# Phoenix Health Plan, Inc.

Financial Statements and Other Supplementary Information as of and for the Year Ended June 30, 2016, and Independent Auditors' Report

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## INDEPENDENT AUDITORS' REPORT

To the Stockholder of Phoenix Health Plan, Inc:

We have audited the accompanying financial statements of Phoenix Health Plan, Inc. (the "Company"), which comprise the balance sheet as of June 30, 2016, and the related statements of income, stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of June 30, 2016, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Supplementary Information

Peloitte & Touche LLP

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the financial statements. This supplementary information is the responsibility of the Company's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

October 31, 2016

## **BALANCE SHEET** AS OF JUNE 30, 2016

## **ASSETS CURRENT ASSETS:** Cash and cash equivalents \$ 4,192,655 Reinsurance and other receivables 3,657,629 Due from affiliates—net 330,442,059 Total current assets 338,292,343 PROPERTY AND EQUIPMENT: Computer hardware and software 8,291,240 Less accumulated depreciation and amortization (8,291,240)Net property and equipment **TOTAL ASSETS** \$ 338,292,343 LIABILITIES AND STOCKHOLDER'S EQUITY **CURRENT LIABILITIES:** Accounts payable \$ 2,659,589 Medical claims payable 14,699,665 Program settlements and other accrued expenses 30,080,505 Total current liabilities 47,439,759 LONG-TERM LIABILITIES 422,417 STOCKHOLDER'S EQUITY: Stockholder's capital 157,035,173 Retained earnings 133,394,994 Total stockholder's equity 290,430,167 TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY

See notes to financial statements.

\$338,292,343

# INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2016

REVENUE: Capitation Supplemental revenue Investment income Other revenue	\$ 142,851,925 4,587,763 1,142,960 3,515,387
Total revenue	152,098,035
EXPENSES: Hospital Medical compensation Other medical	25,905,758 30,467,229 71,360,056
	127,733,043
Less reinsurance and third-party liability	4,485,038
Total medical expenses	123,248,005
Administrative expenses	10,860,771
Total expenses	134,108,776
INCOME BEFORE INCOME TAXES AND HEALTH INSURER FEES AND INCOME TAXES	17,989,259
PREMIUM TAXES AND HEALTH INSURER FEES	(6,047,387)
INCOME TAX EXPENSE	(5,172,926)
NET INCOME	\$ 6,768,946

See notes to financial statements.

# STATEMENT OF STOCKHOLDER'S EQUITY FOR THE YEAR ENDED JUNE 30, 2016

	Stockholder's Capital	Retained Earnings	Stockholder's Equity
BALANCE—July 1, 2015	\$ 157,035,173	\$126,626,048	\$ 283,661,221
Net income		6,768,946	6,768,946
BALANCE—June 30, 2016	\$ 157,035,173	<u>\$133,394,994</u>	\$290,430,167

See notes to financial statements.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2016

OPERATING ACTIVITIES:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:	\$	6,768,946
Depreciation and amortization		126,571
Deferred income taxes		(1,642,864)
Changes in assets and liabilities: Decrease in reinsurance and other receivables Increase in medical claims payable Decrease in accounts payable Increase in accrued expenses and other liabilities		(952,394) 2,200,464 (1,839,060) 7,849,364
Net cash provided by operating activities		12,511,027
INVESTING ACTIVITIES—Increase in due from affiliates	_(	(12,503,785)
INCREASE IN CASH AND CASH EQUIVALENTS		7,242
CASH AND CASH EQUIVALENTS—Beginning of year		4,185,413
CASH AND CASH EQUIVALENTS—End of year	<u>\$</u>	4,192,655

See notes to financial statements.

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

#### 1. ORGANIZATION AND OPERATIONS

Phoenix Health Plan, Inc. (the "Company") is a wholly owned subsidiary of Phoenix Health Plans, Inc. and an indirect wholly owned subsidiary of Tenet Healthcare Corporation ("Tenet"). In July 2015, the Company converted from a limited liability corporation to a C corporation.

The Company is a prepaid Medicaid managed health plan that derives substantially all of its revenue through a contract with the Arizona Health Care Cost Containment System (AHCCCS) to provide specified health services to qualified Medicaid enrollees through contracts with providers. AHCCCS is the state agency that administers Arizona's Medicaid program. The contract requires the Company to arrange for health care services for enrolled Medicaid patients in exchange for fixed monthly premiums, which are based on negotiated per capita member rates, reinsurance, and other supplemental payments from AHCCCS.

The Company subcontracts with hospitals, physicians, and other medical providers in Arizona to provide services to its enrollees in Maricopa County. These services are provided regardless of the actual costs incurred to provide the services. The Company receives reinsurance and other supplemental payments from AHCCCS to cover certain costs of health care services that exceed defined thresholds.

AHCCCS Contract—On March 22, 2013, the Company was notified that it was not awarded an acute care program contract with AHCCCS for the three-year period commencing on October 1, 2013. However, on April 1, 2013, the Company agreed with AHCCCS on the general terms of a capped contract to provide services to members in Maricopa County for the three-year period commencing on October 1, 2013, with two one-year options to extend. Enrollment is limited to existing members as of October 1, 2013, and the enrollment cap will not be lifted at any time during the contract period, unless AHCCCS deems additional plan capacity necessary based upon growth in covered lives or for other reasons, as outlined in a letter provided by AHCCCS that clarifies certain terms of the capped contract. On September 16, 2016, the contract with AHCCCS was renewed for the first of its two one-year extension options and commenced on October 1, 2016.

The Company has 52,126 members as of June 30, 2016.

The Company's contract is terminable without cause on 90 days' written notice from AHCCCS or for cause upon written notice from AHCCCS if the Company fails to comply with any term or condition of the contract or fails to take corrective action, as required, to comply with the terms of the contract. AHCCCS may also terminate the contract with the Company in the event of unavailability of state or federal funding. The Company may choose to terminate its contract by providing notice to AHCCCS by December 31, 2016. If the Company makes such an election, the Company would be subject to various administrative guidelines that would require it to assist AHCCCS in transitioning enrollees to coverage under a new plan by March 31, 2017. Should AHCCCS terminate its contract with the Company, the Company would cease operations.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents—Cash equivalents include all highly liquid investments with initial maturities of three months or less when purchased. Cash and cash equivalents are maintained at high-quality financial institutions, and management believes exposure to credit risk is not significant.

Receivables—The Company had \$3,657,629 of receivables as of June 30, 2016, including expected reimbursement from AHCCCS for fees related to the Patient Protection and Affordable Care Act (PPACA) submitted to the Internal Revenue Service (IRS) each year and other supplemental reimbursement receivables. The PPACA receivables are determined based upon the allocation of Tenet's annual total payment to the IRS during the current calendar year, which is based upon premiums recognized during the previous calendar year, plus the estimated impact of reimbursements related to the nondeductibility for federal income tax purposes of the PPACA fees.

Property and Equipment—Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of the Company's property and equipment range from three to eight years. Routine maintenance and repairs are charged to expense as incurred. Expenditures that increase values, change capacities, or extend useful lives are capitalized. The Company had no capital expenditures during the year ended June 30, 2016.

Depreciation expense for property and equipment was \$126,571 for the year ended June 30, 2016, which is included in administrative expenses in the accompanying income statement.

Revenue—The Company receives monthly capitation payments under the AHCCCS contract based on the number of enrollees and type of enrollee coverage. Capitation payments are recognized as revenue in the month in which the Company is notified that a member is eligible for health care coverage provided by the Company. Included in these monthly payments are capitation amounts applicable to Social Security Act Title XIX waiver group (TWG) members. The TWG medical expense deduction (MED) population includes TWG members whose incomes exceed the limits of all other Title XIX categories and who have medical expenses that reduce income to at or below 40% of the federal poverty level. The TWG nonmedical expense deduction ("Non-MED") population includes adults or childless couples at or below 100% of the federal poverty level who do not meet the requirements of another categorically linked Title XIX program. AHCCCS limited the profitability and loss that health plans may recognize for the TWG prospective Non-MED population for program years through September 30, 2013. For program years after September 30, 2013, all TWG members are included in the acute population risk band calculations as discussed below.

The Non-MED reconciliation limited the Company's profits or losses related to this population to 2% of related capitation revenue (net of reinsurance, administrative expenses, and premium taxes), as defined in the applicable AHCCCS contract for specific contract years. As of June 30, 2016, the Company had an estimated net Non-MED

settlement receivable of approximately \$93,081, which was included in program settlements and other accrued expenses in the accompanying balance sheet, that relates to the contract years ended September 30, 2014 and 2015.

The Company is subject to a tiered prospective reconciliation for certain groups related to the program years ended September 30, 2014, 2015, and 2016, based upon prospective expenses and prospective net capitation. Populations subject to this tiered prospective reconciliation are limited to recipients of benefits through the Department of Health and Human Services' (DHS) Temporary Assistance to Needy Families (TANF) program, eligible pregnant women under Section 9401 of the Sixth Omnibus Budget and Reconciliation Act of 1986 (SOBRA), recipients of supplemental security income (SSI) with Medicare, recipients of SSI without Medicare, and recipients of SOBRA family planning services. The former TWG Non-MED population was assimilated into this population beginning with the program year ended September 30, 2014. Expenses incurred and revenue received for covered services with dates of service during prior-period coverage (PPC) are excluded from this tiered prospective reconciliation. As of June 30, 2016, the Company had an estimated acute tiered settlement payable of \$26,834,239 for program years ended September 30, 2014, 2015, and 2016, which was included in program settlements and other accrued expenses in the accompanying balance sheet.

The Company receives capitation payments for PPC separately from its prospective capitation payments. PPC capitation payments are applicable to all types of enrollee coverages at the Company and are intended to cover health care costs incurred by individuals while they await enrollment in the Company's health care plan and prior to the Company's ability to manage the health care of such enrollees. PPC revenue is recognized in the month in which the Company is notified that a member is eligible for coverage provided by the Company. AHCCCS limits the profitability and loss that health plans may recognize during the PPC eligibility period to 2% of related capitation revenue (net of administrative expenses and premium taxes) and reconciles the PPC member costs incurred by the Company. As of June 30, 2016, the Company had a net settlement payable for PPC payments received in excess of PPC costs incurred of approximately \$300,088 for the contract years ended September 30, 2015 and 2016, which was included in program settlements and other accrued expenses in the accompanying balance sheet.

