Incurred But Not Reported Claim Expense	\$	1,265,329	\$ 1,416,314	\$ 436,588	\$ (12,100,290)		(12,100,290)	\$	(8,982,060)
17	Total Inpatient Services	\$	14,816,020	\$ 15,493,280	\$ 15,130,019	\$ 15,114,990	\$	15,114,990	\$	60,554,309
	Other Services									
18	Hospital Outpatient Services	\$	168	\$ 30	\$ 2,674,612	\$ 11,581,218		11,581,218	\$	14,256,028
19	Outpatient Emergency Room	\$	1,313,517	\$ 1,405,668	\$ 2,105,742	\$ 1,250,228		1,250,228	\$	6,075,156
20	FQHC Services	\$	227,210	\$ 187,386	\$ 468,112	\$ 381,353		381,353	\$	1,264,061
21	Crisis Intervention	\$	44,337	\$ 37,644	\$ 64,448	\$ 56,269		56,269	\$	202,698
22	Psychosocial Rehabilitation	\$	607,373	\$ 486,240	\$ 488,456	\$ 824,327		824,327	\$	2,406,395
23	Community Psychiatric Support and Treatment	\$	3,428,381	\$ 4,931,572	\$ 6,022,397	\$ 8,736,669		8,736,669	\$	23,119,020
24	Addiction Services - Outpatient	\$	134,812	\$ 248,570	\$ 319,076	\$ 748,895		748,895	\$	1,451,353
25	1915(b)(3) Services - Case Conference	\$	-	\$ -	\$ -	\$ -		-	\$	-
26	Medical Physician/Psychiatrist	\$	1,826,397	\$ 2,438,974	\$ 3,852,327	\$ 97,565		97,565	\$	8,215,263
27	Psychologist	\$	25,038	\$ 30,525	\$ 49,700	\$ 6,263		6,263	\$	111,527
28	Licensed Professional Counselor	\$	110,861	\$ 121,666	\$ 469,394	\$ 2,432		2,432	\$	704,353
29	Social Worker	\$	70,333	\$ 58,430	\$ 96,946	\$ (363)		(363)	\$	225,345
30	Licensed Marriage and Family Therapist	\$	-	\$ -	\$ -	\$ -		-	\$	-
31	Other Psych Services	\$	121,839	\$ 122,468	\$ 97,490	\$ 5,328		5,328	\$	347,124
32	Lab	\$	-	\$ -	\$ -	\$ 320		320	\$	320
33	Other Non-defined Services (describe)	\$	1,816	\$ 768,310	\$ 24,789	\$ 562		562	\$	795,476
34	Other Services-Incurred But Not Reported Claim Expense	\$	602,156	\$ (1,446,755)	\$ (8,896,644)	\$ (5,585,156)		(5,585,156)	\$	(15,326,400)
35	Total Other Services	\$	8,514,237	\$ 9,390,728	\$ 7,836,845	\$ 18,105,909	\$	18,105,909	\$	43,847,719
36	TOTAL MEDICAL EXPENSES	\$	23,330,257	\$ 24,884,008	\$ 22,966,864	\$ 33,220,900	\$	33,220,900	\$	104,402,028
	Reinsurance and Recoveries									
37	Reinsurance premiums	\$	-	\$ -	\$ -	\$ -		-	\$	-
38	Reinsurance recoveries	\$	-	\$ -	\$ -	\$ -		-	\$	-
39	Net cost of reinsurance	\$	-	\$ -	\$ -	\$ -		-	\$	-
40	TPL/COB recoveries	\$	-	\$ -	\$ -	\$ -		-	\$	-
41	Fraud and abuse recoveries	\$	-	\$ -	\$ -	\$ -		-	\$	-
42	Other recoveries (describe)	\$	-	\$ -	\$ -	\$ -		-	\$	-
43	Risk pool and MLR Rebate	\$	2,539,910	\$ 835,731	\$ 2,509,246	\$ (5,884,888)		(5,884,888)	\$	-
44	TOTAL NET MEDICAL EXPENSES	\$	25,870,167	\$ 25,719,739	\$ 25,476,110	\$ 27,336,012	\$	27,336,012	\$	104,402,028
	Administrative Services									
45	General management	\$	786,361	\$ 878,957	\$ 859,725	\$ 951,180		951,180	\$	3,476,223
46	Clinical operations	\$	401,731	\$ 473,800	\$ 416,011	\$ 558,448		558,448	\$	1,849,991
