



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA



April 2017 Financial Report

Board of Trustees Meeting

June 2, 2017

A Division of the Department of State Treasurer

Financial Results: Actual vs. Budgeted

Calendar Year to Date April 2017

Calendar Year 2017	Actual thru Apr 2017	Authorized Budget (per Segal 4-26-17)	Variance Over/(Under) Budget
Beginning Cash Balance	\$962.5 m	\$962.5 m	\$0.0 m
Plan Revenue	\$1.099 b	\$1.089 b	\$9.7 m
Net Claims Payments	\$1.015 b	\$1.023 b	(\$8.3 m)
Medicare Advantage Premiums	\$64.2 m	\$64.1 m	\$0.1 m
Net Administrative Expenses	\$67.3 m	\$82.2 m	(\$14.9 m)
Total Plan Expenses	\$1.146 b	\$1.169 b	(\$23.1 m)
Net Income/(Loss)	(\$47.4 m)	(\$80.2 m)	\$32.8 m
Ending Cash Balance	\$915.1 m	\$882.3 m	\$32.8 m

Adjusted Variance Report

Calendar Year to Date April 2017

Calendar Year 2017	Actual thru Apr 2017, As Adjusted	Authorized Budget (per Segal 4-26-17)	Variance Over/(Under) Budget
Plan Revenue *	\$1.100 b	\$1.089 b	\$10.6 m
Net Claims Payments	\$1.015 b	\$1.023 b	(\$8.3 m)
Medicare Advantage Premiums	\$64.2 m	\$64.1 m	\$0.1 m
Net Administrative Expenses *	\$71.3 m	\$82.2 m	(\$10.9 m)
Total Plan Expenses	\$1.150 b	\$1.169 b	(\$19.1 m)
Net Income/(Loss)	(\$50.5 m)	(\$80.2 m)	\$29.7 m

* Adjusted for timing issues.

Financial Results Actual vs. Budgeted

Calendar Year to Date April 2017

Per Member Per Month (PMPM) Analysis

Calendar Year 2017	Actual thru Apr 2017	Authorized Budget (per Segal 4-26-17)	Variance Over/(Under) Budget
Plan Revenue	\$383.36	\$383.73	(\$0.37)
Net Claims Payments	\$356.30	\$360.52	(\$4.22)
Medicare Advantage Premiums	\$22.55	\$22.59	(\$0.04)
Net Administrative Expenses	\$23.63	\$28.95	(\$5.32)
Total Plan Expenses	\$402.48	\$412.06	(\$9.58)
Net Income/(Loss)	(\$19.12)	(\$28.33)	\$9.21

