



# **October 2016 Financial Report**

**Board of Trustees Meeting** 

**December 1, 2016** 

A Division of the Department of State Treasurer

### Financial Results: Actual vs. Budgeted Calendar Year to Date October 2016

Calendar Year 2016	Actual thru Oct 2016	Certified Budget (per Segal 10-13-15)	Variance Over/(Under) Budget
Beginning Cash Balance	\$1.015 b	\$941.3 m	\$73.9 m
Plan Revenue	\$2.646 b	\$2.579 b	\$66.5 m
Net Claims Payments	\$2.438 b	\$2.463 b	(\$25.1 m)
Medicare Advantage Premiums	\$162.6 m	\$159.0 m	\$3.6 m
Net Administrative Expenses	\$145.2 m	\$205.3 m	(\$60.1 m)
Total Plan Expenses	\$2.746 b	\$2.827 b	(\$81.6 m)
Net Income/(Loss)	(\$100.3 m)	(\$248.4 m)	\$148.1 m
Ending Cash Balance	\$914.9 m	\$692.9 m	\$222.0 m



## Adjusted Variance Report Calendar Year to Date October 2016

Calendar Year 2016	Actual thru Oct 2016, As Adjusted	Certified Budget (per Segal 10-13-15)	Variance Over/(Under) Budget
Plan Revenue *	\$2.663 b	\$2.579 b	\$84.1 m
Net Claims Payments ^	\$2.484 b	\$2.463 b	\$21.4 m
Medicare Advantage Premiums	\$162.6 m	\$159.0 m	\$3.6 m
Net Administrative Expenses <sup>†</sup>	\$154.3 m	\$205.3 m	(\$51.0 m)
Total Plan Expenses	\$2.801 b	\$2.827 b	(\$26.1 m)
Net Income/(Loss)	(\$138.2 m)	(\$248.4 m)	\$110.2 m

\* Adjusted for timing issues and to exclude non-budgeted revenues.

^ Adjusted to exclude unbudgeted over-attainment in the pharmacy rebate true-up payment.

<sup>†</sup> Adjusted for timing issues.



### Financial Results Actual vs. Budgeted Calendar Year to Date October 2016

### Per Member Per Month (PMPM) Analysis

Calendar Year 2016	Actual thru Oct 2016	Certified Budget (per Segal 10-13-15)	Variance Over/(Under) Budget
Plan Revenue	\$376.39	\$377.92	(\$1.53)
Net Claims Payments	\$348.49	\$360.71	(\$12.22)
Medicare Advantage Premiums	\$23.24	\$23.28	(\$0.04)
Net Administrative Expenses	\$20.76	\$30.06	(\$9.30)
Total Plan Expenses	\$392.49	\$414.05	(\$21.56)
Net Income/(Loss)	(\$16.10)	(\$36.13)	\$20.03

Comparing actual results to the budget projection on a PMPM basis helps correct for changes in membership that occurred during the year.



## Adjusted Variance Report Calendar Year to Date October 2016

### Per Member Per Month (PMPM) Analysis

Calendar Year 2016	Actual thru Oct 2016, as Adjusted	Certified Budget (per Segal 10-13-15)	Variance Over/(Under) Budget
Plan Revenue *	\$378.90	\$377.92	\$0.98
Net Claims Payments ^	\$355.14	\$360.71	(\$5.57)
Medicare Advantage Premiums	\$23.24	\$23.28	(\$0.04)
Net Administrative Expenses <sup>†</sup>	\$22.05	\$30.06	(\$8.01)
Total Plan Expenses	\$400.43	\$414.05	(\$13.62)
Net Income/(Loss)	(\$21.53)	(\$36.13)	\$14.60

\* Adjusted for timing issues and to exclude non-budgeted revenues.

^ Adjusted to exclude unbudgeted over-attainment in the pharmacy rebate true-up payment.

<sup>†</sup> Adjusted for timing issues.



### Plan Year to Date (YTD) Expenditure Trend Per Member Per Month





# **Allocation of Total Expenditures**



Sources: BCBSNC Net Disbursements reports; Financial Status Reports



# Allocation of Claims Expenditures Medical, Blue Card and Pharmacy Payments

Calendar Year to Date: Oct 2016

Calendar Year 2015





	North Carolina State Health Plan for Teachers and			-	_	_	_	-	
	Summary of Operations (Cash Basis)	A	В	с	D	E	F	G	н
	Consolidated Report, Actual vs. Certified Budget					10/13/2015		10/13/2015	
	For the Month Ended October 2016	Actual	Certified	Monthly	Actual	Certified	Year to Date	Annual	Year to Date
	Calendar Year 2016	October	Budget	Variance	Year to Date	Budget	Variance	Certified	Variance
		2016	October	Over/(Under)	CY 2016	Year to Date	Over/(Under)		
		2016			01 2010			Budget	Over/(Under)
			2016	Certified		CY 2016	Certified	CY 2016	Annual
				Budget			Budget	(Jan-Dec 2016)	Certified
									Budget
1	Plan Revenue:								
2									
3	Member Premiums	\$ 268,089,743	\$ 256,147,652	\$ 11,942,091	\$ 2,621,778,588	\$ 2,565,214,654	\$ 56,563,934	\$ 3,077,262,889	\$ (455,484,301)
4	Premium Refunds/Retroactive Disenrollments	-	(129,068)	129,068	-	(1,292,530)	1,292,530	(1,550,543)	1,550,543
	Medicare Part D (RDS) Subsidy	-	1,212,551	(1,212,551)		11,792,506	4,237,640	14,177,803	1,852,343
	Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	453	-	453	-	453
7	Medicare Advantage (MA) Subsidy	107,936	72,640	35,296	694,014	721,360	(27,346)	866,820	(172,806)
8	Net Premium & Other Contributions	268,197,679	257,303,775	10,893,904	2,638,503,201	2,576,435,990	62,067,211	3,090,756,969	(452,253,768)
	Investment Earnings	584,389	240,891	343,498	7,199,933	2,813,392	4,386,541	3,269,599	3,930,334
	Miscellaneous Revenue	004,008	240,081	343,480	7,188,855	2,013,382	4,300,041	3,208,388	3,830,334
	Other Revenue	584,389	240.891	343,498	7,199,933	2,813,392	4,386,541	3,269,599	3,930,334
13		,			.,,	_,,	-,,	-,,	-,,
14	Total Plan Revenue (excludes internal transfers)	268,782,068	257,544,666	11,237,402	2,645,703,134	2,579,249,382	66,453,752	3,094,026,568	(448,323,434)
15									
16	Plan Expenses:								
17									
	Medical Claim Payments	211,898,946	201,708,687	10,190,259	1,850,748,644	1,858,814,135	(8,065,491)	2,191,757,976	(341,009,332)
	Medical Claim Refunds/Recoveries	(1,474,779)	(2,339,726)	864,947	(18,996,830)	(22,245,330)	3,248,500	(26,876,079)	7,879,249
	Net Medical Claims	210,424,167	199,368,961	11,055,206	1,831,751,814	1,836,568,805	(4,816,991)	2,164,881,897	(333,130,083)
21	Pharmanu Claim Baumanta	ee 220 eE0	00 700 050	(27 404 505)	714 018 500	878 081 745	27 054 707	002 227 008	(00 511 484)
	Pharmacy Claim Payments Pharmacy Claim Rebates	66,328,658 (13,756,708)	93,733,253 (11,855,277)	(27,404,595) (1,901,431)	714,816,532 (106,013,894)	676,861,745 (50,098,630)	37,954,787 (55,915,264)	803,327,996 (50,098,630)	(88,511,464) (55,915,264)
	Pharmacy Claim Refunds/Recoveries	(13,750,708) (16,141)	(11,000,277)	(1,301,431) (16,141)	(2,369,174)	(50,080,050)	(2,369,174)	(50,086,030)	(2,369,174)
	Net Pharmacy Claims	52,555,809	81,877,976	(29,322,167)		626,763,115	(20,329,651)	753,229,366	(146,795,902)
26		,,	.,,	(20,022,101)	,,	,,	(20,020,001)	,,	(1.00,000,002)
27	Net Claim Payments	262,979,976	281,246,937	(18,266,961)	2,438,185,278	2,463,331,920	(25,146,642)	2,918,111,263	(479,925,985)
28									
	Medicare Advantage Premium Payments	17,022,806	15,956,709	1,066,097	162,567,710	158,973,245	3,594,465	190,926,384	(28,358,674)
30									
31 32	Net Administrative Expenses	12,208,177	19,302,000	(7,093,823)	145,229,963	205,316,894	(60,086,931)	249,818,709	(104,588,746)
	Total Plan Expenses (excludes internal transfers)	292,210,959	316,505,646	(24,294,687)	2,745,982,951	2,827,622,059	(81,639,108)	3,358,856,356	(642 972 405)
34	rotar Flan Expenses (excludes internal transfers)	232,210,333	316,303,646	(24,234,007)	2,740,562,501	2,021,022,000	(61,635,106)	3,306,606,306	(612,873,405)
	Plan Income/(Loss)	(23,428,891)	(58,960,980)	35,532,089	(100,279,817)	(248,372,677)	148,092,860	(264,829,788)	164,549,971
36	Tan moone(Coss)	(20,420,001)	(50,500,500)	33,332,003	(100,210,011)	(240,012,011)	140,002,000	(204,020,100)	104,040,071
37	Cash Availability:								
38	Cash Availability.								
	Beginning Cash Balance/(Deficit)	938,367,102	751,858,483	186,508,619	1,015,218,028	941,270,180	73,947,848	941,270,180	73,947,848
	Ending Cash Balance/(Deficit)	914,938,211	692,897,503	222,040,708	914,938,211	692,897,503	222,040,708	676,440,392	238,497,819
41	- · ·								
	Target Stabilization Reserve @ 12/31/16	262,630,014	262,630,014	-	262,630,014	262,630,014	-	262,630,014	-
43									
44	Cash Balance Over/(Under) Reserve Target	\$ 652,308,197	\$ 430,267,489	\$ 222,040,708	\$ 652,308,197	\$ 430,267,489	\$ 222,040,708	\$ 413,810,378	\$ 238,497,819