47	Customer service	\$	234,503	\$ 249,894	\$ 196,091	\$ 184,598		184,598	\$	865,085
48	QI/Compliance	\$	285,549	\$ 344,774	\$ 242,497	\$ 235,836		235,836	\$	1,108,655
49	Training	\$	17,069	\$ 35,278	\$ 14,948	\$ 32,724		32,724	\$	100,019
50	Utilization management	\$	935,526	\$ 1,049,133	\$ 965,411	\$ 1,010,364		1,010,364	\$	3,960,434
51	CSoc Program	\$	152,652	\$ 167,742	\$ 146,590	\$ 156,544		156,544	\$	623,528
52	Permanent Supportive Housing	\$	225,044	\$ 57,067	\$ 180,498	\$ 296,862		296,862	\$	759,472
53	Recovery and resiliency	\$	90,368	\$ 82,137	\$ 122,207	\$ 192,873		192,873	\$	487,585
54	After hours	\$	59,050	\$ 76,227	\$ 72,035	\$ 65,952		65,952	\$	273,264
55	Information technology	\$	-	\$ -	\$ -	\$ -		-	\$	-
56	Corporate service allocation	\$	3,397,393	\$ 3,618,954	\$ 3,694,165	\$ 3,537,987		3,537,987	\$	14,248,499
57	Other administrative costs	\$	23,320	\$ -	\$ (9,040)	\$ -		-	\$	14,280
58	Sanctions and late payment interest penalties	\$	-	\$ -	\$ -	\$ -		-	\$	-
59	TOTAL ADMINISTRATIVE EXPENSES	\$	6,608,567	\$ 7,033,962	\$ 6,901,137	\$ 7,223,369	\$	7,223,369	\$	27,767,035
60	TOTAL EXPENSES	\$	32,478,734	\$ 32,753,701	\$ 32,377,247	\$ 34,559,381	\$	34,559,381	\$	132,169,063
61	EARNINGS FROM OPERATIONS	\$	5,577,176	\$ 5,956,879	\$ 6,128,989	\$ 4,639,915	\$	4,639,915	\$	22,302,959
62	Premium Taxes	\$	717,944	\$ 722,601	\$ 723,642	\$ 728,730		728,730	\$	2,892,917
63	EARNINGS BEFORE INCOME TAXES AND OTHER ITEMS	\$	4,859,232	\$ 5,234,279	\$ 5,405,347	\$ 3,911,185	\$	3,911,185	\$	19,410,042
64	Other income/(loss) (describe)	\$	(51,570)	\$ 23,246	\$ (2,198)	\$ (53,696)		(53,696)	\$	(84,218)
65	Income taxes	\$	(1,682,682)	\$ (1,840,134)	\$ (1,891,102)	\$ (1,350,121)		(1,350,121)	\$	(6,764,038)
66	NET INCOME (LOSS)	\$	3,124,980	\$ 3,417,391	\$ 3,512,047	\$ 2,507,368	\$	2,507,368	\$	12,561,786

Merit Health Insurance Company
Schedule B
Income Statement
6/30/2014

Line #	REVENUE & EXPENSES	Year end:				2014	
		1st Qtr 03/31/2014	2nd Qtr 06/30/2014	3rd Qtr 09/30/2014	4th Qtr 12/31/2014	Total Current Qtr 06/30/2014	YTD 06/30/2014
1	Member months - at risk	794,254	827,455	-	-	827,455	1,621,709
2	Member months - administrative capitated	2,234,672	2,274,404	-	-	2,274,404	4,509,076
3	Members in service - administrative non-capitated	15,163	15,127	-	-	15,127	30,290
	REVENUES						
4	Capitated revenue - at-risk	\$ 30,217,675	\$ 31,125,198	\$ -	\$ -	\$ 31,125,198	\$ 61,342,873
5	Capitated revenue - administrative	\$ 4,759,867	\$ 4,953,222	\$ -	\$ -	\$ 4,953,222	\$ 9,713,089
6	Other administrative revenue	\$ 1,580,088	\$ 1,705,888	\$ -	\$ -	\$ 1,705,888	\$ 3,285,976
7	Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other income (Health Insurer Fee - ACA)	\$ -	\$ 1,446,386	\$ -	\$ -	\$ 1,446,386	\$ 1,446,386