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

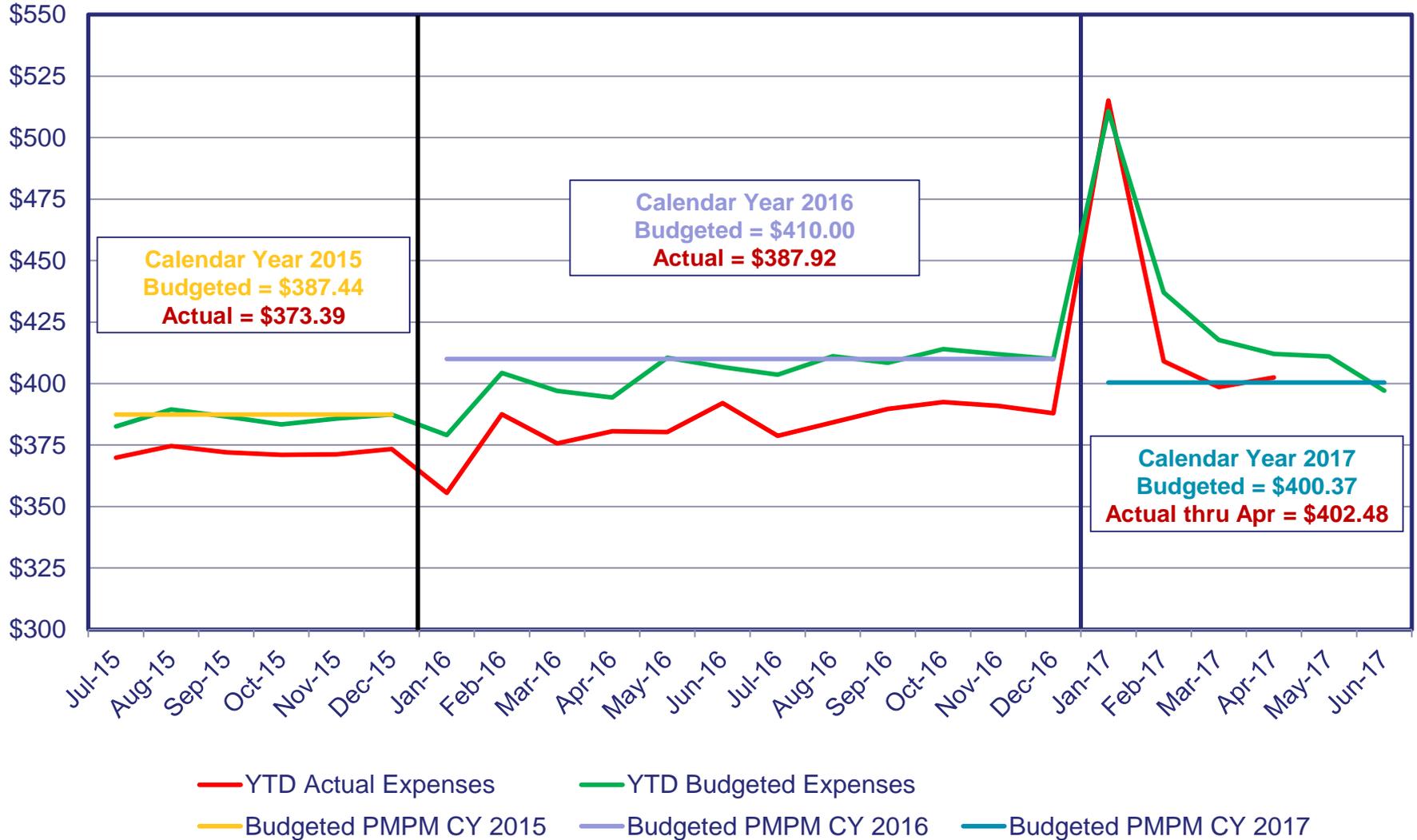
Calendar Year to Date April 2017

Per Member Per Month (PMPM) Analysis

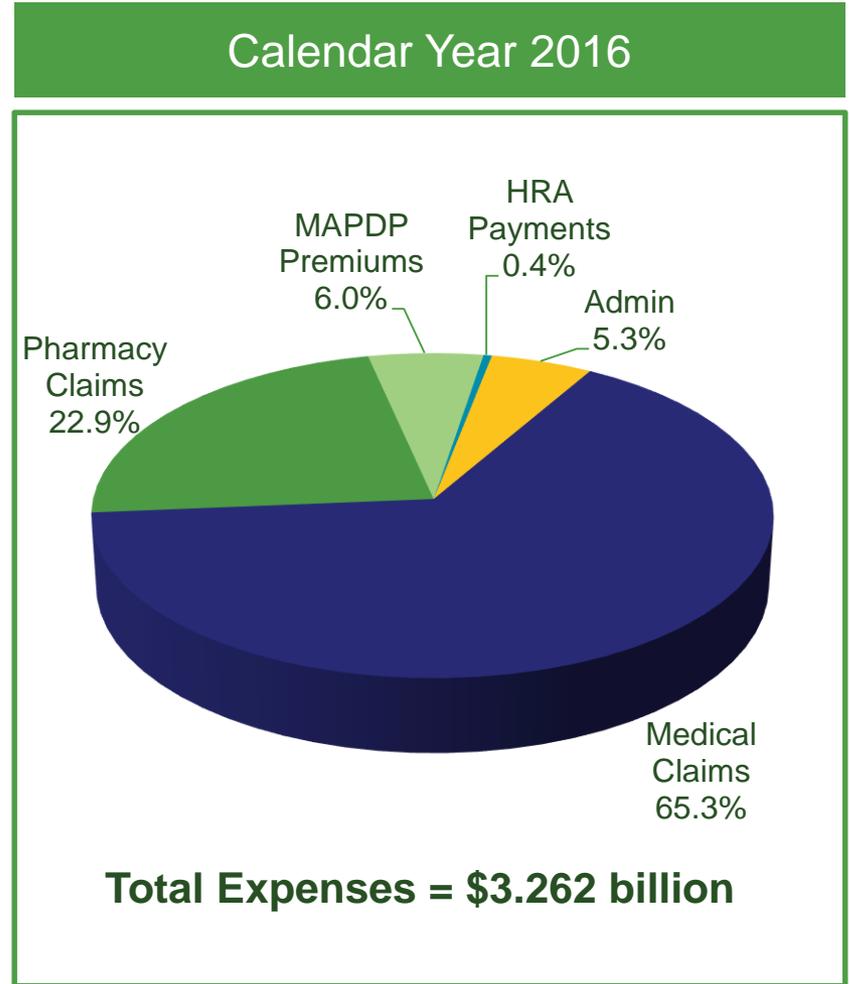
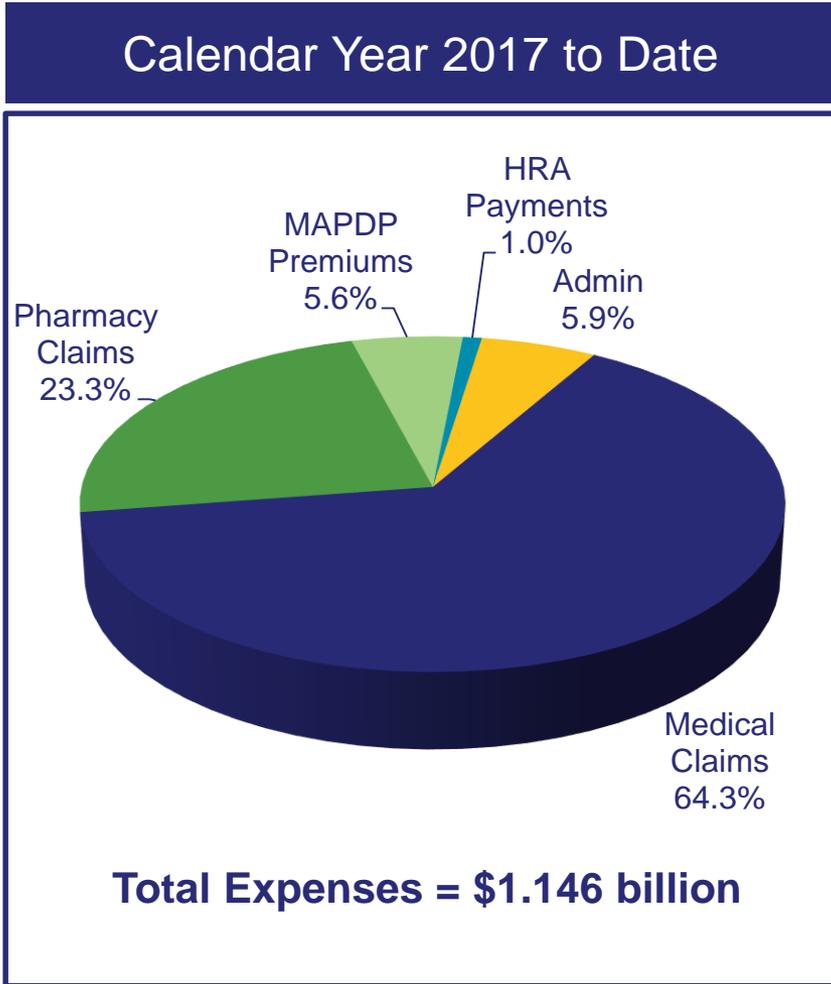
Calendar Year 2017	Actual thru Feb 2017, as Adjusted	Authorized Budget (per Segal 4-26-17)	Variance Over/(Under) Budget
Plan Revenue *	\$383.68	\$383.73	(\$0.05)
Net Claims Payments	\$356.30	\$360.52	(\$4.22)
Medicare Advantage Premiums	\$22.55	\$22.59	(\$0.04)
Net Administrative Expenses *	\$25.02	\$28.95	(\$3.93)
Total Plan Expenses	\$403.87	\$412.06	(\$8.19)
Net Income/(Loss)	(\$20.19)	(\$28.33)	\$8.14

