

EXHIBIT 3

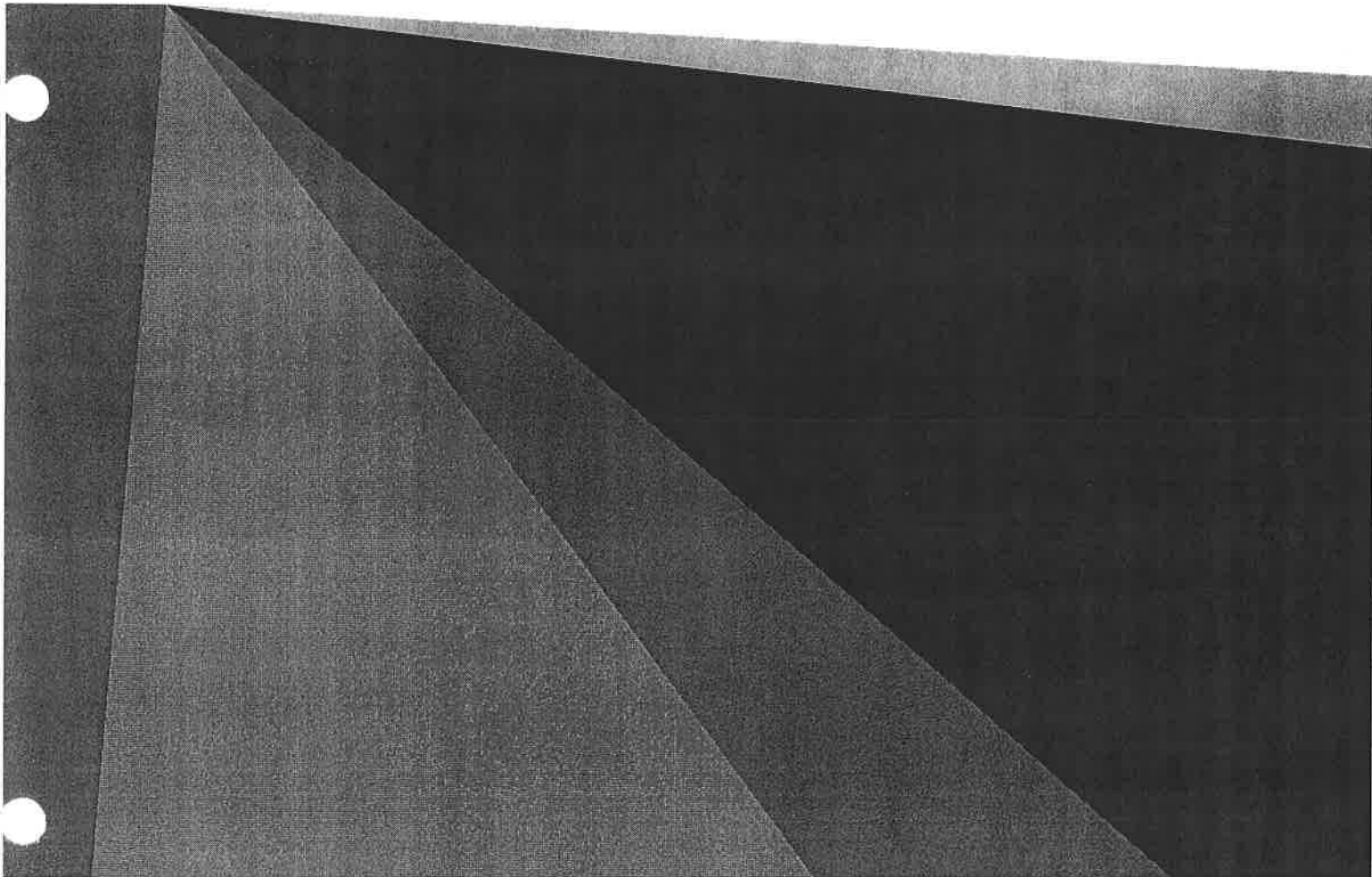


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DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

**DISTRICT OF COLUMBIA
DEPARTMENT OF HEALTH CARE FINANCE
JANUARY 6, 2012**

Government Human Services Consulting



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1

Introduction

Purpose of this Data Book

The intent of this Data Book is to summarize historical data on the cost and utilization patterns of Medicaid eligibles in the District of Columbia's (District's) Healthy Families Program (DCHFP). This Data Book has been produced by the State's actuarial contractor, Mercer Government Human Services Consulting (Mercer), as part of Mercer Health & Benefits LLC.

Contents of this Data Book

This Data Book contains demographic, cost and utilization data related to DCHFP covered services only. The managed care data summarized in this Data Book was submitted by contracted managed care organizations (MCOs) and includes encounter data and reported financial information for Medicaid eligible individuals in the DCHFP managed care program.

- The encounter data is submitted by the MCOs to the District's fiscal agent, ACS. ACS provided an extract of the encounter data to Mercer in December 2011.
- Pharmacy data was submitted by the MCOs directly to Mercer during September 2011.
- The financial data is submitted by the MCOs directly to Mercer based on specifications outlined in a data request.
- The eligibility information used in the encounter data analysis is summarized from the District's eligibility file provided by ACS which outlines the MCO enrollment segments for each member.

The users of this Data Book are cautioned that direct comparisons cannot be made between the information in this Data Book and raw encounter data or financial data. Mercer applied adjustments to the raw data, which are described in Section 3.

The encounter information in this Data Book is summarized for the following years (based on date of service):

- August 1, 2009 through July 31, 2010, paid through September 2011
- August 1, 2010 through July 31, 2011, paid through September 2011

The pharmacy claims information in this Data Book is summarized for the following years (based on date of service):

- August 1, 2009 through July 31, 2010, paid through August 2011
- August 1, 2010 through July 31, 2011, paid through August 2011

The financial information in this Data Book is summarized for the following years (based on date of service):

- August 1, 2009 through July 31, 2010, paid through September 2011
- August 1, 2010 through July 31, 2011, paid through September 2011

Additionally, completion factors were applied to reflect claims not yet adjudicated in the encounter or financial data. Please see Section 4 for more detail.

This Data Book summarizes information provided by each of the following MCOs:

- Chartered Health Plan — Contract for the entire period of the Data Book
- Health Right, Incorporated — Contract through April 2010
- Unison Health Plan — Contract for the entire period of the Data Book

The users of this Data Book are cautioned against relying solely on the data contained herein. The District and Mercer provide no guarantee, either written or implied, that this book is 100% accurate or error-free.

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Covered Populations and Services

This section describes the covered populations and services of the DCHFP contract as they are reflected in this Data Book.

Covered Populations

The DCHFP program covers individuals who meet the eligibility requirements for the District's Temporary Assistance for Needy Families program, including the individuals who transitioned into the Medicaid program from the Alliance program. The childless adults were added to the DCHFP program effective July 2010 for individuals up to 133% of the federal poverty level (FPL). These adults are identified by program code 774. Program code 775 is associated with childless adults with incomes between 134% and 200% of the FPL who were enrolled in the MCOs effective December 2010. These adults are funded out of the District's Disproportionate Share Hospital (DSH) funding.

The base data sets are split into cohorts that represent different age/gender bands, which inherently represent different levels of risk. The following is a list of the twelve rate cells for the DCHFP program reflecting the changes that went into effect July 1, 2010. The Medicaid adults with program code 774 are included in the respective age/gender cells outlined below.

- Male and Female < 1
- Female 13–18
- Female 19–36
- Female 37–49
- Female 50+
- Mother's Month of Delivery
- Male and Female 1–12
- Male 13–18
- Male 19–36
- Male 37–49
- Male 50+
- Infant's Month of Birth

These cells were selected based on a review of the historical cost structures within these age/gender bands. The separate maternity payments reflect the increased cost and financial risk of these events. Based on a review of the service utilization and cost for this population during this rate-setting cycle, Mercer has determined that separate rate cells are appropriate for the adults in program code 775 with incomes between 134% and 200% FPL. Therefore, the following six rate cells were added specific to program code 775.

- Female 19–36 (775)
- Female 37–49 (775)
- Female 50+ (775)
- Male 19–36 (775)
- Male 37–49 (775)
- Male 50+ (775)

Covered Services

The DCHFP contract specifies the services covered under the managed care contract in Sections C.8.2. The historical service costs are summarized into the following major service categories in this Data Book.

| Service Category | Description | Units of Service |
|---------------------------------------|--|------------------|
| Inpatient Hospital — Physical Health | Acute Care Hospital Services | Days |
| Inpatient Hospital — Mental Health | Behavioral Health Inpatient | Days |
| Outpatient Hospital — Physical Health | Outpatient Hospital Services | Visits |
| Outpatient Hospital — Mental Health | Day Treatment and Outpatient Mental Health | Visits |
| Emergency Room | Emergency Room Services | Visits |
| Physician — Physical Health | Primary Care + Specialist Services | Visits |
| Physician — Mental Health | Professional Mental Health Claims | Visits |
| Pharmacy | Prescription Drugs | Scripts |
| Transportation | Ambulance and Non-emergent | Trips |
| Dental | Dental Services | Units |
| Residential Treatment Center | Residential Treatment Center | Days |
| Long Term Care | Skilled Nursing and Intermediate Care Facilities | Days |
| Other Services | DME, Home Health, Independent Lab, Vision | Units |

For a complete list of covered and excluded services, please refer to Section C.8.2 of the DCHFP contract.

The following table outlines the logic used in the summarization of the encounter data to map the encounters into the categories of service (COS).

| Service Category | Category of Service |
|---------------------------------------|--|
| Inpatient Hospital — Physical Health | 01 + unknown COS with inpatient claim type |
| Inpatient Hospital — Mental Health | 20, 26 + inpatient hospital claims meeting the mental health indicator (see note below) |
| Outpatient Hospital — Physical Health | 02,29,30,34 + 03 for lab claims with an outpatient claim type + unknown COS with outpatient claim type |
| Outpatient Hospital — Mental Health | 14 + outpatient hospital claims meeting the mental health indicator (see note below) |
| Emergency Room | 02,29,30,34 (see note below) |

| Service Category | Category of Service |
|------------------------------|--|
| Physician — Physical Health | 05,10,11,22,23,25,28,32,35,42 + unknown COS with professional claim type |
| Physician — Mental Health | 09 + Physician claims meeting the mental health indicator (see note below) |
| Pharmacy | Based on pharmacy claims submitted directly by MCOs |
| Transportation | 37,38,39,43,56 |
| Dental | 12 |
| Residential Treatment Center | 21 |
| Long Term Care | 04,08,19 |
| Other Services | 06,07,13,16-18,24,31,33 + 03 for lab claims with a professional claim type |

Mental Health Codes and Descriptions

Mercer also categorized any claims with a primary diagnosis of mental health into the corresponding mental health category. The diagnosis codes and Diagnosis Related Group (DRG) codes are identified in the tables below. For example, if an inpatient hospital claim with category '01' was identified as being primary mental health, the claim was summarized as Inpatient Hospital — Mental Health rather than Inpatient Hospital — Physical Health.

| ICD-9 Diagnosis Codes | |
|-----------------------|--|
| V11 | PERSONAL HISTORY OF MENTAL DISORDER |
| V40 | MENTAL AND BEHAVIORAL PROBLEMS |
| V61 | OTHER FAMILY CIRCUMSTANCES |
| V62 | OTHER PSYCHOSOCIAL CIRCUMSTANCES |
| 290-294 | ORGANIC PSYCHOTIC CONDITIONS |
| 295-299 | OTHER PSYCHOSES |
| 300-316 | NEUROTIC DISORDERS, PERSONALITY DISORDERS, AND OTHER NONPSYCHOTIC MENTAL DISORDERS |
| 317-319 | MENTAL RETARDATION |

| DRG Codes | |
|-----------|--|
| 424 | O.R. PROCEDURE W PRINCIPAL DIAGNOSES OF MENTAL ILLNESS |
| 425 | ACUTE ADJUSTMENT REACTION & PSYCHOSOCIAL DYSFUNCTION |
| 426 | DEPRESSIVE NEUROSES |
| 427 | NEUROSES EXCEPT DEPRESSIVE |
| 428 | DISORDERS OF PERSONALITY & IMPULSE CONTROL |

| DRG Codes | |
|-----------|--|
| 429 | ORGANIC DISTURBANCES & MENTAL RETARDATION |
| 430 | PSYCHOSES |
| 431 | CHILDHOOD MENTAL DISORDERS |
| 432 | OTHER MENTAL DISORDER DIAGNOSES |
| 433 | ALCOHOL/DRUG ABUSE OR DEPENDENCE, LEFT AMA |
| 521 | ALCOHOL/DRUG ABUSE OR DEPENDENCE W CC |
| 522 | ALCOHOL/DRUG ABUSE OR DEPENDENCE W REHABILITATION THERAPY W/O CC |

Emergency Room Logic

Mercer separated emergency room services from other outpatient hospital encounters using the following logic.

- Physician Component: HIPAA Place of Service Code "23" and Procedure Code 99281-99285
- Facility Component: Revenue Code 450-459 and Procedure Code 99281-99285

3

Adjustments Reflected in this Data Book

This Section lists the adjustments Mercer made to the encounter and financial data sources. These adjustments are reflected in the summaries shown in Sections 4 and 5.

Encounter Data

To support the rate range setting efforts, Mercer summarized the District's encounter and MCO pharmacy claims data from August 1, 2009 through July 31, 2010 (fiscal year [FY] 2010) and August 1, 2010 through July 31, 2011 (FY 2011) by rate cell and COS. In order to ensure the encounter data reflected all covered services, Mercer performed high-level validation checks on the data.

Mercer compared the encounter data to the historical financial data for the same time periods to ensure all costs were reflected. In total, the paid amounts (as reflected in the MCO_Paid amount field) in the encounter data are lower than the reported financial data for the corresponding time period. The final comparison after the adjustments described in this section were applied indicated approximately 89% of the financial expenses are reflected in the encounter data for FY 2011.

A subset of encounter records were initially denied due to differing payment arrangements between the MCOs and the fee-for-service program. Mercer's encounter data team confirmed these are valid encounters ('non-repairable' denials) for covered services, which must be included in the analysis. In addition, for this rate-setting exercise, the District and Mercer incorporated 'repairable' denials that were present in the encounter data that had not yet been repaired. Mercer adjusted the status of these encounters to include in the final rate-setting analysis. This adjustment increased the FY 2010 data by 8.6% and the FY 2011 data by 3.5%.

Mercer cross-referenced the encounter data to the District's eligibility file to confirm Medicaid eligibility. Mercer excluded any encounters without a matching Medicaid eligibility segment. This reduced the FY 2010 data by 0.2% and the FY 2011 data by 0.2%.

Completion Factors

The encounter data in this Data Book includes claims for dates of service from August 1, 2009 to July 31, 2011. Mercer developed completion factors to estimate Incurred But Not Reported (IBNR) claims (those claims not yet adjudicated).

Due to dating conventions within the encounter data, Mercer relied on the financial lags as the source of the completion factors. To estimate the completion factors, Mercer estimated the

incurred claims for each time period in the financial data and compared it to the total paid claims for each period through September 2011. The ratio of paid claims to incurred claims in the financial data resulted in the completion factor for the encounter data. This ratio was calculated by major service category separately for each MCO's data.

Completion factors were developed and applied by month of service. Due to the December 2010 effective date for the program code 775 population, the overall factors have been provided separately for that population reflecting the estimated completion factors for that more recent data period.

The following factors are applied to both dollars and utilization.

| Category of Service | August 2009–July 2010 | August 2010–July 2011 | December 2010–July 2011 775 Population |
|--------------------------|-----------------------|-----------------------|---|
| Inpatient Hospital — PH | 1.0084 | 1.1368 | 1.2068 |
| Outpatient Hospital — PH | 1.0000 | 1.0144 | 1.0238 |
| Physician — PH | 1.0002 | 1.0298 | 1.0434 |
| Pharmacy | 0.9996 | 0.9997 | 1.0007 |
| Mental Health | 1.0050 | 1.1284 | 1.1129 |
| Other Services | 1.0002 | 1.0298 | 1.0434 |
| Total | 1.0023 | 1.0460 | 1.0694 |

Adjustments for Other Covered Expenses

Certain covered expenses were not captured in the encounter data due to reporting or data collection issues. Mercer reviewed the additional data and made adjustments to include all services covered under the contract.

Recipient Claims Reported Outside of Encounter Data

A small subset of claims were submitted in an Excel workbook due to provider difficulties with the HIPAA 837 format of the encounter records. These claims included expenses for services such as Transportation and Vision. The supplemental file identified the recipient associated with the encounter, so Mercer added these claims to the appropriate COS and rate cell.

Subcapitated Provider Data

Encounters for subcapitated providers are submitted with an MCO paid amount equal to zero. In order to assign a value to these valid encounters for rate-setting purposes, Mercer shadow-priced the subcapitated encounters. For each MCO, Mercer calculated a ratio of the MCO paid amount to the Medicaid proxy amount (ACS_Paid_Amount) for the paid encounters by procedure code with positive MCO paid amounts. For the subcapitated encounters, this ratio is multiplied by the Medicaid proxy amount (ACS_Paid_Amount) to assign a value to the subcapitated encounter.

Pharmacy Data

Currently, pharmacy data is not submitted through the encounter data collection system. Pharmacy data was, however, collected by Mercer from the MCOs to support other District analyses. For this rate range development process, Mercer incorporated the pharmacy claims received from the MCOs and summarized the data by rate cell. As this data was claims data, Mercer incorporated an adjustment to account for historical pharmacy rebates collected outside the claims systems based on information captured in the financial data. The adjustment for FY 2010 was -3.96% and the adjustment for FY 2011 was -2.03%.

Net Reinsurance Costs

To the extent the MCOs have been purchasing reinsurance coverage for high cost inpatient claims, Mercer reviewed the historical experience from FY 2010 and FY 2011 to determine the average net reinsurance per member per month (PMPM) (premiums minus recoveries). Based on this review, Mercer applied reinsurance adjustment factors to the Inpatient Hospital — Physical Health COS. The adjustment for FY 2010 was 0.87% to Inpatient Hospital — Physical Health and the adjustment for FY 2011 was 0.78%.

Encounter Data Underreporting Adjustment

After applying completion factors and the adjustments outlined above, Mercer reviewed the monthly incurred amounts captured in the encounter data to determine whether there were gaps in the encounter reporting due to the exiting of Health Right as an MCO or to the switch in the District's Medicaid Management Information Systems to OMNICAID. The Health Right encounter data for FY 2010 was significantly lower than previous years. There were other minor gaps in the encounter data for other MCOs, which were assumed to be related to the OMNICAID implementation. To address this issue, Mercer and the District decided to apply an encounter underreporting adjustment to the encounter data to bring the monthly FY 2010, especially the months from December 2009 to April 2010, costs up to levels consistent with prior months. Specific adjustments were applied by MCO and claim type for institutional, professional, and dental encounters.

The following adjustments were applied by COS.

| Category of Service | FY 2010 Underreporting Adjustment |
|----------------------------|--|
| Inpatient Hospital — PH | 1.0111 |
| Outpatient Hospital — PH | 1.0362 |
| Physician — PH | 1.0341 |
| Pharmacy | 1.0000 |
| Mental Health | 1.0173 |
| Other Services | 1.0341 |
| Overall Adjustment | 1.0276 |

Financial Data

The financial data reflects the actual medical expenses to the MCOs, including the subcapitation payments to providers for each of the rate cells. The expenses are net of pharmaceutical rebates and third party liability. Mercer reviewed the financial data to ensure it was appropriate to incorporate into the rate development. Specifically, Mercer reviewed the following issues:

- Completeness and accuracy of the submitted financial reports
- Consistency between submitted financial data and annual Department of Insurance filings for calendar year 2010
- Assurance that pharmacy rebates were reasonable and deducted from the data
- Assurance that reinsurance premiums and recoveries were accurately reflected in the financial data
- Assurance that administrative services only contract payments were excluded from medical costs
- Assurance that submitted financial data was specific to State Plan services only
- Consistency of data among MCOs' submissions on a rate cell basis

Adjustments were made to the financial data to reflect the complete cost of an actuarially equivalent population for the DCHFP contract.

Completion Factors

Mercer reviewed the remaining liability associated with IBNR claims individually for each of the MCOs. Adjustments were applied to the expenses reflected in Report #1 for each fiscal year separately for each MCO. The overall adjustment for FY 2010 and FY 2011 using paid claims data through September 2011 is reflected by major service category in the following table. Based on the monthly completion factors, Mercer calculated specific completion factors for the program code 775 rate cells due to the December 2010 effective date of coverage.

| Category of Service | August 2009–July 2010 | August 2010–July 2011 | December 2010–July 2011 775 Population |
|--------------------------|-----------------------|-----------------------|---|
| Inpatient Hospital — PH | 1.0100 | 1.0812 | 1.1088 |
| Outpatient Hospital — PH | 0.9999 | 1.0122 | 1.0177 |
| Physician — PH | 1.0002 | 1.0183 | 1.0274 |
| Pharmacy | 0.9996 | 0.9996 | 1.0021 |
| Mental Health | 1.0037 | 1.0658 | 1.0410 |
| Other Services | 1.0003 | 1.0127 | 1.0127 |
| Total | 1.0032 | 1.0326 | 1.0407 |

Redistribution of Subcapitation Payments

Since the MCOs reimburse providers using different payment arrangements, Mercer adjusted each MCO's reported financial data, as necessary, to reflect a uniform payment methodology.

Some MCO data needed to be adjusted for subcapitation arrangements to better allocate costs across the various rate cells. Since many of the subcapitation arrangements do not vary the rates by age/sex, the subcapitation expenditures were redistributed to each rate cell in a budget-neutral fashion according to the cost distribution in the encounter data.

Missing Health Right Financial Data

Health Right's contract with DHCF ended April 30, 2010. As such, Health Right was not in operation when the financial data request was distributed in October 2010 or October 2011. Therefore, the FY 2010 data from Health Right was not available for the development of this Data Book. To account for the missing Health Right data, Mercer analyzed the PMPM relationships in the encounter data by service category with and without the Health Right data. The major PMPM difference between Health Right data and the other MCOs was in the Outpatient Hospital — Physical Health category, which required an adjustment. Based on these comparisons, the following adjustments were applied to the financial data by service category.

| Category of Service | FY 2010 Health Right Adjustment |
|---------------------------------------|--|
| Outpatient Hospital — Physical Health | 1.085 |
| Overall Adjustment | 1.009 |

After applying these factors, the PMPMs from the financial data reflect the adjustment for the missing Health Right data. To put the total dollars and member months (MMs) on a comparable basis, Mercer recalculated the total units and expenses on the financial data exhibits based on the encounter MMs. The member months are then consistent between the two data sources, which allows for comparison of the total expenses between the two data sources on a comparable enrollment basis. This has no impact on the rate cell PMPMs or the utilization per 1,000 or unit cost statistics.

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DCHFP Encounter Data Encounter Summaries

At the top of each page, the fiscal year and rate cell are listed. Below this information is the MMs associated with each rate cell. The MMs listed on the encounter data pages are based on the MCO enrollment information for each month as represented in the District's eligibility file provided by ACS.

Note the Data Book pages are arranged by first delineating the experience for the twelve Medicaid rate cells followed by an overall Medicaid summary. Following those pages are the experience for the six program code 775 rate cells followed by a 775-specific subtotal and finally an overall DCHFP summary.

The remaining columns on each page are described below:

- **COS** — As described in Section 2, each of the covered services is listed
- **Units** — Utilization for each service line item. This represents the number of visits, days or services for each category (see chart in Section 3) as reported in the encounter data
- **Expenses**— MCO_Paid_Amount as reflected on the encounter. For subcapitated encounters, a ratio was applied to the ACS_Paid_Amount to proxy the MCO_Paid Amount. As stated previously, these amounts are based on date of service.
- **Utilization Per 1,000** — Annual utilization for each service divided by total MMs multiplied by 12,000
- **Unit Cost** — Average cost of each service line item; expenses divided by the utilization of services delivered
- **PMPM** — Expenses divided by total MMs

DEPARTMENT OF HEALTH CARE FINANCE

DCHF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

Rate Cell: Medicaid: Less Than 1 Male and Female

August 2010 - July 2011

August 2009 - July 2010

| Member Months | 57,568 | | | | | 57,393 | | | | |
|---|---------------------|---------------|----------|-------------|-----------|--------|---------------|----------|-------------|-----------|
| | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost |
| Inpatient Hospital - Physical Health | 2,960 | \$ 7,559,911 | 617 | \$ 2,554.38 | \$ 131.32 | 2,805 | \$ 6,018,512 | 586 | \$ 2,145.88 | \$ 104.86 |
| Inpatient Hospital - Mental Health | - | - | - | - | - | - | - | - | - | - |
| Outpatient Hospital - Physical Health (ER Excluded) | 3,878 | \$ 2,190,544 | 808 | \$ 564.87 | \$ 38.05 | 3,125 | \$ 2,114,914 | 653 | \$ 676.87 | \$ 36.85 |
| Outpatient Hospital - Mental Health | 16 | \$ 17,583 | 3 | \$ 1,080.42 | \$ 0.31 | 12 | \$ 13,472 | 3 | \$ 1,095.95 | \$ 0.23 |
| Emergency Room | 8,946 | \$ 2,409,592 | 1,865 | \$ 268.36 | \$ 41.86 | 13,274 | \$ 3,381,974 | 2,775 | \$ 254.79 | \$ 58.83 |
| Physician - Physical Health | 32,896 | \$ 2,601,670 | 6,857 | \$ 79.09 | \$ 45.19 | 36,893 | \$ 2,824,507 | 7,714 | \$ 76.56 | \$ 48.21 |
| Physician - Mental Health | 170 | \$ 37,148 | 35 | \$ 218.40 | \$ 0.65 | 310 | \$ 67,255 | 65 | \$ 217.04 | \$ 1.17 |
| Pharmacy | 17,614 | \$ 728,550 | 3,672 | \$ 41.25 | \$ 12.62 | 17,145 | \$ 863,167 | 3,585 | \$ 50.34 | \$ 15.04 |
| Transportation | 3,022 | \$ 215,696 | 630 | \$ 71.45 | \$ 3.75 | 3,678 | \$ 323,650 | 769 | \$ 88.00 | \$ 5.64 |
| Dental | 102 | \$ 11,795 | 21 | \$ 115.18 | \$ 0.20 | 172 | \$ 16,067 | 36 | \$ 93.31 | \$ 0.28 |
| Residential Treatment Center | - | - | - | - | - | - | - | - | - | - |
| Long Term Care | - | - | - | - | - | - | - | - | - | - |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 4,594 | \$ 251,853 | 958 | \$ 54.83 | \$ 4.37 | 4,673 | \$ 291,387 | 977 | \$ 62.95 | \$ 5.08 |
| Subtotal ** | | \$ 16,022,543 | | \$ 278.32 | \$ | | \$ 15,914,905 | | \$ | \$ 277.30 |

** Subtotal may not equal sum of individual category of services due to rounding

DEPARTMENT OF HEALTH CARE FINANCE

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

Rate Cell: Medicaid, 1-12 Male and Female

August 2010 - July 2011

August 2009 - July 2010

| Member Months | 529,256 | | | | | | 508,697 | | | | | |
|---|---------------------|----------------------|----------|------------------|-----------|---------|----------------------|----------|------------------|-----------|------|--|
| | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM | |
| Inpatient Hospital - Physical Health | 3,605 | \$ 9,404,119 | 85 | \$ 2,608.42 | \$ 18.49 | 4,136 | \$ 10,254,187 | 94 | \$ 2,479.44 | \$ 19.37 | | |
| Inpatient Hospital - Mental Health | 647 | \$ 890,710 | 15 | \$ 1,377.19 | \$ 1.75 | 428 | \$ 616,530 | 10 | \$ 1,440.53 | \$ 1.16 | | |
| Outpatient Hospital - Physical Health (ER Excluded) | 17,786 | \$ 10,422,398 | 420 | \$ 585.99 | \$ 20.49 | 15,623 | \$ 10,279,553 | 354 | \$ 657.98 | \$ 19.42 | | |
| Outpatient Hospital - Mental Health | 330 | \$ 357,717 | 8 | \$ 1,084.15 | \$ 0.70 | 222 | \$ 183,345 | 5 | \$ 827.66 | \$ 0.35 | | |
| Emergency Room | 34,122 | \$ 8,682,557 | 805 | \$ 284.05 | \$ 19.05 | 54,567 | \$ 15,085,170 | 1,237 | \$ 275.54 | \$ 28.41 | | |
| Physician - Physical Health | 97,192 | \$ 7,427,416 | 2,283 | \$ 76.42 | \$ 14.60 | 109,992 | \$ 8,337,731 | 2,494 | \$ 75.90 | \$ 15.75 | | |
| Physician - Mental Health | 11,041 | \$ 1,457,286 | 260 | \$ 131.99 | \$ 2.86 | 17,981 | \$ 2,425,995 | 408 | \$ 134.82 | \$ 4.58 | | |
| Pharmacy | 127,913 | \$ 5,657,119 | 3,017 | \$ 44.23 | \$ 11.12 | 130,446 | \$ 5,890,747 | 2,958 | \$ 45.16 | \$ 11.13 | | |
| Transportation | 25,656 | \$ 1,002,533 | 605 | \$ 39.08 | \$ 1.97 | 26,099 | \$ 1,386,972 | 592 | \$ 53.14 | \$ 2.62 | | |
| Dental | 50,392 | \$ 9,531,386 | 1,189 | \$ 189.15 | \$ 18.74 | 61,282 | \$ 9,783,406 | 1,389 | \$ 159.81 | \$ 18.50 | | |
| Residential Treatment Center | 29 | \$ 13,600 | 1 | \$ 468.97 | \$ 0.03 | - | \$ - | - | \$ - | \$ - | | |
| Long Term Care | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - | | |
| Other (DME, Home Health, Vision, Lab. & X-Ray) | 36,362 | \$ 1,674,361 | 858 | \$ 46.05 | \$ 3.29 | 43,652 | \$ 2,194,576 | 990 | \$ 50.26 | \$ 4.15 | | |
| Subtotal ** | | \$ 57,531,203 | | \$ 113.10 | | | \$ 66,398,212 | | \$ 125.46 | | | |