The Company is subject to a reconciliation of profit and losses applicable to a defined population of adults not previously eligible for AHCCCS coverage to 1% of related capitation revenue (net of reinsurance, administrative expenses, and premium taxes) for program years ended September 30, 2015 and 2016. As of June 30, 2016, the Company had an estimated settlement payable to AHCCCS of \$2,946,177 related to the population group, which is included in program settlements and other accrued expenses in the accompanying balance sheet.

The Company also receives supplemental payments for delivery premiums to cover the cost of maternity care for qualified members under the federally funded SOBRA program. The Company recognizes supplemental revenue during the month in which AHCCCS notifies the Company of payment.

Due From Affiliates—Due from affiliates primarily represents the net excess of funds transferred to the centralized cash management account of Vanguard Health Management, Inc. (VHM), a wholly owned subsidiary of Tenet, over funds transferred to, or paid on behalf of, the Company by VHM. Due from affiliates balances are readily available to the Company for settlement of its current liabilities as they become due.

Generally, this balance is decreased by automatic cash transfers from VHM's centralized cash management account to reimburse the Company's bank accounts for operating expenses and capital expenditures. Generally, the due from affiliates balance is increased through daily cash deposits by the Company to VHM's centralized cash management account. As of June 30, 2016, due from affiliates was reduced by approximately \$563,601 due to cash overdrafts for disbursements from a bank account in which the Company does not have the right of offset.

Interest income of \$1,142,960 was earned by the Company on outstanding due from affiliates' balances during the year ended June 30, 2016, which was included in other revenue in the accompanying income statement. The interest rate earned approximates the variable portion of the total interest rate paid by Tenet under London InterBank Offered Rate (LIBOR) contracts for Tenet's outstanding term loan debt.

Medical Expenses and Reinsurance Proceeds—Monthly capitation payments to primary care physicians and other health care providers are expensed in the month services are contracted to be performed. Claims expense for noncapitated arrangements are accrued as services are rendered by hospitals, physicians, and other health care providers during the year. The Company is at risk for hospitalization and medical service claims, including medical compensation and other medical expenses, that exceed its capitation payments from AHCCCS. Medical compensation includes primary care and specialty physician services. Other medical expenses include hospital outpatient services and other ancillary services, such as radiology and lab services.

The Company is reimbursed by AHCCCS for costs incurred for those enrollees with severe illnesses to the extent such costs exceed designated per enrollee limits as set forth in the AHCCCS contract for each program year. The Company estimates reinsurance recoveries monthly based on reported claims by member, subject to encounter verification as set forth in the provisions of the AHCCCS contract. Reinsurance recoveries are deducted from gross medical expenses in the accompanying income statement. The Company is at risk for excess medical costs under reinsurance claims that are disputed and not honored by AHCCCS. Medical claims payable include claims received, but not paid, as well as estimated claims incurred but not reported (IBNR). During the year ended June 30, 2016, the Company increased the medical claims payable related to health claims experience in the prior fiscal year by \$1,519,045. Medical claims payable is estimated using a combination of historical claims payment data and current cost-per-member estimates and is supported by independent actuarial estimates including a risk margin considered appropriate by the Company. While management believes that its estimation methodology captures trends in medical claims costs in a timely manner, actual payments could differ significantly from its estimates in the event of changes in the health care cost structure or adverse experience. Management believes its estimates of the health claims reserves for prior years were appropriately based on information available at the time.

The activity in medical claims payable for the fiscal year ended June 30, 2016, is as follows:

Medical claims payable at beginning of year	<u>\$ 12,499,200</u>
Medical costs and claims incurred: Current-year insured events Prior-year insured events	116,404,980 1,519,045
Total medical costs and claims incurred	117,924,025
Payments: Current-year insured events Prior-year insured events	102,222,048 14,018,245
Total payments	116,240,293
Plus: ULAE Reserve	516,733
Medical claims payable at end of year	<u>\$ 14,699,665</u>

Income Taxes—Tenet files consolidated federal and state income tax returns that include the operating results of the Company. Tenet allocates taxes to the Company as if the Company was a separate taxpayer, pursuant to the asset and liability method. Such allocations were deducted from due from affiliates in the accompanying balance sheet.

Fair Value of Financial Instruments—The carrying amounts of cash and cash equivalents, receivables, amounts due from affiliates, and payables approximate fair values because of the short maturities of these financial instruments.

Premium Deficiency Reserves—Premium deficiency reserves and the related expenses are recognized when it is probable that expected future health care expenses, claim adjustment expenses, direct administration costs, and an allocation of indirect administration costs under a group of existing contracts will exceed anticipated future premiums and reinsurance recoveries considered over the remaining lives of the contracts. The methods for making such estimates and for establishing the resulting reserves are periodically reviewed and updated. The Company did not record a premium deficiency reserve as of June 30, 2016.

Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements. Areas of the financial statement areas that involve significant estimation include PPC, acute tiered, newly eligible adults, and Non-MED settlements, and medical claims IBNR. Such estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and are accounted for in the period identified.

Comprehensive Income—During the fiscal year ended June 30, 2016, there was no other comprehensive income. Accordingly, net income equals comprehensive income for the period presented.

### 3. TRANSACTIONS WITH AFFILIATES

Advantage Health Care Management Company, Inc. (AHCMC), a wholly owned subsidiary of Tenet, manages the general and administrative functions of the Company, including payroll services, claims processing, medical management, network development, general and professional liability insurance coverages, and related expenses. The Company has recorded expenses of approximately \$10,587,990 for services provided by AHCMC for the year ended June 30, 2016. Expenses for services provided by AHCMC were included in administrative expenses in the accompanying income statement. The management fees charged by AHCMC do not necessarily reflect the full cost of providing all services.

Effective January 1, 2014, the Company became subject to an annual fee under Section 9010 of the PPACA. This annual fee is allocated to individual health insurers based on the ratio of the amount of each entity's net premiums written during the preceding calendar year to the amount of health insurance for any US health risk that is written during the preceding calendar year. The PPACA fee for calendar year 2016 was paid by Tenet in September 2016. The portion of Tenet's payment related to the Company for calendar year 2016 was approximately \$2,412,775.

### 4. COMMITMENTS AND CONTINGENCIES

Operating Leases—As a result of the Company's management agreement with AHCMC, AHCMC assumed the remaining facility and equipment leases. The related rent expenses were included within the management fee charged by AHCMC, which was included in administrative expenses in the accompanying income statement.

Professional, General, and Other Liability Insurance—In the normal course of business, the Company is subject to claims and lawsuits relating to injuries arising from patient treatment and denials thereof. The Company's contract with AHCCCS requires that it maintain professional liability insurance, comprehensive general insurance, and automobile liability insurance coverage of at least \$1,000,000 for each occurrence. The Company is covered under Tenet's wholly owned captive insurance subsidiary or Tenet's self-insurance program for professional and general liability claims at levels that exceed the AHCCCS' minimum requirements. There is no guarantee that existing coverage will be sufficient for professional and general liability claims either individually or in the aggregate. Professional and general liability insurance expenses are not allocated from Tenet, but included in the management fee charged by AHCMC.

The Company is covered under Tenet's self-insurance program for workers' compensation claims. Tenet maintains coverage for workers' compensation claims exceeding its retained limit at amounts the Company believes to be adequate. Workers' compensation insurance coverage is included in the management fee charged by AHCMC.

Tenet maintains reserves for general and professional liability and workers' compensation risks and makes any necessary claims payments on the Company's behalf. Accordingly, no reserve for liability risks was recorded in the accompanying balance sheet. The Company is currently not a party to any such proceedings that, in management's opinion, would have a material adverse effect on the Company's business, results of operations, or financial position.

Other Claims—The Company is subject to claims and suits arising in the ordinary course of business. Plaintiffs in these matters may request punitive or other damages that may not be covered by insurance. The Company is not aware of any such proceedings that, in management's opinion, if adversely decided, would have a material effect on the Company's results of operations or financial position.

Subcontracted Services—The Company subcontracts with physician specialists, affiliated hospitals, and unaffiliated hospitals to provide covered services to certain patients enrolled in, or assigned to, the Company on either a capitated or fee-for-service basis.

AHCCCS Plan Compliance—Under the Company's contract with AHCCCS, the Company is required to maintain a performance guaranty calculated based upon monthly capitation revenues received. As of June 30, 2016, the Company maintained performance bonds through Tenet totaling \$13.5 million to meet this performance guaranty.

The AHCCCS contract contains certain financial viability standards on which the Company must report on a quarterly and annual basis. These standards enable AHCCCS to monitor the financial health of its contracted health plans. The Company must meet the financial viability standards, which include a current ratio requirement of at least one; equity per member requirement of at least \$170; a medical expense ratio, as defined in the AHCCCS contract (at least 85%); and an administrative cost percentage ratio, as defined in the AHCCCS contract (no more than 10%). AHCCCS does not automatically penalize or sanction health plans that do not meet these standards, but utilizes these guidelines in combination with other measures to determine the overall operational health and compliance of its contracted health plans. As of June 30, 2016, the Company met these financial viability standards.

The Company is also subject to minimum performance standards for certain clinical quality performance measures under its contract with AHCCCS. The Company accrues for potential sanctions based upon its estimated rate of noncompliance, as reported by AHCCCS, until such time as the Company is able to document compliance within the timeline to remedy the noncompliance established by AHCCCS. Management believes that, as of June 30, 2016, possible additional sanctions beyond those already accrued related to contract years ended September 30, 2014, 2015, and 2016, were not material to the financial position, results of operations, or cash flows of the Company.

Compliance with Laws and Regulations—The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse regulations. Management believes that the Company is in compliance with fraud and abuse regulations, as well as other applicable government laws and regulations. While no regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or not asserted at this time.

### 5. INCOME TAXES

Income tax expense allocated to the Company by VHM on a separate-return basis for the year ended June 30, 2016, consisted of the following:

	Total
Current federal Deferred federal	\$4,850,795 322,131
	<u>\$5,172,926</u>

The tax effects of temporary differences that gave rise to deferred tax assets and liabilities at June 30, 2016, were as follows:

Depreciation, amortization, and fixed asset basis differences	\$ 36,047
Excess book basis over tax basis of prepaid expenses	1,009
Discounted unpaid losses	130,383
Net deferred tax asset	<u>\$167,439</u>

Income tax expense allocated to the Company by Tenet approximated the federal statutory rate for the year ended June 30, 2016, except for the nondeductibility of the insurer fee, which results in a permanent difference. The tax effects of temporary differences that gave rise to deferred tax assets and liabilities were included in due from affiliates in the accompanying balance sheet.