* Adjusted for timing issues.

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



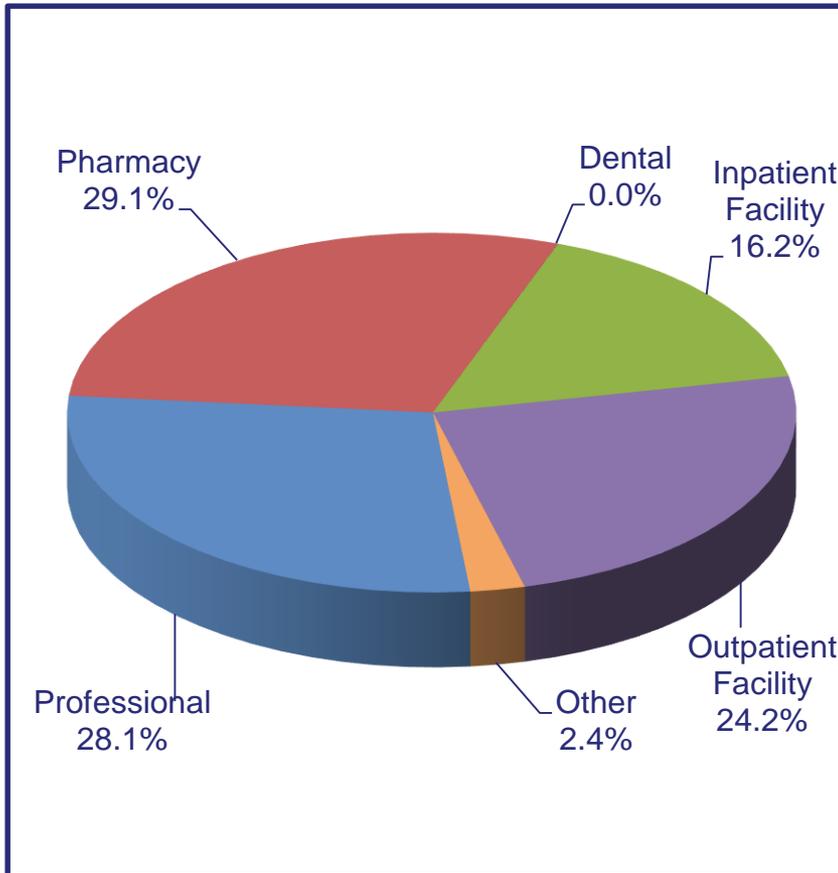
Allocation of Total Expenditures



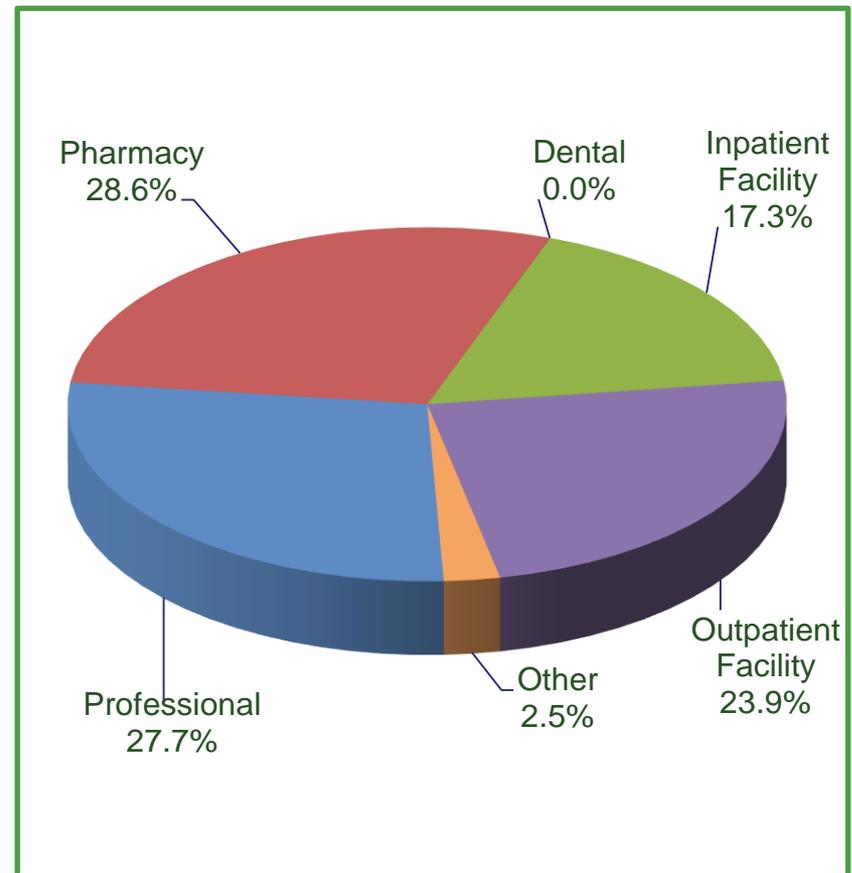
Sources: BCBSNC Net Disbursements reports; Financial Status Reports