#### Comments:

a. Premium receivables totaled \$908,160.19 as of October 30, 2016.

b. The average weekly medical claims cost net of claims refunds was \$42,084,833.40 for the five scheduled weekly claim cycles.

c. Total pharmacy claims, before rebates and refunds, included two bi-weekly invoice cycles averaging \$33,164,329 per cycle.

d. The target stabilization reserve is 9% of the projected net claims for Calendar Year 2016.

e. Minor differences compared to other reports are due to rounding.

Animary of operational (Laber Cale)     A     B     C		North Carolina State Health Plan for Teachers and Summary of Operations (Cash Basis)			6	D	Е	F	G	
For the Month Excled October 2015     Actual October 2016     Actual October 2016     Monthly Budget 2016     Namithy Variance 2016     Monthly Display     Authorized Pi 2016-17     Variance Verait to Date Pi 2016-17     Namithy Variance Pi 2016-17     Monthly Variance Pi 2016-27		Summary of Operations (Cash Basis)	A	В	с	U		F		н
Fiscal Year 2016- 2017     October 2016     Budget 2016     Variance October 2016     Variance Over(Under) Authorized Budget     Variance PY 2016-17     Variance Ya 2016-17     Variance Variance PY 2016-17     Authorized Budget     Variance Over(Under) Ya 2016-17     Authorized Budget     Variance PY 2016-17     Authorized Budget     Autho										
2016     Outboard     Over(Inder) Authorized     FY 2016-17     Vex to Date Structured     Ower(Inder) Authorized     Dudget     Ower(Inder) Authorized     Over(Inder) Structured     Over(Inder) Authorized     Over(Inder) Structured     Over(Inder) Authorized     Over(Inder) Authorized     Over(Inder) Structured     Over(Inder) Authorized     Ove		For the Month Ended October 2016	Actual	Authorized	Monthly		Authorized	Year to Date	Annual	Year to Date
Plan Revenue:     Part Rev		Fiscal Year 2016- 2017	October	Budget	Variance	Year to Date	Budget	Variance	Authorized	Variance
Plan Revenue:     Budget			2016	October	Over/(Under)	FY 2016-17	Year to Date	Over/(Under)	Budget	Over/(Under)
Plan Revenue:     Budget				2016	Authorized		FY 2016-17	Authorized	FY 2016-17	Annual
Plan Revenue:     Image: Control of the second sec										
Pin Revenue:     S     208,099,743     S     209,094,025     S     4,185,118     S     1,053,940,002     S     1,005,111,005     S     2,21,017,777     S     2,22,02,02,02,02,02,02,02,02,02,02,02,02					Budger			Budget		
Member Premiums     \$ 288,099,743     \$ 288,099,743     \$ 288,099,743     \$ 1,053,040,022     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,053,040,002     \$ 1,050,040     1,000,501										Budget
5     Member Premiums     5     268,089,74     5     208,089,74     5     1,137,26     5     1,050,111,000     5     (2,17,03)     5     3,221,017,770     5     (1,005,011)       6     Medicare Part D (RDD) Subsidy     1,005,011     1,005,011     (1,005,011)     1,005,011     (1,005,011)     1,005,011     (1,005,011)     1,005,011     (0,22,280)     5     1,016,111     (1,17,20)     1,205,211     (1,17,20)     1,205,211     (1,21,23,25)     1,205,211     (1,21,23,25)	1	Plan Revenue:								
Premium Refunds/Retoactive Diserrollments     (131,766)     (132,869)     (122,727)     (122,727)     (120,561)     (100,561)       Medicare PDP (EGWP + Wrap) Subsidy     107,028     00,412     8,524     282,242     397,153     (131,757,73)     3,235,780,219     (21,74,336,457)       Medicare Advantage (MA) Subsidy     107,028     00,412     8,524     282,242     397,153     (135,757)     3,235,780,219     (21,74,336,457)       Medicare Advantage (MA) Subsidy     268,879,779     265,265,968     283,703     3,120,731     1,252,318     1,868,418     3,479,377     (356,641)       MisedEncous Revenue     584,389     266,666     285,703     3,120,731     1,252,318     1,682,418     3,479,377     (356,641)       MisedEncous Revenue     584,389     266,666     285,703     3,120,736     1,252,318     1,682,418     3,479,377     (356,641)       Medical Claim Revenue (excludes internal transfers)     268,782,088     206,656     285,763     3,120,736     1,252,318     1,682,418     3,479,377     (356,641)       Medical Claim Refunds/Recoveries     111,806,464     200,005,347	_	Member Premiums	\$ 268 089 743	\$ 263 904 625	S 4 185 118	\$ 1 053 940 062	S 1 056 111 995	\$ (2.171.933)	\$ 3 221 617 779	\$ (2 167 677 717)
5     Medicare Part D (RDD) Subsidy     -     1,383,889     (7,221,279     5,801,465     1,418,814     (1,458,214)     (7,340,295)       7     Medicare Advantage (MA) Subsidy     107,303     00,412     8,524     282,421     307,155     (114,732)     1,200,817     (023,366)       7     Medicare Partine & Other Contributions     268,197,673     252,556,468     2,331,711     1,061,483,762     1,252,318     1,808,418     3,470,377     (358,641)       10     Incestment Earnings     564,383     298,686     285,703     3,120,736     1,252,318     1,808,418     3,470,377     (358,641)       10     Incestment Earnings     564,383     298,686     285,703     3,120,736     1,252,318     1,808,418     3,470,377     (358,641)       10     Incestment Earnings     564,383     298,686     285,703     3,120,736     1,252,318     3,237,2037     (41,474,470,404,40,40,40,40,40,40,40,40,40,40,40,4	_		-			-				
7     Medicare Advantage (MA) Subsidy     107,298     09.412     8.242     2.224,21     397,153     (114,732)     1.205,817     (0223,80)       8     Net Permines     265,265,586     2,331,711     1,061,443,762     1,061,783,335     (33,9573)     3,235,780,219     (2,174,338,467)       0     Investment Earnings     584,389     286,868     285,703     3,120,736     1,252,316     1,868,418     3,473,377     (358,841)       10     Investment Earnings     584,389     286,868     285,703     3,120,736     1,252,316     1,868,418     3,473,377     (358,841)       11     Total Plan Revenue     266,762,068     265,564,654     3,217,414     1,064,564,498     1,063,035,653     1,528,845     3,239,295,566     (2,174,659,098)       16     Plan Expenses:     1     208,036,477     5,863,569     768,525,692     788,804,153     (20,278,701)     2,203,294,376     (1,404,760,014)     2,046,260     2,047,800     2,046,260     2,046,260     2,046,260     2,046,260     2,046,260     2,046,260     2,046,260     2,046,260     2,046,260	5		-			7,221,279				
8     Net Premium & Other Contributions     268,197,679     265,265,568     2,331,711     1,061,443,762     1,061,743,335     (338,573)     3,235,780,219     (2,174,336,457)       10     Investment Earnings     564,389     296,686     285,703     3,120,736     1,252,318     1,868,418     3,470,377     (356,641)       11     Miscelianceus Revenue     564,389     296,686     285,703     3,120,736     1,252,318     1,868,418     3,479,377     (356,641)       12     Other Revenue     (excludes internal transfers)     268,782,088     265,564,654     3,217,414     1,064,564,498     1,063,035,653     1,528,845     3,239,259,596     (2,174,655,098)       16     Plan Expenses:     211,898,046     200,035,347     5,803,509     768,825,962     788,804,153     (202,770,711)     2,263,204,376     (1,404,776,014)       17     Medical Claim Retunds/Recoveries     211,898,046     200,709,087     6,717,080     778,657,021     (17,917,756)     2,223,592,330     (1,474,773,105)       12     Pharmacy Claim Retunds/Recoveries     053,2569     81,543,101     (2,2370,212)     290,05	6	Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	-	-	-	-	-