** Subtotal may not equal sum of individual category of services due to rounding

DEPARTMENT OF HEALTH CARE FINANCE

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

Rate Cell: Medicaid: 13-18 Female

August 2010 - July 2011

August 2009 - July 2010

| Member Months | 112,089 | | | | | 113,492 | | | | |
|---|---------------------|----------------------|----------|-------------|------------------|---------|----------------------|----------|-------------|------------------|
| | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost |
| Inpatient Hospital - Physical Health | 856 | \$ 1,778,383 | 90 | \$ 2,077.75 | \$ 15.67 | 845 | \$ 1,878,951 | 90 | \$ 2,344.41 | \$ 17.66 |
| Inpatient Hospital - Mental Health | 850 | \$ 1,329,820 | 90 | \$ 1,564.47 | 11.72 | 704 | \$ 983,585 | 75 | \$ 1,396.41 | 8.78 |
| Outpatient Hospital - Physical Health (ER Excluded) | 7,432 | \$ 3,794,341 | 786 | \$ 5,105.4 | 33.43 | 6,733 | \$ 4,244,333 | 721 | \$ 630.40 | 37.87 |
| Outpatient Hospital - Mental Health | 112 | \$ 37,394 | 12 | \$ 335.02 | 0.33 | 76 | \$ 59,484 | 8 | \$ 778.38 | 0.53 |
| Emergency Room | 7,081 | \$ 1,944,651 | 743 | \$ 276.59 | 17.13 | 9,692 | \$ 2,702,068 | 1,038 | \$ 278.78 | 24.11 |
| Physician - Physical Health | 22,756 | \$ 1,917,801 | 2,406 | \$ 84.27 | 16.90 | 23,947 | \$ 2,116,395 | 2,564 | \$ 88.50 | 18.91 |
| Physician - Mental Health | 2,491 | \$ 274,708 | 263 | \$ 110.26 | 2.42 | 4,620 | \$ 436,573 | 485 | \$ 94.49 | 3.89 |
| Pharmacy | 36,181 | \$ 1,453,337 | 3,826 | \$ 40.17 | 12.81 | 35,363 | \$ 1,381,554 | 3,786 | \$ 39.07 | 12.33 |
| Transportation | 6,188 | \$ 328,421 | 654 | \$ 53.08 | 2.89 | 7,673 | \$ 446,912 | 821 | \$ 56.25 | 3.99 |
| Dental | 12,526 | \$ 3,116,767 | 1,324 | \$ 248.82 | 27.46 | 15,238 | \$ 3,339,940 | 1,631 | \$ 219.18 | 28.80 |
| Residential Treatment Center | 66 | \$ 77,760 | 7 | \$ 1,174.89 | 0.69 | 32 | \$ 14,107 | 3 | \$ 443.33 | 0.13 |
| Long Term Care | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | - |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 18,134 | \$ 1,327,337 | 1,917 | \$ 73.20 | 11.70 | 19,955 | \$ 1,394,012 | 2,136 | \$ 69.36 | 12.35 |
| Subtotal ** | | \$ 17,380,709 | | | \$ 153.14 | | \$ 19,091,913 | | | \$ 170.33 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

Medicaid: 13-18 Male

August 2009 - July 2010

August 2010 - July 2011

| Member Months | 101,370 | | | | 99,948 | | | | | |
|---|---------------------|------------|----------|------------|-----------|-----------|------------|----------|------------|-----------|
| | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost |
| Inpatient Hospital - Physical Health | 668 \$ | 1,990,686 | 79 \$ | 2,980.41 | 19.64 | 776 \$ | 2,245,197 | 93 \$ | 2,863.74 | 22.46 |
| Inpatient Hospital - Mental Health | 818 \$ | 1,211,602 | 97 \$ | 1,481.69 | 11.95 | 726 \$ | 1,179,493 | 87 \$ | 1,624.44 | 11.80 |
| Outpatient Hospital - Physical Health (ER Excluded) | 3,086 \$ | 2,001,393 | 365 \$ | 646.53 | 19.74 | 2,852 \$ | 1,906,812 | 342 \$ | 668.70 | 18.08 |
| Outpatient Hospital - Mental Health | 50 \$ | 24,265 | 6 \$ | 487.92 | 0.24 | 53 \$ | 29,937 | 6 \$ | 561.31 | 0.30 |
| Emergency Room | 4,560 \$ | 1,381,051 | 540 \$ | 302.86 | 13.62 | 6,049 \$ | 1,895,221 | 726 \$ | 313.30 | 18.86 |
| Physician - Physical Health | 11,253 \$ | 1,015,125 | 1,332 \$ | 90.21 | 10.01 | 12,343 \$ | 1,181,454 | 1,462 \$ | 96.53 | 11.92 |
| Physician - Mental Health | 2,294 \$ | 392,564 | 272 \$ | 171.12 | 3.87 | 4,024 \$ | 486,276 | 483 \$ | 123.82 | 4.89 |
| Pharmacy | 18,552 \$ | 1,410,118 | 2,196 \$ | 76.01 | 13.91 | 19,477 \$ | 1,215,863 | 2,338 \$ | 62.43 | 12.16 |
| Transportation | 3,478 \$ | 193,408 | 412 \$ | 55.61 | 1.91 | 4,654 \$ | 258,758 | 559 \$ | 55.60 | 2.59 |
| Dental | 8,630 \$ | 2,113,311 | 1,022 \$ | 244.89 | 20.85 | 10,508 \$ | 2,331,924 | 1,262 \$ | 221.92 | 23.33 |
| Residential Treatment Center | 389 \$ | 219,337 | 46 \$ | 564.17 | 2.16 | 743 \$ | 372,014 | 89 \$ | 500.41 | 3.72 |
| Long Term Care | - \$ | - | - \$ | - | - | - \$ | - | - \$ | - | - |
| Other (DME: Home Health, Vision, Lab, & X-Ray) | 8,166 \$ | 443,704 | 967 \$ | 54.32 | 4.38 | 10,061 \$ | 538,151 | 1,208 \$ | 53.49 | 5.38 |
| Subtotal ** | \$ | 12,996,755 | \$ | 54.32 | 122.28 | \$ | 13,863,102 | \$ | 53.49 | 136.70 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHPF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

Medicaid: 19-36 Female

August 2009 - July 2010

August 2010 - July 2011

| Category of Service | 232,799 | | | | 292,311 | | | | | |
|---|---------|----------------------|------------|------------------|----------|---------|----------------------|------------|------------------|----------|
| | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 3,885 | \$ 6,136,612 | 200 | \$ 1,580.26 | \$ 26.37 | 4,032 | \$ 8,057,756 | 166 | \$ 1,996.31 | \$ 27.57 |
| Inpatient Hospital - Mental Health | 593 | \$ 542,040 | 30 | \$ 930.50 | \$ 2.33 | 1,248 | \$ 873,156 | 51 | \$ 699.56 | \$ 2.99 |
| Outpatient Hospital - Physical Health (ER Excluded) | 23,739 | \$ 14,695,020 | 1,224 | \$ 619.01 | \$ 63.12 | 26,113 | \$ 16,275,300 | 1,072 | \$ 623.27 | \$ 55.66 |
| Outpatient Hospital - Mental Health | 377 | \$ 110,917 | 19 | \$ 284.43 | \$ 0.48 | 458 | \$ 108,085 | 19 | \$ 236.14 | \$ 0.37 |
| Emergency Room | 26,567 | \$ 6,130,856 | 1,369 | \$ 230.77 | \$ 26.34 | 42,338 | \$ 9,414,294 | 1,738 | \$ 222.36 | \$ 32.21 |
| Physician - Physical Health | 64,305 | \$ 6,893,905 | 3,315 | \$ 107.21 | \$ 29.61 | 85,506 | \$ 9,696,625 | 3,510 | \$ 113.40 | \$ 33.17 |
| Physician - Mental Health | 3,568 | \$ 342,995 | 184 | \$ 96.11 | \$ 1.47 | 5,963 | \$ 495,212 | 246 | \$ 82.76 | \$ 1.68 |
| Pharmacy | 145,524 | \$ 6,205,667 | 7,501 | \$ 42.65 | \$ 26.66 | 186,572 | \$ 8,426,585 | 7,659 | \$ 45.17 | \$ 28.83 |
| Transportation | 14,869 | \$ 1,075,156 | 766 | \$ 72.31 | \$ 4.62 | 21,428 | \$ 1,890,478 | 880 | \$ 88.23 | \$ 6.47 |
| Dental | 14,572 | \$ 3,302,801 | 751 | \$ 226.65 | \$ 14.19 | 23,115 | \$ 4,324,090 | 948 | \$ 187.07 | \$ 14.79 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | 3 | \$ 2,090 | 0 | \$ 679.33 | \$ 0.01 | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab. & X-Ray) | 64,350 | \$ 6,014,866 | 3,317 | \$ 93.47 | \$ 25.84 | 81,691 | \$ 7,844,326 | 3,354 | \$ 96.02 | \$ 26.84 |
| Subtotal ** | | \$ 51,455,926 | | \$ 221.03 | | | \$ 67,405,906 | | \$ 230.60 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 19-36 Male

August 2009 - July 2010

August 2010 - July 2011

| Category of Service | 57,513 | | | | 151,022 | | | | |
|---|--------|---------------------|------------|------------------|---------|----------------------|------------|------------------|----------|
| | Units | Expenses | Util/1,000 | Unit Cost | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 743 | \$ 1,823,219 | 155 | \$ 2,453.80 | 31.70 | \$ 5,727,411 | 169 | \$ 2,691.29 | \$ 37.92 |
| Inpatient Hospital - Mental Health | 214 | \$ 207,365 | 45 | \$ 966.75 | 3.61 | \$ 487,655 | 54 | \$ 712.37 | \$ 3.23 |
| Outpatient Hospital - Physical Health (ER Excluded) | 1,520 | \$ 1,247,410 | 317 | \$ 820.63 | 21.69 | \$ 2,609,624 | 270 | \$ 768.89 | \$ 17.27 |
| Outpatient Hospital - Mental Health | 70 | \$ 23,122 | 15 | \$ 331.40 | 0.40 | \$ 130,304 | 25 | \$ 419.68 | \$ 0.86 |
| Emergency Room | 3,729 | \$ 898,605 | 778 | \$ 241.05 | 15.63 | \$ 3,440,679 | 1,135 | \$ 240.83 | \$ 22.78 |
| Physician - Physical Health | 5,196 | \$ 666,089 | 1,064 | \$ 128.18 | 11.58 | \$ 2,147,579 | 1,320 | \$ 129.24 | \$ 14.22 |
| Physician - Mental Health | 512 | \$ 53,300 | 107 | \$ 104.20 | 0.93 | \$ 144,689 | 134 | \$ 85.87 | \$ 0.96 |
| Pharmacy | 12,080 | \$ 951,832 | 2,520 | \$ 78.80 | 16.55 | \$ 4,542,543 | 3,383 | \$ 106.69 | \$ 30.08 |
| Transportation | 1,007 | \$ 150,615 | 210 | \$ 149.52 | 2.62 | \$ 572,320 | 230 | \$ 197.44 | \$ 3.79 |
| Dental | 2,571 | \$ 632,631 | 536 | \$ 246.11 | 11.00 | \$ 1,622,036 | 631 | \$ 204.35 | \$ 10.74 |
| Residential Treatment Center | - | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 4,102 | \$ 334,733 | 856 | \$ 81.61 | 5.82 | \$ 1,080,450 | 1,049 | \$ 82.61 | \$ 7.22 |
| Subtotal ** | | \$ 6,989,122 | | \$ 121.52 | | \$ 22,514,690 | | \$ 149.08 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 37-49 Female

August 2010 - July 2011

August 2009 - July 2010

| Member Months | Category of Service | August 2009 - July 2010 | | | | August 2010 - July 2011 | | | | | |
|---------------|---|-------------------------|----------------------|------------|------------------|-------------------------|----------------------|---------------|------------------|-------------|----------|
| | | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| | Inpatient Hospital - Physical Health | 3,624 | \$ 7,127,398 | 462 | \$ 1,966.77 | \$ 75.68 | 4,254 | \$ 8,492,947 | 402 | \$ 1,996.52 | \$ 66.83 |
| | Inpatient Hospital - Mental Health | 272 | \$ 249,654 | 35 | \$ 917.21 | \$ 2.65 | 613 | \$ 510,773 | 59 | \$ 832.60 | \$ 4.02 |
| | Outpatient Hospital - Physical Health (ER Excluded) | 10,350 | \$ 8,506,726 | 1,319 | \$ 821.92 | \$ 80.32 | 12,896 | \$ 10,023,733 | 1,218 | \$ 777.25 | \$ 76.88 |
| | Outpatient Hospital - Mental Health | 256 | \$ 50,908 | 33 | \$ 189.15 | \$ 0.54 | 304 | \$ 54,288 | 29 | \$ 178.71 | \$ 0.43 |
| | Emergency Room | 9,502 | \$ 2,311,469 | 1,211 | \$ 243.27 | \$ 24.54 | 16,678 | \$ 4,104,856 | 1,575 | \$ 246.12 | \$ 32.30 |
| | Physician - Physical Health | 32,896 | \$ 4,312,850 | 4,191 | \$ 131.10 | \$ 45.79 | 52,683 | \$ 7,220,787 | 4,975 | \$ 137.05 | \$ 56.82 |
| | Physician - Mental Health | 2,298 | \$ 205,640 | 293 | \$ 89.50 | \$ 2.18 | 4,451 | \$ 346,925 | 420 | \$ 77.95 | \$ 2.73 |
| | Pharmacy | 135,653 | \$ 7,131,004 | 17,284 | \$ 52.57 | \$ 75.72 | 199,473 | \$ 10,698,646 | 18,836 | \$ 53.63 | \$ 84.19 |
| | Transportation | 11,282 | \$ 501,856 | 1,438 | \$ 44.48 | \$ 5.33 | 21,425 | \$ 858,570 | 2,023 | \$ 40.07 | \$ 6.76 |
| | Dental | 5,740 | \$ 1,347,285 | 731 | \$ 234.71 | \$ 14.31 | 10,572 | \$ 2,029,370 | 998 | \$ 181.96 | \$ 15.97 |
| | Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | 135 | \$ 139,744 | 17 | \$ 1,035.18 | \$ 1.46 | 67 | \$ 54,852 | 6 | \$ 819.48 | \$ 0.43 |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | 28,250 | \$ 2,597,777 | 3,600 | \$ 91.96 | \$ 27.58 | 42,787 | \$ 3,783,952 | 4,040 | \$ 88.42 | \$ 28.77 |
| | Subtotal ** | | \$ 34,492,311 | | \$ 366.13 | | \$ 48,179,139 | | \$ 379.13 | | |

** Subtotal may not equal sum of individual category of services due to rounding

Rate Cell: Medicaid: 37-49 Male

August 2010 - July 2011

August 2009 - July 2010

| Member Months | Category of Service | 23,426 | | | | 94,706 | | | | | |
|---------------|---|--------|---------------------|------------|------------------|----------|----------------------|--------------|------------------|-------------|----------|
| | | Units | Expenses | Unit/1,000 | Unit Cost | PMPM | Units | Expenses | Unit/1,000 | Unit Cost | PMPM |
| | Inpatient Hospital - Physical Health | 554 | \$ 1,283,322 | 284 | \$ 2,316.22 | \$ 54.78 | 2,912 | \$ 7,534,386 | 369 | \$ 2,587.76 | \$ 79.56 |
| | Inpatient Hospital - Mental Health | 37 | \$ 32,858 | 19 | \$ 882.12 | \$ 1.40 | 767 | \$ 984,148 | 97 | \$ 1,283.69 | \$ 10.39 |
| | Outpatient Hospital - Physical Health (ER Excluded) | 1,143 | \$ 1,021,110 | 585 | \$ 893.62 | \$ 43.59 | 4,243 | \$ 3,092,944 | 538 | \$ 728.95 | \$ 32.86 |
| | Outpatient Hospital - Mental Health | 26 | \$ 12,361 | 13 | \$ 479.74 | \$ 0.53 | 202 | \$ 98,578 | 26 | \$ 488.82 | \$ 1.04 |
| | Emergency Room | 1,786 | \$ 437,295 | 915 | \$ 244.91 | \$ 18.67 | 11,141 | \$ 2,806,699 | 1,412 | \$ 251.82 | \$ 29.64 |
| | Physician - Physical Health | 4,955 | \$ 708,863 | 2,538 | \$ 143.06 | \$ 30.26 | 23,602 | \$ 3,508,591 | 2,991 | \$ 148.65 | \$ 37.05 |
| | Physician - Mental Health | 231 | \$ 21,937 | 119 | \$ 94.76 | \$ 0.94 | 1,978 | \$ 170,827 | 251 | \$ 86.28 | \$ 1.80 |
| | Pharmacy | 17,253 | \$ 830,284 | 8,838 | \$ 48.13 | \$ 35.44 | 64,888 | \$ 6,230,959 | 10,756 | \$ 73.40 | \$ 65.79 |
| | Transportation | 456 | \$ 62,991 | 234 | \$ 158.08 | \$ 2.69 | 4,052 | \$ 394,862 | 513 | \$ 97.45 | \$ 4.17 |
| | Dental | 1,223 | \$ 250,696 | 626 | \$ 205.06 | \$ 10.70 | 6,184 | \$ 1,309,654 | 784 | \$ 211.77 | \$ 13.83 |
| | Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | 48 | \$ 56,237 | 25 | \$ 1,162.79 | \$ 2.40 | 25 | \$ 23,737 | 3 | \$ 894.73 | \$ 0.25 |
| | Other (DME - Home Health, Vision, Lab, & X-Ray) | 3,508 | \$ 307,644 | 1,797 | \$ 87.69 | \$ 13.13 | 15,823 | \$ 1,409,996 | 2,005 | \$ 89.11 | \$ 14.89 |
| | Subtotal ** | | \$ 5,025,597 | | \$ 214.53 | | \$ 27,565,171 | | \$ 281.06 | | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 50+ Female

August 2010 - July 2011

August 2009 - July 2010

| Member Months | 34,658 | | | | 80,626 | | | | | |
|---|---------------------|----------------------|----------|------------------|-----------|---------|----------------------|----------|------------------|-----------|
| | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost |
| Inpatient Hospital - Physical Health | 2,256 | \$ 5,547,454 | 781 | \$ 2,488.94 | \$ 160.06 | 3,619 | \$ 9,187,070 | 539 | \$ 2,538.45 | \$ 113.95 |
| Inpatient Hospital - Mental Health | 99 | \$ 96,241 | 34 | \$ 968.49 | \$ 2.76 | 306 | \$ 250,538 | 46 | \$ 818.96 | \$ 3.11 |
| Outpatient Hospital - Physical Health (ER Excluded) | 4,999 | \$ 3,920,831 | 1,731 | \$ 784.34 | \$ 113.13 | 11,053 | \$ 8,296,688 | 1,645 | \$ 750.59 | \$ 102.90 |
| Outpatient Hospital - Mental Health | 88 | \$ 19,867 | 30 | \$ 226.51 | \$ 0.57 | 230 | \$ 31,848 | 34 | \$ 138.30 | \$ 0.40 |
| Emergency Room | 3,100 | \$ 813,311 | 1,073 | \$ 262.40 | \$ 23.47 | 9,553 | \$ 2,360,538 | 1,422 | \$ 247.09 | \$ 29.28 |
| Physician - Physical Health | 16,927 | \$ 2,346,887 | 5,861 | \$ 139.65 | \$ 67.72 | 46,520 | \$ 6,644,524 | 6,924 | \$ 142.83 | \$ 82.41 |
| Physician - Mental Health | 852 | \$ 72,820 | 285 | \$ 85.46 | \$ 2.10 | 2,816 | \$ 209,362 | 419 | \$ 74.35 | \$ 2.60 |
| Pharmacy | 81,646 | \$ 3,549,085 | 28,269 | \$ 43.47 | \$ 102.40 | 210,496 | \$ 8,105,101 | 31,329 | \$ 38.50 | \$ 100.53 |
| Transportation | 5,285 | \$ 196,376 | 1,830 | \$ 37.16 | \$ 5.67 | 13,545 | \$ 499,788 | 2,016 | \$ 36.90 | \$ 6.20 |
| Dental | 2,163 | \$ 498,065 | 749 | \$ 230.27 | \$ 14.37 | 6,797 | \$ 1,395,966 | 1,012 | \$ 205.39 | \$ 17.31 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab. & X-Ray) | 12,801 | \$ 1,099,749 | 4,432 | \$ 85.91 | \$ 31.73 | 31,851 | \$ 2,754,454 | 4,740 | \$ 86.48 | \$ 34.16 |
| Subtotal ** | | \$ 18,160,685 | | \$ 524.00 | | | \$ 39,754,705 | | \$ 493.08 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFDP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 50+ Male

August 2010 - July 2011

August 2009 - July 2010

83,564

24,737

| Member Months | Category of Service | August 2009 - July 2010 | | | August 2010 - July 2011 | | | | | | |
|---------------|---|-------------------------|---------------------|------------|-------------------------|----------|----------------------|---------------|------------------|-------------|-----------|
| | | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| | Inpatient Hospital - Physical Health | 1,037 | \$ 2,308,125 | 503 | \$ 2,226.40 | \$ 93.31 | 4,194 | \$ 10,547,558 | 602 | \$ 2,515.00 | \$ 126.22 |
| | Inpatient Hospital - Mental Health | 63 | \$ 43,327 | 30 | \$ 692.20 | \$ 1.75 | 448 | \$ 427,975 | 64 | \$ 955.16 | \$ 5.12 |
| | Outpatient Hospital - Physical Health (ER Excluded) | 1,878 | \$ 1,754,048 | 911 | \$ 934.05 | \$ 70.91 | 5,864 | \$ 4,802,463 | 842 | \$ 819.00 | \$ 57.47 |
| | Outpatient Hospital - Mental Health | 55 | \$ 44,959 | 27 | \$ 815.44 | \$ 1.82 | 180 | \$ 70,488 | 26 | \$ 392.51 | \$ 0.84 |
| | Emergency Room | 1,825 | \$ 510,482 | 885 | \$ 279.70 | \$ 20.64 | 9,126 | \$ 2,311,552 | 1,310 | \$ 253.30 | \$ 27.66 |
| | Physician - Physical Health | 8,326 | \$ 1,138,920 | 4,039 | \$ 136.90 | \$ 46.08 | 34,817 | \$ 5,653,927 | 5,000 | \$ 162.39 | \$ 67.66 |
| | Physician - Mental Health | 305 | \$ 27,408 | 148 | \$ 89.74 | \$ 1.11 | 1,879 | \$ 157,864 | 270 | \$ 84.03 | \$ 1.89 |
| | Pharmacy | 33,278 | \$ 1,637,724 | 16,143 | \$ 49.21 | \$ 66.21 | 132,204 | \$ 6,674,671 | 18,985 | \$ 50.49 | \$ 79.87 |
| | Transportation | 1,350 | \$ 90,294 | 655 | \$ 66.82 | \$ 3.65 | 6,404 | \$ 449,967 | 920 | \$ 70.26 | \$ 5.38 |
| | Dental | 1,415 | \$ 304,445 | 686 | \$ 215.16 | \$ 12.31 | 6,216 | \$ 1,444,607 | 893 | \$ 232.41 | \$ 17.29 |
| | Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ - | - | \$ - | \$ - | 37 | \$ 35,062 | 5 | \$ 950.82 | \$ 0.42 |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | 5,039 | \$ 483,955 | 2,444 | \$ 96.02 | \$ 19.56 | 20,504 | \$ 1,910,429 | 2,944 | \$ 93.18 | \$ 22.86 |
| | Subtotal ** | | \$ 8,344,526 | | \$ 337.33 | | \$ 34,486,551 | | \$ 412.70 | | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

Rate Cell: Medicaid: Infants Month of Birth

| Member Months | August 2009 - July 2010 | | | | | August 2010 - July 2011 | | | | |
|---|-------------------------|---------------------|------------|-------------|--------------------|-------------------------|---------------------|------------|-------------|--------------------|
| | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 4,553 | \$ 5,118,421 | 17,654 | \$ 1,116.92 | \$ 1,643.15 | 4,040 | \$ 4,330,232 | 14,798 | \$ 1,071.85 | \$ 1,321.80 |
| Inpatient Hospital - Mental Health | - | - | - | - | - | - | - | - | - | - |
| Outpatient Hospital - Physical Health (ER Excluded) | 134 | \$ 63,223 | 517 | \$ 471.19 | \$ 20.30 | 146 | \$ 86,782 | 533 | \$ 664.66 | \$ 29.54 |
| Outpatient Hospital - Mental Health | - | - | - | - | - | - | - | - | - | - |
| Emergency Room | 228 | \$ 56,109 | 879 | \$ 245.90 | \$ 18.01 | 340 | \$ 80,918 | 1,245 | \$ 267.47 | \$ 27.75 |
| Physician - Physical Health | 5,754 | \$ 1,038,408 | 22,167 | \$ 180.46 | \$ 333.36 | 7,421 | \$ 1,318,762 | 27,184 | \$ 177.70 | \$ 402.55 |
| Physician - Mental Health | 5 | \$ 904 | 19 | \$ 180.34 | \$ 0.29 | 4 | \$ 484 | 14 | \$ 123.88 | \$ 0.15 |
| Pharmacy | 47 | \$ 584 | 181 | \$ 12.41 | \$ 0.19 | 30 | \$ 359 | 110 | \$ 12.27 | \$ 0.11 |
| Transportation | 14 | \$ 4,456 | 54 | \$ 318.19 | \$ 1.43 | 12 | \$ 5,326 | 44 | \$ 439.21 | \$ 1.63 |
| Dental | - | - | - | - | - | - | - | - | - | - |
| Residential Treatment Center | - | - | - | - | - | - | - | - | - | - |
| Long Term Care | - | - | - | - | - | - | - | - | - | - |
| Other (DME, Home Health, Vision, Lab. & X-Ray) | 572 | \$ 26,230 | 2,204 | \$ 45.85 | \$ 8.42 | 601 | \$ 23,051 | 2,203 | \$ 38.32 | \$ 7.04 |
| Subtotal ** | | \$ 6,308,334 | | | \$ 2,025.15 | | \$ 5,865,923 | | | \$ 1,790.57 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFDP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

Medicaid: Mothers Month of Delivery

August 2009 - July 2010

August 2010 - July 2011

Member Months

2,968

3,069

| Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PM/PM | Units | Expenses | Util/1,000 | Unit Cost | PM/PM |
|---|--------|----------------------|------------|--------------------|-------------|--------|----------------------|------------|--------------------|-------------|
| Inpatient Hospital - Physical Health | 10,501 | \$ 12,937,816 | 42,456 | \$ 1,232.08 | \$ 4,353.10 | 9,905 | \$ 12,639,138 | 38,727 | \$ 1,276.10 | \$ 4,118.32 |
| Inpatient Hospital - Mental Health | 3 | \$ 3,100 | 12 | \$ 1,033.33 | \$ 1.04 | 8 | \$ 313 | 32 | \$ 37.81 | \$ 0.10 |
| Outpatient Hospital - Physical Health (ER Excluded) | 2,273 | \$ 1,047,752 | 9,190 | \$ 480.97 | \$ 353.02 | 2,248 | \$ 977,175 | 8,791 | \$ 434.62 | \$ 318.40 |
| Outpatient Hospital - Mental Health | 3 | \$ 765 | 12 | \$ 254.49 | \$ 0.26 | - | \$ - | - | \$ - | \$ - |
| Emergency Room | 699 | \$ 102,562 | 2,828 | \$ 146.64 | \$ 34.56 | 712 | \$ 124,447 | 2,785 | \$ 174.70 | \$ 40.55 |
| Physician - Physical Health | 9,860 | \$ 4,423,940 | 40,268 | \$ 444.19 | \$ 1,490.55 | 10,215 | \$ 4,682,588 | 39,943 | \$ 458.38 | \$ 1,525.77 |
| Physician - Mental Health | 37 | \$ 27,652 | 150 | \$ 743.52 | \$ 9.32 | 64 | \$ 26,030 | 251 | \$ 406.24 | \$ 8.48 |
| Pharmacy | 4,482 | \$ 81,369 | 18,122 | \$ 18.15 | \$ 27.42 | 4,953 | \$ 94,748 | 19,523 | \$ 18.98 | \$ 30.87 |
| Transportation | 519 | \$ 177,797 | 2,099 | \$ 342.40 | \$ 59.90 | 577 | \$ 254,348 | 2,257 | \$ 440.69 | \$ 82.88 |
| Dental | 71 | \$ 15,671 | 287 | \$ 220.56 | \$ 5.28 | 81 | \$ 15,208 | 315 | \$ 188.77 | \$ 4.96 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab. & X-Ray) | 4,225 | \$ 334,484 | 17,084 | \$ 79.16 | \$ 112.70 | 4,569 | \$ 380,631 | 17,865 | \$ 83.31 | \$ 124.02 |
| Subtotal ** | | \$ 19,152,918 | | \$ 6,453.14 | | | \$ 19,194,625 | | \$ 6,254.36 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid Overall

