

REPORT L7 -- QUARTERLY BALANCE SHEET OF CORPORATE ACTIVITY

CORPORATE TOTAL

CONTRACTOR: **PACIFICSOURCE COMMUNITY SOLUTIONS, INC. FOR SERVICE AREA IN CENTRAL OREGON**
 CALENDAR YEAR
 ENDING DATE: **12/31/2015**

		CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL
		12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015
CURRENT ASSETS	1. Cash and Cash Equivalents	\$ 35,245,116	\$ 28,963,993	\$ 58,670,455	\$ 55,735,993	\$ 43,464,470
	2. Short-term Investments	-	-	-	-	-
	3. Premiums Receivable	-	-	-	-	-
	4. Investment Income Receivables	54,648	52,134	57,045	57,195	55,727
	5. Health Care Receivables	4,367,401	4,018,284	2,945,498	3,245,117	3,067,648
	6. Amounts Due from Affiliates	16,537,756	36,548,855	31,247,238	15,765,939	20,710,472
	7. Reinsurance Recoverable on Paid Losses	220,381	268,784	183,664	578,337	1,579,117
	8. Other Current Assets	-	-	-	-	-
9. TOTAL CURRENT ASSETS		56,425,303	69,852,051	93,103,901	75,382,581	68,877,434
OTHER ASSETS	10. Bonds	8,332,926	9,013,191	9,000,873	9,277,561	9,402,001
	11.1 Preferred Stocks	-	-	-	-	-
	11.2 Common Stocks	4,517,863	4,067,242	3,275,888	2,906,306	3,029,263
	12. Other Long-Term Invested Assets	-	-	-	-	-
	13. Receivable for Securities	-	-	-	-	-
	14. Amounts Due from Affiliates	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
	15. Restricted Cash and Restricted Securities	6,394,906	6,946,802	6,948,881	6,950,983	6,953,086
16. Other Assets	9,126,214	8,928,214	8,988,214	12,103,214	9,292,214	
17. TOTAL OTHER ASSETS		58,371,909	58,955,449	58,213,856	61,238,064	58,676,564
PP&E	18. Land, Building and Improvements	-	-	-	-	-
	19. Furniture and Equipment	-	-	-	-	-
	20. Leasehold Improvements	-	-	-	-	-
	21. Computer Equipment	-	-	-	-	-
	22. Other Property and Equipment	-	-	-	-	-
23. TOTAL PROPERTY AND EQUIPMENT (NET OF DEPR)		-	-	-	-	-
24. TOTAL ASSETS		\$ 114,797,212	\$ 128,807,499	\$ 151,317,757	\$ 136,620,645	\$ 127,553,998
CURRENT LIABILITIES	25. Accounts Payable	\$ 8,340,599	\$ 8,506,681	\$ 17,403,364	\$ 15,291,708	\$ 13,554,429
	26. Claims Payable	60,396,878	68,225,359	72,673,799	54,450,126	64,137,871
	27. Accrued Medical Incentive Pool	-	-	-	-	-
	28. Unearned Premiums	-	-	-	-	-
	29. Loans and Notes Payable	-	-	-	-	-
	30. Amounts Due to Affiliates	-	-	-	-	-
	31. Other Current Liabilities	1,639,908	3,174,182	7,893,908	9,076,351	3,566,514
32. TOTAL CURRENT LIABILITIES		70,377,384	79,906,221	97,971,071	78,818,185	81,258,814
OTHER LIABILITIES	33. Loans and Notes Payable	-	-	-	-	-
	34. Amounts Due to Affiliates	-	-	-	-	-
	35. Payable for Securities	-	-	-	-	-
	36. Other Liabilities	-	-	-	-	-
37. TOTAL OTHER LIABILITIES		-	-	-	-	-
38. TOTAL LIABILITIES		70,377,384	79,906,221	97,971,071	78,818,185	81,258,814
NET ASSETS	39. Common Stock	3,115,000	3,115,000	3,115,000	3,115,000	3,115,000
	40. Preferred Stock	-	-	-	-	-
	41. Paid in Surplus	-	-	-	-	-
	42. Contributed Capital	9,087,214	9,087,214	9,087,214	9,087,214	9,087,214
	43. Surplus Notes	-	-	-	-	-
	44. Contingency Reserves	-	-	-	-	-
	45. Retained Earnings/Fund Balance	32,059,645	36,457,099	40,993,728	45,611,630	44,095,295
46. Other Net Assets	157,969	241,965	150,743	(11,384)	(10,002,326)	
47. TOTAL NET ASSETS		44,419,827	48,901,278	53,346,686	57,802,460	46,295,184
48. TOTAL LIABILITIES AND NET ASSETS		\$ 114,797,212	\$ 128,807,499	\$ 151,317,757	\$ 136,620,645	\$ 127,553,998