## 6. SUBSEQUENT EVENTS

The Company has evaluated subsequent events for the year ended June 30, 2016, through October 31, 2016, the date these financial statements were available to be issued.

\* \* \* \* \*

OTHER SUPPLEMENTARY INFORMATION

Phoenix Health Plan, Inc. Year Ended: 06/30/2016 Claims Lag Report

**Expense Type: Hospital, Medical and Other (PPC and Prospective)** 

Payment Qtr	Current	1st Prior	2nd Prior	3rd Prior	4th Prior	5th Prior	6th Prior*	Total
Current	16,704,017	8,451,885	1,121,649	643,309	573,743	94,658	198,579	27,787,840
1st Prior	•	19,518,726	10,273,568	2,028,437	233,507	136,729	80,477	32,271,444
2nd Prior	•	-	18,076,839	17,500,833	2,311,673	377,630	303,553	38,570,528
3rd Prior	•	-	-	10,100,937	8,187,737	1,192,725	637,482	20,118,881
4th Prior	•	-	-	•	20,584,508	8,717,193	1,841,282	31,142,983
5th Prior	-	-	-	-	-	22,396,726	9,577,156	31,973,882
6th Prior*	•	-	-	-	-	-	3,192,532,987	3,192,532,987
Totals	16,704,016	27,970,611	29,472,056	30,273,516	31,891,168	32,915,661	3,205,171,516	3,374,398,544
Expense	27,198,179	29,195,398	26,302,912	27,772,019	33,147,221	33,283,221	3,153,161,499	3,330,060,449
Adjustment	833,371	736,448	3,965,567	2,947,242	(1,127,263)	(327,624)	52,010,017	59,037,759
Remaining	11,327,534	1,961,235	796,423	445,745	128,790	39,936	-	14,699,664

YEAR	ENDED JUNE 30, 2016																
		TANF < 1	TANF 1-13								Adults =</td <td>SOBRA</td> <td>SOBRA</td> <td></td> <td>State Only</td> <td>State Only</td> <td></td>	SOBRA	SOBRA		State Only	State Only	
Total G	SAs	MF	MF	TANF 14-44 F	TANF 14-44 M	TANE 45+	TANF Total	SSI w/Med	SSI w/o Med	Adults > 106%	106%	FP	MOMS	Title XIX Total	Transplant	Total	Grand Total
Total	REVENUE & EXPENSES					111.11	111.11 101	DDI III.IICU	DDI WO MEG	710070	10070	•••		THE ALL TOUR	типэриих	101111	Grand Total
	Member Months																
	PPC Member Months	167.35	3,526.91	1,336.18	886.87	267.63	6,184.93	71.80	56.34	494.96	488.96	-	102.04	7,399.04	-	-	7,399.04
	Pros. Member Months	18,091.49	318,993.04	121,811.69	67,391.54	20,571.32	546,859.09	35,938.83	31,174.11	19,689.97	44,343.70	-	7,125.90	685,131.61	-	-	685,131.61
	Total Member Months	18,258.84	322,519.94	123,147.88	68,278.41	20,838.95	553,044.02	36,010.64	31,230.45	20,184.93	44,832.67	-	7,227.94	692,530.65	-	-	692,530.65
	REVENUES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
305	Prospective Capitation	8,702,855	35,879,615	29,416,990	10,179,092	8,423,335	92,601,887	5,620,277	24,888,189	7,298,607	19,060,850	-	1,725,972	151,195,781	-	-	151,195,781
310	PPC Capitation	176,542	199,303	260,287	133,845	105,511	875,488	5,418	33,722	170,208	328,617	-	19,872	1,433,325	-	-	1,433,325
312	Value Based Purchasing Initiatives Reconciliation/Settlement	-	-		-	-						-			-	-	
315	Delivery Supplement	-	-	2,273,464	-	-	2,273,464	252,436	458,693	218,737	484,265	-	900,168	4,587,763	-	-	4,587,763
319 320	Adults > 106% Reconciliation Settlement	(399,695)	(3,320,203)	(1.901.042)	(836,883)	(269,952)	(6,627,775)	(593,722)	(539,546)	(2,233,863)	(666.017)	-	14,495	(2,233,863)	-	-	(2,233,863) (8,302,466)
321	Prospective Tiered Reconciliation Settlement TWG Settlement	(399,695)	3,167	(1,801,042)		(269,952)	3,257		(539,546)	-	(555,917)	-	14,495	(8,302,466)	-	-	(8,302,466)
321	PPC Settlement	39,397	(128,314)		(97) (21,987)	1,064	(105,198)	(1,327) 71,539	60,486	(5,473)	(150,103) 20,527	-	(17,503)	(148,920) 24,379	-	-	(148,920)
323	PCP Parity Cost Settlement	54,157	205,517	172,651	59,344	49,831	541,500	32,107	145,198	43,375	110,390	-	11,120	883,690		-	883,690
324	Health Insurers Fee Revenue	54,157	203,317	172,031	37,544	47,031	341,300	32,107	143,170	43,373	110,570		11,120	003,070		-	000,070
325	Investment Income	30,181	532,155	203,210	112,425	34,318	912,289	59,954	52,006	32,847	73,976		11,888	1,142,960		-	1,142,960
330	Other Income (specify)	50,181	1.927.144	588.431	386 694	75 378	3,028,641	207.086	19.753	92 515	160.222		7 169	3,515,386		-	3,515,386
330	TOTAL REVENUES	8,654,909	35,298,385	31,118,688	10,012,433	8,419,137	93,503,553	5,653,768	25,117,753	5,616,953	19,532,827	-	2,673,181	152,098,035	-	-	152,098,035
	EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	Hospitalization	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
402	Hospital Inpatient	3,614,004	2,825,037	3,973,590	1,503,309	1,413,078	13,329,018	895,404	5,478,797	872,948	3,305,897	-	1,757,540	25,639,603	-	-	25,639,603
404	Hospital Inpatient -Behavioral Health Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
406	PPC-Hospital Inpatient	102,480	30,075	23,842	19,940	5,544	181,880	2,767	12,212	11,318	44,065	-	13,912	266,155	-	-	266,155
	Total Hospitalization	3,716,484	2,855,112	3,997,432	1,523,249	1,418,622	13,510,898	898,171	5,491,009	884,266	3,349,962	-	1,771,452	25,905,758	-	-	25,905,758
	Medical Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
408	Primary Care Physician Services	1,045,858	2,631,875	1,734,898	354,230	519,040	6,285,901	55,477	1,205,793	296,241	887,549	-	164,740	8,895,701	-	-	8,895,701
409	Behavioral Health Physician Services	5,005	19,347	13,161	7,240	6,727	51,480	35,263	15,988	2,828	8,515	-	634	114,708	-	-	114,708
410	Referral Physician Services	380,135	2,450,663	2,669,346	692,695	729,341	6,922,178	424,113	1,594,456	625,237	1,573,856	-	559,742	11,699,583	-	-	11,699,583
411	FQHC/RHC Services	324,725	1,147,450	899,429	230,081	188,031	2,789,716	108,799	437,100	179,345	396,452	-	91,821	4,003,233	-	-	4,003,233
412	Other Professional Services	293,036	1,802,106	1,185,492	404,271	268,865	3,953,771	275,521	593,980	178,562	522,625	-	87,185	5,611,645	-	-	5,611,645
414	PPC - Physician Services	11,979	35,120	31,384	8,409	4,913	91,806	3,885	8,974	5,919	15,117	-	6,072	131,773	-	-	131,773
415	PCP Parity Enhanced Payment Expense  Total Medical Comp	1,183 2,061,921	3,260 8,089,820	2,705 6,536,414	704 1,697,631	1,717,021	7,954 20,102,807	188 903,247	1,461 3,857,752	1,288,133	831 3,404,944		153 910,347	10,587 30,467,229	-	-	10,587 30,467,229
	Other Medical Expenses	2,061,921	8,089,820	0,330,414	1,097,031	1,/1/,021	20,102,007	903,247	3,837,732	1,288,133	3,404,944		910,347	30,467,229	-	-	30,467,229
416	Emergency Facility Services	447,560	1,718,804	1,753,303	437,207	306,286	4,663,161	86,220	897,521	243,113	775,832	-	129,322	6,795,168	-	-	6,795,168
417	Pharmacy	572,662	5,380,657	4,684,596	1,759,736	1,767,547	14,165,197	454,138	7,418,362	976,266	4,358,350	-	227,641	27,599,954	-		27,599,954
418	Lab, X-ray, & Medical Imaging	46,288	307,914	634,250	120,110	168,458	1,277,020	54,652	290,878	126,691	283,690		101,218	2,134,149		-	2,134,149
419	Outpatient Facility	500.065	2,720,507	2,734,307	856,305	778,471	7,589,656	481,028	2,327,861	472,268	1,357,620		247.747	12,476,180		-	12,476,180
420	Durable Medical Equipment	55,897	343,043	200,156	99,702	77,010	775,808	40,089	223,006	51,735	134,899	_	22,793	1,248,330	_	_	1,248,330
421	Dental	346,750	5,468,927	1,839,648	978,411	346,606	8,980,343	355,261	919,020	336,561	824,694	_	95,684	11,511,563	_	_	11,511,563
422	Transportation	130,879	993,721	1,356,477	498,418	261,105	3,240,599	125,320	1,410,594	157,186	1.004.505		91,795	6,030,000	_	_	6,030,000
423	Nursing Facility, Home Health Care	27,503	332.783	150,355	101.330	50,429	662,400	90.883	246.918	25.276	138,413	_	9,889	1,173,779	-	_	1,173,779
424	Physical Therapy	24,820	293,545	183,688	76,909	68,520	647,481	41,289	144,893	40,258	108,867	_	7,945	990,734	-	_	990,734
434	Value Based Purchasing Initiatives Provider Expenses	4,989	93,551	35,183	19,775	6,084	159,582	10,686	9,111	6,528	13,524	-	2,011	201,442	_	-	201,442
425	Miscellaneous Medical Expenses	19,172	343,483	131,357	72,698	22,355	589,065	38,616	34,250	21,711	48,291	-	7,574	739,507	-	-	739,507
426	Behavioral Health Day Program	-	-	-	-	-	-	- 1	-		-	-	-	-	-	-	-
427	Behavioral Health Case Management Services	45	423	1,152	322	726	2,668	14,732	286	41	99	-	11	17,837	-	-	17,837
428	Behavioral Health Crisis Intervention Services	2,651	11,313	20,725	6,473	3,944	45,106	3,330	16,213	3,360	16,909	-	1,003	85,921	-	-	85,921
429	Behavioral Health Rehabilitation Services	57	818	228	94	54	1,251	9,732	145	49	122	-	12	11,311	-	-	11,311
430	Behavioral Health Residential Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
431	All Other Behavioral Health Services	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
438	PPC-Other Medical Expenses	7,525	52,536	50,272	24,601	7,792	142,726	2,700	151,334	9,363	32,641		5,417	344,181	_		344,181
	Total Other Medical	2,186,862	18,062,025	13,775,697	5,052,091	3,865,388	42,942,063	1,808,676	14,090,392	2,470,408	9,098,457	-	950,061	71,360,057	-	-	71,360,057
	TOTAL MEDICAL EXP	7,965,267	29,006,957	24,309,543	8,272,970	7,001,030	76,555,768	3,610,093	23,439,153	4,642,806	15,853,363	-	3,631,860	127,733,044	-	-	127,733,044
Less:	n :			-	-					-	-	-		-	-	-	-
440	Reinsurance	(407,604)	(1,355,650)	(590,989)	(319,188)	(255,017)	(2,928,449)	(108,266)	(722,797)	(88,943)	(552,449)	-	(84,135)	(4,485,038)	-	-	(4,485,038)
442	Third Party Liability TOTAL NET MEDICAL EXP	7,557,663	27,651,307	23,718,554	7,953,782	6746012	72 (27 27 2	3,501,828	22,716,356	4,553,864	15,300,914	-	2 5 47 725	123,248,006	-	-	123,248,006
	TOTAL MET MEDICAL EAF	7,557,663	27,031,307	25,/18,554	1,955,182	6,746,013	73,627,319	3,301,828	22,710,336	4,333,864	13,300,914		3,547,725	123,248,006		-	123,248,006
	TOTAL ADMIN EXP	371,574	4,466,106	1,973,888	988,501	392,174	8,192,244	529,173	795,146	367,245	860,831		116,133	10,860,771		-	10,860,771
		5/1,5/4	., 700,100	1,773,000	700,701	- 5/2,174	0,172,244	527,173	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	307,243	500,051		.10,133			-	
	TOTAL EXPENSES	7,929,237	32,117,413	25,692,442	8,942,283	7,138,187	81,819,563	4,031,001	23,511,502	4,921,109	16,161,745	-	3,663,858	134,108,777	-	-	134,108,777
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	Inc (loss) from operations	725,672	3,180,972	5,426,246	1,070,150	1,280,950	11,683,990	1,622,767	1,606,251	695,845	3,371,082	-	(990,677)	17,989,258	-	-	17,989,258
l	Non-operating inc (loss)	-	-	-	-	-	-	-	-	-	-	-	- 1	-	-	-	-
	Inc (loss) before taxes	725,672	3,180,972	5,426,246	1,070,150	1,280,950	11,683,990	1,622,767	1,606,251	695,845	3,371,082	-	(990,677)	17,989,258	-	-	17,989,258
	Income taxes	265,065	1,844,383	1,019,028	408,138	268,886	3,805,501	293,396	340,259	215,815	399,626	-	118,327	5,172,925	-	-	5,172,925
	Premium taxes	130,829	1,170,332	605,205	271,935	130,114	2,308,415	145,586	302,007	114,224	285,560	-	53,676	3,209,469	-	-	3,209,469
i	Health Insurers Fee	127,158	955,927	540,363	229,082	124,657	1,977,186	121,352	309,407	105,000	275,331	-	49,642	2,837,918	-	-	2,837,918
	NET INCOME (LOSS)	202.621	(789.671)	3.261.650	160.995	757,293	3,592,888	1.062.433	654.578	260.805	2.410.564	-	(1,212,322)	6,768,946	-	-	6,768,946
	MET ENCOME (EUSS)	202,621	(/89,6/1)	3,261,630	160,995	131,293	3,592,888	1,002,453	654,578	260,805	2,410,564		(1,212,322)	0,/68,946			0,/68,946