August 2010 - July 2011

August 2009 - July 2010

| Member Months | Category of Service | 1,251,556 | | | | 1,631,272 | | | | | |
|---------------|---|-----------|-----------------------|------------|------------------|-----------|-----------|-----------------------|------------|------------------|----------|
| | | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| | Inpatient Hospital - Physical Health | 35,270 | \$ 63,017,665 | 338 | \$ 1,786.70 | \$ 50.35 | 43,644 | \$ 87,014,346 | 321 | \$ 1,993.73 | \$ 53.34 |
| | Inpatient Hospital - Mental Health | 3,566 | \$ 4,606,718 | 34 | \$ 1,284.67 | \$ 3.68 | 5,934 | \$ 6,314,365 | 44 | \$ 1,064.13 | \$ 3.87 |
| | Outpatient Hospital - Physical Health (ER Excluded) | 78,218 | \$ 50,664,787 | 750 | \$ 647.74 | \$ 40.48 | 94,288 | \$ 64,719,520 | 694 | \$ 686.40 | \$ 39.67 |
| | Outpatient Hospital - Mental Health | 1,381 | \$ 699,848 | 13 | \$ 506.73 | \$ 0.56 | 2,047 | \$ 779,829 | 15 | \$ 380.94 | \$ 0.48 |
| | Emergency Room | 102,093 | \$ 26,688,742 | 979 | \$ 261.42 | \$ 21.32 | 187,752 | \$ 47,668,416 | 1,381 | \$ 253.89 | \$ 23.22 |
| | Physician - Physical Health | 312,418 | \$ 34,492,875 | 2,995 | \$ 110.41 | \$ 27.56 | 460,557 | \$ 55,346,461 | 3,388 | \$ 120.17 | \$ 33.93 |
| | Physician - Mental Health | 23,806 | \$ 2,914,360 | 228 | \$ 122.42 | \$ 2.33 | 45,794 | \$ 4,979,281 | 337 | \$ 108.73 | \$ 3.05 |
| | Pharmacy | 630,223 | \$ 29,635,670 | 6,043 | \$ 47.02 | \$ 23.68 | 1,063,665 | \$ 54,124,953 | 7,825 | \$ 50.88 | \$ 33.18 |
| | Transportation | 73,126 | \$ 3,995,739 | 701 | \$ 54.70 | \$ 3.20 | 112,444 | \$ 7,341,930 | 827 | \$ 65.29 | \$ 4.50 |
| | Dental | 89,404 | \$ 21,124,853 | 953 | \$ 212.52 | \$ 16.88 | 146,101 | \$ 27,622,267 | 1,089 | \$ 186.51 | \$ 16.93 |
| | Residential Treatment Center | 484 | \$ 310,697 | 5 | \$ 641.97 | \$ 0.25 | 775 | \$ 386,121 | 6 | \$ 498.07 | \$ 0.24 |
| | Long Term Care | 186 | \$ 198,072 | 2 | \$ 1,062.41 | \$ 0.16 | 129 | \$ 132,509 | 1 | \$ 1,025.48 | \$ 0.08 |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | 180,106 | \$ 14,896,602 | 1,823 | \$ 78.36 | \$ 11.90 | 289,375 | \$ 23,604,844 | 2,129 | \$ 81.57 | \$ 14.47 |
| | Subtotal ** | | \$ 253,250,628 | | \$ 202.35 | | | \$ 380,034,852 | | \$ 232.97 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

775 Population: 19-36 Female

Prior Year N/A

December 2010 - July 2011

2,736

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|-------------|------------|-------------|------|-------|-------------------|------------|-------------|------------------|
| | Inpatient Hospital - Physical Health | - | \$ - | - | \$ - | - | 52 | \$ 215,799 | 228 | \$ 4,148.69 | \$ 78.87 |
| | Inpatient Hospital - Mental Health | - | \$ - | - | \$ - | - | 19 | \$ 11,282 | 84 | \$ 588.16 | \$ 4.12 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ - | - | \$ - | - | 157 | \$ 83,745 | 688 | \$ 533.60 | \$ 30.81 |
| | Outpatient Hospital - Mental Health | - | \$ - | - | \$ - | - | 3 | \$ 487 | 15 | \$ 136.75 | \$ 0.17 |
| | Emergency Room | - | \$ - | - | \$ - | - | 318 | \$ 76,745 | 1,396 | \$ 241.08 | \$ 28.05 |
| | Physician - Physical Health | - | \$ - | - | \$ - | - | 949 | \$ 93,712 | 4,163 | \$ 96.74 | \$ 34.25 |
| | Physician - Mental Health | - | \$ - | - | \$ - | - | 63 | \$ 5,801 | 275 | \$ 92.42 | \$ 2.12 |
| | Pharmacy | - | \$ - | - | \$ - | - | 1,833 | \$ 69,735 | 8,040 | \$ 36.04 | \$ 25.49 |
| | Transportation | - | \$ - | - | \$ - | - | 7 | \$ 3,510 | 32 | \$ 478.07 | \$ 1.29 |
| | Dental | - | \$ - | - | \$ - | - | 255 | \$ 54,058 | 1,120 | \$ 211.74 | \$ 19.76 |
| | Residential Treatment Center | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | \$ - |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ - | - | \$ - | - | 633 | \$ 63,056 | 2,776 | \$ 99.61 | \$ 23.05 |
| | Subtotal** | | \$ - | | \$ - | | | \$ 677,911 | | \$ - | \$ 247.77 |

** Subtotal may not equal sum of individual category of services due to rounding

DEPARTMENT OF HEALTH CARE FINANCE

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

Rate Cell: 775 Population: 19-36 Male

Prior Year N/A

December 2010 - July 2011

| Member Months | Category of Service | Expenses | | Unit Cost | | Unit Cost | | Expenses | | Unit Cost | | PMPM |
|---------------|---|----------|----|-----------|----|-----------|----|----------|------------|-----------|-------------|-----------|
| | | Units | \$ | Units | \$ | Units | \$ | Units | \$ | Units | \$ | |
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | \$ | 47 | \$ 67,022 | 231 | \$ 1,946.05 | 35.56 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | \$ | 7 | \$ 4,675 | 32 | \$ 716.67 | 1.91 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | \$ | 65 | \$ 53,145 | 320 | \$ 813.74 | 21.72 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | \$ | 3 | \$ 1,555 | 17 | \$ 460.78 | 0.64 |
| | Emergency Room | - | \$ | - | \$ | - | \$ | 240 | \$ 67,120 | 1,178 | \$ 279.34 | 27.43 |
| | Physician - Physical Health | - | \$ | - | \$ | - | \$ | 465 | \$ 53,969 | 2,278 | \$ 116.18 | 22.06 |
| | Physician - Mental Health | - | \$ | - | \$ | - | \$ | 30 | \$ 2,658 | 145 | \$ 88.72 | 1.09 |
| | Pharmacy | - | \$ | - | \$ | - | \$ | 1,199 | \$ 235,183 | 5,860 | \$ 196.14 | 96.11 |
| | Transportation | - | \$ | - | \$ | - | \$ | 8 | \$ 3,670 | 41 | \$ 439.29 | 1.50 |
| | Dental | - | \$ | - | \$ | - | \$ | 168 | \$ 32,802 | 623 | \$ 185.55 | 13.40 |
| | Residential Treatment Center | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| | Long Term Care | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | \$ | - | \$ | 232 | \$ 22,915 | 1,138 | \$ 98.74 | 9.36 |
| | Subtotal ** | | \$ | | \$ | | \$ | | \$ 564,712 | | \$ | \$ 230.78 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

Rate Cell: 775 Population: 37-49 Female

December 2010 - July 2011

Prior Year N/A

2,700

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|-------------------|------------|-----------|------------------|-------|----------|------------|-----------|------|
| | Inpatient Hospital - Physical Health | 56 | \$ 55,329 | 247 | \$ 995.24 | \$ 20.49 | | | | | |
| | Inpatient Hospital - Mental Health | 3 | \$ 872 | 12 | \$ 334.50 | \$ 0.32 | | | | | |
| | Outpatient Hospital - Physical Health (ER Excluded) | 303 | \$ 176,419 | 1,345 | \$ 582.85 | \$ 65.34 | | | | | |
| | Outpatient Hospital - Mental Health | 7 | \$ 1,196 | 31 | \$ 170.34 | \$ 0.44 | | | | | |
| | Emergency Room | 273 | \$ 65,597 | 1,211 | \$ 240.72 | \$ 24.30 | | | | | |
| | Physician - Physical Health | 1,229 | \$ 174,812 | 5,463 | \$ 142.21 | \$ 64.75 | | | | | |
| | Physician - Mental Health | 91 | \$ 6,822 | 406 | \$ 74.76 | \$ 2.53 | | | | | |
| | Pharmacy | 4,114 | \$ 264,059 | 18,263 | \$ 64.19 | \$ 97.80 | | | | | |
| | Transportation | 20 | \$ 8,630 | 89 | \$ 428.83 | \$ 3.20 | | | | | |
| | Dental | 222 | \$ 39,096 | 987 | \$ 176.05 | \$ 14.48 | | | | | |
| | Residential Treatment Center | - | \$ - | - | \$ - | \$ - | | | | | |
| | Long Term Care | - | \$ - | - | \$ - | \$ - | | | | | |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | 862 | \$ 82,518 | 3,833 | \$ 95.68 | \$ 30.56 | | | | | |
| | Subtotal ** | | \$ 875,349 | | | \$ 324.20 | | | | | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: 775 Population: 37-49 Male

Prior Year N/A

December 2010 - July 2011

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|----------|------------|-----------|------|-------|--------------|------------|-------------|-----------|
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | 202 | \$ 533,010 | 744 | \$ 2,632.42 | \$ 163.30 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | 55 | \$ 61,372 | 203 | \$ 1,112.35 | \$ 18.80 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | 147 | \$ 170,289 | 540 | \$ 1,160.39 | \$ 52.17 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | 4 | \$ 3,507 | 13 | \$ 961.54 | \$ 1.07 |
| | Emergency Room | - | \$ | - | \$ | - | 353 | \$ 85,914 | 1,297 | \$ 243.51 | \$ 26.32 |
| | Physician - Physical Health | - | \$ | - | \$ | - | 1,202 | \$ 198,265 | 4,419 | \$ 164.93 | \$ 60.74 |
| | Physician - Mental Health | - | \$ | - | \$ | - | 83 | \$ 6,042 | 305 | \$ 72.94 | \$ 1.85 |
| | Pharmacy | - | \$ | - | \$ | - | 4,702 | \$ 528,803 | 17,286 | \$ 112.47 | \$ 162.01 |
| | Transportation | - | \$ | - | \$ | - | 25 | \$ 10,570 | 90 | \$ 431.17 | \$ 3.24 |
| | Dental | - | \$ | - | \$ | - | 262 | \$ 43,408 | 963 | \$ 165.70 | \$ 13.30 |
| | Residential Treatment Center | - | \$ | - | \$ | - | - | \$ | - | \$ | \$ |
| | Long Term Care | - | \$ | - | \$ | - | - | \$ | - | \$ | \$ |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | \$ | - | 703 | \$ 59,601 | 2,563 | \$ 84.82 | \$ 16.26 |
| | Subtotal ** | | \$ | | \$ | | | \$ 1,700,781 | | | \$ 521.07 |

** Subtotal may not equal sum of individual category of services due to rounding

DEPARTMENT OF HEALTH CARE FINANCE

DCHIP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

Rate Cell: 775 Population: 50+ Female

December 2010 - July 2011

Prior Year N/A

5,922

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|----------|------------|-----------|------|--------|--------------|------------|-------------|-----------|
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | 224 | \$ 883,785 | 535 | \$ 3,848.74 | \$ 175.98 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | 25 | \$ 19,042 | 59 | \$ 765.85 | \$ 3.79 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | 853 | \$ 610,070 | 2,037 | \$ 715.51 | \$ 121.48 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | 6 | \$ 872 | 15 | \$ 137.42 | \$ 0.17 |
| | Emergency Room | - | \$ | - | \$ | - | 481 | \$ 126,141 | 1,148 | \$ 262.50 | \$ 25.12 |
| | Physician - Physical Health | - | \$ | - | \$ | - | 3,541 | \$ 535,775 | 8,461 | \$ 151.30 | \$ 108.88 |
| | Physician - Mental Health | - | \$ | - | \$ | - | 118 | \$ 7,805 | 283 | \$ 65.99 | \$ 1.55 |
| | Pharmacy | - | \$ | - | \$ | - | 15,447 | \$ 571,133 | 36,911 | \$ 36.97 | \$ 113.73 |
| | Transportation | - | \$ | - | \$ | - | 40 | \$ 18,477 | 96 | \$ 458.80 | \$ 3.66 |
| | Dental | - | \$ | - | \$ | - | 480 | \$ 102,167 | 1,147 | \$ 212.86 | \$ 20.34 |
| | Residential Treatment Center | - | \$ | - | \$ | - | - | \$ | - | \$ | - |
| | Long Term Care | - | \$ | - | \$ | - | - | \$ | - | \$ | - |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | \$ | - | 2,151 | \$ 210,145 | 5,140 | \$ 97.70 | \$ 41.84 |
| | Subtotal ** | | \$ | | \$ | | | \$ 3,085,413 | | | \$ 614.38 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHF DP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: 775 Population: 50+ Male

Prior Year N/A

December 2010 - July 2011

3,857

| Member Months | Category of Service | Units | Expenses | Unit/1,000 | Unit Cost | PMPM | Units | Expenses | Unit/1,000 | Unit Cost | PMPM |
|---------------|---|-------|-----------|------------|-----------|------|-------|---------------------|------------|-------------|------------------|
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | 183 | \$ 742,381 | 570 | \$ 4,048.58 | \$ 192.48 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | 38 | \$ 54,462 | 119 | \$ 1,425.43 | \$ 14.12 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | 305 | \$ 195,137 | 950 | \$ 638.87 | \$ 50.59 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | 7 | \$ 5,989 | 22 | \$ 848.55 | \$ 1.55 |
| | Emergency Room | - | \$ | - | \$ | - | 282 | \$ 72,650 | 879 | \$ 257.23 | \$ 18.84 |
| | Physician - Physical Health | - | \$ | - | \$ | - | 1,974 | \$ 321,880 | 6,143 | \$ 163.02 | \$ 83.45 |
| | Physician - Mental Health | - | \$ | - | \$ | - | 74 | \$ 5,455 | 229 | \$ 74.18 | \$ 1.41 |
| | Pharmacy | - | \$ | - | \$ | - | 8,426 | \$ 637,010 | 26,214 | \$ 75.60 | \$ 165.16 |
| | Transportation | - | \$ | - | \$ | - | 37 | \$ 16,309 | 115 | \$ 440.16 | \$ 4.23 |
| | Dental | - | \$ | - | \$ | - | 315 | \$ 69,985 | 981 | \$ 222.02 | \$ 18.14 |
| | Residential Treatment Center | - | \$ | - | \$ | - | - | \$ | - | \$ | \$ |
| | Long Term Care | - | \$ | - | \$ | - | 9 | \$ 8,379 | 28 | \$ 905.78 | \$ 2.17 |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | \$ | - | 1,135 | \$ 131,475 | 3,530 | \$ 115.89 | \$ 34.09 |
| | Subtotal ** | | \$ | | \$ | | | \$ 2,261,112 | | | \$ 586.24 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: 775 Population Overall

Prior Year N/A

December 2010 - July 2011

| Member Months | Category of Service | 20,028 | | | | | | | | | |
|---------------|---|--------|-----------|------------|-----------|------|--------|---------------------|--------|-------------|------------------|
| | | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | | | | |
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | 764 | \$ 2,517,327 | 458 | \$ 3,293.16 | \$ 125.70 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | 147 | \$ 151,705 | 88 | \$ 1,035.36 | \$ 7.58 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | 1,830 | \$ 1,288,806 | 1,096 | \$ 704.35 | \$ 64.36 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | 31 | \$ 13,566 | 18 | \$ 440.23 | \$ 0.68 |
| | Emergency Room | - | \$ | - | \$ | - | 1,947 | \$ 494,167 | 1,167 | \$ 253.82 | \$ 24.68 |
| | Physician - Physical Health | - | \$ | - | \$ | - | 9,360 | \$ 1,378,413 | 5,609 | \$ 147.26 | \$ 68.83 |
| | Physician - Mental Health | - | \$ | - | \$ | - | 458 | \$ 34,583 | 275 | \$ 75.46 | \$ 1.73 |
| | Pharmacy | - | \$ | - | \$ | - | 35,720 | \$ 2,305,922 | 21,404 | \$ 64.55 | \$ 115.15 |
| | Transportation | - | \$ | - | \$ | - | 138 | \$ 61,166 | 82 | \$ 444.76 | \$ 3.05 |
| | Dental | - | \$ | - | \$ | - | 1,702 | \$ 341,515 | 1,020 | \$ 200.62 | \$ 17.05 |
| | Residential Treatment Center | - | \$ | - | \$ | - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ | - | \$ | - | 9 | \$ 8,379 | 6 | \$ 905.78 | \$ 0.42 |
| | Other (DME, Home Health, Vision, Lab. & X-Ray) | - | \$ | - | \$ | - | 5,716 | \$ 569,710 | 3,425 | \$ 98.88 | \$ 28.45 |
| | Subtotal ** | | \$ | | \$ | | | \$ 9,165,278 | | | \$ 457.67 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: DCHFP Overall

| Category of Service | August 2009 - July 2010 | | | | August 2010 - July 2011 | | | | |
|---|-------------------------|-----------------------|------------|------------------|-------------------------|-----------------------|------------|-------------|------------------|
| | Units | Expenses | Util/1,000 | Unit Cost | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 35,270 | \$ 69,017,665 | 338 | \$ 1,786.70 | 44,408 | \$ 89,531,672 | 323 | \$ 2,016.09 | \$ 54.22 |
| Inpatient Hospital - Mental Health | 3,586 | \$ 4,606,718 | 34 | \$ 1,284.67 | 6,080 | \$ 6,466,069 | 44 | \$ 1,063.44 | \$ 3.82 |
| Outpatient Hospital - Physical Health (ER Excluded) | 78,218 | \$ 50,664,787 | 750 | \$ 647.74 | 96,118 | \$ 66,008,326 | 698 | \$ 686.74 | \$ 38.97 |
| Outpatient Hospital - Mental Health | 1,381 | \$ 689,848 | 13 | \$ 506.73 | 2,078 | \$ 793,415 | 15 | \$ 381.83 | \$ 0.48 |
| Emergency Room | 102,093 | \$ 26,688,742 | 979 | \$ 261.42 | 189,699 | \$ 48,162,583 | 1,379 | \$ 253.89 | \$ 28.17 |
| Physician - Physical Health | 312,418 | \$ 34,482,875 | 2,965 | \$ 110.41 | 469,918 | \$ 56,724,874 | 3,415 | \$ 120.71 | \$ 34.35 |
| Physician - Mental Health | 23,806 | \$ 2,914,360 | 228 | \$ 122.42 | 46,252 | \$ 5,013,874 | 336 | \$ 108.40 | \$ 3.04 |
| Pharmacy | 630,223 | \$ 28,635,670 | 6,043 | \$ 47.02 | 1,089,385 | \$ 56,430,875 | 7,989 | \$ 51.33 | \$ 34.17 |
| Transportation | 73,126 | \$ 3,989,739 | 701 | \$ 54.70 | 112,582 | \$ 7,403,086 | 818 | \$ 65.76 | \$ 4.48 |
| Dental | 99,404 | \$ 21,124,853 | 953 | \$ 212.52 | 149,804 | \$ 27,963,782 | 1,089 | \$ 186.67 | \$ 16.83 |
| Residential Treatment Center | 484 | \$ 310,697 | 5 | \$ 641.97 | 775 | \$ 386,121 | 6 | \$ 488.07 | \$ 0.23 |
| Long Term Care | 186 | \$ 198,072 | 2 | \$ 1,062.41 | 138 | \$ 140,888 | 1 | \$ 1,017.48 | \$ 0.09 |
| Other (DME, Home Health, Vision, Lab. & X-Ray) | 190,106 | \$ 14,896,602 | 1,823 | \$ 78.36 | 285,091 | \$ 24,174,554 | 2,144 | \$ 81.92 | \$ 14.64 |
| Subtotal** | | \$ 253,250,628 | | \$ 202.35 | | \$ 389,200,130 | | \$ | \$ 235.69 |

** Subtotal may not equal sum of individual category of services due to rounding

5

Financial Data Financial Summaries

At the top of each page, the fiscal year and rate cell are listed. Below this information is the MMs associated with each rate cell. The MMs listed on the financial data pages are carried forward from the encounter data summaries for FY10 in order to capture the Health Right enrollment. For FY11, the MMs reflect the data reported by the MCOs.

Note the Data Book pages are arranged by first delineating the experience for the twelve Medicaid rate cells followed by an overall Medicaid summary. Following those pages are the experience for the six program code 775 rate cells followed by a 775-specific subtotal and finally an overall DCHFP summary.

The remaining columns on each page are described below:

- **COS** — As described in Section 2, each of the covered services is listed
- **Units** — Utilization for each service line item. This represents the number of visits, days, or services for each category (see chart in Section 3) calculated as the utilization per 1000 multiplied by the total MMs divided by 12,000
- **Expenses** — Amount paid for each service line item calculated as the total MMs from the encounter data multiplied by the PMPM. As stated previously, these amounts are based on date of service, not date of payment
- **Utilization Per 1,000** — Annual utilization for each service divided by MMs multiplied by 12,000. This is based on the data collected from Chartered and Unison adjusted for the differential for Health Right.
- **Unit Cost** — Average cost of each service line item; expenses divided by the utilization of services delivered
- **PMPM** — Expenses divided by MMs based on the data collected from Chartered and Unison adjusted for the PMPM differential for Health Right

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: Less Than 1 Male and Female

| Member Months | August 2009 - July 2010 | | | | | August 2010 - July 2011 | | | | |
|---|-------------------------|----------------------|------------|------------------|-----------|-------------------------|----------------------|------------|------------------|-----------|
| | Units | Expenses | Utiliz,000 | Unit Cost | PMPM | Units | Expenses | Utiliz,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 6,361 | \$ 6,355,324 | 1,326 | \$ 995.07 | \$ 110.40 | 4,700 | \$ 6,952,305 | 987 | \$ 1,479.09 | \$ 122.83 |
| Inpatient Hospital - Mental Health | 17 | \$ 186 | 4 | \$ 11.02 | \$ 0.00 | 6 | \$ 212 | 1 | \$ 38.27 | \$ 0.00 |
| Outpatient Hospital - Physical Health (ER Excluded) | 5,094 | \$ 1,296,528 | 1,062 | \$ 254.53 | \$ 22.52 | 3,781 | \$ 1,101,612 | 802 | \$ 291.32 | \$ 19.46 |
| Outpatient Hospital - Mental Health | 5 | \$ 1,405 | 1 | \$ 282.72 | \$ 0.02 | 1 | \$ 68 | 0 | \$ 68.20 | \$ 0.00 |
| Emergency Room | 6,252 | \$ 2,716,295 | 1,303 | \$ 434.46 | \$ 47.18 | 6,611 | \$ 3,368,660 | 1,402 | \$ 509.57 | \$ 59.52 |
| Physician - Physical Health | 39,801 | \$ 2,919,857 | 8,296 | \$ 73.36 | \$ 50.72 | 33,732 | \$ 2,588,646 | 7,152 | \$ 76.74 | \$ 45.74 |
| Physician - Mental Health | 18 | \$ 5,438 | 4 | \$ 302.19 | \$ 0.09 | 18 | \$ 6,227 | 4 | \$ 345.98 | \$ 0.11 |
| Pharmacy | 15,923 | \$ 663,582 | 3,319 | \$ 41.67 | \$ 11.53 | 14,815 | \$ 696,467 | 3,141 | \$ 47.01 | \$ 12.30 |
| Transportation | 2,646 | \$ 130,842 | 552 | \$ 49.44 | \$ 2.27 | 2,791 | \$ 172,039 | 592 | \$ 61.64 | \$ 3.04 |
| Dental | 90 | \$ 7,353 | 19 | \$ 81.89 | \$ 0.13 | 104 | \$ 7,842 | 22 | \$ 75.69 | \$ 0.14 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab. & X-Ray) | 56,300 | \$ 482,982 | 11,736 | \$ 8.58 | \$ 8.39 | 43,126 | \$ 646,932 | 9,143 | \$ 15.00 | \$ 11.43 |
| Subtotal** | | \$ 14,579,793 | | \$ 253.26 | | | \$ 15,541,009 | | \$ 274.57 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 1-12 Male and Female

August 2010 - July 2011

August 2009 - July 2010

| Member Months | 508,697 | | | | | 530,822 | | | | |
|---|---------------------|---------------|----------|-------------|-----------|---------|---------------|----------|-------------|-----------|
| | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost |
| Inpatient Hospital - Physical Health | 8,466 | \$ 13,607,361 | 200 | \$ 1,607.27 | \$ 26.75 | 8,453 | \$ 13,673,568 | 191 | \$ 1,617.63 | \$ 25.76 |
| Inpatient Hospital - Mental Health | 10,692 | \$ 2,340,759 | 252 | \$ 218.93 | \$ 4.60 | 11,805 | \$ 1,856,494 | 267 | \$ 157.26 | \$ 3.50 |
| Outpatient Hospital - Physical Health (ER Excluded) | 28,374 | \$ 7,322,923 | 669 | \$ 258.08 | \$ 14.40 | 24,801 | \$ 7,958,573 | 561 | \$ 320.90 | \$ 14.69 |
| Outpatient Hospital - Mental Health | 26 | \$ 6,923 | 1 | \$ 265.80 | \$ 0.01 | 17 | \$ 1,526 | 0 | \$ 89.80 | \$ 0.00 |
| Emergency Room | 31,768 | \$ 12,800,651 | 749 | \$ 406.10 | \$ 25.36 | 39,908 | \$ 17,911,385 | 902 | \$ 448.81 | \$ 33.74 |
| Physician - Physical Health | 154,722 | \$ 12,850,024 | 3,650 | \$ 83.05 | \$ 25.26 | 149,989 | \$ 11,878,417 | 3,391 | \$ 79.86 | \$ 22.57 |
| Physician - Mental Health | 1,614 | \$ 158,848 | 38 | \$ 98.44 | \$ 0.31 | 3,957 | \$ 547,561 | 89 | \$ 138.37 | \$ 1.03 |
| Pharmacy | 143,040 | \$ 5,314,612 | 3,374 | \$ 37.15 | \$ 10.45 | 151,237 | \$ 5,841,287 | 3,419 | \$ 38.62 | \$ 11.00 |
| Transportation | 31,590 | \$ 711,910 | 744 | \$ 22.56 | \$ 1.40 | 26,411 | \$ 784,100 | 597 | \$ 29.69 | \$ 1.48 |
| Dental | 66,808 | \$ 10,651,183 | 1,576 | \$ 162.42 | \$ 21.33 | 67,744 | \$ 10,144,660 | 1,531 | \$ 148.75 | \$ 19.11 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 192,525 | \$ 2,253,388 | 4,542 | \$ 11.70 | \$ 4.43 | 167,595 | \$ 3,647,910 | 3,789 | \$ 21.77 | \$ 6.87 |
| Subtotal ** | | \$ 68,318,480 | | \$ 134.30 | | | \$ 74,345,510 | | \$ 140.06 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 13-18 Female

August 2009 - July 2010

August 2010 - July 2011

| Member Months | 113,482 | | | | 111,652 | | | | | |
|---|---------|----------------------|----------|------------------|----------|--------|----------------------|----------|------------------|----------|
| | Units | Expenses | UH/1,000 | Unit Cost | PMPM | Units | Expenses | UH/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 3,790 | \$ 3,100,038 | 401 | \$ 817.87 | \$ 27.32 | 2,565 | \$ 2,753,313 | 276 | \$ 1,073.39 | \$ 24.66 |
| Inpatient Hospital - Mental Health | 3,908 | \$ 2,113,620 | 413 | \$ 540.84 | \$ 18.62 | 5,066 | \$ 1,446,934 | 545 | \$ 285.58 | \$ 12.96 |
| Outpatient Hospital - Physical Health (ER Excluded) | 9,010 | \$ 1,980,249 | 953 | \$ 218.79 | \$ 17.45 | 7,714 | \$ 2,427,516 | 829 | \$ 314.69 | \$ 21.74 |
| Outpatient Hospital - Mental Health | 1 | \$ 199 | 0 | \$ 199.64 | \$ 0.00 | 10 | \$ 3,034 | 1 | \$ 303.47 | \$ 0.03 |
| Emergency Room | 6,759 | \$ 3,041,935 | 715 | \$ 450.05 | \$ 26.80 | 7,077 | \$ 4,074,961 | 761 | \$ 575.74 | \$ 36.49 |
| Physician - Physical Health | 39,087 | \$ 3,255,829 | 4,133 | \$ 83.30 | \$ 28.69 | 33,246 | \$ 2,900,349 | 3,573 | \$ 87.24 | \$ 25.98 |
| Physician - Mental Health | 488 | \$ 53,300 | 52 | \$ 108.20 | \$ 0.47 | 978 | \$ 84,803 | 105 | \$ 86.73 | \$ 0.76 |
| Pharmacy | 41,870 | \$ 1,294,045 | 4,427 | \$ 30.81 | \$ 11.40 | 42,338 | \$ 1,282,989 | 4,550 | \$ 30.54 | \$ 11.58 |
| Transportation | 7,230 | \$ 209,343 | 764 | \$ 28.96 | \$ 1.84 | 7,317 | \$ 242,589 | 786 | \$ 33.15 | \$ 2.17 |
| Dental | 16,793 | \$ 3,578,592 | 1,776 | \$ 213.10 | \$ 31.53 | 18,022 | \$ 3,609,895 | 1,937 | \$ 200.29 | \$ 32.33 |
| Residential Treatment Center | 11 | \$ 15,565 | 1 | \$ 1,477.50 | \$ 0.14 | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 85,902 | \$ 1,059,883 | 9,083 | \$ 12.34 | \$ 9.34 | 70,731 | \$ 1,404,521 | 7,602 | \$ 19.86 | \$ 12.58 |
| Subtotal ** | | \$ 19,702,997 | | \$ 173.60 | | | \$ 20,240,305 | | \$ 181.28 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 13-18 Male

August 2009 - July 2010

August 2010 - July 2011

101,370

99,920

| Category of Service | August 2009 - July 2010 | | | | August 2010 - July 2011 | | | | |
|---|-------------------------|----------------------|------------|------------------|-------------------------|----------------------|------------|------------------|----------|
| | Units | Expenses | Util/1,000 | Unit Cost | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 2,016 | \$ 3,128,016 | 239 | \$ 1,551.88 | 2,394 | \$ 3,510,972 | 287 | \$ 1,466.87 | \$ 35.14 |
| Inpatient Hospital - Mental Health | 3,299 | \$ 2,029,453 | 391 | \$ 615.14 | 4,319 | \$ 2,083,710 | 519 | \$ 482.42 | \$ 20.85 |
| Outpatient Hospital - Physical Health (ER Excluded) | 3,899 | \$ 1,233,328 | 462 | \$ 316.31 | 3,568 | \$ 1,462,698 | 431 | \$ 407.64 | \$ 14.64 |
| Outpatient Hospital - Mental Health | 11 | \$ 1,759 | 1 | \$ 167.22 | 9 | \$ 1,593 | 1 | \$ 175.94 | \$ 0.02 |
| Emergency Room | 4,366 | \$ 1,905,688 | 519 | \$ 434.48 | 4,398 | \$ 2,307,367 | 528 | \$ 524.66 | \$ 23.09 |
| Physician - Physical Health | 20,351 | \$ 1,848,529 | 2,409 | \$ 90.83 | 17,361 | \$ 1,593,129 | 2,085 | \$ 91.76 | \$ 15.94 |
| Physician - Mental Health | 479 | \$ 118,849 | 57 | \$ 248.01 | 990 | \$ 146,173 | 119 | \$ 147.68 | \$ 1.46 |
| Pharmacy | 19,276 | \$ 1,410,260 | 2,282 | \$ 73.16 | 20,895 | \$ 1,274,811 | 2,508 | \$ 61.01 | \$ 12.76 |
| Transportation | 4,331 | \$ 136,876 | 513 | \$ 31.63 | 4,459 | \$ 138,875 | 535 | \$ 31.15 | \$ 1.39 |
| Dental | 11,532 | \$ 2,418,612 | 1,365 | \$ 208.74 | 12,261 | \$ 2,488,315 | 1,473 | \$ 202.94 | \$ 24.90 |
| Residential Treatment Center | - | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 40,680 | \$ 525,485 | 4,817 | \$ 12.91 | 35,698 | \$ 739,897 | 4,287 | \$ 20.73 | \$ 7.40 |
| Subtotal ** | | \$ 14,756,954 | | \$ 145.58 | | \$ 15,747,551 | | \$ 157.60 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