REPORT L8 -- QUARTERLY STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET ASSETS

CORPORATE TOTAL

CONTRACTOR: PACIFICSOURCE COMMUNITY SOLUTIONS, INC. FOR SERVICE AREA IN CENTRAL OREGON

CALENDAR YEAR

ENDING DATE: 12/31/2015

		CORPORATE TOTAL Q1-2015	CORPORATE TOTAL Q2-2015	CORPORATE TOTAL Q3-2015	CORPORATE TOTAL Q4-2015	CORPORATE TOTAL YTD 2015
REVENUES	1. Gross Premiums (Capitation & Case Rate Revenue)	\$ 91,461,842	\$ 100,614,308	\$ 91,519,926	\$ 95,586,279	\$ 379,182,354
	a. Reinsurance/Stop Loss Premiums Paid	310,980	321,312	309,804	303,115	1,245,212
	b. HRA Payments	10,365,611	11,320,519	10,413,469	11,928,324	44,027,922
	c. Minimum MLR Rebate	-	-	-	-	-
	d. Health Insurance Provider Fee	1,475,814	1,598,681	1,501,715	1,488,738	6,064,949
	2. Net Premiums	79,309,438	87,373,796	79,294,937	81,866,102	327,844,272
	3. Quality Incentive Pool	-	5,842,825	-	-	5,842,825
	4. Other Medicaid Revenue	-	-	-	-	-
	5. Other Health Care Related Revenues	-	-	-	-	-
6. TOTAL OPERATING REVENUES		79,309,438	93,216,621	79,294,937	81,866,102	333,687,097
MEMBER SERVICE EXPENSES	7. Physicians/Professional Services	23,832,758	28,591,079	30,363,894	26,942,503	109,730,235
	8. Hospital Services	-	-	-	-	-
	a. Inpatient	16,208,185	16,937,153	15,877,014	19,529,982	68,552,334
	b. Outpatient	3,959,711	3,739,933	2,066,899	4,475,204	14,241,747
	c. Emergency Room	1,377,673	1,528,034	1,531,155	1,099,081	5,535,943
	9. Pharmacy	9,727,177	10,161,323	10,106,685	10,452,132	40,447,316
	10. Lab and X-Ray	2,409,145	1,912,511	2,013,066	3,301,551	9,636,273
	11. Vision	504,896	425,864	239,407	252,762	1,422,929
	12. Substance Use Disorder	7,987	4,487	121,583	35,100	169,157
	13. DME & Supplies	2,326,242	1,980,803	1,577,139	1,295,535	7,179,719
	14. Mental Health	372,300	302,460	272,046	1,207,087	2,153,894
	15. Dental	4,600,220	4,770,089	4,580,466	4,590,058	18,540,833
	16. Health Related Non-benefit (Flex) Services	-	-	-	-	-
17. Other Member Service Expenses	273,584	288,519	256,430	250,736	1,069,268	
18. MEMBER SERVICE EXPENSES SUBTOTAL		65,599,879	70,642,254	69,005,782	73,431,731	278,679,646
DEDUCTIONS	19. Reinsurance Recoveries Received	\$ 85,120	\$ (85,120)	394,673	1,086,068	1,480,741
	20. Co-payments Received	-	-	-	-	-
	21. TPR Amounts Received, COB, and Subrogation	31,716	223,195	59,162	91,619	405,692
22. DEDUCTIONS SUBTOTAL		116,836	138,075	453,835	1,177,687	1,886,432
23. TOTAL MEMBER SERVICE EXPENSES LESS DEDUCTIONS		65,483,043	70,504,179	68,551,948	72,254,044	276,793,214
ADMINISTRATIVE	24. Compensation	3,069,521	4,024,461	4,104,563	4,113,078	15,311,624
	25. Other Administrative Expenses	2,796,022	3,288,800	3,012,661	2,167,974	11,265,457
26. TOTAL ADMINISTRATIVE EXPENSES		5,865,542	7,313,262	7,117,224	6,281,053	26,577,081
27. TOTAL OPERATING EXPENSES		71,348,585	77,817,441	75,669,172	78,535,097	303,370,294
28. NET OPERATING INCOME (LOSS)		7,960,852	15,399,180	3,625,765	3,331,005	30,316,802
NON-OPERATING REVENUES AND EXPENSES	29. Net Investment Income	256,027	1,079,017	426,730	388,784	2,150,557
	30. Non-Healthcare-Related (Expenses)	-	-	-	-	-
	31. Other Non-Operating Revenues and (Expenses)	(314,105)	(8,858,148)	(1,154,445)	(374,453)	(10,701,150)
32. TOTAL NON-OPERATING REVENUES AND EXPENSES		(58,078)	(7,779,131)	(727,715)	14,331	(8,550,593)
33. NET INCOME (LOSS) BEFORE TAXES		7,902,775	7,620,049	2,898,050	3,345,335	21,766,209
34. Provision for Income Taxes		3,505,320	3,083,420	(1,719,850)	4,861,670	9,730,560
35. NET INCOME (LOSS)		\$ 4,397,455	\$ 4,536,629	\$ 4,617,900	\$ (1,516,335)	\$ 12,035,649
NET ASSETS	36. Net Assets Beginning of Quarter	44,419,827	48,901,279	53,346,686	57,802,460	44,419,827
	37. Increase (Decrease) in Common Stock	-	-	-	-	-
	38. Increase (Decrease) in Preferred Stock	-	-	-	-	-
	39. Increase (Decrease) in Paid in Surplus	-	-	-	-	-
	40. Increase (Decrease) in Contributed Capital	-	-	-	-	-
	41. Increase (Decrease) in Surplus Notes	-	-	-	-	-
	42. Increase (Decrease) in Contingency Reserves	-	-	-	-	-
	43. Increase (Decrease) in Retained Earnings	-	-	-	-	-
	a. Net Income	4,397,455	4,536,629	4,617,900	(1,516,335)	12,035,649
	b. Dividends to Stockholders	-	-	-	-	-
	c. Interest on Surplus Notes	-	-	-	-	-
	d. Change in Non-Admitted Assets	-	-	-	-	-
	d. Other Changes in Net Assets	\$ 83,997	(91,222)	(162,126)	(9,990,942)	(10,160,293)
44. Net Assets		\$ 48,901,279	\$ 53,346,686	\$ 57,802,460	\$ 46,295,184	\$ 46,295,184