YEAR I	ENDED JUNE 30, 2016																
		TANF < 1	TANF 1-13								Adults =</td <td>SOBRA</td> <td>SOBRA</td> <td></td> <td>State Only</td> <td>State Only</td> <td></td>	SOBRA	SOBRA		State Only	State Only	
GSA 4	Apache/Coconino/Mohave/Navajo	MF	MF	TANF 14-44 F	TANF 14-44 M	TANF 45+	TANF Total	SSI w/Med	SSI w/o Med	Adults > 106%	106%	FP	MOMS	Title XIX Total	Transplant	Total	Grand Total
	REVENUE & EXPENSES																
	Member Months																
	PPC Member Months Pros. Member Months	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Member Months	-					-	-		-				-	-	-	-
	REVENUES	-	-	-	-	-	_	-	-	-	-	-	-	_	-	Ī -	_
305	Prospective Capitation						_									1 -	_
	PPC Capitation	-	_	_	-	-	_	_	-	-	-	-	-	-	_	_	_
	Value Based Purchasing Initiatives Reconciliation/Settlement	-	-	-	-	-	_		-	-	-		-	_			
	Delivery Supplement	_												_		1	_
	Adults > 106% Reconciliation Settlement	_												_		1	_
320	Prospective Tiered Reconciliation Settlement	(14,588)	(127,754)	(73,954)	(35,930)	(13,018)	(265,245)	(31,220)	(26,061)		(28.960)			(351,486)	_	_	(351,486
	TWG Settlement	(986)	(8,633)		(2,428)	(880)	(17,925)	(2,110)	(1,761)		(24,508)			(46,304)		1	(46,304
	PPC Settlement	9,984	87,437		24,592	8,910	181,538	21,367	17,837		19,821			240,563		1	240,563
	PCP Parity Cost Settlement	7,704	67,437	50,015	24,372	0,710	101,550	21,307	17,037		17,021			240,303		1	240,505
	Health Insurers Fee Revenue	-				-	_	_						-	_	_	_
	Investment Income	-	-	-	-	-	_		-	-	-		-	_			
	Other Income (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	_	-
230	TOTAL REVENUES	(5,590)	(48,950)	(28,337)	(13,767)	(4,988)	(101,632)	(11,963)	(9,986)		(33,647)		-	(157,227)			(157,227
	EXPENSES EXPENSES	(3,390)	(40,730	(20,337)	(15,707)	(7,700)	(101,032)	(11,703)	(9,980)	-	(55,047)			(137,227)		_	(137,227
	Hospitalization	_			-		_	_		-	-			_			_
402	Hospital Inpatient	(333)	(2,224	) 7	7	-	(2,542)	4	(1,985)	-	1,896	_		(2,627)	_	_	(2,627
	Hospital Inpatient -Behavioral Health Services	(333)	(2,227	, ,	- '	-	(2,542)	l	(1,703)	-	-,070	_		(2,027)	_	_	(2,027
	PPC-Hospital Inpatient	83	_	_		_	83	_	_	_	_		_	83	_	_	83
	Total Hospitalization	(250)	(2,224)	) 7	7		(2,459)	4	(1,985)		1,896			(2,544)	-	-	(2,544
	Medical Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
408	Primary Care Physician Services	(113)	108	(14)	30	11	22	26	98	-	25	-	-	171	-	-	171
409	Behavioral Health Physician Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
410	Referral Physician Services	29	254	154	71	26	534	79	23	-	65		-	702	-	-	702
	FQHC/RHC Services	-	-	-		-	-	-		-	-		-	-	-	-	-
412	Other Professional Services	3	75	16	7	3	104	70	5	-	228		-	407	-	-	407
	PPC - Physician Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
415	PCP Parity Enhanced Payment Expense	271	-	77	-	-	348	-	81	-	-	-	-	428	-	-	428
	Total Medical Comp	190	437	233	108	40	1,009	175	207	-	318	-	-	1,708		-	1,708
	Other Medical Expenses	-	-	-	-		-	-	-	-	-	-	-	-		-	-
	Emergency Facility Services	5	161	759	12	5	942	11	9	-	10	-	-	972	-	-	972
	Pharmacy	-	-	-	-	-	-	-	1	-	-	-	-	1	-	-	1
	Lab, X-ray, & Medical Imaging	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Outpatient Facility	-	216	(24,333)	-	-	(24,117)	638	320	-	-	-	-	(23,159)	-	-	(23,159
	Durable Medical Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transportation	22	193	112	54	20	401	47	39	-	44	-	-	531	-	-	531
	Nursing Facility, Home Health Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Physical Therapy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Value Based Purchasing Initiatives Provider Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Miscellaneous Medical Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Behavioral Health Day Program	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
427	Behavioral Health Case Management Services	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Behavioral Health Crisis Intervention Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Behavioral Health Rehabilitation Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Behavioral Health Residential Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	All Other Behavioral Health Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
438	PPC-Other Medical Expenses	-	-				-	-		-	-	-	-	-	-	-	-
	Total Other Medical	27	570		66	25	(22,774)	696	369	-	54	-	-	(21,655)	-	-	(21,655
	TOTAL MEDICAL EXP	(33)	(1,217	) (23,221)	181	65	(24,225)	875	(1,409)	-	2,268		-	(22,491)	-	-	(22,491
Less:	Din	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Reinsurance Third Party Liability	-	-	-	-	-	-	· -	-	-	-	-	-	-	_	l -	-
442	TOTAL NET MEDICAL EXP	(33)	(1,217	(23,221)	181	65	(24,225)	875	(1,409)		2,268			(22,491)		-	(22,491
	TOTAL RET SIEDICAL EAT	(33)	(1,217	(23,221)	181	- 63	(24,225)	- 8/3	(1,409)		2,208		-	(22,491)		-	(22,491
	TOTAL ADMIN EXP	-	-	-	-	-	-	-	-				-	-		-	-
		-	-	-	-		-	-	-	-	-	-	-	-	-	-	-
	TOTAL EXPENSES	(33)	(1,217	) (23,221)	181	65	(24,225)	875	(1,409)		2,268		-	(22,491)	-	-	(22,491
		-	-	-	-	-	- '	-	-	-	-	-		-	-	-	
	Inc (loss) from operations	(5,557)	(47,733)	(5,116)	(13,948)	(5,053)	(77,407)	(12,838)	(8,576)	-	(35,915)	-	-	(134,736)	-	-	(134,736
	Non-operating inc (loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Inc (loss) before taxes	(5,557)	(47,733)		(13,948)	(5,053)	(77,407)	(12,838)	(8,576)	-	(35,915)		-	(134,736)	-	-	(134,736
	Income taxes	826	7,083		2,026	724	18,347	1,722	1,431	-	(1,738)		-	19,763	-	-	19,763
	Premium taxes	34	298	172	84	30	618	73	61	-	(449)	-	-	302	-	-	302
l	Health Insurers Fee	1					-							· -		-	-
	NET INCOME (LOSS)	(6,418)	(55,114)	(12,976)	(16,058)	(5,807)	(96,372)	(14,633)	(10,069)		(33,728)			(154,801)		-	(154,801
	I. Come (E000)	(0,410)	(33,114	(12,770)	(10,038)	(3,007)	(70,372)	(14,055)	(10,009)		(33,128)			(134,001)			(134,601)