Medicaid: 19-36 Female

August 2009 - July 2010

August 2010 - July 2011

232,799

292,347

| Category of Service | August 2009 - July 2010 | | | | August 2010 - July 2011 | | | | |
|---|-------------------------|----------------------|------------|------------------|-------------------------|----------------------|------------|------------------|----------|
| | Units | Expenses | Util/1,000 | Unit Cost | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 13,619 | \$ 8,941,906 | 702 | \$ 656.59 | 12,468 | \$ 10,625,478 | 512 | \$ 862.24 | \$ 36.35 |
| Inpatient Hospital - Mental Health | 5,309 | \$ 1,065,219 | 274 | \$ 200.64 | 6,599 | \$ 1,357,283 | 271 | \$ 205.70 | \$ 4.64 |
| Outpatient Hospital - Physical Health (ER Excluded) | 26,777 | \$ 5,288,322 | 1,380 | \$ 197.50 | 32,292 | \$ 7,468,782 | 1,326 | \$ 231.29 | \$ 25.55 |
| Outpatient Hospital - Mental Health | 15 | \$ 1,829 | 1 | \$ 122.87 | 51 | \$ 4,239 | 2 | \$ 83.14 | \$ 0.01 |
| Emergency Room | 26,725 | \$ 10,823,073 | 1,378 | \$ 404.87 | 33,524 | \$ 15,324,281 | 1,376 | \$ 457.12 | \$ 52.42 |
| Physician - Physical Health | 127,626 | \$ 12,775,355 | 6,579 | \$ 100.10 | 132,270 | \$ 14,623,758 | 5,429 | \$ 110.56 | \$ 50.02 |
| Physician - Mental Health | 788 | \$ 86,233 | 41 | \$ 109.48 | 1,414 | \$ 149,259 | 58 | \$ 105.58 | \$ 0.51 |
| Pharmacy | 163,834 | \$ 6,053,301 | 8,445 | \$ 36.85 | 214,406 | \$ 8,440,245 | 8,801 | \$ 38.37 | \$ 28.87 |
| Transportation | 16,289 | \$ 819,737 | 839 | \$ 50.38 | 19,352 | \$ 984,878 | 794 | \$ 51.41 | \$ 3.40 |
| Dental | 20,279 | \$ 3,732,568 | 1,045 | \$ 184.06 | 26,580 | \$ 4,701,497 | 1,091 | \$ 176.88 | \$ 16.08 |
| Residential Treatment Center | 53 | \$ 80,712 | 3 | \$ 1,532.61 | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ 8,683 | - | \$ - | 31 | \$ 16,021 | 1 | \$ 525.00 | \$ 0.05 |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 356,385 | \$ 3,652,921 | 18,370 | \$ 10.25 | 385,197 | \$ 4,995,698 | 15,811 | \$ 12.97 | \$ 17.09 |
| Subtotal ** | | \$ 53,329,880 | | \$ 229.08 | | \$ 68,701,631 | | \$ 235.00 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFDP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

Medicaid: 19-36 Male

August 2010 - July 2011

August 2009 - July 2010

| Member Months | 57,513 | | | | 151,320 | | | | | |
|---|--------|---------------------|------------|------------------|----------|--------|----------------------|------------|------------------|----------|
| Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 1,902 | \$ 2,562,909 | 397 | \$ 1,347.18 | \$ 44.56 | 4,904 | \$ 7,548,832 | 388 | \$ 1,538.47 | \$ 48.88 |
| Inpatient Hospital - Mental Health | 878 | \$ 304,871 | 183 | \$ 347.31 | \$ 5.30 | 1,812 | \$ 641,829 | 144 | \$ 354.35 | \$ 4.24 |
| Outpatient Hospital - Physical Health (ER Excluded) | 1,826 | \$ 636,972 | 381 | \$ 348.82 | \$ 11.08 | 5,041 | \$ 1,679,456 | 400 | \$ 331.94 | \$ 11.06 |
| Outpatient Hospital - Mental Health | 6 | \$ 1,080 | 1 | \$ 180.44 | \$ 0.02 | 32 | \$ 3,480 | 3 | \$ 108.77 | \$ 0.02 |
| Emergency Room | 4,040 | \$ 1,315,452 | 843 | \$ 325.64 | \$ 22.87 | 12,083 | \$ 4,532,523 | 958 | \$ 375.13 | \$ 28.95 |
| Physician - Physical Health | 10,824 | \$ 1,188,191 | 2,258 | \$ 110.79 | \$ 20.85 | 25,189 | \$ 2,935,861 | 1,998 | \$ 116.68 | \$ 18.42 |
| Physician - Mental Health | 195 | \$ 25,670 | 41 | \$ 131.62 | \$ 0.45 | 768 | \$ 85,580 | 61 | \$ 108.85 | \$ 0.55 |
| Pharmacy | 12,432 | \$ 853,130 | 2,594 | \$ 76.67 | \$ 16.57 | 43,597 | \$ 4,595,134 | 3,457 | \$ 105.35 | \$ 30.35 |
| Transportation | 1,091 | \$ 97,689 | 228 | \$ 89.52 | \$ 1.70 | 2,174 | \$ 278,741 | 172 | \$ 128.24 | \$ 1.84 |
| Dental | 3,501 | \$ 688,933 | 730 | \$ 197.09 | \$ 12.00 | 9,327 | \$ 1,796,687 | 740 | \$ 192.64 | \$ 11.87 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ 1,626 | - | \$ - | \$ 0.03 | 105 | \$ 33,051 | 8 | \$ 315.89 | \$ 0.22 |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 33,241 | \$ 327,962 | 6,936 | \$ 9.87 | \$ 5.70 | 75,556 | \$ 1,141,094 | 5,992 | \$ 15.10 | \$ 7.54 |
| Subtotal** | | \$ 8,116,484 | | \$ 141.12 | | | \$ 25,265,468 | | \$ 166.97 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

Medicaid: 37-49 Female

August 2009 - July 2010

August 2010 - July 2011

| Member Months | Category of Service | 94,181 | | | | 125,573 | | | | | |
|---------------|---|---------|----------------------|------------|------------------|-----------|----------|----------------------|-----------|-------------|------------------|
| | | Units | Expenses | Util/1,000 | Unit Cost | Units | Expenses | Util/1,000 | Unit Cost | PMPM | |
| | Inpatient Hospital - Physical Health | 9,842 | \$ 9,452,831 | 1,254 | \$ 960.50 | \$ 100.37 | 11,649 | \$ 12,373,776 | 1,104 | \$ 1,062.18 | \$ 97.68 |
| | Inpatient Hospital - Mental Health | 3,580 | \$ 492,205 | 456 | \$ 137.47 | \$ 5.23 | 4,489 | \$ 744,478 | 425 | \$ 165.84 | \$ 5.88 |
| | Outpatient Hospital - Physical Health (ER Excluded) | 14,725 | \$ 5,728,305 | 1,876 | \$ 389.03 | \$ 60.82 | 20,293 | \$ 7,655,162 | 1,822 | \$ 377.24 | \$ 60.43 |
| | Outpatient Hospital - Mental Health | 18 | \$ 2,000 | 2 | \$ 108.82 | \$ 0.02 | 35 | \$ 3,958 | 3 | \$ 113.14 | \$ 0.03 |
| | Emergency Room | 9,894 | \$ 4,264,903 | 1,261 | \$ 431.04 | \$ 45.28 | 13,762 | \$ 6,528,659 | 1,304 | \$ 474.39 | \$ 51.54 |
| | Physician - Physical Health | 62,563 | \$ 6,743,489 | 7,971 | \$ 107.79 | \$ 71.60 | 73,609 | \$ 9,227,638 | 6,973 | \$ 125.36 | \$ 72.85 |
| | Physician - Mental Health | 574 | \$ 66,125 | 73 | \$ 115.14 | \$ 0.70 | 1,342 | \$ 131,541 | 127 | \$ 98.04 | \$ 1.04 |
| | Pharmacy | 148,704 | \$ 7,114,947 | 18,947 | \$ 47.85 | \$ 75.55 | 220,927 | \$ 10,594,028 | 20,928 | \$ 47.95 | \$ 83.63 |
| | Transportation | 13,283 | \$ 438,027 | 1,692 | \$ 32.83 | \$ 4.63 | 21,874 | \$ 450,041 | 2,072 | \$ 20.57 | \$ 3.55 |
| | Dental | 8,252 | \$ 1,499,593 | 1,051 | \$ 181.73 | \$ 15.92 | 12,036 | \$ 2,196,168 | 1,140 | \$ 182.47 | \$ 17.34 |
| | Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ 4,229 | - | \$ - | \$ 0.04 | 211 | \$ 68,718 | 20 | \$ 325.00 | \$ 0.54 |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | 187,729 | \$ 1,823,818 | 23,919 | \$ 9.72 | \$ 19.37 | 225,804 | \$ 2,740,798 | 21,391 | \$ 12.14 | \$ 21.64 |
| | Subtotal ** | | \$ 37,629,482 | | \$ 399.53 | | | \$ 52,714,965 | | | \$ 416.15 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

Medicaid: 37-49 Male

August 2009 - July 2010

August 2010 - July 2011

23,426

94,351

Member Months

| Category of Service | Units | Expenses | Utiliz,000 | Unit Cost | PMPM | Units | Expenses | Utiliz,000 | Unit Cost | PMPM |
|---|--------|---------------------|------------|------------------|----------|--------|----------------------|------------|------------------|-----------|
| Inpatient Hospital - Physical Health | 2,212 | \$ 2,009,996 | 1,133 | \$ 908.48 | \$ 85.80 | 6,727 | \$ 10,155,183 | 856 | \$ 1,508.80 | \$ 107.64 |
| Inpatient Hospital - Mental Health | 409 | \$ 61,202 | 209 | \$ 148.76 | \$ 2.61 | 1,890 | \$ 795,014 | 240 | \$ 421.15 | \$ 8.44 |
| Outpatient Hospital - Physical Health (ER Excluded) | 1,961 | \$ 697,510 | 1,005 | \$ 355.69 | \$ 29.78 | 7,848 | \$ 2,289,881 | 998 | \$ 291.78 | \$ 24.27 |
| Outpatient Hospital - Mental Health | 5 | \$ 426 | 2 | \$ 91.72 | \$ 0.02 | 61 | \$ 13,569 | 8 | \$ 222.49 | \$ 0.14 |
| Emergency Room | 1,951 | \$ 704,087 | 1,004 | \$ 359.09 | \$ 30.06 | 9,567 | \$ 3,744,942 | 1,217 | \$ 391.43 | \$ 38.69 |
| Physician - Physical Health | 8,103 | \$ 983,452 | 4,151 | \$ 121.36 | \$ 41.98 | 31,126 | \$ 4,005,276 | 3,959 | \$ 128.68 | \$ 42.45 |
| Physician - Mental Health | 209 | \$ 20,039 | 107 | \$ 95.77 | \$ 0.86 | 1,101 | \$ 124,888 | 140 | \$ 113.45 | \$ 1.32 |
| Pharmacy | 17,863 | \$ 859,192 | 8,150 | \$ 48.10 | \$ 36.68 | 86,686 | \$ 6,407,873 | 11,025 | \$ 73.92 | \$ 67.92 |
| Transportation | 608 | \$ 54,165 | 312 | \$ 88.06 | \$ 2.31 | 3,771 | \$ 190,619 | 480 | \$ 50.54 | \$ 2.02 |
| Dental | 1,837 | \$ 288,072 | 941 | \$ 156.78 | \$ 12.30 | 7,231 | \$ 1,393,081 | 820 | \$ 192.64 | \$ 14.76 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | \$ - | 154 | \$ 48,854 | 20 | \$ 317.91 | \$ 0.52 |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 34,117 | \$ 294,408 | 17,476 | \$ 8.63 | \$ 12.57 | 94,343 | \$ 1,263,951 | 11,999 | \$ 13.40 | \$ 13.40 |
| Subtotal ** | | \$ 5,974,550 | | \$ 254.95 | | | \$ 30,435,141 | | \$ 322.57 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 50+ Female

August 2009 - July 2010

August 2010 - July 2011

| Member Months | 34,658 | | | | 80,630 | | | | | |
|---|---------------------|----------------------|----------|------------------|-----------|---------|----------------------|-----------|------------------|-----------|
| | Category of Service | Units | Expenses | Unit Cost | PM/PM | Units | Expenses | Unit Cost | PM/PM | |
| Inpatient Hospital - Physical Health | 5,602 | \$ 6,481,429 | 1,939 | \$ 1,157.08 | \$ 187.01 | 9,588 | \$ 13,211,755 | 1,424 | \$ 1,380.85 | \$ 163.86 |
| Inpatient Hospital - Mental Health | 1,314 | \$ 206,758 | 455 | \$ 157.34 | \$ 5.97 | 2,669 | \$ 400,017 | 397 | \$ 149.89 | \$ 4.96 |
| Outpatient Hospital - Physical Health (ER Excluded) | 7,918 | \$ 2,988,272 | 2,742 | \$ 377.39 | \$ 86.22 | 18,123 | \$ 6,885,648 | 2,697 | \$ 379.94 | \$ 85.40 |
| Outpatient Hospital - Mental Health | 2 | \$ 489 | 1 | \$ 212.94 | \$ 0.01 | 26 | \$ 2,603 | 4 | \$ 100.14 | \$ 0.03 |
| Emergency Room | 3,052 | \$ 1,300,521 | 1,057 | \$ 426.08 | \$ 37.52 | 7,560 | \$ 3,593,849 | 1,125 | \$ 487.46 | \$ 43.53 |
| Physician - Physical Health | 28,840 | \$ 3,313,917 | 9,985 | \$ 114.91 | \$ 95.62 | 60,082 | \$ 8,054,649 | 8,942 | \$ 134.06 | \$ 99.90 |
| Physician - Mental Health | 274 | \$ 30,620 | 95 | \$ 111.64 | \$ 0.88 | 928 | \$ 85,332 | 198 | \$ 91.97 | \$ 1.06 |
| Pharmacy | 88,331 | \$ 3,504,918 | 30,584 | \$ 38.68 | \$ 101.13 | 226,665 | \$ 8,132,951 | 33,764 | \$ 35.85 | \$ 100.87 |
| Transportation | 6,563 | \$ 185,068 | 2,273 | \$ 28.20 | \$ 5.34 | 14,696 | \$ 260,445 | 2,187 | \$ 17.72 | \$ 3.23 |
| Dental | 3,139 | \$ 550,257 | 1,087 | \$ 175.31 | \$ 15.88 | 7,830 | \$ 1,519,067 | 1,165 | \$ 194.01 | \$ 18.84 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ 651 | - | \$ - | \$ 0.02 | 166 | \$ 65,148 | 25 | \$ 393.26 | \$ 0.81 |
| Other (DME, Home Health, Vision, Lab. & X-Ray) | 93,467 | \$ 879,533 | 32,362 | \$ 9.41 | \$ 25.38 | 180,310 | \$ 2,224,364 | 26,835 | \$ 12.34 | \$ 27.59 |
| Subtotal ** | | \$ 19,442,432 | | \$ 560.98 | | | \$ 44,375,830 | | \$ 550.37 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: Medicaid: 50+ Male

August 2010 - July 2011

August 2009 - July 2010

| Member Months | Category of Service | 24,737 | | | | 83,832 | | | | | |
|---------------|---|--------|--------------|-----------|-----------|-----------|---------|---------------|-----------|-------------|-----------|
| | | Units | Expenses | UHI/1,000 | Unit Cost | PMPM | Units | Expenses | UHI/1,000 | Unit Cost | PMPM |
| | Inpatient Hospital - Physical Health | 2,856 | \$ 2,807,823 | 1,434 | \$ 949.85 | \$ 113.51 | 9,994 | \$ 14,294,939 | 1,431 | \$ 1,430.41 | \$ 170.52 |
| | Inpatient Hospital - Mental Health | 447 | \$ 60,406 | 217 | \$ 135.27 | \$ 2.44 | 1,526 | \$ 363,627 | 216 | \$ 238.34 | \$ 4.34 |
| | Outpatient Hospital - Physical Health (ER Excluded) | 2,946 | \$ 1,113,455 | 1,429 | \$ 377.97 | \$ 45.01 | 10,564 | \$ 4,016,084 | 1,512 | \$ 380.18 | \$ 47.91 |
| | Outpatient Hospital - Mental Health | 17 | \$ 1,790 | 8 | \$ 105.13 | \$ 0.07 | 60 | \$ 18,330 | 9 | \$ 305.55 | \$ 0.22 |
| | Emergency Room | 2,030 | \$ 702,877 | 985 | \$ 346.30 | \$ 28.41 | 7,794 | \$ 3,122,048 | 1,116 | \$ 400.57 | \$ 37.24 |
| | Physician - Physical Health | 12,951 | \$ 1,563,524 | 6,283 | \$ 120.72 | \$ 63.21 | 42,978 | \$ 6,304,922 | 6,152 | \$ 146.70 | \$ 75.21 |
| | Physician - Mental Health | 139 | \$ 20,118 | 67 | \$ 145.21 | \$ 0.81 | 1,091 | \$ 123,093 | 156 | \$ 112.85 | \$ 1.47 |
| | Pharmacy | 33,831 | \$ 1,729,440 | 16,460 | \$ 50.97 | \$ 69.31 | 133,296 | \$ 7,088,844 | 19,081 | \$ 53.18 | \$ 84.56 |
| | Transportation | 1,637 | \$ 91,863 | 794 | \$ 56.13 | \$ 3.71 | 6,290 | \$ 223,830 | 900 | \$ 35.59 | \$ 2.67 |
| | Dental | 2,083 | \$ 345,518 | 1,016 | \$ 165.05 | \$ 13.97 | 7,283 | \$ 1,575,119 | 1,043 | \$ 216.27 | \$ 18.79 |
| | Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ 18,942 | - | \$ - | \$ 0.77 | 300 | \$ 100,543 | 43 | \$ 335.45 | \$ 1.20 |
| | Other (DME, Home Health, Vision, Lab. & X-Ray) | 44,619 | \$ 418,692 | 21,645 | \$ 9.38 | \$ 16.93 | 119,458 | \$ 1,902,408 | 17,100 | \$ 15.93 | \$ 22.69 |
| | Subtotal ** | | \$ 8,874,448 | | \$ 358.75 | | | \$ 39,133,786 | | \$ 466.61 | |

** Subtotal may not equal sum of individual category of services due to rounding

Rate Cell: Medicaid: Infants Month of Birth

August 2010 - July 2011

August 2009 - July 2010

| Member Months | 3,115 | | | | | | 3,427 | | | | | |
|---|---------------------|----------------------|----------|------------|--------------------|--------|----------------------|----------|------------|--------------------|------|--|
| | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM | |
| Inpatient Hospital - Physical Health | 13,520 | \$ 10,285,254 | 52,085 | \$ 759.25 | \$ 3,295.44 | 14,774 | \$ 10,410,584 | 51,732 | \$ 704.66 | \$ 3,037.81 | | |
| Inpatient Hospital - Mental Health | - | \$ - | - | \$ - | \$ - | 1 | \$ 4 | 4 | \$ - | \$ - | | |
| Outpatient Hospital - Physical Health (ER Excluded) | 487 | \$ 103,761 | 1,875 | \$ 213.14 | \$ 33.31 | 432 | \$ 90,889 | 1,513 | \$ 210.32 | \$ 26.52 | | |
| Outpatient Hospital - Mental Health | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - | | |
| Emergency Room | 360 | \$ 132,558 | 1,387 | \$ 368.12 | \$ 42.55 | 387 | \$ 180,466 | 1,354 | \$ 466.71 | \$ 52.66 | | |
| Physician - Physical Health | 4,827 | \$ 358,382 | 18,594 | \$ 74.25 | \$ 115.05 | 4,480 | \$ 440,356 | 15,686 | \$ 98.30 | \$ 128.50 | | |
| Physician - Mental Health | 5 | \$ 1,554 | 18 | \$ 341.97 | \$ 0.50 | - | \$ - | - | \$ - | \$ - | | |
| Pharmacy | 634 | \$ 19,036 | 3,212 | \$ 22.83 | \$ 6.11 | 1,384 | \$ 24,387 | 4,847 | \$ 17.62 | \$ 7.12 | | |
| Transportation | 177 | \$ 8,793 | 683 | \$ 55.24 | \$ 3.14 | 174 | \$ 9,905 | 610 | \$ 56.85 | \$ 2.89 | | |
| Dental | 2 | \$ 182 | 9 | \$ 80.00 | \$ 0.06 | - | \$ - | - | \$ - | \$ - | | |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - | | |
| Long Term Care | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - | | |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 4,577 | \$ 76,473 | 17,631 | \$ 17.15 | \$ 25.19 | 3,495 | \$ 103,740 | 12,239 | \$ 29.68 | \$ 30.27 | | |
| Subtotal ** | | \$ 10,969,033 | | | \$ 3,521.36 | | \$ 11,260,336 | | | \$ 3,285.77 | | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

Medicaid: Mothers Month of Delivery

August 2009 - July 2010

August 2010 - July 2011

| Category of Service | 2,968 | | | | 3,393 | | | | | |
|---|--------|----------------------|------------|--------------------|-------------|--------|----------------------|------------|--------------------|-------------|
| | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 13,104 | \$ 16,652,180 | 52,981 | \$ 1,270.78 | \$ 5,610.57 | 14,460 | \$ 21,068,953 | 51,141 | \$ 1,457.04 | \$ 6,209.54 |
| Inpatient Hospital - Mental Health | - | \$ - | - | \$ - | \$ - | 2 | \$ 4,626 | 7 | \$ 2,313.51 | \$ 1.36 |
| Outpatient Hospital - Physical Health (ER Excluded) | 7,227 | \$ 2,624,543 | 29,218 | \$ 363.17 | \$ 684.28 | 7,832 | \$ 2,863,384 | 27,689 | \$ 365.60 | \$ 843.91 |
| Outpatient Hospital - Mental Health | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Emergency Room | 1,904 | \$ 1,046,583 | 7,697 | \$ 549.79 | \$ 352.62 | 2,162 | \$ 1,602,429 | 7,647 | \$ 741.11 | \$ 472.28 |
| Physician - Physical Health | 11,084 | \$ 1,675,113 | 44,813 | \$ 151.13 | \$ 564.39 | 11,139 | \$ 2,359,062 | 39,384 | \$ 211.78 | \$ 685.27 |
| Physician - Mental Health | 4 | \$ 2,306 | 17 | \$ 548.74 | \$ 0.78 | 12 | \$ 1,312 | 42 | \$ 106.40 | \$ 0.39 |
| Pharmacy | 621 | \$ 141 | 2,510 | \$ 0.23 | \$ 0.05 | 1,288 | \$ 1,056 | 4,554 | \$ 0.82 | \$ 0.31 |
| Transportation | 274 | \$ 17,015 | 1,109 | \$ 62.03 | \$ 5.73 | 218 | \$ 3,631 | 772 | \$ 16.64 | \$ 1.07 |
| Dental | 12 | \$ 2,788 | 47 | \$ 241.18 | \$ 0.94 | 22 | \$ 5,584 | 79 | \$ 251.27 | \$ 1.65 |
| Residential Treatment Center | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ - | - | \$ - | \$ - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 2,414 | \$ 331,766 | 9,761 | \$ 137.43 | \$ 111.78 | 2,198 | \$ 486,950 | 7,775 | \$ 221.51 | \$ 143.52 |
| Subtotal** | | \$ 22,352,435 | | \$ 7,531.14 | | | \$ 28,396,989 | | \$ 8,369.29 | |

** Subtotal may not equal sum of individual category of services due to rounding

DEPARTMENT OF HEALTH CARE FINANCE

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

Rate Cell: Medicaid Overall

August 2010 - July 2011

August 2009 - July 2010

| Member Months | August 2010 - July 2011 | | | | August 2009 - July 2010 | | | | | |
|---|-------------------------|----------------|------------|-------------|-------------------------|-----------|----------------|------------|-------------|----------|
| | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | 83,390 | \$ 85,365,106 | 800 | \$ 1,023.68 | \$ 68.21 | 102,655 | \$ 126,860,677 | 755 | \$ 1,233.07 | \$ 77.56 |
| Inpatient Hospital - Mental Health | 29,852 | \$ 8,674,680 | 286 | \$ 290.59 | \$ 6.93 | 40,184 | \$ 9,895,324 | 296 | \$ 241.28 | \$ 5.94 |
| Outpatient Hospital - Physical Health (ER Excluded) | 110,242 | \$ 31,014,068 | 1,057 | \$ 281.33 | \$ 24.78 | 142,310 | \$ 45,893,706 | 1,047 | \$ 322.48 | \$ 28.13 |
| Outpatient Hospital - Mental Health | 105 | \$ 17,888 | 1 | \$ 170.02 | \$ 0.01 | 302 | \$ 52,392 | 2 | \$ 173.52 | \$ 0.03 |
| Emergency Room | 99,131 | \$ 40,854,623 | 950 | \$ 412.13 | \$ 32.64 | 144,833 | \$ 66,231,168 | 1,065 | \$ 457.29 | \$ 40.59 |
| Physician - Physical Health | 520,778 | \$ 49,486,672 | 4,993 | \$ 96.02 | \$ 39.54 | 615,201 | \$ 67,015,164 | 4,525 | \$ 108.93 | \$ 41.07 |
| Physician - Mental Health | 4,767 | \$ 589,099 | 46 | \$ 123.07 | \$ 0.47 | 12,598 | \$ 1,483,769 | 93 | \$ 117.78 | \$ 0.91 |
| Pharmacy | 686,658 | \$ 28,916,624 | 6,584 | \$ 42.11 | \$ 23.10 | 1,157,736 | \$ 54,388,081 | 8,515 | \$ 46.98 | \$ 33.33 |
| Transportation | 85,671 | \$ 2,900,428 | 821 | \$ 33.86 | \$ 2.32 | 109,528 | \$ 3,749,693 | 806 | \$ 34.24 | \$ 2.30 |
| Dental | 134,338 | \$ 23,964,670 | 1,288 | \$ 176.39 | \$ 19.15 | 168,441 | \$ 29,437,727 | 1,239 | \$ 174.77 | \$ 18.04 |
| Residential Treatment Center | 63 | \$ 96,277 | 1 | \$ 1,523.42 | \$ 0.08 | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ 34,130 | - | \$ - | \$ 0.03 | 966 | \$ 332,336 | 7 | \$ 344.16 | \$ 0.20 |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 1,131,966 | \$ 12,129,292 | 10,653 | \$ 10.72 | \$ 9.69 | 1,403,512 | \$ 21,298,463 | 10,323 | \$ 15.18 | \$ 13.05 |
| Subtotal ** | | \$ 284,043,569 | | \$ 226.95 | | | \$ 426,158,501 | | \$ 261.19 | |

** Subtotal may not equal sum of individual category of services due to rounding

DCHF DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: 775 Population: 19-36 Female

Prior Year N/A

December 2010 - July 2011

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|-------------|------------|-------------|------|-------|-------------------|------------|-------------|------------------|
| | Inpatient Hospital - Physical Health | - | \$ - | - | \$ - | - | 165 | \$ 197,757 | 642 | \$ 1,199.59 | \$ 64.14 |
| | Inpatient Hospital - Mental Health | - | \$ - | - | \$ - | - | 48 | \$ 3,075 | 185 | \$ 64.72 | \$ 1.00 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ - | - | \$ - | - | 349 | \$ 57,633 | 1,359 | \$ 165.06 | \$ 18.69 |
| | Outpatient Hospital - Mental Health | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | \$ - |
| | Emergency Room | - | \$ - | - | \$ - | - | 401 | \$ 144,537 | 1,561 | \$ 360.36 | \$ 46.88 |
| | Physician - Physical Health | - | \$ - | - | \$ - | - | 1,630 | \$ 144,217 | 6,344 | \$ 86.48 | \$ 46.78 |
| | Physician - Mental Health | - | \$ - | - | \$ - | - | 34 | \$ 3,362 | 132 | \$ 98.87 | \$ 1.09 |
| | Pharmacy | - | \$ - | - | \$ - | - | 2,452 | \$ 79,680 | 9,544 | \$ 32.50 | \$ 25.84 |
| | Transportation | - | \$ - | - | \$ - | - | - | \$ 5,024 | - | \$ - | \$ 1.63 |
| | Dental | - | \$ - | - | \$ - | - | 366 | \$ 68,133 | 1,425 | \$ 186.16 | \$ 22.10 |
| | Residential Treatment Center | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | \$ - |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ - | - | \$ - | - | 436 | \$ 40,269 | 1,687 | \$ 92.35 | \$ 13.05 |
| | Subtotal ** | | \$ - | | \$ - | | | \$ 743,687 | | \$ - | \$ 241.22 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