Allocation of Claims Expenditures Medical, Blue Card and Pharmacy Payments

Calendar Year 2017 to Date



Calendar Year 2016



Source: BCBSNC SumApy of Billed Charges

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis)
 Consolidated Report, Actual vs. Authorized Budget
 For the Month Ended April 2017
 Calendar Year 2017

	A	B	C	D	E	F	G	H
	Actual April 2017	Authorized Budget April 2017	Monthly Variance Over/(Under) Authorized Budget	Actual Year to Date CY 2017	4/26/2017 Authorized Budget Year to Date CY 2017	Year to Date Variance Over/(Under) Authorized Budget	4/26/2017 Annual Authorized Budget CY 2017 (Jan-Dec 2017)	Year to Date Variance Over/(Under) Annual Authorized Budget
1 Plan Revenue:								
2								
3 Member Premiums	\$ 270,996,472	\$ 274,358,733	\$ (3,362,261)	\$ 1,089,448,535	\$ 1,082,805,326	\$ 6,643,209	\$ 3,281,382,123	\$ (2,191,933,588)
4 Premium Refunds/Retroactive Disenrollments	-	(136,500)	136,500	-	(538,676)	538,676	(1,632,532)	1,632,532
5 Medicare Part D (RDS) Subsidy	1,804,696	1,244,956	559,740	6,091,960	4,217,206	1,874,754	15,632,345	(9,440,385)
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	-	-	-	-	-
7 Medicare Advantage (MA) Subsidy	-	70,041	(70,041)	267,537	277,764	(10,227)	844,344	(576,807)
8 Net Premium & Other Contributions	272,801,168	275,537,230	(2,736,062)	1,095,808,032	1,086,761,620	9,046,412	3,296,126,280	(2,200,318,248)
9								
10 Investment Earnings	912,990	617,656	295,334	3,164,527	2,482,257	682,270	7,361,075	(4,196,548)
11 Miscellaneous Revenue	-	-	-	-	-	-	-	-
12 Other Revenue	912,990	617,656	295,334	3,164,527	2,482,257	682,270	7,361,075	(4,196,548)
13								
14 Total Plan Revenue (excludes internal transfers)	273,714,158	276,154,886	(2,440,728)	1,098,972,559	1,089,243,877	9,728,682	3,303,487,355	(2,204,514,796)
15								
16 Plan Expenses:								
17								
18 Medical Claim Payments	163,962,756	176,503,102	(12,540,346)	754,636,281	764,165,362	(9,529,081)	2,316,246,040	(1,561,609,759)
19 Medical Claim Refunds/Recoveries	(1,161,364)	(1,190,937)	29,573	(6,778,478)	(4,529,079)	(2,249,397)	(13,890,114)	7,111,638
20 Net Medical Claims	162,801,392	175,312,165	(12,510,773)	747,857,803	759,636,283	(11,778,487)	2,302,355,926	(1,554,498,121)
21								
22 Pharmacy Claim Payments	109,673,163	70,537,805	39,135,358	282,476,550	277,755,826	4,720,724	870,577,664	(588,101,114)
23 Pharmacy Claim Rebates	-	-	-	(14,674,422)	(14,183,884)	(490,538)	(174,359,744)	159,685,322
24 Pharmacy Claim Refunds/Recoveries	(125,789)	-	(125,789)	(791,696)	-	(791,696)	-	(791,696)
25 Net Pharmacy Claims	109,547,374	70,537,805	39,009,569	267,010,432	263,571,942	3,438,490	696,217,920	(429,207,488)
26								
27 Net Claim Payments	272,348,766	245,849,970	26,498,796	1,014,868,237	1,023,208,225	(8,339,988)	2,998,573,846	(1,983,705,609)
28								
29 Medicare Advantage Premium Payments	16,120,993	16,086,320	34,673	64,224,396	64,108,215	116,181	194,235,260	(130,010,864)
30								
31 Net Administrative Expenses	8,283,788	17,596,265	(9,312,477)	67,310,370	82,175,965	(14,865,595)	213,800,713	(146,490,343)
32								
33 Total Plan Expenses (excludes internal transfers)	296,753,547	279,532,555	17,220,992	1,146,403,003	1,169,492,405	(23,089,402)	3,406,609,819	(2,260,206,816)
34								
35 Plan Income/(Loss)	(23,039,389)	(3,377,669)	(19,661,720)	(47,430,444)	(80,248,528)	32,818,084	(103,122,464)	55,692,020
36								
37 Cash Availability:								
38								
39 Beginning Cash Balance/(Deficit)	938,111,870	885,632,066	52,479,804	962,502,925	962,502,925	-	962,502,925	-
40 Ending Cash Balance/(Deficit)	915,072,481	882,254,397	32,818,084	915,072,481	882,254,397	32,818,084	859,380,461	55,692,020
41								
42 Target Stabilization Reserve @ 12/31/17	269,871,646	269,871,646	-	269,871,646	269,871,646	-	269,871,646	-
43								
44 Cash Balance Over/(Under) Reserve Target	\$ 645,200,835	\$ 612,382,751	\$ 32,818,084	\$ 645,200,835	\$ 612,382,751	\$ 32,818,084	\$ 589,508,815	\$ 55,692,020

Comments:

- a. Premium receivables totaled \$173,192.73 as of April 30, 2017.
- b. The average weekly medical claims cost net of claims refunds was \$40,700,348.00 for four weeks of claims.
- c. Total pharmacy claims, before rebates and refunds, included three invoice cycles that covered 46 days and averaged \$2,384,199.20 per day.
- d. The target stabilization reserve is 9% of the projected net claims for Calendar Year 2017.
- e. Minor differences compared to other reports are due to rounding.