0     Investment Earnings     584,389     296,886     285,703     3,120,736     1,252,318     1,888,418     3,470,377     (358,441)       1     Macellaneous Revenue     584,389     286,686     285,703     3,120,736     1,252,318     1,888,418     3,479,377     (358,441)       1     Total Plan Revenue (excludes internal transfers)     268,782,068     285,564,654     3,217,741     1,064,564,498     1,063,035,653     1,528,845     3,239,259,596     (2,174,695,098)       1     Plan Expenses:     211,806,046     200,035,847     5,863,500     768,804,153     (20,278,791)     2,205,204,376     (1,404,790,014)       1     Medical Claim Retrinsis/Recoveries     211,806,046     200,035,847     5,863,500     768,804,153     (20,278,791)     2,205,292,303     (1,474,779,01)       2     Plasmacy Claim Reports     210,824,167     203,707,067     6,717,000     761,619,225     779,537,021     (17,7796)     2,225,923,303     (1,474,773,106)     (1,474,773,106)     (1,474,773,106)     (1,474,773,106)     (1,474,773,106)     (1,474,775,010)     (1,474,775,010)     (1,474,775,010)     (1,474,775,										
10     Investment Earnings     594.389     208.080     285.703     3.120.730     1.252.316     1.888.418     3.470.377     (358.41)       12     Other Revenue     584.389     296.686     285.703     3.120.736     1.252.316     1.868.418     3.479.377     (358.41)       14     Total Plan Revenue (excludes internal transfers)     268.782.068     285.564.654     3.217.414     1.064.564.498     1.063.035.653     1.528.845     3.239.259.596     (2.174.695.098)       16     Plan Expenses:     211.809.440     200.035.347     5.883.509     708.525.562     7788.504.155     (20.278.791)     2.263.204.376     (1.494.790.014)       10     Medical Claim Rethods/Recoveries     211.809.440     200.035.347     5.883.509     708.525.562     7785.507.021     (17.917.796)     2.263.204.976     (1.494.790.014)     20.495.500       11     Medical Claim Payments     6.52.561     7785.507.021     (17.917.796)     2.235.892.330     (1.494.773.105)       12     Pharmacy Claim Rebuds/Recoveries     (15.49.4167     200.705.825     2.180.567     779.537.021     (17.77.785)     2.235.892.		Net Premium & Other Contributions	268,197,679	265,265,968	2,931,711	1,061,443,762	1,061,783,335	(339,573)	3,235,780,219	(2,174,336,457)
11   Miscellaneous Revenue	-									
12   Other Revenue   584,389   298,686   285,703   3,120,736   1,252,318   1,668,418   3,479,377   (358,641)     14   Total Plan Revenue (excludes internal transfers)   268,782,068   265,564,654   3,217,414   1,064,564,498   1,063,035,663   1,528,845   3,239,259,596   (2,174,695,098)     16   Plan Expenses:   211,898,948   206,036,347   5,863,500   768,525,362   788,804,153   (20,278,701)   2,263,224,370   (1,494,760,014)     19   Medical Claim Refunds/Recoveries   210,424,167   20,070,087   6,717,087   6,717,087   6,717,087   2,235,823,005   (2,742,246)   2,402,040   (2,474,274)   (1,494,776,014)   (1,494,778,017)   (2,225,821,018   2,235,823,018   (1,774,174)   (2,427,3105)   (1,474,773,018)   (1,474,773,018)   (1,774,717,018)   (2,778,172)   (2,778,172)   (2,778,172)   (2,778,172)   (2,778,172)   (2,778,172)   (2,774,174,114)   (1,60,600)   (1,774,174)   (2,474,214)   (1,60,600)   (1,774,174)   (2,474,714)   (1,60,600)   (1,774,174)   (2,60,642)   (3,280,668   (7,580,734   (4,427,706)   (4,177,617,683,114)   (1,60,600)   (			584,389	298,686	285,703	3,120,736	1,252,318	1,868,418	3,479,377	(358,641)
13     13     10     268,782,068     265,564,654     3,217,414     1,064,564,498     1,063,035,653     1,528,845     3,239,259,596     (2,174,655,098)       16     Flan Expenses:			-	- 200 000	- 205 702	2 420 726	4 252 240	4 000 440	2 479 277	(250 641)
14   Total Plan Revenue (excludes internal transfers)   268,782,068   265,564,654   3,217,414   1,064,564,488   1,063,035,653   1,528,845   3,239,259,596   (2,174,695,098)     16   Plan Expenses:   1   1   1,643,035,663   1,528,845   3,239,259,596   (2,174,695,098)     17   Medical Claim Payments   211,898,946   200,035,347   5,883,569   768,525,362   788,804,153   (20,278,791)   2,283,294,376   (1,474,723,009)     210,462,4167   203,070,1087   6,71,1080   776,1519,222   2,300,495   (27,402,496)   204,632,009     210,462,4167   203,070,1087   6,71,1080   776,1519,225   779,537,021   (1,71,71,749)   2,236,2400   204,650,995     210,462,4167   203,070,1087   6,111,080   210,682,211   (1,474,273,009)   (1,474,273,010)   204,650,995   210,682,410   1,238,7111   (1,474,273,010)   238,650   773,537,012   (1,474,171,083)   (1,63,014)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)   (1,64,011)		Other Revenue	564,565	230,000	265,703	3,120,736	1,202,316	1,000,410	3,413,311	(336,641)
15     16     Plan     211,898,946     206,035,347     5,883,599     768,525,382     788,804,153     (20,278,791)     2,283,294,376     (1,494,789,014)       18     Medical Claim Refunds/Recoveries     211,898,946     200,035,347     5,883,599     768,525,382     788,804,153     (20,278,791)     2,283,294,376     (1,494,789,014)       20     Net Medical Claim Refunds/Recoveries     210,424,167     203,707,087     6,717,080     761,619,225     779,537,021     (17,917,789)     2,235,923,300     (1,474,273,105)       12     Pharmacy Claim Refunds/Recoveries     66,328,658     97,589,360     (31,200,709)     296,875,698     291,686,281     5,189,417     853,475,193     (556,509,496)     53,337,113       14     Pharmacy Claim Refunds/Recoveries     (10,141)     (10,442,27,102)     (10,600)     (17,79,410)     (44,77,718,30)     (12,864,210)     53,337,113     (1,977,622,178)     (503,349,074)       15     St,555,809     81,643,101     (29,087,292)     220,271,909     255,906,685     (33,834,956)     723,620,983     (15,17,622,752)     2,969,513,313     (1,977,622,179)     (12,596,241)		Total Plan Revenue (excludes internal transfers)	268,782,068	265,564,654	3.217.414	1.064.564.498	1.063.035.653	1,528,845	3,239,259,596	(2.174.695.098)