775 Population: 19-36 Male

Prior Year: N/A

December 2010 - July 2011

2,912

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|-----------|------------|-----------|------|-------|-------------------|------------|-------------|------------------|
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | 73 | \$ 87,152 | 302 | \$ 1,190.72 | \$ 28.93 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | 36 | \$ 9,175 | 150 | \$ 251.75 | \$ 3.15 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | 134 | \$ 45,502 | 554 | \$ 338.89 | \$ 15.63 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | 2 | \$ 184 | 8 | \$ 91.85 | \$ 0.06 |
| | Emergency Room | - | \$ | - | \$ | - | 292 | \$ 110,012 | 1,204 | \$ 376.57 | \$ 37.78 |
| | Physician - Physical Health | - | \$ | - | \$ | - | 872 | \$ 79,818 | 3,593 | \$ 91.54 | \$ 27.41 |
| | Physician - Mental Health | - | \$ | - | \$ | - | 23 | \$ 3,470 | 65 | \$ 150.88 | \$ 1.19 |
| | Pharmacy | - | \$ | - | \$ | - | 1,620 | \$ 324,583 | 6,675 | \$ 200.39 | \$ 111.46 |
| | Transportation | - | \$ | - | \$ | - | - | \$ 1,263 | - | \$ - | \$ 0.43 |
| | Dental | - | \$ | - | \$ | - | 257 | \$ 45,226 | 1,058 | \$ 176.13 | \$ 15.53 |
| | Residential Treatment Center | - | \$ | - | \$ | - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ | - | \$ | - | - | \$ - | - | \$ - | \$ - |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | \$ | - | 221 | \$ 9,296 | 911 | \$ 42.07 | \$ 3.19 |
| | Subtotal ** | | \$ | | \$ | | | \$ 715,681 | | | \$ 245.77 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: 775 Population: 37,49 Female

Prior Year N/A

December 2010 - July 2011

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|----------|------------|-----------|------|-------|--------------|------------|-------------|-----------|
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | 272 | \$ 273,864 | 993 | \$ 1,005.08 | \$ 63.20 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | 95 | \$ 6,441 | 346 | \$ 67.79 | \$ 1.96 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | 645 | \$ 258,937 | 2,352 | \$ 401.29 | \$ 78.66 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | 4 | \$ 517 | 15 | \$ 128.30 | \$ 0.16 |
| | Emergency Room | - | \$ | - | \$ | - | 367 | \$ 153,759 | 1,339 | \$ 418.44 | \$ 48.71 |
| | Physician - Physical Health | - | \$ | - | \$ | - | 2,449 | \$ 278,379 | 8,928 | \$ 113.68 | \$ 84.56 |
| | Physician - Mental Health | - | \$ | - | \$ | - | 76 | \$ 6,973 | 277 | \$ 91.75 | \$ 2.12 |
| | Pharmacy | - | \$ | - | \$ | - | 6,525 | \$ 334,563 | 23,785 | \$ 51.27 | \$ 101.63 |
| | Transportation | - | \$ | - | \$ | - | 8 | \$ 5,933 | 30 | \$ 730.83 | \$ 1.80 |
| | Dental | - | \$ | - | \$ | - | 351 | \$ 59,366 | 1,280 | \$ 169.01 | \$ 18.03 |
| | Residential Treatment Center | - | \$ | - | \$ | - | - | \$ | - | \$ | \$ |
| | Long Term Care | - | \$ | - | \$ | - | - | \$ | - | \$ | \$ |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | \$ | - | 632 | \$ 55,019 | 2,304 | \$ 87.04 | \$ 16.71 |
| | Subtotal ** | | \$ | | \$ | | | \$ 1,433,770 | | \$ | \$ 435.53 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell:

775 Population: 37-49 Male

Prior Year N/A

December 2010 - July 2011

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|----------|------------|-----------|------|-------|--------------|------------|-------------|-----------|
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | 314 | \$ 499,403 | 1,026 | \$ 1,589.51 | \$ 135.93 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | 120 | \$ 65,371 | 393 | \$ 543.08 | \$ 17.79 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | 345 | \$ 176,562 | 1,127 | \$ 511.69 | \$ 48.06 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | 1 | \$ 43 | 3 | \$ 43.07 | \$ 0.01 |
| | Emergency Room | - | \$ | - | \$ | - | 387 | \$ 142,518 | 1,297 | \$ 356.97 | \$ 38.79 |
| | Physician - Physical Health | - | \$ | - | \$ | - | 1,936 | \$ 204,161 | 6,324 | \$ 105.44 | \$ 55.57 |
| | Physician - Mental Health | - | \$ | - | \$ | - | 49 | \$ 4,144 | 160 | \$ 84.58 | \$ 1.13 |
| | Pharmacy | - | \$ | - | \$ | - | 5,659 | \$ 625,429 | 18,483 | \$ 110.52 | \$ 170.23 |
| | Transportation | - | \$ | - | \$ | - | 4 | \$ 2,327 | 13 | \$ 573.42 | \$ 0.63 |
| | Dental | - | \$ | - | \$ | - | 406 | \$ 69,940 | 1,327 | \$ 172.18 | \$ 19.04 |
| | Residential Treatment Center | - | \$ | - | \$ | - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ | - | \$ | - | 12 | \$ 2,482 | 41 | \$ 200.00 | \$ 0.68 |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | \$ | - | 539 | \$ 43,501 | 1,762 | \$ 80.65 | \$ 11.84 |
| | Subtotal ** | | \$ | | \$ | | | \$ 1,835,902 | | \$ | \$ 499.70 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFDP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: 775 Population: 50+ Female

Prior Year N/A

December 2010 - July 2011

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|-------------|------------|-------------|------|--------|---------------------|------------|-------------|------------------|
| | Inpatient Hospital - Physical Health | - | \$ - | - | \$ - | - | 555 | \$ 1,393,821 | 1,145 | \$ 2,511.32 | \$ 239.57 |
| | Inpatient Hospital - Mental Health | - | \$ - | - | \$ - | - | 94 | \$ 16,241 | 194 | \$ 172.35 | \$ 2.79 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ - | - | \$ - | - | 1,705 | \$ 674,603 | 3,516 | \$ 395.68 | \$ 115.95 |
| | Outpatient Hospital - Mental Health | - | \$ - | - | \$ - | - | 1 | \$ 1,150 | 2 | \$ 1,150.00 | \$ 0.20 |
| | Emergency Room | - | \$ - | - | \$ - | - | 576 | \$ 257,232 | 1,188 | \$ 446.49 | \$ 44.21 |
| | Physician - Physical Health | - | \$ - | - | \$ - | - | 6,362 | \$ 704,516 | 13,121 | \$ 110.74 | \$ 121.09 |
| | Physician - Mental Health | - | \$ - | - | \$ - | - | 56 | \$ 5,947 | 116 | \$ 108.19 | \$ 1.02 |
| | Pharmacy | - | \$ - | - | \$ - | - | 21,649 | \$ 882,956 | 44,651 | \$ 40.79 | \$ 151.76 |
| | Transportation | - | \$ - | - | \$ - | - | 9 | \$ 8,632 | 19 | \$ 945.35 | \$ 1.48 |
| | Dental | - | \$ - | - | \$ - | - | 732 | \$ 130,751 | 1,510 | \$ 178.58 | \$ 22.47 |
| | Residential Treatment Center | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | \$ - |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ - | - | \$ - | - | 1,517 | \$ 212,315 | 3,129 | \$ 139.95 | \$ 36.49 |
| | Subtotal** | | \$ - | | \$ - | | | \$ 4,288,164 | | | \$ 737.04 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFP DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: 775 Population: 50+ Male

Prior Year N/A December 2010 - July 2011

| Member Months | 0 | | | | 4,447 | | | | | | |
|---|---------------------|-------|----------|------------|-----------|------|--------|--------------|------------|-------------|-----------|
| | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
| Inpatient Hospital - Physical Health | - | \$ | - | - | \$ | - | 553 | \$ 1,163,414 | 1,483 | \$ 2,102.61 | \$ 261.61 |
| Inpatient Hospital - Mental Health | - | \$ | - | - | \$ | - | 104 | \$ 16,424 | 281 | \$ 157.96 | \$ 3.69 |
| Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | - | \$ | - | 702 | \$ 312,320 | 1,695 | \$ 444.68 | \$ 70.23 |
| Outpatient Hospital - Mental Health | - | \$ | - | - | \$ | - | 5 | \$ 430 | 13 | \$ 66.05 | \$ 0.10 |
| Emergency Room | - | \$ | - | - | \$ | - | 378 | \$ 150,441 | 1,019 | \$ 386.34 | \$ 33.83 |
| Physician - Physical Health | - | \$ | - | - | \$ | - | 3,135 | \$ 373,277 | 8,459 | \$ 119.08 | \$ 63.94 |
| Physician - Mental Health | - | \$ | - | - | \$ | - | 32 | \$ 3,074 | 86 | \$ 96.06 | \$ 0.69 |
| Pharmacy | - | \$ | - | - | \$ | - | 10,982 | \$ 797,774 | 29,635 | \$ 72.64 | \$ 179.39 |
| Transportation | - | \$ | - | - | \$ | - | 7 | \$ 5,060 | 19 | \$ 716.66 | \$ 1.14 |
| Dental | - | \$ | - | - | \$ | - | 496 | \$ 88,363 | 1,339 | \$ 178.13 | \$ 18.87 |
| Residential Treatment Center | - | \$ | - | - | \$ | - | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ | - | - | \$ | - | - | \$ - | - | \$ - | \$ - |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | - | \$ | - | 986 | \$ 132,265 | 2,661 | \$ 134.13 | \$ 26.74 |
| Subtotal ** | | \$ | - | | \$ | | | \$ 3,042,892 | | | \$ 684.25 |

** Subtotal may not equal sum of individual category of services due to rounding

Rate Cell: 775 Population Overall

Prior Year N/A December 2010 - July 2011

| Member Months | Category of Service | Units | Expenses | Util/1,000 | Unit Cost | PMPM | Units | Expenses | Util/1,000 | Unit Cost | PMPM |
|---------------|---|-------|----------|------------|-----------|------|--------|---------------|------------|-------------|-----------|
| | Inpatient Hospital - Physical Health | - | \$ | - | \$ | - | 1,933 | \$ 3,615,431 | 999 | \$ 1,870.36 | \$ 155.66 |
| | Inpatient Hospital - Mental Health | - | \$ | - | \$ | - | 498 | \$ 116,727 | 257 | \$ 234.60 | \$ 5.03 |
| | Outpatient Hospital - Physical Health (ER Excluded) | - | \$ | - | \$ | - | 3,881 | \$ 1,525,578 | 2,005 | \$ 393.07 | \$ 65.68 |
| | Outpatient Hospital - Mental Health | - | \$ | - | \$ | - | 13 | \$ 2,324 | 7 | \$ 178.80 | \$ 0.10 |
| | Emergency Room | - | \$ | - | \$ | - | 2,412 | \$ 958,499 | 1,246 | \$ 397.47 | \$ 41.27 |
| | Physician - Physical Health | - | \$ | - | \$ | - | 16,384 | \$ 1,784,368 | 8,465 | \$ 108.81 | \$ 76.83 |
| | Physician - Mental Health | - | \$ | - | \$ | - | 270 | \$ 26,969 | 139 | \$ 99.89 | \$ 1.16 |
| | Pharmacy | - | \$ | - | \$ | - | 48,887 | \$ 3,044,985 | 25,258 | \$ 62.29 | \$ 131.10 |
| | Transportation | - | \$ | - | \$ | - | 28 | \$ 28,269 | 15 | \$ 985.11 | \$ 1.22 |
| | Dental | - | \$ | - | \$ | - | 2,609 | \$ 461,798 | 1,348 | \$ 177.03 | \$ 19.88 |
| | Residential Treatment Center | - | \$ | - | \$ | - | - | \$ - | - | \$ - | \$ - |
| | Long Term Care | - | \$ | - | \$ | - | 12 | \$ 2,482 | 6 | \$ 200.00 | \$ 0.11 |
| | Other (DME, Home Health, Vision, Lab, & X-Ray) | - | \$ | - | \$ | - | 4,332 | \$ 482,666 | 2,238 | \$ 113.74 | \$ 21.21 |
| | Subtotal ** | | \$ | | \$ | | | \$ 12,060,087 | | \$ | \$ 519.25 |

** Subtotal may not equal sum of individual category of services due to rounding

DCHFPA DATA BOOK FOR RATES EFFECTIVE MAY 1, 2012

DEPARTMENT OF HEALTH CARE FINANCE

Rate Cell: DCHFPA Overall

August 2010 - July 2011

August 2009 - July 2010

| Member Months | 1,654,800 | | | | | 1,251,556 | | | | |
|---|---------------------|-----------------------|----------|------------------|-----------|-----------------------|----------------|-----------|---------------|-----------|
| | Category of Service | Units | Expenses | Util/M,000 | Unit Cost | PMPM | Units | Expenses | Util/M,000 | Unit Cost |
| Inpatient Hospital - Physical Health | 83,390 | \$ 85,365,106 | 800 | \$ 1,023.68 | \$ 68.21 | 104,588 | \$ 130,196,108 | 758 | \$ 1,244.85 | \$ 78.68 |
| Inpatient Hospital - Mental Health | 29,652 | \$ 8,674,680 | 286 | \$ 290.59 | \$ 6.93 | 40,681 | \$ 9,812,051 | 285 | \$ 241.19 | \$ 5.93 |
| Outpatient Hospital - Physical Health (ER Excluded) | 110,242 | \$ 31,014,068 | 1,057 | \$ 281.33 | \$ 24.78 | 148,191 | \$ 47,419,284 | 1,050 | \$ 324.37 | \$ 28.66 |
| Outpatient Hospital - Mental Health | 105 | \$ 17,898 | 1 | \$ 170.02 | \$ 0.01 | 315 | \$ 54,716 | 2 | \$ 173.73 | \$ 0.03 |
| Emergency Room | 98,131 | \$ 40,654,623 | 950 | \$ 412.13 | \$ 32.64 | 147,244 | \$ 67,189,668 | 1,068 | \$ 456.32 | \$ 40.60 |
| Physician - Physical Health | 520,776 | \$ 49,486,672 | 4,993 | \$ 95.02 | \$ 39.54 | 631,585 | \$ 68,799,532 | 4,550 | \$ 108.93 | \$ 41.58 |
| Physician - Mental Health | 4,787 | \$ 589,099 | 46 | \$ 123.07 | \$ 0.47 | 12,868 | \$ 1,510,798 | 93 | \$ 117.41 | \$ 0.91 |
| Pharmacy | 686,658 | \$ 28,916,624 | 6,584 | \$ 42.11 | \$ 23.10 | 1,206,623 | \$ 57,433,066 | 8,750 | \$ 47.60 | \$ 34.71 |
| Transportation | 85,671 | \$ 2,900,429 | 821 | \$ 33.86 | \$ 2.32 | 108,556 | \$ 3,777,962 | 794 | \$ 34.48 | \$ 2.28 |
| Dental | 134,338 | \$ 23,964,670 | 1,288 | \$ 176.39 | \$ 19.15 | 171,049 | \$ 29,899,525 | 1,240 | \$ 174.80 | \$ 18.07 |
| Residential Treatment Center | 63 | \$ 96,277 | 1 | \$ 1,523.42 | \$ 0.08 | - | \$ - | - | \$ - | \$ - |
| Long Term Care | - | \$ 34,130 | - | \$ - | \$ 0.03 | 978 | \$ 334,818 | 7 | \$ 342.33 | \$ 0.20 |
| Other (DME, Home Health, Vision, Lab, & X-Ray) | 1,131,966 | \$ 12,128,292 | 10,853 | \$ 10.72 | \$ 9.69 | 1,407,843 | \$ 21,791,129 | 10,209 | \$ 15.48 | \$ 13.17 |
| Subtotal ** | | \$ 284,043,569 | | \$ 226.95 | \$ | \$ 438,218,598 | | \$ | 264.82 | \$ |

** Subtotal may not equal sum of individual category of services due to rounding

6

Adjustments that will be made to Calculate the Capitation Rate Ranges

This Section describes the adjustments that Mercer will make to calculate the capitation rates. Mercer makes adjustments to the base data to match the experience of an actuarially equivalent population. These adjustments are required by the Centers for Medicare and Medicaid Services (CMS) in determining rates for Medicaid managed care programs. Mercer will certify to CMS that the final rates are actuarially sound.

These adjustments have **not** been reflected in the Data Book pages:

- Anomalies may exist in the data; therefore, all of the historical data are considered when setting the rates. Mercer will blend the data placing the most reliance on the most recent full year of data.
- Mercer will project costs and utilization as part of the rate development. The trends used to project these costs will be based on historical managed care data across different years and services in the DCHFP program. In addition to the managed care data, Mercer will review national CPI indices, and similar trend information from surrounding states.
- Cost and utilization will be trended to the midpoint of the initial contract year.
- In addition to making the above adjustments, Mercer will adjust for programmatic changes:
 - Those that occurred during the base years (August 2009 through July 2011) and are not fully reflected in the data
 - Those that occurred after the base data time periods
 - Known programmatic changes included in the rate development are listed below
 - Reduction of Medicaid Physician fee schedule to 80% of Medicare
 - Reduction to the dental fee schedules
 - Impact of the Affordable Care Act related to prescription rebate collections and primary care physician reimbursement
- An administrative assumption to account for MCOs administrative expenses will be applied in the capitation rate development process. This will include consideration for the premium tax and a load for profit/contingency margin.

EXHIBIT 4

DISTRICT OF COLUMBIA,
DEPARTMENT OF INSURANCE, SECURITIES AND BANKING,

Petitioner,

Civil Action No.:
Judge Melvin R. Wright

v.

D.C. CHARTERED HEALTH PLAN, INC.

Respondent,

STATE OF NEW YORK)
 ss:
COUNTY OF ALBANY)

AFFIDAVIT OF GREGORY V. SERIO IN SUPPORT OF PARTY-IN-INTEREST D.C. HEALTHCARE SYSTEM, INC.’S MOTION FOR (1) A STAY PENDING APPEAL OF THE ORDER APPROVING THE ASSET PURCHASE AGREEMENT, PLAN OF REORGANIZATION AND RELATED MATTERS; AND (2) INJUNCTIVE RELIEF

GREGORY V. SERIO, being duly sworn, deposes and says:

BACKGROUND AND QUALIFICATIONS

1. I am a partner at Park Strategies, LLC, and director of its risk and insurance management practice group. In this role, and as a practicing attorney licensed to practice law before the courts of the State of New York and Connecticut, I have had the opportunity to be involved with, and evaluate, more than 70 insurance companies in rehabilitation or liquidation, and engage with various officials of the New York Liquidation Bureau and like entities of other states and members and representatives of the National Association of Insurance Commissioners on these issues. I submit this affidavit in support of Respondents’ Motion for (1) a Stay pending appeal of the order approving the asset purchase agreement, plan of reorganization and related matters and (2) injunctive relief in the above referenced action.

2. I am the former Superintendent (commissioner) of the New York State Insurance Department (now Department of Financial Services), and as such, was a member of the cabinet of the Governor of the State of New York, serving in that capacity from May, 2001 to January, 2005 after having been confirmed therefor by the New York State Senate. As Superintendent, I was the chief insurance regulator of the state, responsible for the regulation of all forms of insurance transacted in New York.

3. As Superintendent, I was also a member of the National Association of Insurance Commissioners (the "NAIC"), an organization of state and territorial insurance regulators from the United States. The NAIC members determine major issues in insurance regulation, oversee the financial safety and soundness of the American insurance system and insurers operating within that system and coordinate with other financial supervisors and insurance regulators from other countries. As a member of the NAIC, I served as chairman of the Federal Affairs Committee, responsible for the coordination of state insurance regulator relations with federal legislators and regulators.

4. As Superintendent of Insurance I was also the statutory receiver of more than 70 insolvent or impaired insurance companies. I supervised many insurance company rehabilitations and liquidations, including the rehabilitation of Interboro Mutual, a New York auto insurer which is a successfully operating insurer today. I supervised a number of company estates that went from operating under orders of rehabilitation to orders of liquidation. As superintendent, I was also the administrator of one or more guaranty funds maintained for the purpose of paying the claims and obligations of liquidated insurers when there were insufficient assets within insurers for those purposes.

5. As Superintendent I was familiar with and engaged in discussions with other regulators, insurers and guaranty funds on issues pertaining to rehabilitations, liquidations and the NAIC Insurers Rehabilitation and Liquidation Model Act ("NAIC Model Act"), including the past commissioner of the District of Columbia.

6. Prior to my appointment as Superintendent, I served as First Deputy Superintendent of Insurance of New York State. In this capacity, I was the chief operating officer of the New York

Insurance Department, responsible for the day-to-day operations of the second largest insurance regulatory organization in the United States. In this role, I assisted the Superintendent in the execution of the duties of the office, as described in paragraph 2 above. I held this position from January 1995 until my selection as Superintendent. During my tenures as First Deputy Superintendent and as Superintendent, I was routinely engaged directly with boards and management of insurers concerning the financial condition of companies and regularly oversaw the Department's prudential safety and soundness oversight activities.

7. During my tenure at the New York Insurance Department, this insurance regulatory agency became the first in the country to create a "Capital Markets Bureau" in which risk-based analysis—including new asset/liability matching analysis-- of insurers' financial conditions would be joined with the traditional actuarial and claims reserving analyses to give a more comprehensive, and real time, view of their actual financial strength. This innovation and the advent of risk-based examinations, which has led to among other things a Capital Markets unit in the Securities Valuation Office of the NAIC, gave new dimension to the risk-based capital rules adopted in the early 1990s. As a result, I have become knowledgeable with the application of the Risk Based Capital ("RBC") Standards.

8. As First Deputy Superintendent and as Superintendent, I either presided over or was otherwise integrally involved in numerous rehabilitations, liquidations and other situations involving insurer financial duress, including those pertaining to Empire Blue Cross/Blue Shield of Greater New York (non-profit health plan brought to brink of financial ruin and successfully managed through the regulatory process to financial stability), Oxford Health Plans (precipitous drop in share price revealed significant financial weakness, resulting in direct regulator engagement with the company board to develop a workout plan), United Community Insurance Company (property/casualty carrier found to be impaired and taken into rehabilitation, modified by court order to liquidation), Lloyd's of London Reconstruction and Renewal (seminal regulatory effort in United States and United Kingdom to stabilize the world's largest insurance marketplace and usher in new corporate, financial and operating platforms to protect against future financial crises), Reliance Insurance Co. (Pennsylvania domestic insurer with significant commercial presence in New York liquidated after disastrous workers' compensation insurance

program created significant financial strain on the company), and Frontier Insurance Co. (insurer placed into long-term rehabilitation for purposes of stabilizing company as assets were garnered, operations streamlined and bulk of claims paid), among others.

9. While I was Superintendent, I oversaw the New York Insurance Department's and insurance regulatory community's response to the World Trade Center atrocities, still the single largest insurance loss on record, which involved complex coverage and insurer financial condition issues. No insurers or insurance markets became crippled by exposure to World Trade Center losses, and a record number of property, casualty and life insurance claims were paid out.

10. As First Deputy Superintendent, the Liquidation Bureau of the State of New York reported to me, during which time numerous estates were successfully closed and staff of the bureau streamlined to make the agency more efficient and effective.

11. My tenure as First Deputy Superintendent included serving the Department as its General Counsel from 1995 to 1997. I was also the Chief Counsel to the New York Senate Standing Committee on Insurance from 1989 to 1995.

12. Since returning to the private sector, I have become heavily engaged in insurance company, agent and adjuster legal, management and governance matters as a consultant, counsel and board member. I served on the board of the Employers Security Assurance Company, a bond insurer protecting professional staff leasing organizations. I currently serve on the boards of the Senior Health Insurance Plan of Pennsylvania, the Senior Health Insurance Plan Oversight Trust, and Fuzion Analytics ("SHIP"), all related to the run-off of the Conseco Senior Health Insurance Co. under the auspices of the commissioner of insurance of the Commonwealth of Pennsylvania.

13. I am presently a member of the board of the publicly-traded Radian Group, Inc., a mortgage insurance and financial guaranty provider. I am also on the board of the Pension Plan for Insurance Organizations, a pension fund for the employees of insurance –industry support entities, such as the Insurance Information Institute. Additionally, I am a member of the board of AFP Risk, Inc., a Vermont-domiciled captive insurance company.

14. Along with my legal and advisory practices I have also served as an expert witness in numerous matters involving insurance companies, insurance regulation, coverage disputes and carrier dissolutions. I have represented carrier, policyholder, shareholder and regulator interests in these proceedings.

15. Party-in-interest's counsel has asked me to provide my expert opinion concerning the actions of the D.C. Department of Insurance Securities and Banking Commissioner as Rehabilitator and those of the Special Deputy ("Rehabilitator") designated in the matter pertaining to D.C. Chartered Healthcare Plan, Inc. ("Chartered"). Specifically, I have been asked to opine on the management of the rehabilitation, the sale of assets during the rehabilitation and other matters pertaining thereto.

16. This affidavit is based on my professional knowledge and experience, as discussed above, and my familiarity with the facts, pleadings and proceedings of this matter. Documents which I have reviewed are listed in Exhibit 1.

SUMMARY OF CONCLUSIONS

17. The Rehabilitator failed to meet the straightforward mandate of "reforming and revitalizing" Chartered, as the Emergency Order of Rehabilitation ("Rehabilitation Order") and the D.C. Code required of him.

18. The Rehabilitator failed to conduct essential steps necessary to a rehabilitation and failed to perform steps in a manner consistent with the mandate of the Rehabilitation Order and D.C. Code. The Rehabilitator's actions are far more consistent with a liquidation rather than a rehabilitation, which caused great harm to the carrier.

19. This rehabilitation and de facto liquidation are mired in a morass of conflicts of interests both in the selection of the Special Deputy to run Chartered as well as between the various parts of the District of Columbia government itself. Such conflicts call into question several key decisions made by the Rehabilitator which have worked to the detriment of Chartered and its owner D.C. Healthcare System, Inc. ("DCHSI").

20. The rehabilitation appears to be a situation wherein so many options available to the Rehabilitator were so quickly converted into the worst options, in terms of the interest of the carrier and contrary to the purpose of a rehabilitation.

ROLE AND RESPONSIBILITY OF THE REHABILITATOR

21. I acknowledge at the outset that a Rehabilitator and his deputies are afforded significant latitude in the approach to the management of a rehabilitation, and in my experience such discretion is important when dealing with the unique set of circumstances that each rehabilitation presents. At the same time, though, such discretion is not absolute by any means; such discretion is framed by the provisions of the law pertaining to such proceedings, the terms and conditions both of orders appointing the Rehabilitator and of orders establishing the rehabilitation, and by directives and instructions from the rehabilitation court. There are also well established practices informed by years of experience that provide the foundation of any rehabilitation. With the power of discretion comes the responsibility, for example, to report often to the court so that the court is able to supervise the proceedings meaningfully and interested parties are able to understand how they might be affected. This applies equally to liquidation matters.

22. In my experience in New York, and in proceedings outside New York, the court's role has been critical to both serving as a check on the Rehabilitator's powers as well as serving as the venue in which objections to a rehabilitation plan can be heard. In the cases in which I have been involved, and based on my understanding and observations of the basic, universal principles of the rehabilitation process, the court's role is substantive, primary and integral to the integrity of the rehabilitation process. My review of the D.C. Code with respect to rehabilitations and liquidations is that it is so substantially similar to most of the rehabilitation and liquidation statutes around the United States that this principle is applicable in this case and all rehabilitations in this jurisdiction.

23. Indeed, D.C. Code Section §31-1311(a), states "the rehabilitator [shall] take possession of the assets of the insurer, and to administer them under the general supervision of the court." As noted, the provision that the rehabilitator operates under the court's supervision is vitally important, and requires that the Rehabilitator involve the court, in advance, into every primary

activity of the rehabilitation. Based on my review of the record in this case, I believe the Rehabilitator here failed in his duty to bring important decisions to the Court and that his process has been defective.

24. For example, the Rehabilitator in his role did not provide advance information to the court with respect to: 1) a full recitation of the actual financial condition of the company, the assets and liabilities thereof, and, for example, the amount, status and likelihood of collecting the receivables due and owing to the insurer from the District; 2) the critical decision to not have Chartered bid on the renewal of the D.C. Health Care Finance (“DHCF”) Medicaid contract, a decision which amounted to the de facto liquidation of Chartered, as the DHCF Medicaid contract is Chartered’s only method of producing income; 3) the Rehabilitator’s evaluations of available options to successfully rehabilitate Chartered and providing an analysis of the strengths and weaknesses of each option, and 4) a valuation of Chartered, both with the contract and in particular, in the context of an asset sale, to establish the fair value of its assets.

25. While courts have been known to “rely upon” the representations of the commissioner as regulator upon an initial application for rehabilitation, which is usually ex-parte, once the proceeding is filed the Rehabilitator has a duty to frequently report to the court and create a record of information as he moves forward with developing a plan of rehabilitation, executing on that plan, and ultimately either applying to terminate the rehabilitation because the company has been “rehabilitated” or convert it to a petition for liquidation. In all events, it is crucial for the Rehabilitator to develop a detailed and transparent record for the interests of those who have a statutory or common law protection or recourse further into the rehabilitation process such as the court, directors, creditors and equity stakeholders; the Rehabilitator fell well short of complying with his duties by merely filing two status reports, the first of which contained little meaningful information, after he already had implemented decisions that effectively implemented a liquidation and eliminated Chartered’s only prospect for rehabilitation.

CHARTERED’S FINANCIAL CONDITION

26. My review of the record indicates that the Rehabilitator disclosed inadequate information concerning the actual financial condition of Chartered, what financial improvements were

necessary to accomplish a successful rehabilitation, and what aspects of that financial condition the Rehabilitator utilized to conclude so quickly, within a matter of weeks, that it would be futile to continue attempts at a rehabilitation. Based on my review of the record and experience, the Rehabilitator's conclusion was reached too quickly, without involving the court, without notice to interested parties, and based on reasoning that is deeply flawed and inconsistent with the universal objectives of rehabilitation. In effect, it was a game changing decision by the Rehabilitator for which he did not give the court an opportunity to review and approve (or disapprove).

27. Also, the financial information in the record does not support liquidation, de facto or otherwise. It appears that the rehabilitation was brought on due to a low risk-based capital number. That number, however, is suspect based on the \$60 million receivable owed to Chartered by DHCF for retrospective premiums. (as well as the investment income lost from not having the obligation satisfied). I have not been provided with the details of Chartered's claim against the Government and therefore have not evaluated its merits. However, I am advised that the claim was filed by the Deputy Rehabilitator and that, for him to have filed the claim, he must have determined in good faith that the claim has merit. That of course does not mean that there is a guarantee that the claim will be recovered in full, but from a regulatory perspective, in my experience, no insurer would be liquidated or otherwise deprived of its ongoing business if it 1) is meeting its ongoing obligations and 2) has a capital shortfall that would be solved with the collection of even a reasonable portion of a receivable that the Rehabilitator had evaluated and determined had merit. The Rehabilitator's conduct here undermined and disserved the goals of rehabilitation. In my experience, with a receivable that large, on its own and in proportion to the company's finances, it should have been the centerpiece of any rehabilitation plan. More importantly, the Rehabilitator should have used the existence of this receivable to the company in pushing back on DHCF's insistence that it would not award the contract to Chartered, emphasizing how self-serving DHCF's unreasonable position appeared to be. In my opinion, had DHCF paid to Chartered even a reasonable portion of the funds allegedly due and owing, Chartered's financial condition would be even stronger at that point than it had been in several previous years.