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis)
 Consolidated Report, Actual vs. Authorized Budget
 For the Month Ended April 2017
 Fiscal Year 2016- 2017

	A	B	C	D	E	F	G	H
	Actual April 2017	Authorized Budget April 2017	Monthly Variance Over/(Under) Authorized Budget	Actual Year to Date FY 2016-17	7/5/2016 Authorized Budget Year to Date FY 2016-17	Year to Date Variance Over/(Under) Authorized Budget	7/5/2016 Annual Authorized Budget FY 2016-17	Year to Date Variance Over/(Under) Annual Authorized Budget
1 Plan Revenue:								
2								
3 Member Premiums	\$ 270,996,472	\$ 272,947,889	\$ (1,951,417)	\$ 2,701,518,564	\$ 2,675,974,566	\$ 25,543,998	\$ 3,221,617,779	\$ (520,099,215)
4 Premium Refunds/Retroactive Disenrollments	-	(135,799)	135,799	(3,298)	(1,334,119)	1,330,823	(1,605,591)	1,602,295
5 Medicare Part D (RDS) Subsidy	1,804,696	1,081,177	723,519	17,203,335	12,059,617	5,143,718	14,562,214	2,641,121
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	-	-	-	-	-
7 Medicare Advantage (MA) Subsidy	-	101,987	(101,987)	653,430	1,001,590	(348,160)	1,205,817	(552,387)
8 Net Premium & Other Contributions	272,801,168	273,995,254	(1,194,086)	2,719,372,033	2,687,701,654	31,670,379	3,235,780,219	(516,408,186)
9								
10 Investment Earnings	912,990	278,433	634,557	7,797,714	2,934,627	4,863,087	3,479,377	4,318,337
11 Miscellaneous Revenue	-	-	-	82	-	82	-	82
12 Other Revenue	912,990	278,433	634,557	7,797,776	2,934,627	4,863,149	3,479,377	4,318,399
13								
14 Total Plan Revenue (excludes internal transfers)	273,714,158	274,273,687	(559,529)	2,727,169,809	2,690,636,281	36,533,528	3,239,259,596	(512,089,787)
15								
16 Plan Expenses:								
17								
18 Medical Claim Payments	183,982,756	175,078,710	(11,115,954)	1,841,009,150	1,865,795,020	(24,785,870)	2,263,294,376	(422,285,226)
19 Medical Claim Refunds/Recoveries	(1,181,364)	(2,298,965)	1,137,601	(17,594,065)	(22,855,114)	5,261,049	(27,402,046)	9,807,981
20 Net Medical Claims	162,801,392	172,779,745	(9,978,353)	1,823,415,085	1,842,939,906	(19,524,821)	2,235,892,330	(412,477,245)
21								
22 Pharmacy Claim Payments	109,673,163	86,349,546	43,323,617	720,725,699	689,019,043	31,706,656	853,475,193	(132,749,494)
23 Pharmacy Claim Rebates	-	-	-	(91,171,521)	(47,830,945)	(43,340,576)	(129,854,210)	38,682,689
24 Pharmacy Claim Refunds/Recoveries	(125,789)	-	(125,789)	(985,540)	-	(985,540)	-	(985,540)
25 Net Pharmacy Claims	109,547,374	66,349,546	43,197,828	628,588,638	641,188,098	(12,599,460)	723,620,983	(95,032,345)
26								
27 Net Claim Payments	272,348,766	239,129,291	33,219,475	2,452,003,723	2,484,128,004	(32,124,281)	2,959,513,313	(507,509,590)
28								
29 Medicare Advantage Premium Payments	16,120,993	15,739,481	381,512	162,648,421	160,234,833	2,413,588	191,752,975	(29,104,554)
30								
31 Net Administrative Expenses	8,283,788	17,565,306	(9,281,518)	150,923,341	190,800,344	(39,877,003)	225,914,327	(74,990,986)
32								
33 Total Plan Expenses (excludes internal transfers)	296,753,547	272,434,078	24,319,469	2,765,575,485	2,835,163,181	(69,587,696)	3,377,180,615	(611,605,130)
34								
35 Plan Income/(Loss)	(23,039,389)	1,839,609	(24,878,998)	(38,405,676)	(144,526,900)	106,121,224	(137,921,019)	99,515,343
36								
37 Cash Availability:								
38								
39 Beginning Cash Balance/(Deficit)	938,111,870	835,717,278	102,394,592	953,478,157	982,083,787	(28,605,630)	982,083,787	(28,605,630)
40 Ending Cash Balance/(Deficit)	915,072,481	837,556,887	77,515,594	915,072,481	837,556,887	77,515,594	844,162,768	70,909,713
41								
42 Target Stabilization Reserve @ 6/30/17	266,356,198	266,356,198	-	266,356,198	266,356,198	-	266,356,198	-
43								
44 Cash Balance Over/(Under) Reserve Target	\$ 648,716,283	\$ 571,200,689	\$ 77,515,594	\$ 648,716,283	\$ 571,200,689	\$ 77,515,594	\$ 577,806,570	\$ 70,909,713

Comments:

- a. Premium receivables totaled \$173,192.73 as of April 30, 2017.
- b. The average weekly medical claims cost net of claims refunds was \$40,700,348.00 for four weeks of claims.
- c. Total pharmacy claims, before rebates and refunds, included three invoice cycles that covered 46 days and averaged \$2,384,199.20 per day.
- 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.