Section   Property	YEAR ENDED JUNE 30, 2016			,						,							
New   Color   Color	OCL (V	TANF < 1	TANF 1-13	TANE 14 44 E	TANE 14 44 M	TANE 45:	TANE T-4-1	CCI/M - 4	CCI/- M - J	A J16- > 10/0/	Adults =</td <td>SOBRA</td> <td>SOBRA</td> <td>T:41- VIV T-4-1</td> <td>State Only</td> <td>State Only</td> <td></td>	SOBRA	SOBRA	T:41- VIV T-4-1	State Only	State Only	
No.   Control Market Market		MF	MF	1ANF 14-44 F	1ANF 14-44 M	1 ANF 45+	IANF Iotai	SSI W/Med	SSI W/o Med	Adults > 106%	106%	FP	MOMS	Title XIX Total	1 ranspiant	I otai	Grand Total
PRY   Commonwealth																	
Proceedings																	
Total Name Number		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
March 1974   Mar		-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
March   Marc		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10   PC   Cyclesco							-							-		-	-
132   Value Research Annales (Balletine Recomment of Recomment (1985)   10   10   10   10   10   10   10   1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
155   Britery Supplement		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
399   Angle   1000	312 Value Based Purchasing Initiatives Reconciliation/Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
399   Angle   1000		_	_	-	_	_	_	-	_		-		-	_	_	_	_
100   100		_		_	_	_	_	_	_		_		_	_	_	_	_
132   Text Sectiones		(0.153)	(84 903)	(48 755)	(26.144)	(8 530)	(177.494)	(23.313)	(15.924)		(20.216)			(236 947)	_	_	(236,94
200   Performence   6,30   5,100   33,00   13,80   13,80   5,44   11,400   15,90   10,808   11,317   1,006,171	221 TWG Godd									-		-	-		-	-	
133 PCP Per Cont Selement										-		-	-		-	-	(32,32
133   Heigh Interns For Revenue		6,265	58,109	33,369	17,893	5,844	121,480	15,956	10,898	-	13,837	-	-	162,171	-	-	162,17
155   Technological (1576)   1576		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100 Ober Recons (specify)   1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MACASIS	325 Investment Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Description   Company	330 Other Income (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No.   Comment   Comment	TOTAL REVENUES	(3,529)	(32,736)	(18,799)	(10,081)	(3,293)	(68,437)	(8,989)	(6,140)	-	(23,538)	-	-	(107,104)	-	-	(107,104
Figurial Deput   Figu				-	-	-	-			-	-	-	-	-	-	-	-
201   Solital Implication   1,000   1			-	_	-	_	_		-	-	_		_	l -	-	_	_
149   Hospital Impation Health Services   1		(1.030)	-	_	_	_	(1.030)	(1.756)	(11.440)	_	_		_	(14 245)		_	(14,245
165 PC-Literpolal pagasiers			-	-	-	-	(1,039)		(11,749)	-	-	-	-	(14,243)	_	_	(14,24.
Madial Composition   1,000		· -	-	-	-	-	_	l -	-	-	-	-	-	I -	_	-	1
Modelar Compositions						-						-		-	-	-	
488 Primary Cure Physician Services		(1,039)	-	-	-	-	(1,039)	(1,756)	(11,449)	-	-	-	-	(14,245)	-	-	(14,245
409   Bahavioal Helphin Rysichian Services   19   181   59   56   18   234   79   34   113   5   569   -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10   Referral Physician Services   19   13   50   56   18   324   79   34   113		536	667	158	108	14	1,483	122	164	-	32	-	-	1,801	-	-	1,80
11 FORCRIC Services	409 Behavioral Health Physician Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122   122   122   123   124   124   125	410 Referral Physician Services	19	181	50	56	18	324	79	34	-	113	-	-	550	-	-	550
122   122   122   123   124   124   125		_		_	_	_	_	_	_		_		_	_	_	_	_
141 PCP Physican Services		_			122	_	122	_						122	_	_	12:
14  Sept Partice Plannece Popyment Expense		-	-	-	122	-	122	_	-	-	-	-	-	122	-	_	12.
Total Medical Comp		-	-		-	-		· ·	-	-	-	-	-		-	-	1
Committee   Comm	415 PCP Parity Enhanced Payment Expense		- 0.40	-	-	-		-	-	-	-	<u> </u>	-		-	_	64
All Emergency Facility Services   - 2,144   164   (84)   (77)   1,397   (303)   (1,131)   5.59   (364)   248   - 4   17   Pharmacy		619	848	209	286	32	1,993	201	198		145		-	2,537	-	-	2,537
All   Fabruracy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Als   Lab, X-ray, & Medical Paquing		-	2,144	164	(834)	(77)	1,397	(303)	(1,131)	-		-	(264)		-	-	248
419   Outpatient Facility   - 361   (92)   - (37)   232   1 5,709   1,218   - 7,466   - 4 20   Durals Medical Equipment   1   12   7   4   1   25   12   2   3   3   42   - 4 21   2   1   2   2   1   3   4   4   - 4   4   2   1   2   2   1   3   4   4   - 4   4   2   1   4   4   4   4   4   4   4   4   4	417 Pharmacy	-	-	-	-	-	-	-	-	-	1,238	-	-	1,238	-	-	1,238
419   Outpatient Facility   - 361   (92)   - (37)   232   1 5,709   1,218   - 7,466   - 4 20   Durals Medical Equipment   1   12   7   4   1   25   12   2   3   3   42   - 4 21   2   1   2   2   1   3   4   4   - 4   4   2   1   2   2   1   3   4   4   - 4   4   2   1   4   4   4   4   4   4   4   4   4	418 Lab, X-ray, & Medical Imaging	4	38	151	12	4	209	38	7	-	9	-	-	263	-	-	263
420   Dumble Medical Equipment   1   12   7   4   1   25   12   2   3   -42   -42   42   Demail   2   Demai		-	361	(92)	-	(37)	232	1	5,709	-	1,218		-	7,160	-	_	7,160
A22   Transportation		1	12		4	1		12	2						_	_	42
A22   Naving Facility, Home Health Care				,							_				_	_	
Auxiliary   Auxi		-	-	-	_	-	_	_	-	_	_	-	-	_	_	_	<u> </u>
A24   Physical Therapy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
434   Value Based Purchasing Initiatives Provider Expenses   -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A25   Miscellancous Medical Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Add   Behavioral Health Day Program	434 Value Based Purchasing Initiatives Provider Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
427 Behavioral Health Case Management Services 428 Behavioral Health Residential Services 429 Behavioral Health Residential Services 430 Behavioral Health Residential Services 431 All Other Behavioral Health Services 432 For a service of the services 433 All Other Medical Expenses	425 Miscellaneous Medical Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
427 Behavioral Health Case Management Services 428 Behavioral Health Residential Services 429 Behavioral Health Residential Services 430 Behavioral Health Residential Services 431 All Other Behavioral Health Services 432 For a service of the services 433 All Other Medical Expenses	426 Behavioral Health Day Program	-		-	-	-	-	-	-		-		-	-	-	_	-
428   Behavioral Health Crisis Intervention Services		_		_	_	_	_	_	_		_		_	_	_	_	_
A29   Behavioral Health Residential Services		_	_	_		_	_		_	_	_	_	_	l -	_	_	_
A30 Behavioral Health Residential Services		_	_	_	_	_	_	l -	_	_	_	_	_	1		_	1
A31 All Other Behavioral Health Services		_	-	-	-	-	_	l -	-	-	-	-	-	1	_	_	1
438   PPC-Other Medical Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	- 1	-	1
Total Other Medical   5   2.555   230   (818)   (109)   1.863   (252)   4.587   3.018   (264)   8.951   -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL MEDICAL EXP   (416) 3,403 438 (532) (77) 2,817 (1,807) (6,664) . 3,162 . (264) (2,757)		-		-	-	-	-	-		-		-		-	-	-	
Less	Total Other Medical	5	2,555				1,863			-		-		8,951	-	-	8,95
440 Reinsurance				438		(77)	2,817			-	3,162		(264)		-	-	(2,757
442 Third Party Liability		-	-	-	-	-	-	-	-	-	-		-		- 7	-	-
TOTAL NET MEDICAL EXP  (416) 3,403 438 (532) (77) 2,817 (1,807) (6,664) . 3,162 . (264) (2,757)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET MEDICAL EXP  (416) 3,403 438 (532) (77) 2,817 (1,807) (6,664) . 3,162 . (264) (2,757)	442 Third Party Liability						-	-	-	-	-	-	-	-	- 1	-	-
TOTAL ADMIN EXP  TOTAL EXPENSES  (416) 3,403 438 (532) (77) 2,817 (1,807) (6,664) . 3,162 . (264) (2,757)  Inc (loss) from operations (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700) . 264 (104,347)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700) . 264 (104,347)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700) . 264 (104,347)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700) . 264 (104,347)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700) . 264 (104,347)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 . (26,700)  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525  Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525  Inc (loss) before taxes (3,113) (3,13) (3,13) (3,13) (3,13) (3,13) (3,13)		(416)	3,403	438	(532)	(77)	2,817	(1,807)	(6,664)	-	3,162	-	(264)	(2,757)	-	-	(2,757
TOTAL EXPENSES (416) 3,403 438 (532) (77) 2,817 (1,807) (6,664) . 3,162 . (264) (2,757)										-	-	-	-		-	-	-
TOTAL EXPENSES (416) 3,403 438 (532) (77) 2,817 (1,807) (6,664) . 3,162 . (264) (2,757)	TOTAL ADMIN EXP	-			-	-	_	-	-	-				-	-	-	-
TOTAL EXPENSES  (416) 3,403 438 (532) (77) 2,817 (1,807) (6,664) - 3,162 - (264) (2,757)				-								-			-	-	-
Inc (loss) from operations (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 - (26,700) - 264 (104,347)	TOTAL EXPENSES	(416)	3,403	438	(532)		2.817	(1.807)	(6.664)	-	3.162		(264)	(2,757)	-		(2,75)
Inc (loss) from operations (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 - (26,700) - 264 (104,347)		- ()			- (-32)	(.7)		(-,/)	(-,)	-		-	(=31)	(2,.07)			(=,70
Non-operating inc (loss)  Inc (loss) before taxes	Inc (loss) from operations	(3.113)	(36 130)	(19 237)	(9.540)	(3.216)	(71.254)	(7.182)	525	-	(26.700)		264	(104 347)	1 [ ]	1	(104,34
Inc (loss) before taxes (3,113) (36,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 - (26,700) - 264 (104,347) 10,00000 taxes (3,13) (3,139) (19,237) (9,549) (3,216) (71,254) (7,182) 525 - (26,700) - 264 (104,347) 10,0000 taxes (1,516) - 40 (11,829) 10,0000 taxes (1,516) - 40 (11,829) 10,0000 taxes (1,516) - 10,000 taxes (1		(5,115)	(30,139)	(17,237)	(2,349)	(3,210)	(/1,434)	(7,102)		-	(20,700)	- 1	204	(104,547)	1 [ ]		(104,34
Income taxes 634 4,285 2,807 1,578 492 9,795 1,593 1,917 - (1,516) - 40 11,829 - Premium taxes 21 198 114 61 20 413 54 37 - (313) 191		(2.112)	(26 120)	(10.227)	(0.540)	(2.210)	(71.25.0)	(7.100)		-	(26 700)	-	264	(104.347)	I - 1	-	(104,34
Premium taxes 21 198 114 61 20 413 54 37 - (313) 191										-					-	-	(104,34
Health Insurers Fee										-			40		- 1	-	11,82
		21	198	114	61	20	413	54	37	-	(313)	-	-	191	-	-	19
NETROME (188) (198) (198) (198) (198) (198)	Health Insurers Fee	I					-	l						-	1	-	-
NET DICOME (LOCK) (2.70) (40.01) (2.10) (11.100) (2.700) (4.400) (2.400)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MET INCOME (LOSS) (3,768) (40,021) (22,138) (11,188) (5,728) (81,462) (8,829) (1,429) - (24,871) - 225 (116,367)	NET INCOME (LOSS)	(3,768)	(40,621)	(22,158)	(11,188)	(3,728)	(81,462)	(8,829)	(1,429)	-	(24,871)	-	225	(116,367)	-	-	(116,367