28. The treatment of the receivable on the record is troubling. Despite the critical fact that the Rehabilitator had assessed, calculated and asserted a claim for a receivable large enough to remove any glint of doubt as to Chartered's ability to survive, meet any conceivable (and still unexplained) capital requirement and satisfy its obligations under the Medicaid contract, the debt owed by DHCF to Chartered is mentioned in only a cursory way to the court in any of the reports filed by the Rehabilitator. The diligent pursuit of the collectability of that receivable, and reporting on same to the court, should have been "job one" of the Rehabilitator.

29. The failure of the Rehabilitator to make as his first priority the aggressive pursuit of the collection of the receivable or its monetization, in one of many forms by which it could have been credited to the financial statement, becomes compounded in its impact when one takes into account the pressure imposed by DHCF when it unilaterally imposed contract bidding rules pertaining only to Chartered centered on its financial condition and rehabilitation status. It became a self-fulfilling prophecy that Chartered would not get the DHCF Medicaid contract because of the actions of both the Rehabilitator and DHCF. These critical facts should have been more fully disclosed to the court, in advance of the decision not to bid and to support a competitor's bid, and additional options to alleviate the situation should have been pursued. For example, had the Rehabilitator decided to bid on the contract it would have given the Rehabilitator maximum flexibility and leverage to negotiate an agreement with AmeriHealth, or others, that could be done in a less compressed timeframe and with the prospect of independence. That would have gone far to assure maximum value for the insurer upon a sale, if a sale was indicated; There was no reason, however, to make sale the only option, as an investment, loan, or other asset monetization would have worked; it would have given Chartered time to recover on its own (see below); and it would have removed the need (if it existed at all) to use Medicaid experience as a criterion for selection of an investment partner, as Chartered has 25 plus years experience and all it needed was capital, not experience, to solve its singular capital deficiency.

30. Risk-Based Capital ("RBC") is one of the leading methods of determining the financial health of an insurer. By measuring the ratio between its capital resources and the amount of risk that an insurer carries, it is a reliable measure of an insurer's financial strength in relation to the

risks that are on its books. RBC helps insurers and regulators determine the types and amount of risk an insurer may assume. The greater the risk assumed, the greater the amount of capital that the insurer must hold. RBC is not designed, however, to be a standalone indicator of insurer solvency, and is one of several tools that regulators have at their disposal to maintain real time and long term surveillance on insurers.

31. The condition of Chartered's RBC appears to be the reason for its rehabilitation, though the record is unclear whether the RBC standard was in fact the basis for the petition for rehabilitation, or if there were other financial indicators relied upon by the Rehabilitator (or, more accurately, the Commissioner as regulator, who makes the petition to the court for an order of rehabilitation). The financial picture itself, RBC included, is as puzzling as the Rehabilitator's actions in this matter. Chartered's audited financials for 2011, as well as its Third Quarter financials for 2012 show a significantly better picture of Chartered's financial condition. In fact, Chartered experienced a \$700,000 profit for the first three quarters of 2012. This much improved financial condition, combined with the large receivable due from DHCF and Chartered's unbroken 25-year history of servicing DHCF's Medicaid contract, casts significant doubt that Chartered's financial position was ever as dire as was presented by DISB, but, in any case, would present very positive chances for its successful rehabilitation.

FAILURE OF THE REHABILITATOR

32. The Rehabilitator is charged with taking "such action as deemed necessary and appropriate to reform and revitalize the insurer." D.C. Code §31-1312(c); Emergency Consent Order of Rehabilitation. The Order further provides that the Rehabilitator is provided the "(vi) Authority to accept new or renewal business or extension of Chartered contracts." This authority is provided in conjunction with the mandate to "reform and revitalize" in order to stabilize the company, give the Rehabilitator an opportunity to evaluate the long-term prospects for the success of the rehabilitation, and then to report back to the rehabilitation court on his findings and recommendations, rather than summarily taking action on his own that seals the fate of the company and that of those with rights and responsibilities under the law, such as directors, creditors and equity stakeholders.

33. Established practice within rehabilitations and liquidations, in my experience, involves common, almost universal initial steps; 1) evaluate and often replace senior management, who generally played a role in causing problems giving rise to a rehabilitation, or at least in allowing the problems to get out of hand; 2) value the company's assets and liabilities; and 3) promptly seek to settle accounts concerning both assets and liabilities. Here, in contrast, the Rehabilitator 1) seems to have retained all of Chartered's senior executives and entrusted them with day-to-day control and then negotiated to ensure that they would be protected with similar jobs with AmeriHealth (First Status Report and Deputy Superintendent's letter to McAlpine); 2) has not conducted any valuation of Chartered, which should have been done as a going concern, and if an asset sale was appropriate, it is unprecedented to have done so without a prior valuation of those assets or, at least an open auction; and, 3) did not make the aggressive recovery of the District receivables outstanding, as well as reinsurance and other assets, his first job.

34. These failures by the Rehabilitator here are compounded by his next two actions: almost immediately putting the company up for sale and quickly deciding not to bid on retainer of the single most important and valuable asset of the company. These two actions are inconsistent between themselves, because the loss of the contract substantially devalues the company in any sale; they also are inconsistent with the plain meaning of the D.C. Code provisions on rehabilitation and the terms of the Rehabilitation Order, because the actions are not steps to "revitalize" Chartered but are more in keeping with liquidation. As such, they should only have been pursued after a plan of rehabilitation was submitted to the court and attempted and, if that failed, a petition for liquidation and a plan of liquidation submitted to and approved by the rehabilitation court. The Rehabilitator undertook each of these actions without informing or receiving guidance from this court.

35. The Rehabilitator gave up his best leverage to assume maximum value for Chartered when he decided to not put in a bid for the DHCF Medicaid contract. That decision immediately significantly reduced the value of Chartered to a prospective buyer. Had he decided to enter a bid on behalf of Chartered, there would undoubtedly be far more prospects for its purchase than the number that ultimately showed interest. The decision to not bid unnecessarily reduced the viable rehabilitation period to a mere six weeks by forcing the Rehabilitator into finding a buyer

for Chartered in advance of the December 3, 2012 bid submission deadline and gutted the value of the company in the process. Had the Rehabilitator decided to put a bid in for Chartered he could then continue to search for rehabilitation options for a much longer period with a greater leverage of Chartered in the running to renew the contract. A prudent and independent Rehabilitator would not have given away such valuable time and leverage by deciding not to enter a bid from Chartered.

Selling the Company

36. Given the questionable severity of the financial condition of the company which precipitated the rehabilitation order (as noted above, the record is lacking in any credible detail on this crucial point), it is curious that the Rehabilitator almost immediately decided that a sale of the company was not only indicated, but urgently needed as well. From my review of the record, no genuine effort was taken to “reform” or “revitalize” Chartered and, for the reasons stated above and below, doing so should have been relatively easy. There is no indication as to how sale of the company furthered these goals, and in fact the sale, as structured by this Rehabilitator, was done in the worst possible way if the goal was to “reform” or “revitalize.”

37. The negotiation of the Asset Purchase Agreement with AmeriHealth by the Rehabilitator has been done without any proper valuation of Chartered. It appears from the record that AmeriHealth agreed to pay \$5 million to Chartered for Chartered’s assistance in preparing AmeriHealth’s bid—itsself a perplexing and unprecedented step for a Rehabilitator—if AmeriHealth wins the contract. It further appears, and I am advised, that all of Chartered’s other assets, including its contracts, its provider network, its personal property, its intellectual property, and its accounting records among other things, are to be transferred to AmeriHealth for no additional compensation. No reasonable Rehabilitator would transfer a company’s valuable assets to a competitor for no payment whatsoever. The Rehabilitator should have commissioned a valuation and presented that to the court along with substantiation for his sale of the asset, or a competitive sale of the assets to achieve maximum recovery for Chartered. Instead the Rehabilitator gives Chartered’s assets away, something I have never seen through dozens of rehabilitation and liquidation proceedings during my career.

Failing to Bid

38. The D.C. Code and this Court's Rehabilitation Order gives explicit authority to the Rehabilitator to engage in contracts, whether new or the renewal of existing contracts, for the simple reason that the Rehabilitator is charged with maintaining the entity as a going concern while the reasons for rehabilitation are mitigated or abated. Restoration of the company to financial health should be the first priority. Wholesale reformation of a company is not envisioned by the rehabilitation laws premised upon the NAIC Model Act, at least until all less extreme avenues are explored. Study, evaluation, plan development and regular interfacing with the rehabilitation court are all contemplated under the law and the practice of insurer rehabilitation and insolvency management in the United States.

39. From my review of the record, it appears that DHCF told the Rehabilitator that Chartered could not win the Medicaid contract unless it had new ownership and was out of rehabilitation. In my experience, the "new ownership" requirement lacks any basis. As to getting out of rehabilitation, assuming that is a legitimate requirement, there were many opportunities to "cure" Chartered's capital depletion that the Rehabilitator foreclosed by not bidding. But the first thing that strikes me from my review of the record is that the Rehabilitator apparently accepted the DHCF's conditions without question or resistance. It is the Rehabilitator's duty to fight for the company in rehabilitation, and by accepting seemingly untoward conditions the Rehabilitator here breached his obligations. It is the purpose of the rehabilitation that the subject company be released from rehabilitation to carry on its business in the future. The Rehabilitator ensured that Chartered could not do so. Instead, the Rehabilitator should have bid on the DHCF contract, then explored all options with more time and more leverage, as discussed above.

40. The Rehabilitators failure to conduct a proper rehabilitation in accordance with the D.C. Code leads me to the inescapable conclusion that the Rehabilitator was operating under a pre-ordained and de facto liquidation plan that was not presented to or approved by the court, rather than a genuine effort at rehabilitation. A true rehabilitation would have required the Rehabilitator to do so much more than come to the precipitous decision not to have Chartered bid

on the DHCF Medicaid contract, thereby cutting off the company's lifeblood and enter into the terms and conditions of the Asset Purchase Agreement with AmeriHealth which gave away Chartered's essential and valuable assets.

CONFLICTS OF INTEREST

41. Conflicts of interest are pervasive in the administration of this rehabilitation proceeding. As a regulator and otherwise, I have seen any number of insurers who are brought into receivership because of problems arising from conflicts of interest. I have never, before this case seen a receivership that itself was so conflict ridden. The first and most critical conflict is that the District government owes Chartered \$60 million (or more); forced Chartered into rehabilitation because Chartered had inadequate capital (when its capital would be more than adequate if the District government had paid); then through the agency that owes the money imposed suspect conditions on Chartered's ability to win the contract (DHCF asserted it would not renew Chartered's Medicaid contract as Chartered was then constituted, which the Rehabilitator says justifies his precipitous decision not to submit a bid on behalf of Chartered); and then, through the DISB/Rehabilitator, quit Chartered's business and left the claims against the government with the remains of Chartered, which has no resources, revenue or ability to generate revenue to fight for its claim. As such, it appears this whole proceeding has the effect of putting a major creditor of the District government in the weakest possible position to collect from the government. I have never seen such a pervasive conflict. At a minimum, this conflict alone required the Rehabilitator to seek court guidance and permission even more than the usual case, when in fact the Rehabilitator failed to bring matters to the court's attention at a level expected even in the absence of conflicts.

42. This conflict must explain why this proceeding was not readily resolved. It is highly unusual in insurer receivership that all key players are so closely related. Given that the controlling players are two governmental agencies, I would have thought it would be relatively easy for the Rehabilitator to facilitate a readily-available remedy for Chartered rather than the death sentence that was delivered. A small amount of cooperation among the interested parties could have resolved Chartered's capital depletion, but instead the D.C. agencies threatened one another on the one hand, and then operated apparently in concert on the other, giving Chartered

little chance of coming out of the rehabilitation process reformed or revitalized. Offering an extended contracting period without punitive demands relative to the company's status in rehabilitation, an acknowledgement of the debt owed by the District to the carrier and a negotiated settlement thereon, and the development of a legitimate plan for rehabilitation all would have given Chartered, its directors, creditors and equity stakeholders fairer treatment. Instead, a genuine rehabilitation appears to have been frustrated by governmental self-interest.

43. Further, the structure of the contract with AmeriHealth reveals the extent of the conflict. The Chartered claim against DHCF is left to Chartered to pursue, with no Medicaid contract, expert staff or income with which to pursue the claim. The Government thus has engineered a situation where, instead of the Rehabilitator serving the interests of Chartered and its employees, enrollees and providers, it serves the Government's interests in leaving a substantial creditor in a weakened position to pursue its claims.

CONCLUSION

44. In my experience, based upon many opportunities to interface with directors both as a regulator and as a private attorney and consultant, it would have been irrational for Chartered's board to agree to rehabilitation if they knew the proceeding would quickly lead to liquidation, as the Rehabilitator's actions effectively does. The Rehabilitator did not fulfill his duties to inform the Court of his plan before implementing it and, given the nature of that plan, to file a petition for liquidation prior to bypassing the opportunity to bid and entering into an agreement with AmeriHealth. This would have given the directors, as provided by the D.C. Code, and others, including creditors and shareholders, an opportunity to be heard by the courts so it could make an informed decision on a robust record. That is what the rehabilitation statute requires.

45. The court's role in rehabilitation is critical, as expressed above, if for no other reason than to make certain that the Rehabilitator is operating according to the rule of law, provisions of the Rehabilitation Order and in the interests of those to be served by the rehabilitation process. Party-in-interest cited to, and I reviewed as part of my analysis, the decision in the matter of Consedine v. Penn Treaty Network America Insurance Co. In my twenty-five years in and around insurance, insurance regulation and rehabilitations/liquidations, I have not found another

case decision as important to understanding how rehabilitations are supposed to work. The court there went to great lengths to analyze the law under an NAIC Model Act and then determine that the rehabilitator there abused his powers in thwarting the reforming and revitalizing of the subject carriers in favor of setting the stage for a liquidation of those entities. I see many parallels between the facts there and here. Here, the Rehabilitator frustrated the ability of Chartered to rehabilitate, foreclosed opportunities to reform and revitalize Chartered, and acted contrary to Chartered's best interests and his own duties.

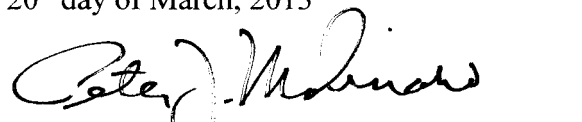
46. In conclusion, in my view, the Rehabilitator did a disservice to this Court, by putting it in the position of having to pass on actions that might have been reasonable had this been a liquidation, but were wholly inappropriate for a rehabilitation. It is my opinion that the Rehabilitator in this case should have undertaken far more extensive steps to conduct a true rehabilitation of Chartered and that given its experience Chartered could have and still could emerge from a successful rehabilitation to continue operating as a viable insurance entity.

Dated: Albany, New York
March 20, 2013



GREGORY V. SERIO

Sworn to before me this
20th day of March, 2013



Notary Public

PETER J. MOLINARO
NOTARY PUBLIC - STATE OF NEW YORK
No. 02MO6186279
Qualified in Albany County
My Commission Expires April 28, 2014

EXHIBIT I

List of Reviewed Materials

1. Party-In-Interest D.C. Healthcare System, Inc.'s Motion for (1) Stay Pending Appeal of the Order Approving the Asset Purchase Agreement, Plan of Reorganization and Related Matters; and (2) Injunctive Relief.
2. D.C. Chartered Health Plan, Inc. Statutory Statements of Cash Flows; Admitted Assets, Liabilities, and Capital and Surplus; Revenue and Expenses; Changes in Capital and Surplus Period Ending September 30, 2012.
3. Affidavit of Lorie E. Lupkin in Support of Party-In-Interest D.C. Healthcare System, Inc.'s Motion for (1) A Stay Pending Appeal of the Order Approving the Asset Purchase Agreement, Plan of Reorganization and Related Matters; and (2) Injunctive Relief; And all Accompanying Exhibits.
4. The Special Deputy to the Rehabilitator's Verified Memorandum of Points and Authorities in Opposition to the Party-In-Interest D.C. Healthcare System, Inc.'s Motion for (1) Stay Pending Appeal of the Order Approving the Asset Purchase Agreement, Plan of Reorganization and Related Matters; and (2) Injunctive Relief; And all accompanying exhibits.
5. D.C. Code Title 31, Chapter 13 Insurers Rehabilitation and Liquidation Procedures;
6. Special Deputy to the Rehabilitator's First Status Report; And all accompanying exhibits;
7. Special Deputy to the Rehabilitator's Second Status Report; And all accompanying exhibits;
8. *Consedine v. Penn Treaty Network Am. Ins. Co.*, 2012 WL 6721078, *68 (Pa. Comm. Ct. May 3, 2012).
9. Email dated March 18, 2013 from the D.C. Attorney General's Office From Thomas M. Glassic to Jennifer Sincavage re: September 9, 2012 D.C. Chartered Health Plan, Inc. Quarterly Statement.

EXHIBIT 5

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
CONTRACT APPEALS BOARD**

| | | |
|-------------------------------------|---|-----------------|
| APPEAL OF: |) | |
| |) | |
| D.C. CHARTERED HEALTH PLAN, INC. |) | CAB No.: D-1445 |
| 1025 15th Street, NW |) | |
| Washington, DC 20005-2601 |) | |
| |) | |
| Under Contract No. DCHC-2008-D-5052 |) | |
| _____ |) | |

CONSENT MOTION TO STAY ALL PROCEEDINGS

Pursuant to Rules 116.1 and 123.1 of the Rules of the District of Columbia Contract Appeals Board (“Board”), D.C. Chartered Health Plan, Inc. (“D.C. Chartered”), through its undersigned counsel, Reed Smith LLP, respectfully requests that the Board grant a stay of all proceedings pending action on three recently-filed claims under Contract No. DCHC-2008-D-5052 (“the Contract”). This Motion is filed with the consent of the District of Columbia (“the District”). The parties submit that good cause exists to grant this Motion, as the three claims currently before the contracting officer (“CO”) are based on the same or substantially the same facts and legal theories as the claim upon which the instant appeal is based.

FACTUAL AND PROCEDURAL BACKGROUND

On April 9, 2012, D.C. Chartered filed a Notice of Appeal and Complaint seeking review of the deemed denial of its claim to the District’s Department of Health Care Finance (“DHCF”) for payment under the Contract. The current Scheduling Order for the instant appeal includes a deadline of April 12, 2013 for the completion of non-expert discovery, and a deadline of July 12, 2013 for the completion of expert discovery. To date, no depositions have been taken or scheduled, though the parties anticipate a need for depositions.

On January 4, 2013, D.C. Chartered presented a new claim to the CO for equitable adjustment in light of the increased costs associated with a Contract modification that added coverage for certain dental services for adult Medicaid recipients. On February 21, 2013, D.C. Chartered presented two additional claims to the CO. One claim amends and supersedes the claim submitted by D.C. Chartered on November 30, 2011, which is the basis of the instant appeal. The other claim is for the premium D.C. Chartered claims is due as a result of DHCF's failure to set actuarially sound rates under the portion of the Contract concerning the D.C. Health Care Alliance Program.

The claims currently pending before the CO are based on the same or substantially the same facts and legal theories as the claim that is the basis of the instant appeal. Accordingly, a stay of proceedings is necessary at this juncture to avoid potentially unnecessary and/or duplicative discovery and expense in the event that the CO denies or is deemed to have denied D.C. Chartered's pending claims, in which case D.C. Chartered will appeal these decisions, move to consolidate the appeals with the instant appeal, and, if its motion is granted, file an amended Complaint to eliminate any overlap of claims.

On March 8, 2013, D.C. Chartered wrote to counsel to the District, Assistant Attorney General Carlos Sandoval, to suggest that the parties move the Board to stay the current proceedings and amend the Scheduling Order. Mr. Sandoval responded via e-mail the same day that it is likely appropriate to stay the current proceedings until it is determined whether D.C. Chartered will appeal any of the three pending claims, and if so, whether such claims will be consolidated with the claim that is the basis of the instant appeal. The District therefore consents to the relief requested in this Motion.

ARGUMENT

Rule 116.1 permits the Board, upon the motion of a party and for good cause shown, to suspend or dispense with the filing requirements and procedural provisions of the Board's Rules. Rule 123.1 provides that the Board, "for good cause shown, may enlarge the time prescribed by the Board rules, or by its order, for doing any act, or may permit an act to be done after the expiration of the prescribed time." The claims currently pending before the CO are based on the same or substantially the same facts and legal theories as the claim that is the basis of the instant appeal. Accordingly, if any or all of the pending claims are denied or deemed denied by the CO, D.C. Chartered will appeal such claims to the Board, and seek the Board's consent to consolidate the instant appeal with the new appeals, and, if D.C. Chartered's motion is granted, file an amended Complaint, so that all of D.C. Chartered's current claims under the Contract may be resolved in one proceeding. Good cause thus exists to stay the current proceedings, so as to avoid unnecessary and/or duplicative discovery and expense. Discovery has not closed, no depositions have been scheduled or taken, and no party will be prejudiced by the requested stay of proceedings. Furthermore, the consolidation of all related claims in one proceeding will aid their expedient and efficient resolution, and is in the interests of justice.

CONCLUSION

For the foregoing reasons, D.C. Chartered, with the consent of the District, requests that the Board grant this Motion and stay all proceedings in this appeal until: (i) D.C. Chartered, with the appropriate consent of the Board, files a Notice of Appeal, moves to consolidate that appeal, and files an amended Complaint following the contracting officer's actual or deemed denial of any or all of the three claims under Contract No. DCHC-2008-D-5052 that were presented to the contracting officer on January 4, 2013 and February 21, 2013; or (ii) D.C. Chartered informs the

Board that it will not appeal the decision on any of the pending claims, because the contracting officer has accepted and agreed to pay all of the claims.

March 18, 2012

Respectfully submitted,

/s/ Lawrence S. Sher

A. Scott Bolden

Lawrence S. Sher (D.C. Bar No. 430469)

Joelle E.K. Laszlo

Reed Smith LLP

1301 K Street, NW

East Tower – Suite 1100

Washington, DC 20005

(202) 414-9200

Attorneys for D.C. Chartered Health Plan, Inc.

Electronic service:

Carlos Sandoval

Assistant Attorney General, District of Columbia

Counsel for the District of Columbia

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
CONTRACT APPEALS BOARD**

| | | |
|-------------------------------------|---|-----------------|
| APPEAL OF: |) | |
| |) | |
| D.C. CHARTERED HEALTH PLAN, INC. |) | CAB No.: D-1445 |
| 1025 15th Street, NW |) | |
| Washington, DC 20005-2601 |) | |
| |) | |
| Under Contract No. DCHC-2008-D-5052 |) | |
| _____ |) | |

PROPOSED ORDER

Upon consideration of D.C. Chartered Health Plan, Inc.’s (“D.C. Chartered’s”) Consent Motion for a Stay of Proceedings, and any responses thereto, it is hereby:

ORDERED that D.C. Chartered’s Motion is **GRANTED**, and that all proceedings in this action are stayed until: (i) D.C. Chartered, with the appropriate consent of the Board, files a Notice of Appeal, moves to consolidate that appeal, and files an amended Complaint following the contracting officer’s actual or deemed denial of any or all of the three claims under Contract No. DCHC-2008-D-5052 that were presented to the contracting officer on January 4, 2013 and February 21, 2013; or (ii) D.C. Chartered informs the Board that it will not appeal the decision on any of the pending claims, because the contracting officer has accepted and agreed to pay all of the claims.

Following the expiration of said stay, the parties will jointly propose a revised Scheduling Order, which will account for the presence of any additional counts and/or requests for relief properly added by amending the Complaint that is the basis for the instant claim.

Judge Marc D. Loud

Copies to:
All counsel to parties

EXHIBIT 6

March 27, 2013

VIA ELECTRONIC MAIL

Daniel L. Watkins
Special Deputy to the Rehabilitator
D.C. Chartered Health Plan, Inc.
1025 15th Street, NW
Washington, D.C. 20005-2601

Re: Chartered's November 30, 2011 Claim on Appeal to the Contract Appeals Board, No. D-1445

Dear Mr. Watkins:

I write on behalf of Chartered's sole shareholder, DCHSI. It has come to our attention that on March 22, 2013, Chartered filed with the Contract Appeals Board ("CAB") in case no. D-1445 a Consent Motion to Stay All Proceedings relating to Chartered's November 30, 2011 claim against the District of Columbia under Contract No. DCHC-2008-D-5052 (the "November 2011 Claim").

On behalf of DCHSI, we demand an explanation of your decision to have Chartered seek a stay of the CAB appeal. In the November 2011 Claim, Chartered seeks to recover approximately \$25.7 million incurred (but not reimbursed) as a result of new pharmacy costs relating to the District's mandated transfer of the 774/775 population from the Alliance Program to the Medicaid managed care program. The Contracting Officer sat on the November 2011 Claim for four months and took no action, constituting a deemed denial. Chartered proceeded to the CAB on April 9, 2012, nearly one year ago. In December 2012, the CAB denied the District's effort to shield DHCF Director Wayne Turnage from deposition, yet, with fact discovery closing April 12, 2013, Chartered still has not taken or scheduled Mr. Turnage's or anyone else's deposition.

We have reviewed the March 22 Motion to Stay. We recognize that you have caused Chartered to pursue additional claims on Chartered's behalf, as presented to the Contracting Officer by you on January 4 and February 21, 2013 (the "2013 Claims"). You have not, however, explained (1) why one of those claims, the February 21 claim captioned "Claim Under Contract DCHC-2008-D-5052," included not only newly-alleged components of loss totaling approximately \$25.5 million but also the components of loss already asserted in the November 2011 Claim and (2) how it is in Chartered's interest to defer resolution of the November 2011

Daniel L. Watkins
March 27, 2013
Page 2

Claim when it stands to resolve, substantially and perhaps completely, the very supposed capital shortfall that led to Chartered's rehabilitation in the first place.

Please explain how Chartered's interests are furthered by restarting the clock with respect to the damages at issue in the November 2011 Claim, rather than aggressively pursuing the November 2011 Claim in its current form. That claim was filed over 16 months ago. As we read the stay motion, you would erase the progress toward a final resolution that has been made over those 16 months and tie the timing of the November 2011 Claim to the 2013 Claims. There is no apparent benefit in staying the November 2011 Claim and, in fact, doing so appears to prejudice Chartered, and consequently DCHSI, whereas separately pursuing the November 2011 Claim and the non-overlapping portions of the 2013 Claims seems to be in the interests of both. Expedient resolution of the November 2011 Claim also would be consistent with your duty to recapitalize Chartered.

We await your explanation. If we do not receive a satisfactory response in writing by noon on Friday, March 29, we reserve our right to file a motion seeking to compel Chartered to withdraw the March 22 Motion to Stay the CAB proceeding.

Very truly yours,



David Killalea

cc: Charles T. Richardson, Esquire
Faegre Baker Daniels LLP

EXHIBIT 7

A. Scott Bolden
Direct Phone: +1 202 414 9266
Email: abolden@reedsmith.com

Reed Smith LLP
1301 K Street, N.W.
Suite 1100 - East Tower
Washington, D.C. 20005-3373
+1 202 414 9200
Fax +1 202 414 9299
reedsmith.com

March 29, 2013

By Electronic Mail and U.S. Mail

David Killalea
Manatt, Phelps & Phillips, LLP
700 12th Street, NW
Suite 1100
Washington, DC 20005

Re: *D.C. Chartered Health Plan's November 30, 2011 Claim on Appeal to the District of Columbia Contract Appeals Board, No. D-1445*

Dear Mr. Killalea:

As counsel to DC Chartered Health Plan, Inc. ("Chartered"), I write in regards to your letter to Daniel L. Watkins dated March 27, 2013, regarding the Consent Motion to Stay All Proceedings ("Motion") filed by Chartered in its pending claim before the Contract Appeals Board. Please direct all further communications regarding this matter to the undersigned.

In this regard, your letter asserts that staying the current proceedings would be to Chartered's detriment, yet also demands an explanation from Mr. Watkins as to how Chartered's interests are furthered by the stay. I can assure you that the decision to seek a stay of the current proceedings is part of a focused and vigorous legal strategy to diligently pursue all of the contract payments owed to Chartered by the District of Columbia ("District").

Additionally, your letter recognizes that on February 21, 2013, Chartered filed a claim that amends and supersedes the claim that is the subject of the current proceedings. In fact, this new claim properly seeks more than \$51 million – the full amount owed to Chartered as a result of the District's constructive change of the contract. As you must know, Chartered could not have pursued this amount without first submitting its claim to the contracting officer. Additionally, Chartered has filed two other claims that together seek more than \$11 million in payments properly owed to Chartered. Given the sheer amount at stake, it is difficult to conceive how pursuing these claims could be detrimental to Chartered.

Moreover, it is also difficult to see how a temporary stay in order to permit the consolidation of these claims could be detrimental to Chartered. It is unlikely that discovery – by either party – will be completed in April, and thus an amendment of the scheduling order is inevitable. As Chartered's Motion clearly explains, since the pending claims are based on the same or substantially the same facts as the claim that is the subject of the current proceedings, consolidation will avoid unnecessary and/or duplicative discovery and legal expense.

Chartered's strategy under Mr. Watkins' rehabilitation efforts is to pursue all contract payments from the District to which it is entitled. A temporary stay of the current proceedings will permit Chartered to advance its strategy – either through a successful consolidated claim before the Contract Appeals Board, or another means of global resolution. To believe otherwise substantially ignores the efficiencies and momentum to be gained from this approach.