North Carolina State Health Plan for Teachers and State Employees

Summary of Operations (Cash Basis)

Current Year Actual vs. Prior Year Actual

For the Month Ended April 2017

Calendar Year 2017

	A	B	C	D	E	F	G
	Current Year Actual April 2017	Prior Year Actual April 2016	Current Year to Date Actual CY 2017 thru April	Prior Year to Date Actual CY 2016 thru April	Current Year Authorized Annual Budget CY 2017	Prior Year Annual Budget CY 2016	Prior Year Actual Results CY 2016
1 Plan Revenue:							
2							
3 Member Premiums	\$ 270,996,472	\$ 243,824,662	\$ 1,089,448,535	\$ 1,030,819,240	\$ 3,281,382,123	\$ 3,077,262,889	\$ 3,179,908,555
4 Premium Refunds/Retroactive Disenrollments	-	-	-	-	(1,632,532)	(1,550,543)	(3,296)
5 Medicare Part D (RDS) Subsidy	1,804,696	2,488,499	6,091,960	7,297,550	15,532,345	14,177,803	19,920,242
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	453	-	-	453
7 Medicare Advantage (MA) Subsidy	-	33,498	267,537	239,903	844,344	866,820	797,486
8 Net Premium & Other Contributions	272,801,168	246,346,659	1,095,808,032	1,038,357,146	3,296,126,280	3,090,756,969	3,200,623,440
9							
10 Investment Earnings	912,990	741,360	3,164,527	2,674,472	7,361,075	3,269,599	8,712,384
11 Miscellaneous Revenue	-	-	-	-	-	-	62
12 Other Revenue	912,990	741,360	3,164,527	2,674,472	7,361,075	3,269,599	8,712,446
13							
14 Total Plan Revenue (excludes internal transfers)	273,714,158	247,088,019	1,098,972,559	1,041,031,618	3,303,487,355	3,094,026,568	3,209,335,886
15							
16 Plan Expenses:							
17							
18 Medical Claim Payments	163,962,756	184,800,139	754,636,281	705,713,460	2,316,246,040	2,191,757,976	2,168,596,151
19 Medical Claim Refunds/Recoveries	(1,161,364)	(1,159,744)	(6,778,476)	(6,784,748)	(13,890,114)	(26,876,079)	(22,906,282)
20 Net Medical Claims	162,801,392	183,640,395	747,857,805	698,928,712	2,302,355,926	2,164,881,897	2,145,689,869
21							
22 Pharmacy Claim Payments	109,673,163	64,367,599	282,476,550	253,574,810	870,577,664	803,327,996	856,189,983
23 Pharmacy Claim Rebates	-	-	(14,674,422)	(13,666,155)	(174,359,744)	(50,098,630)	(106,013,894)
24 Pharmacy Claim Refunds/Recoveries	(125,789)	(6,660)	(791,696)	(44,312)	-	-	(2,436,328)
25 Net Pharmacy Claims	109,547,374	64,360,939	267,010,432	239,864,343	696,217,920	753,229,366	747,739,761
26							
27 Net Claim Payments	272,348,766	248,001,334	1,014,868,237	938,793,055	2,998,573,846	2,918,111,263	2,893,429,630
28							
29 Medicare Advantage Premium Payments	16,120,993	16,366,755	64,224,396	64,297,982	194,235,260	190,926,384	195,205,001
30							
31 Net Administrative Expenses	8,283,788	13,340,138	67,310,370	56,081,512	213,800,713	249,818,709	173,416,358
32							
33 Total Plan Expenses (excludes internal transfers)	296,753,547	277,708,227	1,146,403,003	1,059,172,549	3,406,609,819	3,358,856,356	3,262,050,989
34							
35 Plan Income/(Loss)	(23,039,389)	(30,620,208)	(47,430,444)	(18,140,931)	(103,122,464)	(264,829,788)	(52,715,103)
36							
37 Cash Availability:							
38							
39 Beginning Cash Balance/(Deficit)	938,111,870	1,027,697,305	962,502,925	1,015,218,028	962,502,925	941,270,180	1,015,218,028
40 Ending Cash Balance/(Deficit)	915,072,481	997,077,097	915,072,481	997,077,097	859,380,461	676,440,392	962,502,925
41							
42 Target Stabilization Reserve @ 12/31	269,871,646	262,630,014	269,871,646	262,630,014	269,871,646	262,630,014	260,408,667
43							
44 Cash Balance Over/(Under) Reserve Target	\$ 645,200,835	\$ 734,447,083	\$ 645,200,835	\$ 734,447,083	\$ 589,508,815	\$ 413,810,378	\$ 702,094,258

Comments:

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

North Carolina State Health Plan for Teachers and State Employees

Summary of Operations (Cash Basis)