17   Medical Claim Payments   211,808,048   206,035,347   5.88,3569   768,525,382   788,804,153   (20,278,791)   2,283,294,376   (1,494,769,014)     19   Medical Claim Refunds/Recoveries   210,0424,167   2203,707,087   6,717,080   761,619,225   779,537,021   (17,917,776)   2,235,892,330   (1,494,789,014)     19   Medical Claims   210,0424,167   2203,707,087   6,717,080   761,619,225   779,537,021   (17,917,776)   2,235,892,330   (1,494,789,014)     12   Pharmacy Claim Payments   66,328,658   97,589,368   (31,260,708)   296,876,698   291,686,281   5,189,417   853,475,193   (165,650,496)     14   Pharmacy Claim Refunds/Recoveries   (13,176,708)   (76,497,099)   (31,774,410)   (44,717,683)   (129,864,210)   (53,357,111     14   Pharmacy Claim Refunds/Recoveries   (13,161,112)   (16,141)   (106,690)   (27,752,752)   2,959,513,313   (19,77,522,179)     15   Net Claim Payments   52,555,809   81,643,101   (22,370,212)   981,813,144   (103,94,43,886   (67,552,752)   2,959,513,313   (19,77,522,179)     16   Refunds/rac			200,102,000	200,004,004	0,211,414	1,001,001,100	1,000,000,000	1,020,040	0,200,200,000	(2,114,000,000)
18   Medical Claim Payments   211,898,946   200,035,947   5,883,569   768,525,862   768,804,163   (20,278,701)   2.283,294,376   (1,494,760,014)     19   Medical Claim Retunds/Recoveries   211,924,167   203,707,087   6,717,080   768,525,862   778,507,021   (17,917,760)   2,235,892,330   (1,444,720,2046)   20,405,694   20,535,619   41,42,473,1059   (12,944,167)   453,357,111   (10,944,117,893)   (12,945,421)   53,357,111   (10,600)		Plan Expenses:								
20   Net Medical Claims   210,424,167   203,707,087   6,717,080   761,619,225   779,537,021   (17,917,796)   2,235,892,330   (1,474,273,105)     21   Pharmacy Claim Rebates   68,328,658   97,589,306   (31,200,708)   296,875,698   291,686,221   5,189,417   853,475,183   (556,599,496)     23   Pharmacy Claim Rebates   (13,756,708)   (15,946,265)   2,189,557   (76,497,099)   (31,779,416)   (44,717,683)   (128,854,210)   53,357,111     24   Pharmacy Claims   52,555,809   81,643,101   (29,087,292)   220,271,999   259,906,865   (39,634,956)   723,620,983   (503,349,074)     26   29,797,62   285,350,188   (22,370,212)   981,891,134   1,039,443,886   (57,552,752)   2,959,513,313   (1,977,622,179)     29   Medicare Advantage Premium Payments   17,022,806   16,232,569   790,237   65,786,734   64,849,595   937,139   191,752,975   (125,966,241)     31   Net Administrative Expenses   12,208,177   17,633,694   (5,425,517)   55,426,576   70,568,833   (15,142,257)   225,914,327   (170,487,751)     33		Medical Claim Payments	211,898,946	206,035,347	5,863,599	768,525,362	788,804,153	(20,278,791)	2,263,294,376	(1,494,769,014)
21 22 23 24 24 25 24 25 24 25 25 25 25 25 25 25 25 25 25 25 25 25	19	Medical Claim Refunds/Recoveries	(1,474,779	(2,328,260)	853,481	(6,906,137)	(9,267,132)	2,360,995	(27,402,046)	20,495,909
22     Pharmacy Claim Payments     663,328,858     97,589,386     (31,200,708)     296,875,608     291,686,281     5,189,417     853,475,193     (1556,590,495)       32     Pharmacy Claim Rebates     (13,760,708)     (16,141)     (12,596,241)     (12,596,241)     (12,596,241)     (12,596,241)     (12,596,241)     (12,596,241)     (12,596,241)     (12,596,241)     (12,596,241)     (12,596,241)     (12,596,241)     (12,26,91,361)     (12,5,96,241)     (12,5	20	Net Medical Claims	210,424,167	203,707,087	6,717,080	761,619,225	779,537,021	(17,917,796)	2,235,892,330	(1,474,273,105)
23   Pharmacy Claim Rebates   (13,756,708)   (15,946,265)   2,188,557   (76,497,099)   (31,779,418)   (142,717,683)   (129,854,210)   53,357,111     24   Pharmacy Claim Refunds/Recoveries   (16,141)   (100,800)   (1100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (100,800)   (110,800)   (100,800)   (110,800)   (110,800)   (110,900)   (110,900)   (110,900)   (110,900)   (1										
24   Pharmacy Claim Refunds/Recoveries   (16,141)   (106,090) <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>										
25   Net Pharmacy Claims   52,555,809   81,643,101   (29,087,292)   220,271,909   259,906,865   (39,634,956)   723,620,983   (503,349,074)     26   Net Claim Payments   262,979,976   285,350,188   (22,370,212)   981,891,134   1,039,443,886   (57,552,752)   2,959,513,313   (1,977,622,179)     29   Medicare Advantage Premium Payments   17,022,806   16,232,569   790,237   65,786,734   64,849,595   937,139   191,752,975   (125,966,241)     31   Net Administrative Expenses   12,208,177   17,633,694   (5,425,517)   55,426,576   70,568,833   (15,142,257)   225,914,327   (170,487,751)     32   Total Plan Expenses (excludes internal transfers)   292,210,959   319,216,451   (27,005,492)   1,103,104,444   1,174,862,314   (71,757,870)   3,377,180,615   (2,274,076,171)     34   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     39   Beginning Cash Balance/(Deficit)   988,87,102   923,008,023   14,458,179   963,478,157   982,083,787   (28,005,630)							(31,779,416)		(129,854,210)	
26   Net Claim Payments   262,979,976   285,350,188   (22,370,212)   981,891,134   1,039,443,886   (57,552,752)   2,959,513,313   (1,977,622,179)     26   Medicare Advantage Premium Payments   17,022,806   16,232,569   790,237   65,786,734   64,849,595   937,139   191,752,975   (125,966,241)     31   Net Administrative Expenses   12,208,177   17,633,694   (5,425,517)   55,426,576   70,568,833   (15,142,257)   225,914,327   (170,487,751)     33   Total Plan Expenses (excludes internal transfers)   292,210,959   319,216,451   (27,005,492)   1,103,104,444   1,174,862,314   (71,757,870)   3,377,180,615   (2,274,076,171)     34   Total Plan Expenses (excludes internal transfers)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     37   Cash Availability:   983,867,102   923,908,923   14,458,179   953,478,157   982,083,787   (28,005,630)   982,083,787   (28,005,630)   982,083,787   (28,005,630)   982,083,787   (28,005,630)   982,083,787   (28,005,630)   982,083,787   (28,005,630) <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td></td> <td>-</td> <td></td>							-		-	
27   Net Claim Payments   262,979,976   285,350,188   (22,370,212)   981,891,134   1,039,443,886   (57,552,752)   2,959,513,313   (1,977,622,179)     28   Medicare Advantage Premium Payments   17,022,806   16,232,569   790,237   65,786,734   64,849,595   937,139   191,752,975   (125,966,241)     30   Net Administrative Expenses   12,208,177   17,633,694   (5,425,517)   55,426,576   70,568,833   (15,142,257)   225,914,327   (170,487,751)     31   Net Administrative Expenses   292,210,959   319,216,451   (27,005,492)   1,103,104,444   1,174,862,314   (71,757,870)   3,377,180,615   (2,274,076,171)     34   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     35   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   Cash Availability:   98,887,102   923,908,923   14,458,179   953,478,157   982,083,787   (28,605,630)   982,083,787 <td< td=""><td></td><td>Net Pharmacy Claims</td><td>52,555,809</td><td>81,643,101</td><td>(29,087,292)</td><td>220,271,909</td><td>209,906,860</td><td>(39,634,956)</td><td>723,620,983</td><td>(503,349,074)</td></td<>		Net Pharmacy Claims	52,555,809	81,643,101	(29,087,292)	220,271,909	209,906,860	(39,634,956)	723,620,983	(503,349,074)