Sincerely, I am

A handwritten signature in black ink that reads "A. Scott Bolden". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

A. Scott Bolden

EXHIBIT 8

D.C. CHARTERED HEALTH PLAN, INC.Statutory Statement of Admitted Assets, Liabilities, and Capital and Surplus
September 30, 2012**Admitted Assets**

| | |
|---|----------------------|
| Bonds, at cost which approximates fair value | \$ 15,628,805 |
| Cash, cash equivalents and short-term investments | <u>9,993,014</u> |
| Total cash and invested assets | 25,621,819 |
| Accrued investment income | 175,707 |
| Uncollected premiums | 4,982,344 |
| Accrued retrospective premiums | 32,000,000 |
| Reinsurance recoverable | 18,855 |
| Electronic data processing equipment and software | 152,535 |
| Health care receivables | <u>-</u> |
| Total admitted assets | <u>\$ 62,951,260</u> |

Liabilities, capital and surplus

| | |
|---|----------------------|
| Claims unpaid | \$ 45,807,749 |
| Unpaid claims adjustment expenses | 1,275,722 |
| Other liabilities and accrued expenses | 6,575,692 |
| Federal income tax payable | <u>254,878</u> |
| Total liabilities | <u>53,914,041</u> |
| Class A common stock - \$0.10 par value, 1,000 shares authorized, issued and outstanding | 100 |
| Gross paid-in and contributed surplus | 4,690,419 |
| Unassigned surplus | <u>4,346,700</u> |
| Total capital and surplus | <u>9,037,219</u> |
| Total liabilities, capital and surplus | <u>\$ 62,951,260</u> |

D.C. CHARTERED HEALTH PLAN, INC.
Statutory Statement of Revenue and Expenses
Period Ended September 30, 2012

| | |
|--|--------------------------|
| Underwriting income | |
| Net premium income | \$ 300,950,889 |
| Underwriting expenses | |
| Claims incurred | 262,021,803 |
| Claims adjustment expenses | 7,981,318 |
| General administrative expenses | <u>23,937,896</u> |
| Total underwriting expenses | <u>293,941,017</u> |
| Net underwriting income | 7,009,872 |
| Net investment income | 210,605 |
| Net loss from premium balances charged off | 6,000,000 |
| Other income (expense) | <u>(492,253)</u> |
| Net income (loss) before federal taxes | 728,224 |
| Federal income tax expense | <u>254,878</u> |
| Net income | <u><u>\$ 473,346</u></u> |

D.C. CHARTERED HEALTH PLAN, INC.
Statutory Statement of Changes in Capital and Surplus
Period Ended September 30, 2012

| | |
|--|---------------------|
| Capital and surplus, beginning of year | \$ 5,949,445 |
| Net income (loss) | 473,346 |
| Change in nonadmitted assets | 2,614,428 |
| Change in net deferred income taxes | <u>-</u> |
| Capital and surplus, end of year | <u>\$ 9,037,219</u> |

**QUARTERLY STATEMENT
OF THE
DC CHARTERED HEALTH PLAN, INC.**

**of
WASHINGTON
in the state of
District of Columbia**

**TO THE
Insurance Department
OF THE STATE OF
District of Columbia**

**FOR THE QUARTER ENDED
September 30, 2012**

2012



**QUARTERLY STATEMENT
AS OF September 30, 2012
OF THE CONDITION AND AFFAIRS OF THE
DC CHARTERED HEALTH PLAN, INC.**

| | | | | | | |
|---------------------------------------|---|--|--|---|----------------------|------------|
| NAIC Group Code | 0000 <small>(Current Period)</small> | 0000 <small>(Prior Period)</small> | NAIC Company Code | 95748 | Employer's ID Number | 52-1492499 |
| Organized under the Laws of | District of Columbia | | State of Domicile or Port of Entry | District of Columbia | | |
| Country of Domicile | United States of America | | | | | |
| Licensed as business type: | Life, Accident & Health[] Dental Service Corporation[] Other[] | Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[] | Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X] | | | |
| Incorporated/Organized | 09/12/1986 | | Commenced Business | 09/12/1986 | | |
| Statutory Home Office | 1025 15TH STREET NW <small>(Street and Number)</small> | | WASHINGTON, DC 20005-2601 <small>(City, or Town, State and Zip Code)</small> | | | |
| Main Administrative Office | | | 1025 15TH STREET NW <small>(Street and Number)</small> | | | |
| | WASHINGTON, DC 20005-2601 <small>(City, or Town, State and Zip Code)</small> | | | (202)408-4720 <small>(Area Code)(Telephone Number)</small> | | |
| Mail Address | 1025 15TH STREET NW <small>(Street and Number or P.O. Box)</small> | | WASHINGTON, DC 20005-2601 <small>(City, or Town, State and Zip Code)</small> | | | |
| Primary Location of Books and Records | | | 1025 15TH STREET NW <small>(Street and Number)</small> | | | |
| | WASHINGTON, DC 20005-2601 <small>(City, or Town, State and Zip Code)</small> | | | (202)408-3973 <small>(Area Code)(Telephone Number)</small> | | |
| Internet Web Site Address | www.chartered-health.com | | | | | |
| Statutory Statement Contact | MAYNARD GEORGE MCALPIN <small>(Name)</small> | | (202)408-3973 <small>(Area Code)(Telephone Number)(Extension)</small> | | | |
| | MMcalpin@chartered-health.com <small>(E-Mail Address)</small> | | (202)289-6642 <small>(Fax Number)</small> | | | |

OFFICERS

| <u>Name</u> | <u>Title</u> |
|------------------------|-----------------|
| MAYNARD GEORGE MCALPIN | President & CEO |

VICE PRESIDENT

PARMINDER SINGH SETHI, CIO
SHAROL AGATHE LEWIS, SVP, Medical Affairs and Chief Medical Officer #

KEITH ANTHONY MACCANNON, SVP, Health Plan Services, Marketing and Com.

DIRECTORS OR TRUSTEES

| | |
|---------------------------|-------------------------------|
| DAVID DONALD WOLF # | JOHNNIE BROOKS BOOKER |
| MYRTLE ROSALIND GOMEZ | NICHOLAS GEORGE KAREMBALAS |
| WILLIAM JEFFREY STRUDWICK | LIVIO RENATO BROCCOLINO ESQ # |
| GOFFREY STEWART GLASPER # | |

State of District of Columbia
County of _____ ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

| | | |
|---|---|--|
| _____ <small>(Signature)</small> MAYNARD GEORGE MCALPIN <small>(Printed Name)</small> 1. President and CEO <small>(Title)</small> | _____ <small>(Signature)</small> DANIEL LAWRENCE WATKINS <small>(Printed Name)</small> 2. Special Deputy Rehabilitator <small>(Title)</small> | _____ <small>(Signature)</small> EDWARD FREDERICK OSWALD <small>(Printed Name)</small> 3. Interim Chief Financial Officer <small>(Title)</small> |
|---|---|--|

Subscribed and sworn to before me this _____ day of _____, 2012

- a. Is this an original filing? _____
b. If no, 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

Yes[X] No[]

(Notary Public Signature)

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|----------------------------|--|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 15,628,805 | | 15,628,805 | 15,025,957 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | | |
| 2.2 Common stocks | | | | |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | | |
| 3.2 Other than first liens | | | | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$.....0 encumbrances) | | | | |
| 4.2 Properties held for the production of income (less \$.....0 encumbrances) | | | | |
| 4.3 Properties held for sale (less \$.....0 encumbrances) | | | | |
| 5. Cash (\$.....(1,270,002)), cash equivalents (\$.....11,263,015) and short-term investments (\$.....0) | 9,993,014 | | 9,993,014 | 16,975,318 |
| 6. Contract loans (including \$.....0 premium notes) | | | | |
| 7. Derivatives | | | | |
| 8. Other invested assets | | | | |
| 9. Receivables for securities | | | | |
| 10. Securities lending reinvested collateral assets | | | | |
| 11. Aggregate write-ins for invested assets | | | | |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 25,621,819 | | 25,621,819 | 32,001,275 |
| 13. Title plants less \$.....0 charged off (for Title insurers only) | | | | |
| 14. Investment income due and accrued | 175,707 | | 175,707 | 122,683 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 4,982,344 | | 4,982,344 | 5,299,409 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) | | | | |
| 15.3 Accrued retrospective premiums | 32,000,000 | | 32,000,000 | 20,000,000 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 18,855 | | 18,855 | 246,430 |
| 16.2 Funds held by or deposited with reinsured companies | | | | |
| 16.3 Other amounts receivable under reinsurance contracts | | | | 31,273 |
| 17. Amounts receivable relating to uninsured plans | | | | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | | |
| 18.2 Net deferred tax asset | | | | |
| 19. Guaranty funds receivable or on deposit | | | | |
| 20. Electronic data processing equipment and software | 311,334 | 158,799 | 152,535 | |
| 21. Furniture and equipment, including health care delivery assets (\$.....0) | 360,551 | 360,551 | | |
| 22. Net adjustments in assets and liabilities due to foreign exchange rates | | | | |
| 23. Receivables from parent, subsidiaries and affiliates | | | | |
| 24. Health care (\$.....0) and other amounts receivable | 1,675,000 | 1,675,000 | | 143,721 |
| 25. Aggregate write-ins for other than invested assets | 1,253,791 | 1,253,791 | | |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 66,399,401 | 3,448,141 | 62,951,261 | 57,844,791 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. Total (Lines 26 and 27) | 66,399,401 | 3,448,141 | 62,951,261 | 57,844,791 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | | | | |
| 1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) | | | | |
| 2501. PREPAIDS | 1,070,303 | 1,070,303 | | |
| 2502. DEPOSITS | 162,205 | 162,205 | | |
| 2503. ADVANCES - EMPLOYEE | 21,283 | 21,283 | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | | | | |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | 1,253,791 | 1,253,791 | | |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|--|----------------|----------------|------------|------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$.....0 reinsurance ceded) | 45,807,749 | | 45,807,749 | 43,000,000 |
| 2. Accrued medical incentive pool and bonus amounts | | | | |
| 3. Unpaid claims adjustment expenses | 1,275,722 | | 1,275,722 | 1,275,722 |
| 4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act | | | | |
| 5. Aggregate life policy reserves | | | | |
| 6. Property/casualty unearned premium reserve | | | | |
| 7. Aggregate health claim reserves | | | | |
| 8. Premiums received in advance | | | | |
| 9. General expenses due or accrued | 6,300,658 | | 6,300,658 | 7,313,520 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) | 254,878 | | 254,878 | |
| 10.2 Net deferred tax liability | | | | |
| 11. Ceded reinsurance premiums payable | | | | |
| 12. Amounts withheld or retained for the account of others | 95,638 | | 95,638 | 122,176 |
| 13. Remittances and items not allocated | | | | |
| 14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) | | | | |
| 15. Amounts due to parent, subsidiaries and affiliates | | | | |
| 16. Derivatives | | | | |
| 17. Payable for securities | | | | |
| 18. Payable for securities lending | | | | |
| 19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers) | | | | |
| 20. Reinsurance in unauthorized companies | | | | |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | | | | |
| 22. Liability for amounts held under uninsured plans | | | | |
| 23. Aggregate write-ins for other liabilities (including \$.....0 current) | 179,395 | | 179,395 | 183,928 |
| 24. Total liabilities (Lines 1 to 23) | 53,914,041 | | 53,914,041 | 51,895,347 |
| 25. Aggregate write-ins for special surplus funds | X X X | X X X | | |
| 26. Common capital stock | X X X | X X X | 100 | 100 |
| 27. Preferred capital stock | X X X | X X X | | |
| 28. Gross paid in and contributed surplus | X X X | X X X | 4,690,419 | 4,690,419 |
| 29. Surplus notes | X X X | X X X | | |
| 30. Aggregate write-ins for other than special surplus funds | X X X | X X X | | |
| 31. Unassigned funds (surplus) | X X X | X X X | 4,346,700 | 1,258,926 |
| 32. Less treasury stock, at cost: | | | | |
| 32.10 shares common (value included in Line 26 \$.....0) | X X X | X X X | | |
| 32.20 shares preferred (value included in Line 27 \$.....0) | X X X | X X X | | |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | X X X | X X X | 9,037,219 | 5,949,445 |
| 34. Total Liabilities, capital and surplus (Lines 24 and 33) | X X X | X X X | 62,951,260 | 57,844,791 |
| DETAILS OF WRITE-INS | | | | |
| 2301. UNCLAIMED CHECKS | 179,395 | | 179,395 | 183,928 |
| 2302. | | | | |
| 2303. | | | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | | | | |
| 2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) | 179,395 | | 179,395 | 183,928 |
| 2501. | X X X | X X X | | |
| 2502. | X X X | X X X | | |
| 2503. | X X X | X X X | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | X X X | X X X | | |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | X X X | X X X | | |
| 3001. | X X X | X X X | | |
| 3002. | X X X | X X X | | |
| 3003. | X X X | X X X | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | X X X | X X X | | |
| 3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) | X X X | X X X | | |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date | Prior Year Ended December 31 |
|---|----------------------|-------------|--------------------|------------------------------|
| | 1 Uncovered | 2 Total | 3 Total | 4 Total |
| 1. Member Months | X X X | 987,152 | 992,601 | 1,325,230 |
| 2. Net premium income (including \$.....0 non-health premium income) | X X X | 300,950,889 | 268,346,534 | 383,743,178 |
| 3. Change in unearned premium reserves and reserves for rate credits | X X X | | | |
| 4. Fee-for-service (net of \$.....0 medical expenses) | X X X | | | |
| 5. Risk revenue | X X X | | | |
| 6. Aggregate write-ins for other health care related revenues | X X X | | | |
| 7. Aggregate write-ins for other non-health revenues | X X X | | | |
| 8. Total revenues (Lines 2 to 7) | X X X | 300,950,889 | 268,346,534 | 383,743,178 |
| Hospital and Medical: | | | | |
| 9. Hospital/medical benefits | | 117,070,127 | 77,963,906 | 155,021,186 |
| 10. Other professional services | | 57,536,995 | 90,668,798 | 78,259,757 |
| 11. Outside referrals | | | | |
| 12. Emergency room and out-of-area | | 45,199,329 | 47,763,274 | 66,604,970 |
| 13. Prescription drugs | | 40,768,282 | 32,080,110 | 45,297,314 |
| 14. Aggregate write-ins for other hospital and medical | | 1,662,645 | 1,359,033 | 2,115,329 |
| 15. Incentive pool, withhold adjustments and bonus amounts | | | | |
| 16. Subtotal (Lines 9 to 15) | | 262,237,378 | 249,835,121 | 347,298,556 |
| Less: | | | | |
| 17. Net reinsurance recoveries | | 215,574 | 178,459 | 702,156 |
| 18. Total hospital and medical (Lines 16 minus 17) | | 262,021,804 | 249,656,662 | 346,596,400 |
| 19. Non-health claims (net) | | | | |
| 20. Claims adjustment expenses, including \$.....4,249,486 cost containment expenses | | 7,981,318 | 6,480,546 | 12,344,021 |
| 21. General administrative expenses | | 23,937,896 | 19,343,721 | 26,915,784 |
| 22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) | | | | |
| 23. Total underwriting deductions (Lines 18 through 22) | | 293,941,018 | 275,480,929 | 385,856,205 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | X X X | 7,009,871 | (7,134,395) | (2,113,027) |
| 25. Net investment income earned | | 210,605 | 808,148 | 271,136 |
| 26. Net realized capital gains (losses) less capital gains tax of \$.....0 | | | | |
| 27. Net investment gains or (losses) (Lines 25 plus 26) | | 210,605 | 808,148 | 271,136 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....6,000,000)] | | (6,000,000) | | (10,000,000) |
| 29. Aggregate write-ins for other income or expenses | | (492,254) | 7,500,000 | 2,487,676 |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) | X X X | 728,222 | 1,173,753 | (9,354,215) |
| 31. Federal and foreign income taxes incurred | X X X | 254,878 | 410,813 | |
| 32. Net income (loss) (Lines 30 minus 31) | X X X | 473,343 | 762,940 | (9,354,215) |
| DETAILS OF WRITE-INS | | | | |
| 0601. | X X X | | | |
| 0602. | X X X | | | |
| 0603. | X X X | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | X X X | | | |
| 0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) | X X X | | | |
| 0701. | X X X | | | |
| 0702. | X X X | | | |
| 0703. | X X X | | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | X X X | | | |
| 0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) | X X X | | | |
| 1401. OTHER MEDICAL CLAIMS - DME | | 1,662,645 | 1,359,033 | 2,115,329 |
| 1402. | | | | |
| 1403. | | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | | | | |
| 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) | | 1,662,645 | 1,359,033 | 2,115,329 |
| 2901. Dental Settlement with DCHF | | | 7,500,000 | 7,500,000 |
| 2902. Write-off balances - Notes Receivable and AR - Other | | (428,694) | | |
| 2903. Write-off balances Due To/From Parent | | (66,251) | | (3,855,522) |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | | 2,691 | | (1,156,802) |
| 2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) | | (492,254) | 7,500,000 | 2,487,676 |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 | 2 | 3 |
|--|-------------------------|-----------------------|------------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| CAPITAL & SURPLUS ACCOUNT | | | |
| 33. Capital and surplus prior reporting year | 5,949,445 | 17,444,647 | 17,444,647 |
| 34. Net income or (loss) from Line 32 | 473,343 | 762,940 | (9,354,215) |
| 35. Change in valuation basis of aggregate policy and claim reserves | | | |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 | | | |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | | |
| 38. Change in net deferred income tax | | | (3,319,807) |
| 39. Change in nonadmitted assets | 2,614,428 | (667,452) | 1,611,527 |
| 40. Change in unauthorized reinsurance | | | |
| 41. Change in treasury stock | | | |
| 42. Change in surplus notes | | | |
| 43. Cumulative effect of changes in accounting principles | | | |
| 44. Capital Changes: | | | |
| 44.1 Paid in | | | |
| 44.2 Transferred from surplus (Stock Dividend) | | | |
| 44.3 Transferred to surplus | | | |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in | | | 0 |
| 45.2 Transferred to capital (Stock Dividend) | | | |
| 45.3 Transferred from capital | | | |
| 46. Dividends to stockholders | | | |
| 47. Aggregate write-ins for gains or (losses) in surplus | | 363,211 | (432,707) |
| 48. Net change in capital and surplus (Lines 34 to 47) | 3,087,772 | 458,699 | (11,495,202) |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 9,037,216 | 17,903,346 | 5,949,445 |
| DETAILS OF WRITE-INS | | | |
| 4701. CORRECTION OF PRIOR PERIOD ACCOUNTING ERROR | | (102,734) | (432,707) |
| 4702. CHANGE IN CAPITAL ASSETS & FIXED ASSET DEPRECIATION | | 35 | |
| 4703. ADJUSTMENT FOR DTA | | 465,910 | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | | | |
| 4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) | | 363,211 | (432,707) |

CASH FLOW

| | | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|--|--|---------------------------------|-------------------------------|---|
| Cash from Operations | | | | |
| 1. | Premiums collected net of reinsurance | 289,299,226 | 263,981,738 | 366,272,113 |
| 2. | Net investment income | 157,581 | 603,643 | 303,881 |
| 3. | Miscellaneous income | | | |
| 4. | Total (Lines 1 to 3) | 289,456,807 | 264,585,381 | 366,575,994 |
| 5. | Benefit and loss related payments | 257,456,561 | 248,346,493 | 333,628,360 |
| 6. | Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. | Commissions, expenses paid and aggregate write-ins for deductions | 39,424,330 | 18,205,987 | 45,030,386 |
| 8. | Dividends paid to policyholders | | | |
| 9. | Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) | | (238,109) | (3,368,587) |
| 10. | Total (Lines 5 through 9) | 296,880,891 | 266,314,371 | 375,290,159 |
| 11. | Net cash from operations (Line 4 minus Line 10) | (7,424,084) | (1,728,990) | (8,714,165) |
| Cash from Investments | | | | |
| 12. | Proceeds from investments sold, matured or repaid: | | | |
| 12.1 | Bonds | 2,313,819 | 2,190,900 | 4,167,752 |
| 12.2 | Stocks | | | |
| 12.3 | Mortgage loans | | | |
| 12.4 | Real estate | | | |
| 12.5 | Other invested assets | 13,283 | | 33,991 |
| 12.6 | Net gains or (losses) on cash, cash equivalents and short-term investments | | | |
| 12.7 | Miscellaneous proceeds | 188,599 | | |
| 12.8 | Total investment proceeds (Lines 12.1 to 12.7) | 2,515,700 | 2,190,900 | 4,201,743 |
| 13. | Cost of investments acquired (long-term only): | | | |
| 13.1 | Bonds | 2,916,667 | 4,390,000 | 7,049,630 |
| 13.2 | Stocks | | | |
| 13.3 | Mortgage loans | | | |
| 13.4 | Real estate | | | |
| 13.5 | Other invested assets | | | |
| 13.6 | Miscellaneous applications | | | |
| 13.7 | Total investments acquired (Lines 13.1 to 13.6) | 2,916,667 | 4,390,000 | 7,049,630 |
| 14. | Net increase (or decrease) in contract loans and premium notes | | | |
| 15. | Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (400,966) | (2,199,100) | (2,847,887) |
| Cash from Financing and Miscellaneous Sources | | | | |
| 16. | Cash provided (applied): | | | |
| 16.1 | Surplus notes, capital notes | | 117,989 | |
| 16.2 | Capital and paid in surplus, less treasury stock | 0 | | 0 |
| 16.3 | Borrowed funds | | | |
| 16.4 | Net deposits on deposit-type contracts and other insurance liabilities | | (2,847,921) | |
| 16.5 | Dividends to stockholders | | | |
| 16.6 | Other cash provided (applied) | 842,747 | (545,661) | (267,912) |
| 17. | Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) | 842,747 | (3,275,593) | (267,912) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | | |
| 18. | Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) | (6,982,303) | (7,203,683) | (11,829,964) |
| 19. | Cash, cash equivalents and short-term investments: | | | |
| 19.1 | Beginning of year | 16,975,318 | 28,805,282 | 28,805,282 |
| 19.2 | End of period (Line 18 plus Line 19.1) | 9,993,014 | 21,601,599 | 16,975,318 |

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

| | | | | |
|---------|--|--|--|--|
| 20.0001 | Long-term CDARs were reported as cash in the 12/31/11 annual statement - this was corrected in the 1Q 2012 filing and they are properly reported as Schedule D assets | | | |
| 20.0002 | Notes Receivable were reported as aggregate write-ins at 12/31/11 - at 3/31/12 a reclassification was made as these assets should be reported as Other invested Assets | | | |

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 | | 2 | | 3 | | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|-------------|------------|------------------------------------|-------|---------------------|-------------|---|---|---|---|---|-------------|----|
| | Total | Individual | Comprehensive (Hospital & Medical) | Group | Medicare Supplement | Vision Only | | | | | | | |
| Total Members at end of: | | | | | | | | | | | | | |
| 1. Prior Year | 110,550 | | 12,442 | | | | | | | | | 98,108 | |
| 2. First Quarter | 112,049 | | 11,383 | | | | | | | | | 100,666 | |
| 3. Second Quarter | 108,713 | | 8,869 | | | | | | | | | 99,844 | |
| 4. Third Quarter | 108,617 | | 8,869 | | | | | | | | | 99,728 | |
| 5. Current Year | | | | | | | | | | | | | |
| 6. Current Year Member Months | 987,152 | | 90,056 | | | | | | | | | 897,096 | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | | | | |
| 7. Physician | 399,891 | | 47,595 | | | | | | | | | 352,296 | |
| 8. Non-Physician | 169,763 | | 20,849 | | | | | | | | | 148,914 | |
| 9. Total | 569,654 | | 68,444 | | | | | | | | | 501,210 | |
| 10. Hospital Patient Days Incurred | 24,433 | | 1,457 | | | | | | | | | 22,976 | |
| 11. Number of Inpatient Admissions | 6,884 | | 340 | | | | | | | | | 6,544 | |
| 12. Health Premiums Written (a) | 301,872,583 | | 14,313,844 | | | | | | | | | 287,558,739 | |
| 13. Life Premiums Direct | | | | | | | | | | | | | |
| 14. Property/Casualty Premiums Written | | | | | | | | | | | | | |
| 15. Health Premiums Earned | 301,872,583 | | 14,313,844 | | | | | | | | | 287,558,739 | |
| 16. Property/Casualty Premiums Earned | | | | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | 268,125,047 | | 13,795,555 | | | | | | | | | 244,329,492 | |
| 18. Amount Incurred for Provision of Health Care Services | 262,237,377 | | 13,193,080 | | | | | | | | | 249,044,297 | |

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

STATEMENT AS OF **September 30, 2012** OF THE **DC CHARTERED HEALTH PLAN, INC.**
CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|--|-------------|--------------|--------------|---------------|---------------|------------|
| Account | 1 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 days | Over 120 Days | Total |
| Individually Listed Claims Unpaid | | | | | | |
| Children's National Medical Center | 4,564,149 | 203,086 | | | | 4,767,235 |
| Washington Hospital Center | 8,645,711 | 2,823,155 | | | | 11,468,866 |
| 0199999 Individually Listed Claims Unpaid | 13,209,860 | 3,026,241 | | | | 16,236,101 |
| 0299999 Aggregate Accounts Not Individually Listed - Uncovered | | | | | | |
| 0399999 Aggregate Accounts Not Individually Listed - Covered | 14,392,553 | 636,505 | | | | 15,029,058 |
| 0499999 Subtotals | 27,602,413 | 3,662,746 | | | | 31,265,159 |
| 0599999 Unreported claims and other claim reserves | | | | | | 14,542,590 |
| 0699999 Total Amounts Withheld | | | | | | 45,807,749 |
| 0799999 Total Claims Unpaid | | | | | | |
| 0899999 Accrued Medical Incentive Pool And Bonus Amounts | | | | | | |

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

| Line of Business | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 Claims Incurred in Prior Years (Columns 1+3) | 6 Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year |
|---|--|---|--|---|---|---|
| | 1 On Claims Incurred Prior to January 1 of Current Year | 2 On Claims Incurred During the Year | 3 On Claims Unpaid Dec 31 of Prior Year | 4 On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital & medical) | 3,092,019 | 10,703,537 | | 2,306,470 | 3,092,019 | 2,908,945 |
| 2. Medicare Supplement | | | | | | |
| 3. Dental only | | | | | | |
| 4. Vision only | | | | | | |
| 5. Federal Employees Health Benefits Plan | | | | | | |
| 6. Title XVIII - Medicare | 37,308,523 | 206,580,057 | | 43,501,280 | 37,308,523 | 40,091,055 |
| 7. Title XIX - Medicaid | | | | | | |
| 8. Other health | 40,400,542 | 217,283,594 | | 45,807,750 | 40,400,542 | 43,000,000 |
| 9. Health subtotal (Lines 1 to 8) | | | | | | |
| 10. Healthcare receivables (a) | | 1,675,000 | | | | 3,204,919 |
| 11. Other non-health | | | | | | |
| 12. Medical incentive pools and bonus amounts | | | | | | |
| 13. Totals (Lines 9 - 10 + 11 + 12) | 40,400,542 | 215,608,594 | | 45,807,750 | 40,400,542 | 39,795,081 |

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

Notes to Financial Statement**1. Summary of Significant Accounting Policies****a. Accounting Practices**

The financial statements of DC Chartered Health Plan ("Chartered") are presented on the basis of accounting practices prescribed or permitted by the District of Columbia Department of Insurance, Securities and Banking (DISB). The DISB recognized only statutory accounting practices prescribed or permitted by the District of Columbia (District) for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the District of Columbia Insurance Code. The DISB has adopted the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* as a component of prescribed or permitted practices for the District. The DISB has the right to permit specific practices that deviate from prescribed practices. There is no deviation from the NAIC *Accounting Practices and Procedures Manual*.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the District of Columbia Department of Insurance, Securities and Banking is shown below:

| | <u>State of Domicile</u> | <u>2012</u> | <u>2011</u> |
|---|------------------------------|--------------------|----------------------|
| (1) Net Income Maryland state basis | DC | \$473,343 | \$(9,354,215) |
| (2) State Prescribed Practices (Income): | DC | - | - |
| (3) State Permitted Practices (Income): | DC | - | - |
| (4) Net Income, NAIC SAP | DC | <u>\$473,343</u> | <u>\$(9,354,215)</u> |
| (5) Statutory Surplus Maryland basis | DC | \$9,037,219 | \$5,949,445 |
| (6) State Prescribed Practices (Surplus): | DC | - | - |
| (7) State Permitted Practices (Surplus): | DC | - | - |
| (8) Statutory Surplus, NAIC SAP | DC | <u>\$9,037,219</u> | <u>\$5,949,445</u> |

b. Use of Estimates in the Preparation of the Financial Statements

No Material Changes

c. Accounting Policy

No Material Changes

2. Accounting Changes and Corrections of Errors

No Material Changes

3. Business Combinations and Goodwill

No Material Changes

4. Discontinued Operations

No Material Changes

5. Investments

- A. Mortgage Loans - None
- B. Debt Restructuring - None
- C. Reverse Mortgages - None
- D. Loan-Backed Securities - None
- E. Repurchase Agreements - None
- F. Real Estate - None
- G. Low Income Housing Tax Credits - None

6. Joint Ventures, Partnerships and Limited Liability Companies

No Material Changes

Notes to Financial Statement

7. Investment Income

No Material Changes

8. Derivative Instruments

No Material Changes

9. Income Taxes

No Material Changes

10. Information Concerning Parent, Subsidiaries and Affiliates

No Material Changes

11. Debt

No Material Changes

12. Retirement Plans, Deferred Compensation, Post-Employment Benefits, Compensated Absences and other Postretirement Benefit Plans

No Material Changes

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

No Material Changes

14. Contingencies

No Material Changes

15. Leases

No Material Changes

16. Information about Financial Instruments with off-balance sheet risk and financial instruments with concentrations of credit risk

No Material Changes

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

a. Transfers of Receivables reported as Sales – No Material Changes

b. Transfer and Servicing of Financial Assets – No Material Changes

c. Wash Sales – None

18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans

No Material Changes

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No Material Changes

20. Fair Value Measurements

A. Fair Value at Reporting Date

(1) Fair Value at Reporting Date - None

(2) Fair Value Measurements in (Level 3) of the Fair Value - None

Notes to Financial Statement

(3) The Company's policy for determining when transfers between levels are recognized is the end of the reporting period - None

(4) a & b & c - There are no fair value measurements categorized within Level 2 and Level 3 of the fair value hierarchy - None

(5) Derivative assets and liabilities - None

B. Fair Value information under SSAP No. 100 combined with Fair Value information Under Other Accounting Pronouncements - None.