REPORT L9 -- CASH FLOW ANALYSIS CORPORATE ACTIVITY/INDIRECT METHOD

CORPORATE TOTAL

CONTRACTOR: PACIFICSOURCE COMMUNITY SOLUTIONS, INC. FOR SERVICE AREA IN CENTRAL OREGON

CALENDAR YEAR

ENDING DATE: 12/31/2015

		CORPORATE TOTAL Q1-2015	CORPORATE TOTAL Q2-2015	CORPORATE TOTAL Q3-2015	CORPORATE TOTAL Q4-2015	CORPORATE TOTAL YTD 2015
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES						
ADJUST TO	1. Net Income	\$ 4,397,455	\$ 4,536,629	\$ 4,617,900	\$ (1,516,335)	\$ 12,035,649
RECON NET INC	2. Depreciation and Amortization	-	-	-	-	-
INCREASE (DECREASE) IN OPERATING ASSETS	3. Premium Receivable	-	-	-	-	-
	4. Due from Affiliates	-	-	-	-	-
	5. Health Care Receivable	349,116	1,072,787	(299,619)	177,469	1,299,753
	6. Other (Increase) Decrease in Operating Assets	152,112	20,208	(3,509,821)	1,811,688	(1,525,814)
INCREASE (DECREASE) IN OPERATING LIABILITIES	7. Accounts Payable	166,082	8,896,683	(2,111,656)	(1,737,279)	5,213,830
	8. Claims Payable	7,828,481	4,448,440	(18,223,673)	9,687,745	3,740,993
	9. Accrued Medical Incentive Pool	-	-	-	-	-
	10. Unearned Premiums	-	-	-	-	-
	11. Due to Affiliates	(19,959,628)	5,174,633	7,069,757	(4,944,533)	(12,659,771)
	12. Other Increase (Decrease) in Operating Liabilities	1,534,274	4,719,726	1,182,443	(5,509,837)	1,926,607
13. NET CASH PROVIDED (USED) FROM OPERATING ACTIVITIES		(5,532,108)	28,869,106	(11,274,669)	(2,031,081)	10,031,248
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES						
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	14. Receipts from Investments	(229,643)	-	-	-	(229,643)
	15. Receipts for Sales of Property and Equipment	-	-	-	-	-
	16. Payments for Investments	(551,896)	801,593	90,792	(249,500)	90,989
	17. Payments for Property and Equipment	-	-	-	-	-
	18. Other Increase (Decrease) in Cash Flow from Investing Activities	83,997	(91,222)	(162,127)	9,058	(160,294)
19. NET CASH PROVIDED BY INVESTING ACTIVITIES		(697,542)	710,371	(71,335)	(240,442)	(298,948)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES						
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	20. Proceeds from Paid in Capital or Issuance of Stock	-	-	-	-	-
	21. Loan Proceeds from Non-Affiliates	-	-	-	-	-
	22. Loan Proceeds from Affiliates	(51,472)	126,984	8,411,542	-	8,487,054
	23. Principal Payments on Loans from Non-Affiliates	-	-	-	-	-
	24. Principal Payments on Loans from Affiliates	-	-	-	-	-
	25. Dividends Paid	-	-	-	-	-
	26. Principal Payments under Lease Obligations	-	-	-	-	-
	27. Other Cash Flow Provided by Financing Activities	-	-	-	(10,000,000)	(10,000,000)
28. NET CASH PROVIDED BY FINANCING ACTIVITIES		(51,472)	126,984	8,411,542	(10,000,000)	(1,512,946)
29. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIV		(6,281,122)	29,706,461	(2,934,462)	(12,271,523)	8,219,354
30. CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		35,245,116	28,963,994	58,670,455	55,735,993	35,245,116
31. CASH AND CASH EQUIVALENTS AT END OF PERIOD		\$ 28,963,994	\$ 58,670,455	\$ 55,735,993	\$ 43,464,470	\$ 43,464,470