28   Medicare Advantage Premium Payments   17,022,806   16,232,569   790,237   65,786,734   64,849,595   937,139   191,752,975   (125,966,241)     30   Net Administrative Expenses   12,208,177   17,633,694   (5,425,517)   55,426,576   70,568,833   (15,142,257)   225,914,327   (170,487,751)     33   Total Plan Expenses (excludes internal transfers)   292,210,959   319,216,451   (27,005,492)   1,103,104,444   1,174,862,314   (71,757,870)   3,377,180,615   (2,274,076,171)     34   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   Cash Availability:   938,367,102   923,008,923   14,458,179   963,478,157   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630) </td <td></td> <td>Net Claim Payments</td> <td>262 979 976</td> <td>285 350 188</td> <td>(22 370 212)</td> <td>981 891 134</td> <td>1 039 443 886</td> <td>(57 552 752)</td> <td>2 959 513 313</td> <td>(1 977 622 179)</td>		Net Claim Payments	262 979 976	285 350 188	(22 370 212)	981 891 134	1 039 443 886	(57 552 752)	2 959 513 313	(1 977 622 179)
29   Medicare Advantage Premium Payments   17,022,806   16,232,569   790,237   65,786,734   64,849,595   937,139   191,752,975   (125,966,241)     30   Net Administrative Expenses   12,208,177   17,633,694   (5,425,57)   55,426,576   70,568,833   (15,142,257)   225,914,327   (170,487,751)     31   Net Administrative Expenses (excludes internal transfers)   292,210,959   319,216,451   (27,005,492)   1,103,104,444   1,174,862,314   (71,757,870)   3,377,180,615   (2,274,076,171)     34   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   Cash Availability:   938,387,102   923,908,923   14,458,179   965,478,157   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605			202,010,010	200,000,100	(22,070,212)	001,001,104	1,000,440,000	(01,002,102)	2,000,010,010	(1,011,022,110)
31   Net Administrative Expenses   12,208,177   17,633,694   (5,425,517)   55,426,576   70,568,833   (15,142,257)   225,914,327   (170,487,751)     33   Total Plan Expenses (excludes internal transfers)   292,210,959   319,216,451   (27,005,492)   1,103,104,444   1,174,862,314   (71,757,870)   3,377,180,615   (2,274,076,171)     34   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   Cash Availability:   938,367,102   923,908,923   14,458,179   953,478,157   982,083,787   (28,605,630)   982,083,787   (28,605,630)     37   Cash Availability:   938,367,102   923,908,923   14,458,179   953,478,157   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   984,983,718   870,257,126		Medicare Advantage Premium Payments	17,022,806	16,232,569	790,237	65,786,734	64,849,595	937,139	191,752,975	(125,966,241)
32   Total Plan Expenses (excludes internal transfers)   292,210,959   319,216,451   (27,005,492)   1,103,104,444   1,174,862,314   (71,757,870)   3,377,180,615   (2,274,076,171)     34   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     38   Beginning Cash Balance/(Deficit)   938,367,102   923,908,923   14,458,179   953,478,157   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (28,605,630)   982,083,787   (	30									
33   Total Plan Expenses (excludes internal transfers)   292,210,959   319,216,451   (27,005,492)   1,103,104,444   1,174,862,314   (71,757,870)   3,377,180,615   (2,274,076,171)     34   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   Cash Availability:   938,387,102   923,908,923   14,458,179   963,478,157   982,083,787   (28,605,630)   984,982,983,787		Net Administrative Expenses	12,208,177	17,633,694	(5,425,517)	55,426,576	70,568,833	(15,142,257)	225,914,327	(170,487,751)
34   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36   Cash Availability:										
35   Plan Income/(Loss)   (23,428,891)   (53,651,797)   30,222,906   (38,539,946)   (111,826,661)   73,286,715   (137,921,019)   99,381,073     36		Total Plan Expenses (excludes internal transfers)	292,210,959	319,216,451	(27,005,492)	1,103,104,444	1,174,862,314	(71,757,870)	3,377,180,615	(2,274,076,171)
36   37   Cash Availability:   38     38   39   Beginning Cash Balance/(Deficit)   938,367,102   923,908,923   14,458,179   963,478,157   982,083,787   (28,605,630)   982,083,787   (28,605,630)     40   Ending Cash Balance/(Deficit)   914,938,211   870,257,126   44,681,085   914,938,211   870,257,126   44,681,085   844,162,768   70,775,443     41   Target Stabilization Reserve @ 6/30/17   266,356,198   266,356,198   -   266,356,198   -   266,356,198   -	-									
37   Cash Availability:   98   99   9		Plan Income/(Loss)	(23,428,891	) (53,651,797)	30,222,906	(38,539,946)	(111,826,661)	/3,286,/15	(137,921,019)	99,381,073
38     38     38     38     38     38     39     Beginning Cash Balance/(Deficit)     938,367,102     923,908,923     14,458,179     963,478,157     982,083,787     (28,605,630)     982,083,787     (28,605,630)     982,083,787     (28,605,630)     982,083,787     (28,605,630)     982,083,787     (28,605,630)     982,083,787     (28,605,630)     982,083,787     (28,605,630)     982,083,787     (28,605,630) <td></td>										
39   Beginning Cash Balance/(Deficit)   938,367,102   923,908,923   14,458,179   953,478,157   982,083,787   (28,605,630)   982,083,787   (28,605,630)     40   Ending Cash Balance/(Deficit)   914,938,211   870,257,126   44,681,085   914,938,211   870,257,126   44,681,085   844,162,768   70,775,443     41   266,356,198   266,356,198   266,356,198   266,356,198   266,356,198   266,356,198   -   266,356,198   -   266,356,198   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -   -   266,356,198   -		Cash Availability:								
40   Ending Cash Balance/(Deficit)   914,938,211   870,257,126   44,681,085   914,938,211   870,257,126   44,681,085   844,162,768   70,775,443     41   41   266,356,198   266,356,198   266,356,198   266,356,198   266,356,198   266,356,198   266,356,198   266,356,198   266,356,198   266,356,198   44,681,085   266,356,198   44,681,085   44,681,08		Beginning Cash Balance/(Deficit)	038 387 103	923 008 023	14 459 170	953 479 157	082 083 797	(28 805 820)	082 093 797	(28 805 820)
41 42 Target Stabilization Reserve @ 6/30/17 266,356,198 266,356,198 266,356,198 266,356,198 266,356,198 266,356,198 - 266,356,198										
42 Target Stabilization Reserve @ 6/30/17 266,356,198 266,356,198 - 266,356,198 - 266,356,198 - 266,356,198 - 266,356,198 -			014,000,211	010,201,120	44,001,000	014,000,211	010,201,120	44,001,000	011,102,100	
43		Target Stabilization Reserve @ 6/30/17	266,356,198	266,356,198		266,356,198	266,356,198	-	266,356,198	-
44 Cash Balance Over/(Under) Reserve Target \$ 648,582,013 \$ 603,900,928 \$ 44,681,085 \$ 648,582,013 \$ 603,900,928 \$ 44,681,085 \$ 577,806,570 \$ 70,775,443										
	44	Cash Balance Over/(Under) Reserve Target	\$ 648,582,013	\$ 603,900,928	\$ 44,681,085	\$ 648,582,013	\$ 603,900,928	\$ 44,681,085	\$ 577,806,570	\$ 70,775,443