9	Open (for Wrap Around Agencies column report cash in)	\$ 2,128,217	\$ 5,449,249	\$ -	\$ -	\$ 5,449,249	\$ 7,577,466
10	Open (for Wrap Around Agencies column report cash out)	\$ (2,128,217)	\$ (5,449,249)	\$ -	\$ -	\$ (5,449,249)	\$ (7,577,466)
11	TOTAL REVENUES	\$ 36,557,630	\$ 39,230,694	\$ -	\$ -	\$ 39,230,694	\$ 75,788,324
	EXPENSES						
	Inpatient Services						
12	Inpatient-Freestanding Psych Facilities	\$ 325,310	\$ 170,326	\$ -	\$ -	\$ 170,326	\$ 495,636
13	Inpatient-Distinct Part Psych Facilities	\$ 13,465,951	\$ 11,297,427	\$ -	\$ -	\$ 11,297,427	\$ 24,763,378
14	Inpatient-General Hospital	\$ 494,284	\$ 412,150	\$ -	\$ -	\$ 412,150	\$ 906,434
15	Addiction Services - Residential ASAM 3.1-3.3	\$ 800,444	\$ 353,325	\$ -	\$ -	\$ 353,325	\$ 1,153,769
16	Addiction Services - Residential ASAM 3.5-3.7	\$ 1,503,027	\$ 1,293,590	\$ -	\$ -	\$ 1,293,590	\$ 2,796,617
16	Inpatient-Incurred But Not Reported Claim Expense	\$ (1,423,724)	\$ 1,196,489	\$ -	\$ -	\$ 1,196,489	\$ (227,235)
17	Total Inpatient Services	\$ 15,165,292	\$ 14,723,307	\$ -	\$ -	\$ 14,723,307	\$ 29,888,599
	Other Services						
18	Mental Health Intensive Outpatient	\$ 2,933,884	\$ 2,716,225	\$ -	\$ -	\$ 2,716,225	\$ 5,650,109
19	Hospital Outpatient Services	\$ 9,148	\$ 9,658	\$ -	\$ -	\$ 9,658	\$ 18,806
20	Outpatient Emergency Room	\$ 2,213,980	\$ 1,843,944	\$ -	\$ -	\$ 1,843,944	\$ 4,057,924
21	FQHC Services	\$ 644,331	\$ 303,929	\$ -	\$ -	\$ 303,929	\$ 948,260
22	Independent Assessment	\$ 298,396	\$ 519,633	\$ -	\$ -	\$ 519,633	\$ 818,029
23	Crisis Intervention/Stabilization	\$ 49,701	\$ 90,854	\$ -	\$ -	\$ 90,854	\$ 140,555
24	Psychosocial Rehabilitation	\$ 709,361	\$ 785,099	\$ -	\$ -	\$ 785,099	\$ 1,494,460
25	Community Psychiatric Support and Treatment	\$ 2,301,763	\$ 2,756,965	\$ -	\$ -	\$ 2,756,965	\$ 5,058,728
26	Assertive Community Treatment	\$ 3,999,205	\$ 4,183,279	\$ -	\$ -	\$ 4,183,279	\$ 8,182,484
27	Addiction Services - Outpatient	\$ 733,677	\$ 770,500	\$ -	\$ -	\$ 770,500	\$ 1,504,176
28	1915(b)(3) Services - Case Conference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	Individual prescriber (MD, DO, Med PHD, APRN, PA)	\$ 56,904	\$ 1,016,374	\$ -	\$ -	\$ 1,016,374	\$ 1,073,278
30	Medication Management	\$ 1,089,623	\$ 2,074,948	\$ -	\$ -	\$ 2,074,948	\$ 3,164,571
31	Licensed Professional Counselor	\$ 2,805	\$ 129,544	\$ -	\$ -	\$ 129,544	\$ 132,349
32	Individual Practitioner (LCSW, Psychologist)	\$ 2,583	\$ 89,099	\$ -	\$ -	\$ 89,099	\$ 91,682
33	Licensed Marriage and Family Therapist	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34	Other Psych Services	\$ 863	\$ 121,565	\$ -	\$ -	\$ 121,565	\$ 122,428
35	Lab	\$ 3,002	\$ 2,217	\$ -	\$ -	\$ 2,217	\$ 5,218
36	Other Non-defined Services (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37	Other Services-Incurred But Not Reported Claim Expense	\$ (2,150,054)	\$ 5,628,872	\$ -	\$ -	\$ 5,628,872	\$ 3,478,817