REPORT L8 -- QUARTERLY STATEMENT OF REVENUES & EXPENSES

OHP LINE OF BUSINESS

CONTRACTOR: PACIFICSOURCE COMMUNITY SOLUTIONS, INC. FOR SERVICE AREA IN CENTRAL OREGON

CALENDAR YEAR

ENDING DATE: 12/31/2015

		OHP LOB ACTIVITY *				
		Q1-2015	Q2-2015	Q3-2015	Q4-2015	YTD 2015
REVENUES	1. Gross Premiums (Capitation & Case Rate Revenue)	\$ 75,035,950	\$ 83,093,305	\$ 72,337,202	\$ 78,174,809	\$ 308,641,266
	a. Reinsurance/Stop Loss Premiums Paid	250,737	258,628	248,774	243,151	1,001,290
	b. HRA Payments	9,048,460	9,958,738	9,081,996	10,555,633	38,644,827
	c. Minimum MLR Rebate	-	-	-	-	-
	d. Health Insurance Provider Fee	1,200,861	1,311,816	1,173,406	1,194,404	4,880,486
	2. Net Premiums	64,535,892	71,564,123	61,833,026	66,181,622	264,114,663
	3. Quality Incentive Pool	-	4,906,744	-	-	4,906,744
	4. Other Medicaid Revenue	-	-	-	-	-
	5. Other Health Care Related Revenues	-	-	-	-	-
6. TOTAL OPERATING REVENUES		64,535,892	76,470,867	61,833,026	66,181,622	269,021,407
MEMBER SERVICE EXPENSES	7. Physicians/Professional Services	20,606,795	23,887,127	24,231,123	24,497,840	93,222,884
	8. Hospital Services	-	-	-	-	-
	a. Inpatient	14,690,477	15,366,416	14,718,944	16,824,143	61,599,980
	b. Outpatient	1,087,304	1,121,871	635,028	2,455,516	5,299,719
	c. Emergency Room	688,633	856,738	985,881	549,235	3,080,487
	9. Pharmacy	8,267,971	8,753,292	8,557,043	8,202,469	33,780,776
	10. Lab and X-Ray	2,301,184	1,811,270	1,448,287	2,113,533	7,674,274
	11. Vision	446,963	373,706	202,124	204,296	1,227,090
	12. Substance Use Disorder	5,527	3,344	105,284	12,789	126,944
	13. DME & Supplies	2,029,174	1,712,255	1,465,445	1,064,093	6,270,967
	14. Mental Health	366,649	300,330	260,147	1,105,101	2,032,227
	15. Dental	3,716,665	3,848,264	3,683,483	3,692,574	14,940,986
	16. Health Related Non-benefit (Flex) Services	-	-	-	-	-
	17. Other Member Service Expenses	249,587	263,661	233,058	226,599	972,905
18. MEMBER SERVICE EXPENSES SUBTOTAL		54,456,929	58,298,274	56,525,846	60,948,190	230,229,239
DEDUCTIONS	19. Reinsurance Recoveries Received	85,120	(85,120)	394,673	1,000,780	1,395,453
	20. Co-payments Received	-	-	-	-	-
	21. TPR Amounts Received, COB, and Subrogation	25,690	180,788	47,921	74,211	328,610
22. DEDUCTIONS SUBTOTAL		110,810	95,668	442,594	1,074,991	1,724,063
23. TOTAL MEMBER SERVICE EXPENSES LESS DEDUCTIONS		54,346,120	58,202,606	56,083,252	59,873,198	228,505,176
ADMINISTRATIVE	24. Compensation	2,486,312	3,318,766	3,324,696	3,331,593	12,461,368
	25. Other Administrative Expenses	2,264,778	2,663,928	2,440,255	1,756,059	9,125,020
26. TOTAL ADMINISTRATIVE EXPENSES		4,751,089	5,982,695	5,764,951	5,087,653	21,586,388
27. TOTAL OPERATING EXPENSES		59,097,209	64,185,301	61,848,203	64,960,851	250,091,564
28. NET OPERATING INCOME (LOSS)		5,438,683	12,285,567	(15,177)	1,220,771	18,929,843
NON-OPERATING REVENUES AND EXPENSES	29. Net Investment Income	207,382	874,004	345,651	314,915	1,741,951
	30. Non-Healthcare-Related (Expenses)	-	-	-	-	-
	31. Other Non-Operating Revenues and (Expenses)	(254,425)	(7,175,099)	(935,101)	(303,307)	(8,667,932)
32. TOTAL NON-OPERATING REVENUES AND EXPENSES		(47,043)	(6,301,096)	(589,449)	11,608	(6,925,980)
33. NET INCOME (LOSS) BEFORE TAXES		5,391,640	5,984,471	(604,626)	1,232,378	12,003,863
34. Provision for Income Taxes		2,839,309	2,497,570	(1,393,079)	3,937,953	7,881,754
35. NET INCOME (LOSS)		\$ 2,552,330	\$ 3,486,901	\$ 788,452	\$ (2,705,574)	\$ 4,122,109