#### Comments:

a. Premium receivables totaled \$908,160.19 as of October 30, 2016.

b. The average weekly medical claims cost net of claims refunds was \$42,084,833.40 for the five scheduled weekly claim cycles.

c. Total pharmacy claims, before rebates and refunds, included two bi-weekly invoice cycles averaging \$33,164,329 per cycle.

d. The target stabilization reserve is 9% of the projected net claims for Fiscal Year 2016-17.

e. Minor differences compared to other reports are due to rounding.

Summarv	of Operations (Cash B	aeie)

	North Carolina State Health Plan for Teachers and	ate Health Plan for Teachers and State Employees							
	Summary of Operations (Cash Basis)	A	_	В	С	D	E	F	G
	Current Year Actual vs. Prior Year Actual								
	For the Month Ended October 2016	Current Year		Prior Year	Current	Prior	Current Year	Prior Year	Prior Year
	Calendar Year 2016	Actual		Actual	Year to Date	Year to Date	Certified	Annual	Actual
		October		October	Actual	Actual	Annual	Budget	Results
		2016		2015	CY 2016	CY 2015	Budget	CY 2015	CY 2015
		2010		2013		thru		012013	012013
					thru		CY 2016		
	Dia David				October	October			
1	Plan Revenue:								
3	Member Premiums	\$ 268,089,743	\$	249,651,650	\$ 2,621,778,588	\$ 2,470,583,225	\$ 3,077,262,889	\$ 2,963,937,832	\$ 2,993,891,773
4	Premium Refunds/Retroactive Disenrollments	- 200,000,740	1		- 2,021,770,000	(5,343)	(1,550,543)	(1,486,657)	
5	Medicare Part D (RDS) Subsidy	-		2,293,598	16,030,146	16,551,971	14,177,803	14,587,080	19,484,823
6	Medicare PDP (EGWP + Wrap) Subsidy	-		-	453	48,603,406	-	48,602,498	48,603,406
7	Medicare Advantage (MA) Subsidy	107,936		33,202	694,014	754,503	866,820	828,983	959,319
8 9	Net Premium & Other Contributions	268,197,679		251,978,450	2,638,503,201	2,536,487,762	3,090,756,969	3,026,469,736	3,062,933,978
10	Investment Earnings	584,389		575,432	7,199,933	4,925,346	3,269,599	3,871,779	6,037,729
11	Miscellaneous Revenue			(638)		4,525,546		3,071,773	0,007,720
	Other Revenue	584,389		574,794	7,199,933	4,925,346	3,269,599	3,871,779	6,037,729
13									
	Total Plan Revenue (excludes internal transfers)	268,782,068		252,553,244	2,645,703,134	2,541,413,108	3,094,026,568	3,030,341,515	3,068,971,707
15									
16 17	Plan Expenses:								
	Medical Claim Payments	211.898.946		163,304,331	1.850,748,644	1,719,772,975	2,191,757,976	2,128,799,496	2.067.095.284
	Medical Claim Refunds/Recoveries	(1,474,779)		(1,419,068)	(18,996,830)		(26,876,079)	(25,072,202)	(23,709,307)
20	Net Medical Claims	210,424,167		161,885,263	1,831,751,814		2,164,881,897	2,103,727,294	2,043,385,977
21									
	Pharmacy Claim Payments	66,328,658		60,180,997	714,816,532	610,861,685	803,327,996	718,955,282	766,818,503
	Pharmacy Claim Rebates Pharmacy Claim Refunds/Recoveries	(13,756,708) (16,141)		(3,914)	(106,013,894) (2,369,174)	(54,562,398) (5,308,933)	(50,098,630)	(57,020,841)	(96,193,453) (5,347,179)
24		52,555,809	-	60,177,083	606,433,464	550,990,354	753,229,366	661.934.441	665,277,871
26		52,555,665		00,111,000	000,100,101	550,550,554	100,220,000	001,001,111	000,211,011
27	Net Claim Payments	262,979,976		222,062,346	2,438,185,278	2,251,152,067	2,918,111,263	2,765,661,735	2,708,663,848
28									
29	Medicare Advantage Premium Payments	17,022,806		14,533,005	162,567,710	143,336,224	190,926,384	174,072,089	172,517,202
30	Net Administrative Expenses	12,208,177		11,841,577	145,229,963	145,253,000	249,818,709	239,864,700	187,419,975
32	Not Administrative Expenses	12,200,117		11,041,011	145,225,505	140,200,000	245,010,105	233,004,100	101,413,515
33	Total Plan Expenses (excludes internal transfers)	292,210,959		248,436,928	2,745,982,951	2,539,741,291	3,358,856,356	3,179,598,524	3,068,601,025
34									
	Plan Income/(Loss)	(23,428,891)		4,116,316	(100,279,817)	1,671,817	(264,829,788)	(149,257,009)	370,682
36									
37	Cash Availability:								
38 39	Beginning Cash Balance/(Deficit)	938,367,102		1,012,402,847	1,015,218,028	1.014.847.346	941,270,180	1.014.847.346	1 014 947 246
40	Ending Cash Balance/(Deficit)	914,938,211		1,012,402,647	914,938,211	1,016,519,163	676,440,392	865,590,337	1,014,847,346 1,015,218,028
40	Enting oton Databor(Denoty	014,000,211		1,010,010,100	014,000,211	1,010,010,100	010,110,392	000,000,001	1,013,210,020
	Target Stabilization Reserve @ 12/31	262,630,014		248,909,557	262,630,014	248,909,557	262,630,014	248,909,557	243,779,746
43									
44	Cash Balance Over/(Under) Reserve Target	\$ 652,308,197	\$	767,609,606	\$ 652,308,197	\$ 767,609,606	\$ 413,810,378	\$ 616,680,780	\$ 771,438,282
			_						