Current Year Actual vs. Prior Year Actual

For the Month Ended April 2017

Fiscal Year 2016-2017

	A	B	C	D	E	F	G
	Current Year Actual April 2017	Prior Year Actual April 2016	Current Year to Date Actual FY 2016-17 thru April	Prior Year to Date Actual FY 2015-16 thru April	Current Year Authorized Annual Budget FY 2016-17	Prior Year Annual Budget FY 2015-16	Prior Year Actual Results FY 2015-16
1 Plan Revenue:							
2							
3 Member Premiums	\$ 270,996,472	\$ 243,824,662	\$ 2,701,518,564	\$ 2,551,280,803	\$ 3,221,617,779	\$ 3,031,630,846	\$ 3,088,300,089
4 Premium Refunds/Retroactive Disenrollments	-	-	(3,296)	-	(1,605,591)	(1,523,909)	-
5 Medicare Part D (RDS) Subsidy	1,804,696	2,488,499	17,203,335	15,868,466	14,562,214	14,457,206	17,379,783
6 Medicare PDP (EGWP + Wrap) Subsidy	-	-	-	453	-	-	453
7 Medicare Advantage (MA) Subsidy	-	33,498	653,430	670,168	1,205,817	848,545	841,858
8 Net Premium & Other Contributions	272,801,168	246,346,659	2,719,372,033	2,567,819,890	3,235,780,219	3,045,412,688	3,106,522,183
9							
10 Investment Earnings	912,990	741,360	7,797,714	5,988,460	3,479,377	3,760,445	7,393,185
11 Miscellaneous Revenue	-	-	62	-	-	-	-
12 Other Revenue	912,990	741,360	7,797,776	5,988,460	3,479,377	3,760,445	7,393,185
13							
14 Total Plan Revenue (excludes internal transfers)	273,714,158	247,088,019	2,727,169,809	2,573,808,350	3,239,259,596	3,049,173,133	3,113,915,368
15							
16 Plan Expenses:							
17							
18 Medical Claim Payments	163,962,756	184,800,139	1,841,009,150	1,744,861,597	2,263,294,376	2,152,322,381	2,121,371,419
19 Medical Claim Refunds/Recoveries	(1,161,364)	(1,159,744)	(17,594,065)	(16,769,979)	(27,402,046)	(25,761,279)	(22,075,924)
20 Net Medical Claims	162,801,392	183,640,395	1,823,415,085	1,728,091,618	2,235,892,330	2,126,561,102	2,099,295,495
21							
22 Pharmacy Claim Payments	109,673,163	64,367,599	720,725,699	675,047,762	853,475,193	802,956,864	839,413,786
23 Pharmacy Claim Rebates	-	-	(91,171,521)	(98,043,638)	(129,854,210)	(104,118,976)	(113,894,278)
24 Pharmacy Claim Refunds/Recoveries	(125,789)	(6,660)	(965,540)	(1,723,334)	-	-	(3,941,506)
25 Net Pharmacy Claims	109,547,374	64,360,939	628,588,638	575,280,790	723,620,983	698,837,888	721,578,002
26							
27 Net Claim Payments	272,348,766	248,001,334	2,452,003,723	2,303,372,408	2,959,513,313	2,825,398,990	2,820,873,497
28							
29 Medicare Advantage Premium Payments	16,120,993	16,366,755	162,648,421	151,373,893	191,752,975	181,076,580	183,856,887
30							
31 Net Administrative Expenses	8,283,788	13,340,138	150,923,341	146,104,575	225,914,327	244,252,193	179,826,450
32							
33 Total Plan Expenses (excludes internal transfers)	296,753,547	277,708,227	2,765,575,485	2,600,850,876	3,377,180,615	3,250,727,763	3,184,556,834
34							
35 Plan Income/(Loss)	(23,039,389)	(30,620,208)	(38,405,676)	(27,042,526)	(137,921,019)	(201,554,630)	(70,641,466)
36							
37 Cash Availability:							
38							
39 Beginning Cash Balance/(Deficit)	938,111,870	1,027,697,305	953,478,157	1,024,119,623	982,083,787	1,024,119,623	1,024,119,623
40 Ending Cash Balance/(Deficit)	915,072,481	997,077,097	915,072,481	997,077,097	844,162,768	822,564,993	953,478,157
41							
42 Target Stabilization Reserve @ 6/30	266,356,198	254,285,909	266,356,198	254,285,909	266,356,198	254,285,909	253,878,615
43							
44 Cash Balance Over/(Under) Reserve Target	\$ 648,716,283	\$ 742,791,188	\$ 648,716,283	\$ 742,791,188	\$ 577,806,570	\$ 568,279,084	\$ 699,599,542

Comments:

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

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis, as adjusted)
 Consolidated Report, Actual vs. Budgeted
 For the Month Ended April 2017
 Calendar Year 2017