#### Phoenix Health Plan YEAR ENDED JUNE 30, 2016

		TANF < 1	TANF 1-13								Adults =</th <th>SOBRA</th> <th>SOBRA</th> <th></th> <th>State Only</th> <th>State Only</th> <th></th>	SOBRA	SOBRA		State Only	State Only	
GSA 8 G	ila/Pinal	MF	MF	TANF 14-44 F	TANF 14-44 M	TANF 45+	TANF Total	SSI w/Med	SSI w/o Med	Adults > 106%	106%	FP	MOMS	Title XIX Total	Transplant	Total	Grand Total
	REVENUE & EXPENSES	·															
	Member Months																
	PPC Member Months Pros. Member Months	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Member Months	-				-	-	-						-	-	-	-
	REVENUES	-	-	-	-		-	-	-	-	-	-	-		-		_
305	Prospective Capitation	-	-	-	_		_	_	-	_	-	_	-	_	_	_	_
310	PPC Capitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
312	Value Based Purchasing Initiatives Reconciliation/Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
315	Delivery Supplement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
319	Adults > 106% Reconciliation Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
320	Prospective Tiered Reconciliation Settlement	(18,354)	(187,521)	(104,061)	(47,096)	(16,161)	(373,192)	(36,843)	(30,951)	-	(33,312)	-	-	(474,299)	-	-	(474,29
321	TWG Settlement	(1,058)	(10,805)	(5,996)		(931)	(21,504)	(2,123)		-	(27,866)	-	-	(53,276)	-	-	(53,27
322	PPC Settlement	12,562	128,342	71,222	32,233	11,060	255,419	25,217	21,184	-	22,799	-	-	324,619	-	-	324,61
323	PCP Parity Cost Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
324	Health Insurers Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
325 330	Investment Income Other Income (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
330	TOTAL REVENUES	(6,850)	(69,983)	(38,835)	(17,577)	(6,032)	(139,277)	(13,750)	(11,550)	-	(38,379)			(202,956)	-	-	(202,95
	EXPENSES EXPENSES	(0,050)	(07,763)	(30,033)	(17,577)	(0,032)	(137,277)	(15,750)	(11,550)	-	(30,377)	-	-	(202,730)			(202,75
l	Hospitalization	-		-	-	-	-	-	-	-		-	-	-	-	-	-
402	Hospital Inpatient	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
404	Hospital Inpatient -Behavioral Health Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
406	PPC-Hospital Inpatient	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Hospitalization	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
	Medical Compensation		-	-	-	-	-	-		-	-	-	-		-	-	
408	Primary Care Physician Services	42	701	410	108	37	1,298	121	71	-	76	-	-	1,566	-	-	1,56
409	Behavioral Health Physician Services	-	-	-	-	- 44	-	-	- 05	-	-	-	-	- 1.710	-	-	-
410	Referral Physician Services FOHC/RHC Services	50	514	730	129	44	1,467	119	85	-	48	-	-	1,719	-	-	1,71
411 412	Other Professional Services	10	106	106	27	- 0	258	21	19	-	- 19	-	-	317	-	-	31
	PPC - Physician Services	10	106	106	21	9	236	21	19	-	19	-	-	317	-	-	31
415	PCP Parity Enhanced Payment Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	_
413	Total Medical Comp	102	1,321	1,246	264	90	3,023	261	175		143		-	3,602	-	-	3,60
	Other Medical Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
416	Emergency Facility Services	16	166	418	42	14	656	98	27	-	181	-	-	962	-	-	96
417	Pharmacy	-	-	-	-	-	-	11	-	-	-	-	-	11	-	-	1
418	Lab, X-ray, & Medical Imaging	5	56	31	14	5	111	11	9	-	10	-	-	141	-	-	14
419	Outpatient Facility	73	743	412	233	64	1,525	146	123	-	132	-	-	1,926	-	-	1,92
420	Durable Medical Equipment	-	-	-	-	-	-	161	8	-	-	-	-	169	-	-	16
421	Dental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
422	Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
423	Nursing Facility, Home Health Care	-	-	-	-	-	-	-		-	-	-	-	-	-	-	Ī.
424 434	Physical Therapy	-	(75)	-	-	-	(75)	-	284	-	-	-	-	209	-	-	20
434	Value Based Purchasing Initiatives Provider Expenses Miscellaneous Medical Expenses	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-
423	Behavioral Health Day Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
427	Behavioral Health Case Management Services	-	-	-	-	-	-		-	-	-		-				_
428	Behavioral Health Crisis Intervention Services	_		-	-		-		-	-		-	-				_
429	Behavioral Health Rehabilitation Services	_		-	_	-	_	-	_	-			-	1 -	_	_	_
430	Behavioral Health Residential Services	-		-	-	-	-		-			-		-	-	_	-
431	All Other Behavioral Health Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
438	PPC-Other Medical Expenses					-									<u> </u>		
	Total Other Medical	94	890	861	289	83	2,217	427	451	-	323	-	-	3,418	-	-	3,41
	TOTAL MEDICAL EXP	196	2,211	2,107	553	173	5,240	688	625	-	467	-	-	7,020	-	-	7,02
Less: 440	Reinsurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
440	Third Party Liability	_	-	-	-	-	-	-	-	-	-	-	-	1		_	_
772	TOTAL NET MEDICAL EXP	196	2,211	2,107	553	173	5,240	688	625		467	-	-	7,020		-	7,02
		-	-,	-	-	-	-	-	-	-	-	-	-		-	-	-
	TOTAL ADMIN EXP	-			-		-		-	-		-		-	-		-
	TOTAL EVERYOPE	-	2 211	2 107		-	- 5 240	-	-	-	-	-	-	- 7.020	-	-	- 7.02
	TOTAL EXPENSES	196	2,211	2,107	553	173	5,240	688	625	-	467	-	-	7,020	-	-	7,02
	Inc (loss) from operations	(7,046)	(72,194)	(40,942)	(18,130)	(6,205)	(144,517)	(14,438)	(12,175)	-	(38,845)		-	(209,976)	-	-	(209,97
l	Inc (loss) from operations Non-operating inc (loss)	(/,046)	(72,194)	(40,942)	(18,130)	(6,205)	(144,517)	(14,438)	(12,175)	-	(38,845)		-	(209,976)		-	(209,97
l	Inc (loss) before taxes	(7,046)	(72,194)	(40,942)	(18,130)	(6,205)	(144,517)	(14,438)		-	(38,845)		-	(209,976)	1 -	-	(209,97
l	Inc (loss) before taxes	1,020	11,198	7,372	3,503	1,446	24,539	2,048	1,971	-	(1,700)		-	26,859		_	26,85
l	Premium taxes	43	437	242	110	38	869	86	72	-	(516)		-	511	-	-	51
	Health Insurers Fee						-							-		-	-
		(8,109)	(83,829)	(48,557)	(21,743)	(7,689)	(169,926)	(16,571)	(14,219)		(36,629)	-		(237,345)	-	-	(237,34
	NET INCOME (LOSS)																