Comments:

a. Minor differences compared to other reports are due to rounding

	Summary of Operations (Cash Basis)	A		в	с	D	E	F	G
	Current Year Actual vs. Prior Year Actual For the Month Ended October 2016 Fiscal Year 2016-2017	Current Year Actual October 2016		Prior Year Actual October 2015	Current Year to Date Actual FY 2016-17	Prior Year to Date Actual FY 2015-16	Current Year Authorized Annual Budget	Prior Year Annual Budget FY 2015-16	Prior Year Actual Results FY 2015-16
					thru October	thru October	FY 2016-17		
1 2 3 4	Plan Revenue: Member Premiums Premium Refunds/Retroactive Disenrollments	\$ 268,089,743	\$	249,651,650		\$ 997,153,015	\$ 3,221,617,779 (1,605,591)	\$ 3,031,630,846 (1,523,909)	\$ 3,088,300,089
5	Medicare Part D (RDS) Subsidy	-		2,293,598	7,221,279	5,638,064	14,562,214	14,457,206	17,379,783
6 7	Medicare PDP (EGWP + Wrap) Subsidy Medicare Advantage (MA) Subsidy	107,936		33,202	282,421	225,449	- 1,205,817	848,545	453 841,858
8 9	Net Premium & Other Contributions	268,197,679		251,978,450	1,061,443,762	1,003,016,528	3,235,780,219	3,045,412,688	3,106,522,183
	Investment Earnings Miscellaneous Revenue	584,389		575,432 (638)	3,120,736	2,201,605	3,479,377	3,760,445	7,393,185
12 13	Other Revenue	584,389		574,794	3,120,736	2,201,605	3,479,377	3,760,445	7,393,185
14	Total Plan Revenue (excludes internal transfers)	268,782,068		252,553,244	1,064,564,498	1,005,218,133	3,239,259,596	3,049,173,133	3,113,915,368
15 16 17	Plan Expenses:								
18	Medical Claim Payments	211,898,946		163,304,331	768,525,362	691,825,828	2,263,294,376	2,152,322,381	2,121,371,419
	Medical Claim Refunds/Recoveries Net Medical Claims	(1,474,779) 210,424,167	-	(1,419,068) 161,885,263	(6,906,137) 761,619,225	(5,887,186) 685,938,642	(27,402,046) 2,235,892,330	(25,761,279) 2,126,561,102	(22,075,924) 2,099,295,495
	Pharmacy Claim Payments Pharmacy Claim Rebates	66,328,658 (13,756,708)		60,180,997	296,875,698 (76,497,099)	265,516,134 (42,746,428)	853,475,193 (129,854,210)	802,956,864 (104,118,976)	839,413,786 (113,894,278)
24	Pharmacy Claim Refunds/Recoveries	(16,141)		(3,914)	(106,690)	(1,640,776)		-	(3,941,506)
25 26	Net Pharmacy Claims	52,555,809		60,177,083	220,271,909	221,128,930	723,620,983	698,837,888	721,578,002
27	Net Claim Payments	262,979,976		222,062,346	981,891,134	907,067,572	2,959,513,313	2,825,398,990	2,820,873,497
28 29 30	Medicare Advantage Premium Payments	17,022,806		14,533,005	65,786,734	57,894,933	191,752,975	181,076,580	183,856,887
31 32	Net Administrative Expenses	12,208,177		11,841,577	55,426,576	47,856,088	225,914,327	244,252,193	179,826,450
32 33 34		292,210,959		248,436,928	1,103,104,444	1,012,818,593	3,377,180,615	3,250,727,763	3,184,556,834
35	Plan Income/(Loss)	(23,428,891)		4,116,316	(38,539,946)	(7,600,460)	(137,921,019)	(201,554,630)	(70,641,466)
36 37 38									
39	Beginning Cash Balance/(Deficit)	938,367,102		1,012,402,847	953,478,157	1,024,119,623	982,083,787	1,024,119,623	1,024,119,623
40 41	Ending Cash Balance/(Deficit)	914,938,211		1,016,519,163	914,938,211	1,016,519,163	844,162,768	822,564,993	953,478,157
42 43		266,356,198		254,285,909	266,356,198	254,285,909	266,356,198	254,285,909	253,878,615
44	Cash Balance Over/(Under) Reserve Target	\$ 648,582,013	\$	762,233,254	\$ 648,582,013	\$ 762,233,254	\$ 577,806,570	\$ 568,279,084	\$ 699,599,542

Comments:

a. Minor differences compared to other reports are due to rounding

Summary of Operations (Cash Basis, as adjusted)