C. Aggregate Fair Value of All Financial Instruments

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Not Practicable (Carrying Value) |
|------------------------------|----------------------|-----------------|-----------|--------------|-----------|----------------------------------|
| Bonds | \$15,628,805 | \$15,628,805 | | \$15,628,805 | | |

D. Not Practicable to Estimate Fair Value - None

21. Other Items

No Material Changes

22. Events Subsequent

Type I – Recognized Subsequent Events – None

Type II – Nonrecognized Subsequent Events

The following subsequent events have occurred:

- On October 19, 2012 the Department of Insurance, Securities and Banking placed Chartered into court receivership as a result of the voluntary receivership action approved by Chartered's Board of Directors and authorized by its owner.
- Chartered elected not to submit a response on December 3, 2012 to the office of OCP's request for proposal for a new 5-year contract. Chartered's contract will end on April 30, 2013 and no further premiums will be received after that date.
- Chartered entered into a non-binding Letter of Intent on December 1, 2012, for the sale of certain assets with a third-party.
- On December 4, 2012, MedStar Health provided notice of contract terminations on behalf of Washington Hospital Center Corporation (WHC) and MedStar-Georgetown Medical Center, Inc. (GUH) effective January 4, 2013. Subsequently, MedStar filed a motion in the Superior Court for the District of Columbia seeking to prevent Chartered from recouping amounts on patient claims which Chartered asserts under the contracts. Chartered has not calculated the financial impact of the contract terminations or litigation as of the date of this report.

23. Reinsurance

No Material Changes

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

During 2012, the Company recorded an additional Accrued Retrospective Premium Receivable net amount of \$12M for the period of January – April 2012 related to the Medicaid contract. The gross receivable was \$18M; however, the Company wrote-off \$6M which is reflected as balances charged-off in the Company's current year income statement.

The gross retrospective premium represents 5.98% of premiums earned through September 2012.

The total net amount recorded in the Company's books and records is \$32M.

Notes to Financial Statement

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of December 31, 2011 were \$44,275,722. As of September 30, 2012, \$41,676,264 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$0 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Medicare line of business. Therefore, there has been a \$2,599,458 favorable prior-year development since December 31, 2011 to September 30, 2012. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

No Material Changes

27. Structured Settlements

No Material Changes

28. Health Care Receivables

No Material Changes

29. Participating Policies

No Material Changes

30. Premium Deficiency Reserves

No Material Changes

31. Anticipated Salvage and Subrogation

No Material Changes

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES
GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[] No[X]
 1.2 If yes, has the report been filed with the domiciliary state? Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end? If yes, complete the Schedule Y - Part 1 - organizational chart. Yes[X] No[]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1 | 2 | 3 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | State of Domicile |
| | | |

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? If yes, attach an explanation. Yes[] No[X] N/A[]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2007
 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2007
 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 12/31/2008
 6.4 By what department or departments?
 DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE AND SECURITIES REGULATION
 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[X] No[] N/A[]
 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[] N/A[]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

| 1 | 2 | 3 | 4 | 5 | 6 |
|----------------|------------------------|--------------|--------------|--------------|--------------|
| Affiliate Name | Location (City, State) | FRB | OCC | FDIC | SEC |
| | | Yes[] No[X] | Yes[] No[X] | Yes[] No[X] | Yes[] No[X] |

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.
 9.11 If the response to 9.1 is No, please explain: Yes[X] No[]
 9.2 Has the code of ethics for senior managers been amended? Yes[] No[X]
 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[] No[X]
 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[] No[X]
 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
 11.2 If yes, give full and complete information relating thereto:
 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
 13. Amount of real estate and mortgages held in short-term investments: \$ 0
 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[] No[X]
 14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

| | 1 Prior Year-End Book/Adjusted Carrying Value | 2 Current Quarter Book/Adjusted Carrying Value |
|--|--|---|
| 14.21 Bonds | | |
| 14.22 Preferred Stock | | |
| 14.23 Common Stock | | |
| 14.24 Short-Term Investments | | |
| 14.25 Mortgages Loans on Real Estate | | |
| 14.26 All Other | | |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | | |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | | |

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes[] No[X]
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[] No[] N/A[X]
 If no, attach a description with this statement.
16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------|--|
| CARDINAL BANK | 8270 GREENSBORO DR. STE 500, MCLEAN, VA 22102 |
| URBAN TRUST BANK | 1350 I St. NW, WASHINGTON, DC 20005 |

- 16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes[] No[X]
 16.4 If yes, give full and complete information relating thereto:

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 Reason |
|--------------------|--------------------|------------------------|-------------|
| | | | |

- 16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|---|--------------|--------------|
| | | |

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[]
 17.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:

- 1.1 A&H loss percent
- 1.2 A&H cost containment percent
- 1.3 A&H expense percent excluding cost containment expenses

..... 88.477%
..... 1.412%
..... 9.194%

- 2.1 Do you act as a custodian for health savings accounts?
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date.
- 2.3 Do you act as an administrator for health savings accounts?
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date.

Yes[] No[X] 0
\$
Yes[] No[X] 0
\$

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

| 1 NAIC Company Code | 2 Federal ID Number | 3 Effective Date | 4 Name of Reinsurer | 5 Domiciliary Jurisdiction | 6 Type of Reinsurance Ceded | 7 Is Insurer Authorized? (Yes or No) |
|---|------------------------------|------------------------|--------------------------|----------------------------------|--------------------------------------|---|
| Accident and Health - Non-affiliates 27855 | 35-2781080 | 09/01/2012 | ZURICH AMER INS CO OF IL | IL | SSL/CG | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| | | | | | | |
| | | | | | | |
| | | | | | | |

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

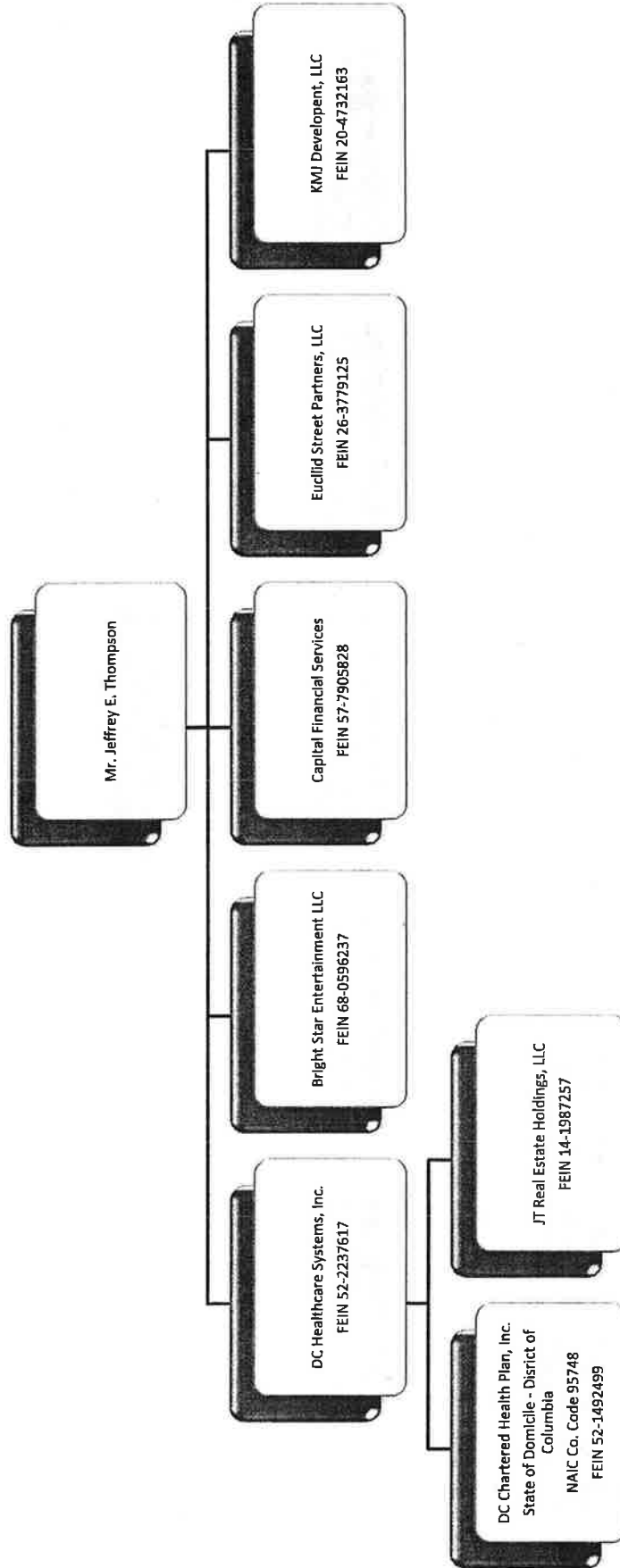
Current Year to Date - Allocated by States and Territories

| | 1 | Direct Business Only | | | | | | | 9 |
|---|---------------|------------------------------|----------------------|--------------------|--|--|----------------------------|---------------------------|------------------------|
| | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| State, Etc. | Active Status | Accident and Health Premiums | Medicare Title XVIII | Medicaid Title XIX | Federal Employees Health Benefits Program Premiums | Life and Annuity Premiums and Other Considerations | Property/Casualty Premiums | Total Columns 2 Through 7 | Deposit-Type Contracts |
| 1. Alabama (AL) | N | | | | | | | | |
| 2. Alaska (AK) | N | | | | | | | | |
| 3. Arizona (AZ) | N | | | | | | | | |
| 4. Arkansas (AR) | N | | | | | | | | |
| 5. California (CA) | N | | | | | | | | |
| 6. Colorado (CO) | N | | | | | | | | |
| 7. Connecticut (CT) | N | | | | | | | | |
| 8. Delaware (DE) | N | | | | | | | | |
| 9. District of Columbia (DC) | L | 14,313,844 | | 287,558,739 | | | | 301,872,583 | |
| 10. Florida (FL) | N | | | | | | | | |
| 11. Georgia (GA) | N | | | | | | | | |
| 12. Hawaii (HI) | N | | | | | | | | |
| 13. Idaho (ID) | N | | | | | | | | |
| 14. Illinois (IL) | N | | | | | | | | |
| 15. Indiana (IN) | N | | | | | | | | |
| 16. Iowa (IA) | N | | | | | | | | |
| 17. Kansas (KS) | N | | | | | | | | |
| 18. Kentucky (KY) | N | | | | | | | | |
| 19. Louisiana (LA) | N | | | | | | | | |
| 20. Maine (ME) | N | | | | | | | | |
| 21. Maryland (MD) | N | | | | | | | | |
| 22. Massachusetts (MA) | N | | | | | | | | |
| 23. Michigan (MI) | N | | | | | | | | |
| 24. Minnesota (MN) | N | | | | | | | | |
| 25. Mississippi (MS) | N | | | | | | | | |
| 26. Missouri (MO) | N | | | | | | | | |
| 27. Montana (MT) | N | | | | | | | | |
| 28. Nebraska (NE) | N | | | | | | | | |
| 29. Nevada (NV) | N | | | | | | | | |
| 30. New Hampshire (NH) | N | | | | | | | | |
| 31. New Jersey (NJ) | N | | | | | | | | |
| 32. New Mexico (NM) | N | | | | | | | | |
| 33. New York (NY) | N | | | | | | | | |
| 34. North Carolina (NC) | N | | | | | | | | |
| 35. North Dakota (ND) | N | | | | | | | | |
| 36. Ohio (OH) | N | | | | | | | | |
| 37. Oklahoma (OK) | N | | | | | | | | |
| 38. Oregon (OR) | N | | | | | | | | |
| 39. Pennsylvania (PA) | N | | | | | | | | |
| 40. Rhode Island (RI) | N | | | | | | | | |
| 41. South Carolina (SC) | N | | | | | | | | |
| 42. South Dakota (SD) | N | | | | | | | | |
| 43. Tennessee (TN) | N | | | | | | | | |
| 44. Texas (TX) | N | | | | | | | | |
| 45. Utah (UT) | N | | | | | | | | |
| 46. Vermont (VT) | N | | | | | | | | |
| 47. Virginia (VA) | N | | | | | | | | |
| 48. Washington (WA) | N | | | | | | | | |
| 49. West Virginia (WV) | N | | | | | | | | |
| 50. Wisconsin (WI) | N | | | | | | | | |
| 51. Wyoming (WY) | N | | | | | | | | |
| 52. American Samoa (AS) | N | | | | | | | | |
| 53. Guam (GU) | N | | | | | | | | |
| 54. Puerto Rico (PR) | N | | | | | | | | |
| 55. U.S. Virgin Islands (VI) | N | | | | | | | | |
| 56. Northern Mariana Islands (MP) | N | | | | | | | | |
| 57. Canada (CN) | N | | | | | | | | |
| 58. Aggregate other alien (OT) | X X X | | | | | | | | |
| 59. Subtotal | X X X | 14,313,844 | | 287,558,739 | | | | 301,872,583 | |
| 60. Reporting entity contributions for Employee Benefit Plans | X X X | | | | | | | | |
| 61. Total (Direct Business) | (a) 1 | 14,313,844 | | 287,558,739 | | | | 301,872,583 | |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 5801. | X X X | | | | | | | | |
| 5802. | X X X | | | | | | | | |
| 5803. | X X X | | | | | | | | |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | X X X | | | | | | | | |
| 5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) | X X X | | | | | | | | |

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|------------|------------|---------------------|-------------------|--------------|----|--|---|---------------------|--------------------------------------|--|--|--|--|----|
| Group Code | Group Name | NAIC Comp- any Code | Federal ID Number | FEDERAL RSSD | CK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Name of Parent Subsidiaries or Affiliates | Dem- ily Loca- tion | Relation- ship to Report- ing Entity | Directly Controlled by (Name of Entity / Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies) / Person(s) | |
| 0 | | 0 | | | | | MR. JEFFREY EARL THOMPSON | DC | UIP | MR. JEFFREY EARL THOMPSON | | 100.0 | MR. JEFFREY EARL THOMPSON | |
| 0 | | 95748 | 52-1402499 | | | | DC CHARTERED HEALTH PLAN INC | DC | | DC HEALTHCARE SYSTEMS | Ownership | 100.0 | MR. JEFFREY EARL THOMPSON | |
| 0 | | 0 | 14-1987257 | | | | JT Real Estate Holdings, LLC | DC | NIA | DC HEALTHCARE SYSTEMS | Ownership | 100.0 | MR. JEFFREY EARL THOMPSON | |
| 0 | | 0 | 52-2237617 | | | | DC HEALTHCARE SYSTEMS | DC | UDP | JEFFREY EARL THOMPSON | Ownership | 100.0 | MR. JEFFREY EARL THOMPSON | |
| 0 | | 0 | 68-0586237 | | | | Bright Star Entertainment LLC | DC | NIA | JEFFREY EARL THOMPSON | Ownership | 100.0 | MR. JEFFREY EARL THOMPSON | |
| 0 | | 0 | 57-7905628 | | | | Capital Financial Services | DC | NIA | JEFFREY EARL THOMPSON | Ownership | 100.0 | MR. JEFFREY EARL THOMPSON | |
| 0 | | 0 | 26-3779125 | | | | EUCLOUD STREET PARTNERS, LLC | DC | NIA | JEFFREY EARL THOMPSON | Ownership | 100.0 | MR. JEFFREY EARL THOMPSON | |
| 0 | | 0 | 20-4732163 | | | | KMI Development, LLC | DC | NIA | JEFFREY EARL THOMPSON | Ownership | 100.0 | MR. JEFFREY EARL THOMPSON | |

Asterisk Explanation

0000001 Footnote

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95748201236500003

2012

Document Code: 365

OVERFLOW PAGE FOR WRITE-INS**STATEMENT OF REVENUE AND EXPENSES**

| | Current Year To Date | | Prior Year To Date | Prior Year Ended December 31 |
|--|----------------------|-------|--------------------|------------------------------|
| | 1 | 2 | 3 | 4 |
| | Uncovered | Total | Total | Total |
| 2904. Goodwill impairment | | | | (1,460,583) |
| 2905. Other miscellaneous income | | 2,681 | | 101,949 |
| 2906. Claims Adjudication Services | | | | 201,832 |
| 2997. Summary of remaining write-ins for Line 29 (Lines 2904 through 2996) | | 2,691 | | (1,156,802) |

SCHEDULE A - VERIFICATION

Real Estate

| | 1 | 2 |
|--|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year | | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Current year change in encumbrances | | |
| 4. Total gain (loss) on disposals | | |
| 5. Deduct amounts received on disposals | | |
| 6. Total foreign exchange change in book/adjusted carrying value | | |
| 7. Deduct current year's other than temporary impairment recognized | | |
| 8. Deduct current year's depreciation | | |
| 9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8) | | |
| 10. Deduct total nonadmitted amounts | | |
| 11. Statement value at end of current period (Line 9 minus Line 10) | | |

NONE**SCHEDULE B - VERIFICATION**

Mortgage Loans

| | 1 | 2 |
|---|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | | |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | | |
| 8. Deduct amortization of premium and mortgage interest points | | |
| 9. Total foreign exchange change in book value/recorded investment | | |
| 10. Deduct current year's other than temporary impairment recognized | | |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) | | |
| 12. Total valuation allowance | | |
| 13. Subtotal (Line 11 plus Line 12) | | |
| 14. Deduct total nonadmitted amounts | | |
| 15. Statement value at end of current period (Line 13 minus Line 14) | | |

NONE**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

| | 1 | 2 |
|--|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year | 201,882 | 235,873 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | | |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | 13,283 | 33,991 |
| 8. Deduct amortization of premium and depreciation | | |
| 9. Total foreign exchange change in book/adjusted carrying value | | |
| 10. Deduct current year's other than temporary impairment recognized | 188,599 | |
| 11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) | | 201,882 |
| 12. Deduct total nonadmitted amounts | | 201,882 |
| 13. Statement value at end of current period (Line 11 minus Line 12) | | |

SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1 | 2 |
|---|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 15,025,957 | 14,053,709 |
| 2. Cost of bonds and stocks acquired | 2,916,667 | 5,140,000 |
| 3. Accrual of discount | | |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | | |
| 6. Deduct consideration for bonds and stocks disposed of | 2,313,819 | 4,167,752 |
| 7. Deduct amortization of premium | | |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other than temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 15,628,805 | 15,025,957 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 15,628,805 | 15,025,957 |

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|---|-------------------------------------|-------------------------------------|---|---|--|---|---|
| | Book/Adjusted Carrying Value Beginning of Current Quarter | Acquisitions During Current Quarter | Dispositions During Current Quarter | Non-Trading Activity During Current Quarter | Book/Adjusted Carrying Value End of First Quarter | Book/Adjusted Carrying Value End of Second Quarter | Book/Adjusted Carrying Value End of Third Quarter | Book/Adjusted Carrying Value December 31 Prior Year |
| BONDS | | | | | | | | |
| 1. Class 1 (a) | 15,266,139 | 495,666 | 450,000 | 317,000 | 15,518,957 | 15,266,139 | 15,628,805 | 15,025,957 |
| 2. Class 2 (a) | | | | | | | | |
| 3. Class 3 (a) | | | | | | | | |
| 4. Class 4 (a) | | | | | | | | |
| 5. Class 5 (a) | | | | | | | | |
| 6. Class 6 (a) | 317,000 | | | (317,000) | 317,000 | 317,000 | | |
| 7. Total Bonds | 15,583,139 | 495,666 | 450,000 | | 15,835,957 | 15,583,139 | 15,628,805 | 15,025,957 |
| PREFERRED STOCK | | | | | | | | |
| 8. Class 1 | | | | | | | | |
| 9. Class 2 | | | | | | | | |
| 10. Class 3 | | | | | | | | |
| 11. Class 4 | | | | | | | | |
| 12. Class 5 | | | | | | | | |
| 13. Class 6 | | | | | | | | |
| 14. Total Preferred Stock | | | | | | | | |
| 15. Total Bonds & Preferred Stock | 15,583,139 | 495,666 | 450,000 | | 15,835,957 | 15,583,139 | 15,628,805 | 15,025,957 |
| (a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0 | | | | | | | | |

SI03 **Schedule DA Part 1** **NONE**

SI03 **Schedule DA Verification** **NONE**

SI04 **Schedule DB - Part A Verification** **NONE**

SI04 **Schedule DB - Part B Verification** **NONE**

SI05 **Schedule DB Part C Section 1** **NONE**

SI06 **Schedule DB Part C Section 2** **NONE**

SI07 **Schedule DB - Verification** **NONE**

SCHEDULE E - Verification
(Cash Equivalents)

| | | 1 | 2 |
|-----|--|---------------|---------------------------------|
| | | Year To Date | Prior Year Ended December 31 |
| 1. | Book/adjusted carrying value, December 31 of prior year | 20,791,972 | 12,784,346 |
| 2. | Cost of cash equivalents acquired | 3,878,828,185 | 1,470,489,701 |
| 3. | Accrual of discount | | |
| 4. | Unrealized valuation increase (decrease) | | |
| 5. | Total gain (loss) on disposals | | |
| 6. | Deduct consideration received on disposals | 3,888,357,142 | 1,462,482,075 |
| 7. | Deduct amortization of premium | | |
| 8. | Total foreign exchange change in book/adjusted carrying value | | |
| 9. | Deduct current year's other than temporary impairment recognized | | |
| 10. | Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 11,263,015 | 20,791,972 |
| 11. | Deduct total nonadmitted amounts | | |
| 12. | Statement value at end of current period (Line 10 minus Line 11) | 11,263,015 | 20,791,972 |

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets Acquired and Additions Made During the Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|----------------------|---------------------|------|-------|-----------------------------------|------------------|--------------------------|-------------------|------------------------------------|--|------------------------|--------------------------------------|-------------------------|
| CUSIP Identification | Name or Description | City | State | Name of Vendor or General Partner | NAIC Designation | Date Originally Acquired | Type and Strategy | Actual Cost at Time of Acquisition | Additional Investment Made After Acquisition | Amount of Encumbrances | Commitment for Additional Investment | Percentage of Ownership |
| NONE | | | | | | | | | | | | |
| 4199999 TOTALS | | | | | | | | | | | | XXX |

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets Disposed, Transferred or Repaid During the Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
|--|---|------------|-------|---|--------------------------|---------------|--|--|--|---|---|---|---|--|---------------|--|----------------------------------|-------------------------------|-------------------|-------|
| CUSIP Identification | Name or Description | City | State | Name of Purchaser or Nature of Disposal | Date Originally Acquired | Disposal Date | Book/Adjusted Carrying Value Less Encumbrances, Prior Year | Unrealized Valuation Increase (Decrease) | Current Year's (Depreciation) or (Amortization)/ Accrual | Current Year's Other Than Impairment Recognized | Capitalized Interest and Deferred Other | Total Change in B.A.C.V. (8 + 10 - 11 + 12) | Total Foreign Exchange Change in B.A.C.V. | Book/Adjusted Carrying Value Less Encumbrances on Disposal | Consideration | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Investment Income | |
| Collateral Loans - Unaffiliated | | | | | | | | | | | | | | | | | | | | |
| 2309999 | UNION TEMPLE COMMUNITY DEVELOPMENT CORP | WASHINGTON | DC | PAYMENTS/WRITE-OFF | 07/15/2008 | 08/03/2012 | 52,022 | | | 47,817 | | (47,817) | | | 4,205 | | 47,817 | 47,817 | 532 | |
| 2309999 | UNION TEMPLE COMMUNITY DEVELOPMENT CORP | WASHINGTON | DC | PAYMENTS/WRITE-OFF | 04/09/2008 | 06/30/2012 | 149,860 | | | 140,782 | | (140,782) | | | 9,076 | | 140,782 | 140,782 | 715 | |
| 4099999 | Subtotal - Unaffiliated | | | | | | 201,882 | | | 188,599 | | (188,599) | | | 13,281 | | 188,599 | 188,599 | 1,307 | |
| 4199999 | Total - Affiliated | | | | | | 201,882 | | | 188,599 | | (188,599) | | | 13,283 | | 188,599 | 188,599 | 1,307 | |
| 4199999 TOTALS | | | | | | | | | | | | | | | | | | 13,283 | 188,599 | 1,307 |

STATEMENT AS OF **September 30, 2012** OF THE **DC CHARTERED HEALTH PLAN, INC.**

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------------|-------------|---------|---------------|----------------|---------------------------|-------------|-----------|---|--|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation or Market Indicator (e) |
| | | | | NONE | | | | | |

9999999 Total - Bonds, Preferred and Common Stocks
 (a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|--|---|---------------|---------------|-------------------|---------------------------|---------------|------------|-------------|--|---|--|--|--|--|--|--|----------------------------------|-------------------------------|---|----------------------------------|--|
| CUSIP Identification | Description | F o r e i g n | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/ Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Current Year's Temporary Impairment Recognized | Total Change in B./A.C.V. (11 - 12 - 13) | Total Foreign Exchange Change in B./A.C.V. | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/ Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | | |
| | CRESOM BANK CBR/SC | | 08/14/2012 | BELL | XXX | 250,000 | 250,000.00 | 250,000 | 250,000 | | | | | | 250,000 | | | | 1,054 | 01/31/2015 | IFE |
| | PLAINS CAPITAL | | 09/20/2012 | MATURITY | XXX | 200,000 | 200,000.00 | 200,000 | 200,000 | | | | | | 200,000 | | | | 1,613 | 09/20/2012 | IFE |
| 389999 | Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | XXX | 450,000 | 450,000.00 | 450,000 | 450,000 | | | | | | 450,000 | | | | 2,707 | | XXX |
| 839999 | Subtotal - Bonds - Part 4 | | | | XXX | 450,000 | 450,000.00 | 450,000 | 450,000 | | | | | | 450,000 | | | | 2,707 | | XXX |
| 839999 | Summary Item from Part 5 for Bonds (NA to Quarterly) | | | | XXX | 450,000 | 450,000.00 | 450,000 | 450,000 | | | | | | 450,000 | | | | 2,707 | | XXX |
| 859999 | Subtotal - Bonds | | | | XXX | 450,000 | 450,000.00 | 450,000 | 450,000 | | | | | | 450,000 | | | | 2,707 | | XXX |
| 859999 | Summary Item from Part 5 for Preferred Stocks (NA to Quarterly) | | | | XXX | XXX | XXX | XXX | XXX | | | | | | XXX | | | | XXX | XXX | XXX |
| 979999 | Subtotal - Preferred and Common Stocks | | | | XXX | XXX | XXX | XXX | XXX | | | | | | XXX | | | | XXX | XXX | XXX |
| 979999 | Summary Item from Part 5 for Common Stocks (NA to Quarterly) | | | | XXX | XXX | XXX | XXX | XXX | | | | | | XXX | | | | XXX | XXX | XXX |
| 999999 | Total - Bonds, Preferred and Common Stocks | | | | XXX | 450,000 | 450,000.00 | 450,000 | 450,000 | | | | | | 450,000 | | | | 2,707 | | XXX |

(a) For all common stock bearing the NAIC market indicator "U" provide the number of such issues: _____ 0

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D NONE

E09 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E10 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

| 1 | 2 | 3 | 4 | 5 | Book Balance at End of Each Month During Current Quarter | | | 9 |
|---|----------------|------------------|--|--|--|--------------|-------------|-------|
| | | | | | 6 | 7 | 8 | |
| Depository | Code | Rate of Interest | Amount of Interest Received During Current Quarter | Amount of Interest Accrued at Current Statement Date | First Month | Second Month | Third Month | * |
| open depositories | | | | | | | | |
| Cardinal Bank - General | Washington, DC | | | | 485,667 | 816,342 | 841,008 | X X X |
| Cardinal Bank - MEDCLMS | Washington, DC | | | | (13,591,766) | (10,774,024) | (5,747,003) | X X X |
| Cardinal Bank - Alliance Claims | Washington, DC | | | | (325,842) | (733,242) | 117,201 | X X X |
| Cardinal Bank - Mental Health Claims | Washington, DC | | | | (122,246) | (219,148) | (144,691) | X X X |
| Premier Bank - Flexible Spending | Washington, DC | | | | 192 | | | X X X |
| Premier Bank - Flexible Benefits | Washington, DC | | | | 1,859 | 1,183 | 986 | X X X |
| Cardinal Bank - MM | Washington, DC | 0.200 | 1 | | (1) | (1) | | X X X |
| Bank of America - Payroll | Washington, DC | | | | 58,449 | 87,557 | 198,887 | X X X |
| Cardinal Bank - Transportation | Washington, DC | | | | 4,235 | 3,435 | 3,035 | X X X |
| 0199998 Deposits in34 depositories that do not exceed the allowable limit in any one depository - open depositories | X X X | X X X | | | 3,459,776 | 3,459,776 | 3,459,776 | X X X |
| 0199999 Totals - Open Depositories | X X X | X X X | | 1 | (10,029,676) | (7,358,122) | (1,270,802) | X X X |
| 0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository - suspended depositories | X X X | X X X | | | | | | X X X |
| 0299999 Totals - Suspended Depositories | X X X | X X X | | | | | | X X X |
| 0399999 Total Cash On Deposit | X X X | X X X | | 1 | (10,029,676) | (7,358,122) | (1,270,802) | X X X |
| 0499999 Cash in Company's Office | X X X | X X X | X X X | X X X | 800 | 800 | 800 | X X X |
| 0599999 Total Cash | X X X | X X X | | 1 | (10,028,876) | (7,357,322) | (1,270,002) | X X X |

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|----------------------------------|------|---------------|------------------|---------------|------------------------------|----------------------------------|-----------------------------|
| Description | Code | Date Acquired | Rate of Interest | Maturity Date | Book/Adjusted Carrying Value | Amount of Interest Due & Accrued | Amount Received During Year |
| 8399999 Subtotals - Bonds | | | | | | | |
| Sweep Accounts | | | | | | | |
| CARDINAL TRUST & INVESTMENT A/C | | 09/30/2012 | 0.084 | 10/01/2012 | 19,229 | | 26 |
| CASH - CARDINAL BANK REPO | | 09/30/2012 | 0.002 | 10/01/2012 | 10,764,408 | | 33,511 |
| CASH - CARDINAL BANK Pledged | C | 09/30/2012 | 0.100 | 10/01/2012 | 479,378 | | 20 |
| CASH - CARDINAL BANK SWEEP | | | 0.000 | | | | 8,051 |
| 8499999 Sweep Accounts | | | | | 11,263,015 | | 41,607 |
| 8599999 Other Cash Equivalents | | | | | | | |
| 8699999 Total - Cash Equivalents | | | | | 11,263,015 | | 41,607 |

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