	A	B	C	D	E	F
	Actual Year to Date Calendar Year thru April	Adjustments for Timing, Unusual & Onetime Events	Adjusted Actual Year to Date	Authorized Budget Calendar Year to Date thru April	Year to Date Adjusted Variance Over/(Under) Budget	Adjusted Variance as Percentage of Budget
1 Plan Revenue:						
2						
3 Member Premiums (Notes 1 and 2)	\$ 1,089,448,535	\$ 917,447	\$ 1,090,365,982	\$ 1,082,805,326	\$ 7,560,656	0.70%
4 Premium Refunds/Retroactive Disenrollments	-		-	(538,676)	538,676	-100.00%
5 Medicare Part D (RDS) Subsidy	6,091,960		6,091,960	4,217,206	1,874,754	44.45%
6 Medicare PDP (EGWP + Wrap) Subsidy	-		-		-	
7 Medicare Advantage (MA) Subsidy	267,537		267,537	277,764	(10,227)	-3.68%
8 Net Premium & Other Contributions	1,095,808,032	917,447	1,096,725,479	1,086,761,620	9,963,859	0.92%
9						
10 Other Revenue	3,164,527		3,164,527	2,482,257	682,270	27.49%
11						
12 Total Plan Revenue (excludes internal transfers)	1,098,972,559	917,447	1,099,890,006	1,089,243,877	10,646,129	0.98%
13						
14 Plan Expenses:						
15						
16 Net Medical Claims	747,857,805		747,857,805	759,636,283	(11,778,478)	-1.55%
17 Net Pharmacy Claims	267,010,432		267,010,432	263,571,942	3,438,490	1.30%
18 Net Claim Payments	1,014,868,237	-	1,014,868,237	1,023,208,225	(8,339,988)	-0.82%
19						
20 Medicare Advantage Premiums	64,224,396		64,224,396	64,108,215	116,181	0.18%
21						
22 Net Administrative Expenses (Note 3)	67,310,370	3,954,000	71,264,370	82,175,965	(10,911,595)	-13.28%
23						
24 Total Plan Expenses (excludes internal transfers)	1,146,403,003	3,954,000	1,150,357,003	1,169,492,405	(19,135,402)	-1.64%
25						
26 Plan Income/(Loss)	(47,430,444)	(3,036,553)	(50,466,997)	(80,248,528)	29,781,531	-37.11%
27						
28 Cash Availability:						
29						
30 Beginning Cash Balance/(Deficit)	962,502,925		962,502,925	962,502,925	-	0.00%
31 Ending Cash Balance/(Deficit)	915,072,481	(3,036,553)	912,035,928	882,254,397	29,781,531	3.38%
32						
33 Target Stabilization Reserve @ 12/31/2016	269,871,646		269,871,646	269,871,646	-	0.00%
34						
35 Cash Balance Over/(Under) Reserve Target	\$ 645,200,835	\$ (3,036,553)	\$ 642,164,282	\$ 612,382,751	\$ 29,781,531	4.86%

Adjustment Notes:

1. Member premiums adjusted by \$43.5 million to include prepaid January premiums received in December 2016 (\$60.2 million) less a downward adjustment in the budget to account for the prepaid January premiums (\$16.7 million).
2. Member premiums adjusted to exclude \$42.6 million in prepaid May premiums received in April.
3. Administrative expenses adjusted to assume payment of three monthly pharmacy benefit manager invoices that have not been paid yet.

North Carolina State Health Plan for Teachers and State Employees
 Summary of Operations (Cash Basis, as adjusted)
 Consolidated Report, Actual vs. Budgeted
 For the Month Ended April 2017
Fiscal Year 2016-2017

	A	B	C	D	E	F
	Actual Year to Date Fiscal Year thru April	Adjustments for Timing, Unusual & Onetime Events	Adjusted Actual Year to Date	Authorized Budget Fiscal Year to Date thru April	Year to Date Adjusted Variance Over/(Under) Budget	Adjusted Variance as Percentage of Budget
1 Plan Revenue:						
2						
3 Member Premiums (Notes 1 and 2)	\$ 2,701,518,564	\$ (7,280,647)	\$ 2,694,237,917	\$ 2,675,974,566	\$ 18,263,351	0.68%
4 Premium Refunds/Retroactive Disenrollments	(3,296)		(3,296)	(1,334,119)	1,330,823	-99.75%
5 Medicare Part D (RDS) Subsidy	17,203,335		17,203,335	12,059,617	5,143,718	42.65%
6 Medicare PDP (EGWP + Wrap) Subsidy	-		-	-	-	
7 Medicare Advantage (MA) Subsidy	653,430		653,430	1,001,590	(348,160)	-34.76%
8 Net Premium & Other Contributions	2,719,372,033	(7,280,647)	2,712,091,386	2,687,701,654	24,389,732	0.91%
9						
10 Other Revenue	7,797,776		7,797,776	2,934,627	4,863,149	165.72%
11						
12 Total Plan Revenue (excludes internal transfers)	2,727,169,809	(7,280,647)	2,719,889,162	2,690,636,281	29,252,881	1.09%
13						
14 Plan Expenses:						
15						
16 Net Medical Claims	1,823,415,085		1,823,415,085	1,842,939,906	(19,524,821)	-1.06%
17 Net Pharmacy Claims (Note 3)	628,588,638	49,502,820	678,091,458	641,188,098	36,903,360	5.76%
18 Net Claim Payments	2,452,003,723	49,502,820	2,501,506,543	2,484,128,004	17,378,539	0.70%
19						
20 Medicare Advantage Premiums	162,648,421		162,648,421	160,234,833	2,413,588	1.51%
21						
22 Net Administrative Expenses (Note 4)	150,923,341	6,226,919	157,150,260	190,800,344	(33,650,084)	-17.64%
23						
24 Total Plan Expenses (excludes internal transfers)	2,765,575,485	55,729,738	2,821,305,223	2,835,163,181	(13,857,958)	-0.49%
25						
26 Plan Income/(Loss)	(38,405,676)	(63,010,385)	(101,416,061)	(144,526,900)	43,110,839	-29.83%
27						
28 Cash Availability:						
29						
30 Beginning Cash Balance/(Deficit)	953,478,157		953,478,157	982,083,787	(28,605,630)	-2.91%
31 Ending Cash Balance/(Deficit)	915,072,481	(63,010,385)	852,062,096	837,556,887	14,505,209	1.73%
32						
33 Target Stabilization Reserve @ 6/30/17	266,356,198		266,356,198	266,356,198	-	0.00%
34						
35 Cash Balance Over/(Under) Reserve Target	\$ 648,716,283	\$ (63,010,385)	\$ 585,705,898	\$ 571,200,689	\$ 14,505,209	2.54%

Adjustment Notes:

1. Member premiums adjusted to include \$35.3 million in prepaid July premiums received in June.
2. Member premiums adjusted to exclude \$42.6 million in prepaid May premiums received in April.
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.
4. Administrative expenses adjusted to reflect the normal monthly invoicing schedule.

Adjusted Variance Report Based on Authorized FY 2016-17 Budget
 Fiscal Year to Date Through April 2017