38	Total Other Services	\$ 12,899,171	\$ 23,042,706	\$ -	\$ -	\$ 23,042,706	\$ 35,941,876
39	TOTAL MEDICAL EXPENSES	\$ 28,064,463	\$ 37,766,013	\$ -	\$ -	\$ 37,766,013	\$ 65,830,475
	Reinsurance and Recoveries						
40	Reinsurance premiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41	Reinsurance recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42	Net cost of reinsurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43	TPL/COB recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44	Fraud and abuse recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45	Other recoveries (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46	Risk pool and MLR Rebate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	TOTAL NET MEDICAL EXPENSES	\$ 28,064,463	\$ 37,766,013	\$ -	\$ -	\$ 37,766,013	\$ 65,830,475
	Administrative Services						
48	General management	\$ 930,520	\$ 964,393	\$ -	\$ -	\$ 964,393	\$ 1,894,913
49	Clinical operations	\$ 480,205	\$ 554,452	\$ -	\$ -	\$ 554,452	\$ 1,034,657
50	Customer service	\$ 246,720	\$ 300,707	\$ -	\$ -	\$ 300,707	\$ 547,427
51	QI/Compliance	\$ 247,183	\$ 266,893	\$ -	\$ -	\$ 266,893	\$ 514,077
52	Training	\$ 34,296	\$ 55,518	\$ -	\$ -	\$ 55,518	\$ 89,814
53	Utilization management	\$ 1,269,212	\$ 1,271,698	\$ -	\$ -	\$ 1,271,698	\$ 2,540,910
54	CSoC Program	\$ 99,542	\$ 105,421	\$ -	\$ -	\$ 105,421	\$ 204,963
55	Permanent Supportive Housing	\$ 356,422	\$ 336,890	\$ -	\$ -	\$ 336,890	\$ 693,312
56	Recovery and resiliency	\$ 94,183	\$ 132,341	\$ -	\$ -	\$ 132,341	\$ 226,524
57	After hours	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
58	Information technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
59	Corporate service allocation	\$ 3,214,938	\$ 3,403,626	\$ -	\$ -	\$ 3,403,626	\$ 6,618,563
60	Other administrative costs	\$ -	\$ 116,835	\$ -	\$ -	\$ 116,835	\$ 116,835
61	Sanctions and late payment interest penalties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62	TOTAL ADMINISTRATIVE EXPENSES	\$ 6,973,221	\$ 7,508,774	\$ -	\$ -	\$ 7,508,774	\$ 14,481,996
63	TOTAL EXPENSES	\$ 35,037,684	\$ 45,274,787	\$ -	\$ -	\$ 45,274,787	\$ 80,312,471
64	EARNINGS FROM OPERATIONS	\$ 1,519,946	\$ (6,044,093)	\$ -	\$ -	\$ (6,044,093)	\$ (4,524,147)
65	Premium Taxes	\$ 679,898	\$ 700,317	\$ -	\$ -	\$ 700,317	\$ 1,380,215
66	ACA Taxes	\$ 437,500	\$ 481,498	\$ -	\$ -	\$ 481,498	\$ 918,998
67	EARNINGS BEFORE INCOME TAXES AND OTHER ITEMS	\$ 402,549	\$ (7,225,908)	\$ -	\$ -	\$ (7,225,908)	\$ (6,823,359)
68	Other income/(loss) (describe)	\$ (1,321,630)	\$ 387,909	\$ -	\$ -	\$ 387,909	\$ (933,721)
69	Income taxes	\$ (290,821)	\$ 2,362,501	\$ -	\$ -	\$ 2,362,501	\$ 2,071,680
70	NET INCOME (LOSS)	\$ (1,209,902)	\$ (4,475,498)	\$ -	\$ -	\$ (4,475,498)	\$ (5,685,400)