#### Phoenix Health Plan YEAR ENDED JUNE 30, 2016

113.114.13	NDED JUNE 30, 2016	TANF < 1	TANF 1-13						1		Adults =</th <th>SOBRA</th> <th>SOBRA</th> <th>1</th> <th>State Only</th> <th>State Only</th> <th></th>	SOBRA	SOBRA	1	State Only	State Only	
GSA 10 I	ima/Santa Cruz	MF	MF	TANF 14-44 F	ANF 14-44 M	TANF 45+	TANF Total	SSI w/Med	SSI w/o Med	Adults > 106%	106%	FP	MOMS	Title XIX Total	Transplant	Total	Grand Total
	REVENUE & EXPENSES									I							
	Member Months																
	PPC Member Months Pros. Member Months	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Member Months							-						-	-		-
	REVENUES	-		-	-	-	-	-	-	-	-	-	-	-	-	-	
305	Prospective Capitation				-	-	_	-	_		_		_	-	-	-	_
310	PPC Capitation	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
312	Value Based Purchasing Initiatives Reconciliation/Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
315	Delivery Supplement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
319	Adults > 106% Reconciliation Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
320	Prospective Tiered Reconciliation Settlement	(12,359)	(106,565)	(55,593)	(26,825)	(9,689)	(211,031)	(19,274)	(20,581)	-	(24,183)	-	-	(275,069)	-	-	(275,069)
321	TWG Settlement PPC Settlement	(892)	(7,689)	(4,011)	(1,935)	(699)	(15,226)	(1,391)	(1,485)	-	(20,587)	-	-	(38,689) 188,262	-	-	(38,689)
322 323	PCP Parity Cost Settlement	8,458	72,935	38,049	18,359	6,631	144,433	13,192	14,086	-	16,550	-	-	188,262	-	-	188,262
323	Health Insurers Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	_
325	Investment Income		-		-		-							_			]
330	Other Income (specify)	-	-	-	-	_	_	_	-	-	_	_	-	_	_	_	_
	TOTAL REVENUES	(4,792)	(41,319)	(21,555)	(10,401)	(3,757)	(81,824)	(7,473)	(7,980)	-	(28,219)	-	-	(125,496)	-	-	(125,496)
	EXPENSES	-	-		-	-	- 1	-	-	-	-	-	-	- 1	-	-	-
	Hospitalization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
402	Hospital Inpatient	150	1,292	674	325	117	2,558	234	250	-	596	-		3,638	-	-	3,638
404	Hospital Inpatient -Behavioral Health Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
406	PPC-Hospital Inpatient Total Hospitalization	150	1,292	674	325	117	2,558	234	250		596			3,638	-		3,638
	Medical Compensation	130	1,292	6/4	323	- 11/	2,338	234	230		396			3,038			3,638
408	Primary Care Physician Services	(84)	172	90	43	16	237	31	33		39		-	340		-	340
409	Behavioral Health Physician Services	-			-	-	-	-	-		-		-	-	-	-	-
410	Referral Physician Services	26	(38)	250	56	20	315	40	(114)	-	50	-	759	1,049	-	-	1,049
411	FQHC/RHC Services	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
412	Other Professional Services	5	45	24	11	4	89	8	9	-	10	-	-	116	-	-	116
	PPC - Physician Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
415	PCP Parity Enhanced Payment Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
	Total Medical Comp	(53)	179	364	110	40	641	79	(72)	-	99	-	759	1,505	-	-	1,505
416	Other Medical Expenses Emergency Facility Services	-	-	-	-	-	-	40	-	-	-	-	-	40	-	-	40
417	Pharmacy	-	-	-	-	-	-	40	-	-	-	-	-	40	-	-	40
418	Lab, X-ray, & Medical Imaging	- 4	38	20	- 9	- 3	74	7	7		- 9			97			97
419	Outpatient Facility	. 7	-	-		-		9,245	13,729		747		-	23,721		-	23,721
420	Durable Medical Equipment	-	-	-	-	_	_	-,	,	-	-	_	-		_	_	
421	Dental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
422	Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
423	Nursing Facility, Home Health Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
424	Physical Therapy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
434	Value Based Purchasing Initiatives Provider Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
425	Miscellaneous Medical Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
426	Behavioral Health Day Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
427 428	Behavioral Health Case Management Services Behavioral Health Crisis Intervention Services	-	-	-	-	-	-	-	-	-	-	-	-	· -	-	-	· -
428 429	Behavioral Health Crisis Intervention Services Behavioral Health Rehabilitation Services	-	-	-	-	-	-	-		-	-	-	-			-	Ī .
430	Behavioral Health Residential Services	-		-			-		-	-		-				-	]
431	All Other Behavioral Health Services	-		-			-		-	-		-		_		-	l -
438	PPC-Other Medical Expenses	-				-				-		-		-		-	-
	Total Other Medical	4	38	20	9	3	74	9,292	13,736	-	756	-		23,858	-	-	23,858
	TOTAL MEDICAL EXP	101	1,509	1,058	444	160	3,273	9,605	13,914		1,451	-	759	29,002	-	-	29,002
Less:		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
440 442	Reinsurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
442	Third Party Liability TOTAL NET MEDICAL EXP	101	1,509	1,058	444	160	3,273	9,605	13,914		1,451		759	29,002	-	-	29,002
	TOTAL REPREDICAL EAT	- 101	1,309	1,038	- 444	-	3,273	9,003	13,914	-	1,431	-	- 139	29,002	-		29,002
	TOTAL ADMIN EXP	-		-		-	-	-				-		-	-	-	-
		-	-	-		-	-			-		-	-	-	-	-	-
	TOTAL EXPENSES	101	1,509	1,058	444	160	3,273	9,605	13,914		1,451	-	759	29,002	-	-	29,002
			-	-		-	-	-	-	-	-	-	-		-	-	
	Inc (loss) from operations	(4,893)	(42,828)	(22,613)	(10,845)	(3,917)	(85,097)	(17,078)	(21,893)	-	(29,670)	-	(759)	(154,497)	-	-	(154,497)
	Non-operating inc (loss) Inc (loss) before taxes	(4,893)	(42,828)	(22,613)	(10,845)	(3,917)	(85,097)	(17,078)	(21,893)	-	(29,670)	-	(759)	(154,497)		-	(154,497
l	Income taxes	(4,893)	6,215	3,321	1,491	538	12,252	1,077	1,943	-	(1,066)		(/39)	14,206			14,206
	Premium taxes	29	248	129	62	23	491	45	48	-	(375)	-		209		-	209
	Health Insurers Fee						-				()			-		-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
	NET INCOME (LOSS)	(5,609)	(49,291)	(26,064)	(12,398)	(4,478)	(97,840)	(18,200)	(23,884)	-	(28,229)	-	(759)	(168,912)	-	-	(168,912)