REPORT L4 -- KEY FINANCIAL INDICATORS

CONTRACTOR: **PACIFICSOURCE COMMUNITY SOLUTIONS, INC. FOR SERVICE AREA IN CENTRAL OREGON**
 CALENDAR YEAR
 ENDING DATE: **12/31/2015**

QTR Ending 3/31/2015	QTR Ending 6/30/2015	QTR Ending 9/30/2015	QTR Ending 12/31/2015	YTD 2015
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Note: This report self-populates based on values entered on other reports.

KEY FINANCIAL RATIOS (CORPORATE TOTAL)		CORPORATE TOTAL				
	Current Ratio	0.87	0.95	0.96	0.85	
	Days Cash on Hand	36.54	68.61	67.76	50.92	
	Debt to Net Assets Ratio	-	-	-	-	
	Medical Loss Ratio	82.7%	75.8%	87.0%	89.7%	83.5%
	Administrative Cost Ratio	7.4%	7.8%	9.0%	7.7%	8.0%
	Operating Margin Percent	10.0%	16.5%	4.6%	4.1%	9.1%
	Total Margin Percent (Before Income Tax)	10.0%	8.2%	3.7%	4.1%	6.5%
	Total Margin Percent (After Income Tax)	5.5%	4.9%	5.8%	-1.9%	3.6%
	Return on Net Assets	9.0%	8.5%	8.0%	-3.3%	26.0%

MEMBER SERVICE EXPENSE ANALYSIS PER MEMBER PER MONTH (OHP LINE OF BUSINESS)		OHP LOB ACTIVITY				
	Member Months (OHP LOB)	159,867	165,076	156,930	154,513	636,386
	Member Service Expenses (PMPM)					
	Physicians/Professional Services	128.90	144.70	154.41	158.55	146.49
	Hospital Services	-	-	-	-	-
	Inpatient	91.89	93.09	93.79	108.89	96.80
	Outpatient	6.80	6.80	4.05	15.89	8.33
	Emergency Room	4.31	5.19	6.28	3.55	4.84
	Pharmacy	51.72	53.03	54.53	53.09	53.08
	Lab and X-Ray	14.39	10.97	9.23	13.68	12.06
	Vision	2.80	2.26	1.29	1.32	1.93
	Chemical Dependency	0.03	0.02	0.67	0.08	0.20
	DME & Supplies	12.69	10.37	9.34	6.89	9.85
	Mental Health	2.29	1.82	1.66	7.15	3.19
	Dental	23.25	23.31	23.47	23.90	23.48
	Health Related (Flex Services)	-	-	-	-	-
	Other Member Service Expenses	1.56	1.60	1.49	1.47	1.53
	Total Member Service Expenses	340.64	353.16	360.20	394.45	361.78