	Consolidated Report, Actual vs. Budgeted	A	в	С	D	E	F
	For the Month Ended October 2016						
	Calendar Year 2016	Actual	Adjustments for	Adjusted	Certified Budget	Year to Date	Adjusted
		Year to Date	Timing, Unusual	Actual	Calendar Year	Adjusted	Variance as
		Calendar Year	& Onetime	Year to Date	to Date	Variance	Percentage of
		thru October	Events		thru October	Over/(Under)	Budget
						Budget	
1	Plan Revenue:						
3	Member Premiums (Notes 1 and 2)	\$ 2,621,778,588	\$ 18,654,512	\$ 2,640,433,100	\$ 2,565,214,654	\$ 75,218,446	2.93%
4	Premium Refunds/Retroactive Disenrollments	-		-	(1,292,530)	1,292,530	-100.00%
5	Medicare Part D (RDS) Subsidy (Note 3)	16,030,146	(1,040,695)	14,989,451	11,792,506	3,196,945	27.11%
6	Medicare PDP (EGWP + Wrap) Subsidy (Note 4)	453	(453)	-	-	-	
7	Medicare Advantage (MA) Subsidy	694,014		694,014	721,360	(27,346)	-3.79%
8	Net Premium & Other Contributions	2,638,503,201	17,613,364	2,656,116,565	2,576,435,990	79,680,575	3.09%
9							
10	Other Revenue	7,199,933		7,199,933	2,813,392	4,386,541	155.92%
11			17 040 004		0.570.040.000		
12 13	Total Plan Revenue (excludes internal transfers)	2,645,703,134	17,613,364	2,663,316,498	2,579,249,382	84,067,116	3.26%
13	Plan Expenses:						
15	Plan Expenses:						
16	Net Medical Claims	1.831.751.814		1.831.751.814	1.836.568.805	(4,816,991)	-0.26%
17	Net Pharmacy Claims (Note 5)	606,433,464	46,502,820	652,936,284	626,763,115	26,173,169	4.18%
18	Net Claim Payments	2,438,185,278	46,502,820	2,484,688,098	2,463,331,920	21,356,178	0.87%
19		-,,		-,,	_,,		
20	Medicare Advantage Premiums	162,567,710		162,567,710	158,973,245	3,594,465	2.26%
21					,	-,,	
22	Net Administrative Expenses (Notes 6 and 7)	145,229,963	9,060,820	154,290,783	205,316,894	(51,026,111)	-24.85%
23							
24	Total Plan Expenses (excludes internal transfers)	2,745,982,951	55,563,640	2,801,546,591	2,827,622,059	(26,075,468)	-0.92%
25							
26	Plan Income/(Loss)	(100,279,817)	(37,950,276)	(138,230,093)	(248,372,677)	110,142,584	-44.35%
27							
28	Cash Availability:						
29							
30	Beginning Cash Balance/(Deficit)	1,015,218,028		1,015,218,028	941,270,180	73,947,848	7.86%
31	Ending Cash Balance/(Deficit)	914,938,211	(37,950,276)	876,987,935	692,897,503	184,090,432	26.57%
32	_						
33	Target Stabilization Reserve @ 12/31/2016	262,630,014		262,630,014	262,630,014	-	0.00%
34							
35	Cash Balance Over/(Under) Reserve Target	\$ 652,308,197	\$ (37,950,276)	\$ 614,357,921	\$ 430,267,489	\$ 184,090,432	42.79%

#### Adjustment Notes:

1. Member premiums adjusted to include \$53.5 million in prepaid January premiums received in December 2015.

2. Member premiums adjusted to exclude \$34.8 million in prepaid November premiums received in October.

3. Retiree Drug Subsidy adjusted to exclude an unbudgeted reconciliation payment from the CY 2014 plan year.

4. EGWP subsidies were not budgeted and are therefore excluded.

5. Net pharmacy claims adjusted to exclude a \$46.5 million overage in the rebate true-up payment.

6. Administrative expenses adjusted to exclude \$8.7 million in 2016 invoice payments that normally would have been made in December 2015.

7. Administrative expenses adjusted to include a \$17.8 million federal fee payment that was made in December 2015 despite being budgeted for January 2016.

Summary of Operations (Cash Basis, as adjusted)

	t, Actual vs. Budgeted	Α	в	C D		E	F
For the Month Ende							
Fiscal Year 201	6-2017	Actual	Adjustments for	Adjusted	Authorized	Year to Date	Adjusted
		Year to Date	Timing, Unusual	Actual	Budget	Adjusted	Variance as
		Fiscal Year	& Onetime	Year to Date	Fiscal Year	Variance	Percentage of
		thru October	Events		to Date	Over/(Under)	Budget
					thru October	Budget	
1 Plan Revenue: 2							
3 Member Premiums (N)		\$ 1,053,940,062	\$ 517,767	\$ 1,054,457,829			
	troactive Disenrollments	-		-	(527,278)		-100.00%
5 Medicare Part D (RD)		7,221,279		7,221,279	5,801,465	1,419,814	24.47%
6 Medicare PDP (EGW)		-		-	-	-	
7 Medicare Advantage	· · ·	282,421	547 707	282,421	397,153	(114,732)	-28.89%
8 Net Premium & Othe 9	er Contributions	1,061,443,762	517,767	1,061,961,529	1,061,783,335	178,194	0.02%
9 10 Other Revenue		3,120,736		3,120,736	1,252,318	1,868,418	149.20%
10 Outer Revenue		5,120,750		3,120,730	1,252,510	1,000,410	145.20%
	(excludes internal transfers)	1,064,564,498	517,767	1,065,082,265	1,063,035,653	2,046,612	0.19%
13		.,		1,000,002,200	1,000,000,000	210101012	
14 Plan Expenses:							
15							
16 Net Medical Claims		761,619,225		761,619,225	779,537,021	(17,917,796)	-2.30%
17 Net Pharmacy Claims	(Note 3)	220,271,909	49,502,820	269,774,729	259,906,865	9,867,864	3.80%
18 Net Claim Payments	4	981,891,134	49,502,820	1,031,393,954	1,039,443,886	(8,049,933)	-0.77%
19							
20 Medicare Advantage	Premiums	65,786,734		65,786,734	64,849,595	937,139	1.45%
21							
22 Net Administrative E	xpenses	55,426,576		55,426,576	70,568,833	(15,142,257)	-21.46%
23	(		40 500 000	4 450 007 004	4 474 000 044	(00.055.054)	4 000/
24 Total Plan Expenses 25	s (excludes internal transfers)	1,103,104,444	49,502,820	1,152,607,264	1,174,862,314	(22,255,051)	-1.89%
25 26 Plan Income/(Loss)		(38,539,946)	(48,985,053)	(87,524,999)	(111.826,661)	24.301.662	-21.73%
27		(50,555,540)	(40,000,000)	(01,024,000)	(111,020,001)	24,001,002	-2111370
28 Cash Availability: 29							
30 Beginning Cash Bala	nce/(Deficit)	953,478,157		953,478,157	982,083,787	(28,605,630)	-2.91%
31 Ending Cash Balance		914,938,211	(48,985,053)	865,953,158	870,257,126	(4,303,968)	
32		011,000,211	(10,000,000)	000,000,100	010,201,120	(1,000,000)	0.1070
33 Target Stabilization R	eserve @ 6/30/17	266,356,198		266,356,198	266,356,198	-	0.00%
34	<b>U</b>	,,		,,	,,,,,,,,,,,,		
	(Under) Reserve Target	\$ 648,582,013	\$ (48,985,053)	\$ 599,596,960	\$ 603,900,928	\$ (4,303,968)	-0.71%

#### Adjustment Notes:

1. Member premiums adjusted to include \$35.3 million in prepaid July premiums received in June.

2. Member premiums adjusted to exclude \$34.8 million in prepaid November premiums received in October.

3. Net pharmacy claims adjusted to exclude the impact of a \$49.5 million rebate true-up payment that was budgeted for the prior fiscal year.

Adjusted Variance Report Based on Authorized FY 2016-17 Budget

#### Fiscal Year to Date Through October 2016