#### Phoenix Health Plan YEAR ENDED JUNE 30, 2016

YEAR	ENDED JUNE 30, 2016	TANF < 1	TANF 1-13					1			Adults =</th <th>SOBRA</th> <th>SOBRA</th> <th></th> <th>State Only</th> <th>State Only</th> <th></th>	SOBRA	SOBRA		State Only	State Only	
GSA M		MF	MF	TANF 14-44 F	TANF 14-44 M	TANF 45+	TANF Total	SSI w/Med	SSI w/o Med	Adults > 106%	106%	FP	MOMS	Title XIX Total	Transplant	Total	Grand Total
	REVENUE & EXPENSES																
	Member Months PPC Member Months	167.35	3,526.91	1,336.18	886.87	267.63	6,184.93	71.80	56.34	494.96	488.96		102.04	7,399.04			7,399.0
	Pros. Member Months	18,091.49	318,993.04	121,811.69	67,391.54	20,571.32	546,859.09	35,938.83	31,174.11	19,689.97	44,343.70	-	7,125.90	685,131.61			685,131.0
	Total Member Months	18,258.84	322,519.94	123,147.88	68,278.41	20,838.95	553,044.02	36,010.64	31,230.45	20,184.93	44,832.67	-	7,227.94	692,530.65	-	-	692,530.0
	REVENUES						-							-		-	-
305	Prospective Capitation	8,702,855	35,879,615	29,416,990	10,179,092	8,423,335	92,601,887	5,620,277	24,888,189	7,298,607	19,060,850	-	1,725,972	151,195,781	-	-	151,195,78
310	PPC Capitation	176,542	199,303	260,287	133,845	105,511	875,488	5,418	33,722	170,208	328,617	-	19,872	1,433,325	-	-	1,433,32
312	Value Based Purchasing Initiatives Reconciliation/Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
315 319	Delivery Supplement Adults > 106% Reconciliation Settlement	-	-	2,273,464	-	-	2,273,464	252,436	458,693	218,737 (2,233,863)	484,265	-	900,168	4,587,763 (2,233,863)	-	-	4,587,76
320	Prospective Tiered Reconciliation Settlement	(345,240)	(2,813,459)	(1,518,679)	(700,888)	(222,546)	(5,600,812)	(483,071)	(446,030)	(2,233,863)	(449,246)		14,495	(6,964,665)			(6,964,66
321	TWG Settlement	4,056	36,236	18,472	8,810	2,761	70,335	5,929	5,396		(59,984)		14,475	21,676			21,6
322	PPC Settlement	2,127	(475,138)	(188,613)		(31,381)	(808,068)	(4,193)	(3,519)	(5,473)	(52,480)	_	(17,503)	(891,235)	_	_	(891,23
323	PCP Parity Cost Settlement	54,157	205,517	172,651	59,344	49,831	541,500	32,107	145,198	43,375	110,390	-	11,120	883,690	-	-	883,69
324	Health Insurers Fee Revenue	•					-	-						-	-	-	-
325	Investment Income	30,181	532,155	203,210	112,425	34,318	912,289	59,954	52,006	32,847	73,976	-	11,888	1,142,960	-	-	1,142,90
330	Other Income (specify)	50,994	1,927,144	588,431	386,694	75,378	3,028,641	207,086	19,753	92,515	160,222	-	7,169	3,515,386	-	-	3,515,38
	TOTAL REVENUES	8,675,671	35,491,373	31,226,214	10,064,259	8,437,207	93,894,723	5,695,942	25,153,408	5,616,953	19,656,610	-	2,673,181	152,690,818	-	-	152,690,81
	EXPENSES Hamitalization	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-
402	Hospitalization Hospital Inpatient	3,615,226	2,825,969	3,972,909	1,502,976	1,412,961	13,330,041	896,922	5,491,981	872,948	3,303,405	-	1,757,540	25,652,837		-	25,652,83
402	Hospital Inpatient -Behavioral Health Services	3,013,220	2,023,709	5,712,709	1,302,770	1,714,701	15,550,041	070,722	J, <del>7</del> 71,701	3/2,748	2,202,403		1,737,340	23,032,037		-	23,032,63
406	PPC-Hospital Inpatient	102,397	30.075	23,842	19,940	5.544	181,798	2,767	12,212	11,318	44,065	-	13,912	266,072			266,0
	Total Hospitalization	3,717,623	2,856,044	3,996,750	1,522,916	1,418,505	13,511,839	899,689	5,504,193	884,266	3,347,470	-	1,771,452	25,918,909	-	-	25,918,90
	Medical Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
408	Primary Care Physician Services	1,045,477	2,630,226	1,734,253	353,941	518,962	6,282,860	55,177	1,205,427	296,241	887,377	-	164,740	8,891,823	-	-	8,891,82
409	Behavioral Health Physician Services	5,005	19,347	13,161	7,240	6,727	51,480	35,263	15,988	2,828	8,515	-	634	114,708	-	-	114,70
410	Referral Physician Services	380,011	2,449,751	2,668,161	692,383	729,233	6,919,538	423,796	1,594,428	625,237	1,573,580	-	558,983	11,695,563	-	-	11,695,50
411	FQHC/RHC Services	324,725	1,147,450	899,429	230,081	188,031	2,789,716	108,799	437,100	179,345	396,452	-	91,821	4,003,233	-	-	4,003,23
412	Other Professional Services	293,018	1,801,880	1,185,346	404,104	268,849	3,953,198	275,423	593,947	178,562	522,369	-	87,185	5,610,683	-	-	5,610,68
414	PPC - Physician Services PCP Parity Enhanced Payment Expense	11,979 848	35,120 3.260	31,384 2.628	8,409	4,913 103	91,806 7,542	3,885 188	8,974 1.380	5,919	15,117 831	-	6,072 153	131,773 10,095	-	-	131,77 10,09
415	Total Medical Comp	2,061,063	8,087,035	6,534,362	704 1,696,863	1,716,819	20,096,141	902,531	3,857,245	1,288,133	3,404,240	-	909,588	30,457,877	-	-	30,457,87
	Other Medical Expenses	2,001,005	-	0,334,302	1,070,003	1,710,017	20,070,141	702,331	3,037,243	1,200,133	3,404,240		707,566				50,437,07
416	Emergency Facility Services	447,539	1,716,333	1,751,962	437,987	306,344	4,660,165	86,373	898,616	243,113	775,091	-	129,586	6,792,945	-		6,792,94
417	Pharmacy	572,662	5,380,657	4,684,596	1,759,736	1,767,547	14,165,197	454,127	7,418,361	976,266	4,357,112	-	227,641	27,598,704	-	-	27,598,70
418	Lab, X-ray, & Medical Imaging	46,275	307,782	634,048	120,075	168,446	1,276,626	54,596	290,855	126,691	283,662	-	101,218	2,133,648	-	-	2,133,64
419	Outpatient Facility	499,992	2,719,188	2,758,320	856,072	778,444	7,612,016	470,999	2,307,980	472,268	1,355,523	-	247,747	12,466,532	-	-	12,466,53
420	Durable Medical Equipment	55,896	343,031	200,149	99,698	77,009	775,783	39,916	222,996	51,735	134,896	-	22,793	1,248,119	-	-	1,248,11
421	Dental	346,750	5,468,927	1,839,648	978,411	346,606	8,980,343	355,261	919,020	336,561	824,694	-	95,684	11,511,563	-	-	11,511,56
422	Transportation	130,857	993,528	1,356,365	498,364	261,085	3,240,198	125,273	1,410,555	157,186	1,004,461	-	91,795	6,029,469	-	-	6,029,46
423	Nursing Facility, Home Health Care	27,503	332,783	150,355	101,330	50,429	662,400	90,883	246,918	25,276	138,413	-	9,889	1,173,779	-	-	1,173,77
424 434	Physical Therapy Value Based Purchasing Initiatives Provider Expenses	24,820 4,989	293,620 93,551	183,688 35,183	76,909 19,775	68,520 6,084	647,556 159,582	41,289 10,686	144,609	40,258 6,528	108,867 13,524	-	7,945 2,011	990,526 201,442	-	-	990,52 201,44
425	Miscellaneous Medical Expenses	19,172	343,483	131,357	72,698	22,355	589,065	38,616	9,111 34,250	21,711	48,291	-	7,574	739,507	-	-	739,50
426	Behavioral Health Day Program	19,172	343,463	131,337	72,098	22,333	362,003	30,010	34,230	21,/11	40,291	-	7,574	133,301			755,30
427	Behavioral Health Case Management Services	45	423	1,152	322	726	2,668	14,732	286	41	99	-	11	17,837			17,83
428	Behavioral Health Crisis Intervention Services	2,651	11,313	20,725	6,473	3,944	45,106	3,330	16,213	3,360	16,909	-	1,003	85,921	_	_	85,92
429	Behavioral Health Rehabilitation Services	57	818	228	94	54	1,251	9,732	145	49	122	-	12	11,311	-	-	11,3
430	Behavioral Health Residential Services	-	-	-	-	-	-	-		-	-	-		-	-	-	- '-
431	All Other Behavioral Health Services	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
438	PPC-Other Medical Expenses	7,525	52,536	50,272	24,601	7,792	142,726	2,700	151,334	9,363	32,641	-	5,417	344,181	-	-	344,18
	Total Other Medical	2,186,732	18,057,973	13,798,048	5,052,545	3,865,385	42,960,683	1,798,512	14,071,249	2,470,408	9,094,306	-	950,326	71,345,484	-	-	71,345,48
Less:	TOTAL MEDICAL EXP	7,965,419	29,001,051	24,329,160	8,272,324	7,000,709	76,568,663	3,600,733	23,432,687	4,642,806	15,846,016	-	3,631,366	127,722,271	-	-	127,722,2
440	Reinsurance	(407,604)	(1,355,650)	(590,989)	(319,188)	(255,017)	(2,928,449)	(108,266)	(722,797)	(88,943)	(552,449)	-	(84,135)	(4,485,038)		-	(4,485,0
442	Third Party Liability	(107,004)	(1,555,050)	(370,707)	(517,100)	(200,017)	(2,>20,11)	(100,200)	(122,171)	(00,743)	(332, 117)		(01,133)	(1,100,000)		-	(1,133,0
	TOTAL NET MEDICAL EXP	7,557,815	27,645,401	23,738,171	7,953,136	6,745,692	73,640,214	3,492,467	22,709,890	4,553,864	15,293,567	-	3,547,231	123,237,233	-	-	123,237,23
		-	-	-	-	-	-		-	-		-		-	-	-	-
	TOTAL ADMIN EXP	371,574	4,466,106	1,973,888	988,501	392,174	8,192,244	529,173	795,146	367,245	860,831	-	116,133	10,860,771	-	-	10,860,77
	TOTAL EVDENCES	7 020 200	22 111 507	25 712 050	9 041 627	7 127 966	91 922 450	4,021,640	22 505 02/	4 021 102	16 154 207	-	3,663,363	134,098,004	-	-	134,098,0
	TOTAL EXPENSES	7,929,389	32,111,507	25,712,059	8,941,637	7,137,866	81,832,458	4,021,640	23,505,036	4,921,109	16,154,397		3,003,363	134,098,004		-	134,098,0
l	Inc (loss) from operations	746,282	3,379,866	5,514,154	1,122,622	1,299,342	12,062,265	1,674,302	1,648,372	695,845	3,502,213	-	(990,182)	18,592,814		-	18,592,8
	Non-operating inc (loss)	7-10,202	3,379,800	- 14,134	1,122,622	1,2/7,342	12,002,203	1,074,302	1,048,372		3,302,213		(770,102)	10,372,014		-	10,372,8
	Inc (loss) before taxes	746,282	3,379,866	5,514,154	1,122,622	1,299,342	12,062,265	1,674,302	1,648,372	695,845	3,502,213	-	(990,182)	18,592,814	_	-	18,592,8
	Income taxes	261,898	1,815,603	997,840	399,540	265,686	3,740,567	286,956	332,998	215,815	405,646	-	118,287	5,100,269	-	-	5,100,2
	Premium taxes	130,702	1,169,152	604,548	271,618	130,004	2,306,024	145,328	301,790	114,224	287,214	-	53,676	3,208,255	-	-	3,208,2
	Health Insurers Fee	127,158	955,927	540,363	229,082	124,657	1,977,186	121,352	309,407	105,000	275,331	-	49,642	2,837,918	-	-	2,837,9
<b>—</b>	NET INCOME (LOSS)	226,524	(560,816)	3,371,404	222.382	778,995	4,038,489	1,120,666	704,178	260.805	2.534.022	-	(1.211.707)	7,446,372	-	-	7,446,3
	NET INCOME (EUSS)	226,524	(560,816)	3,3/1,404	222,382	//8,995	4,038,489	1,120,666	/04,1/8	260,805	2,534,022	-	(1,211,787)	7,446,372	-		7,446,3

As of June 30, 2016

AS 01 0 une 30, 2010		Other Relationship To	
Name	Title	Plan	Compensation
Abramson, Laura	Director of Medical Services	None	Salary
Alvarez, Diana	Director of Medicaid Compliance	None	Salary
Assante, Carlos	Medicare Director, Sales	None	Salary
Belew, Jay	Vice President of Claims and Member Services	None	Salary
Bernstein, Darla	Sr. Director, Medical Services	None	Salary
Camino, Carmela	Director of Finance	None	Salary
Carney Dr, Caroline	Chief Medical Director	None	Salary
Chopra, Astha	Director Risk Adjustment Ops	None	Salary
Corson, Doug	Director, Medical Economics	None	Salary
Cowley, Matt	Chief Executive Officer	None	Salary
Coyle, Wendy	Director of Human Resources	None	Salary
Fan, Dazhi	Director, Actuarial Services	None	Salary
Fawson, Paul	National Director, Strategic Network Development	None	Salary
Howard, Kathy	Director of Member and Claims Customer Service	None	Salary
Jayaraman, Ganapathi	Director, IT	None	Salary
LaPlante, Kirk	Senior Director of Network Management	None	Salary
Maison, Beverly	Chief Financial Officer	None	Salary
McMickle, Judy	Director, Reimbursements	None	Salary
Nagengast, Greg	Chief Operating Officer	None	Salary
Nelson, Lori	Senior Director, Quality Management	None	Salary
Novak, Peg	Director of Quality Management	None	Salary
Policky, Michael	Director, Claims	None	Salary
Rime, Michael	Vice President of Sales & Distribution	None	Salary
Rodriquez, Leslie	Director of Pharmacy Services	None	Salary
Simmons, Tamika	Director Health Plan Compliance	None	Salary
Yantos, Michelle	Director of Claims and Grievance & Appeals	None	Salary
Zimanek, Craig	Director of Medicare Operations	None	Salary