

PUBLIC

**TEXAS DEPARTMENT OF INSURANCE
HEALTH MAINTENANCE ORGANIZATIONS
FINANCIAL REPORT
LIMITED SERVICE
ANNUAL 2002**

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FINANCIAL REPORT
LIMITED SERVICE
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DISCLAIMER: *The following information is intended only as a guide and may in no respect be relied upon as an alternative or supplement to the data filed by the company. TDI assumes no responsibility for omissions, inaccuracies or ambiguities. although every effort has been made to ensure the accuracy of the information, all parties are advised to consult the company directly and/or other sources regarding the extent and nature of this information.*

**Source: HMO Database L1202A.xls
HMO Financial Statements**

HMO's Service Areas/Divisions

Ty	TDI#	NAIC#	GRP	2-Company Name	Licensed	Division 1	Division 2	Division 3	Division 4	Division 5	Division 6	Division 7
28-	95576	11098		Coordinated Care Solutions of Texas, In	03/30/01	Consolidated						
28-	94409	95058	1260	Magellan Behavioral Health of Texas, In	04/02/99	Dallas*						
28-	94865	95799		Value Options of Texas, Inc.	08/18/98	Irving*						

*Only operates in one service area

FINANCIAL DATA REPORT ALL COMPANIES

ANNUAL 2002 HEALTH MAINTENANCE ORGANIZATION	E YEAR	F CASH	G SHORT-TERM INVESTMENT	H PREMIUMS RECEIVABLE	I CURRENT ADMITTED ASSETS	J LONG-TERM INVESTMENT	K TOTAL ADMITTED ASSETS	L CLAIMS PAYABLE
Coordinated Care Solutions of Texas, Inc.	Dec-02	476,465	1,075,000	0	1,551,465	0	1,551,465	1,610,139
Magellan Behavioral Health of Texas, Inc.	Dec-02	0	375,902	0	375,902	0	375,902	0
Value Options of Texas, Inc.	Dec-02	9,145,509	3,470,187	0	13,396,895	0	13,396,895	10,798,621
TOTAL LIMITED SERVICE		9,621,974	4,921,089	0	15,324,262	0	15,324,262	12,408,760

FINANCIAL DATA REPORT ALL COMPANIES

ANNUAL 2002 HEALTH MAINTENANCE ORGANIZATION	E YEAR	M CURRENT LIABILITIES	N TOTAL LIABILITIES	O UNCOVERED LIABILITIES	P NET WORTH	Q COMMERCIAL RISK PREMIUM	R MEDICARE PREMIUM
Coordinated Care Solutions of Texas, Inc.	Dec-02	1,772,747	1,772,747	130,405	(221,282)	0	0
Magellan Behavioral Health of Texas, Inc.	Dec-02	970	970	0	374,932	0	0
Value Options of Texas, Inc.	Dec-02	12,192,122	12,192,122	0	1,204,773	0	0
TOTAL LIMITED SERVICE		13,965,839	13,965,839	130,405	1,358,423	0	0

FINANCIAL DATA REPORT ALL COMPANIES

ANNUAL 2002 HEALTH MAINTENANCE ORGANIZATION	E YEAR	S MEDICAID PREMIUM	T TOTAL REVENUE	U OTHER PROFESSIONAL SERVICES	V OUTSIDE REFERRAL	W HOSP/MEDICAL BENEFITS	X TOTAL MED & HOSP
Coordinated Care Solutions of Texas, Inc.	Dec-02	0	10,880,622	0	0	11,094,060	1,132,105
Magellan Behavioral Health of Texas, Inc.	Dec-02	0	0	0	0	0	0
Value Options of Texas, Inc.	Dec-02	10,341,760	109,000,903	0	0	11,318,003	25,848,986
TOTAL LIMITED SERVICE		10,341,760	119,881,525	0	0	22,412,063	26,981,091

FINANCIAL DATA REPORT ALL COMPANIES

ANNUAL 2002 HEALTH MAINTENANCE ORGANIZATION	E YEAR	Y TOTAL ADMIN & OTHER	Z TOTAL EXPENSES	AA INCOME BEFORE TAX	AB INCOME AFTER TAX	NET INCR/ (DECR) CASH & EQUIV'T	AD PRIOR YEAR ENROLLMENT
Coordinated Care Solutions of Texas, Inc.	Dec-02	97,924	1,230,029	(2,069,761)	(2,069,761)	(697,460)	0
Magellan Behavioral Health of Texas, Inc.	Dec-02	0	0	0	0	375,902	27,661
Value Options of Texas, Inc.	Dec-02	2,997,059	28,846,045	(1,866,035)	(1,248,308)	1,876,307	140,546
TOTAL LIMITED SERVICE		3,094,983	30,076,074	(3,935,796)	(3,318,069)	1,554,749	168,207

FINANCIAL DATA REPORT ALL COMPANIES

ANNUAL 2002 HEALTH MAINTENANCE ORGANIZATION	E YEAR	AE ENDING ENROLLMENT	MEM MONTHS CURRENT YEAR	AG MEDICARE YR CUMUL MEMBER MOS	AH MEDICAID YR CUMUL MEMBER MOS	TOTAL PHY & NON-PHY ENCOUNTERS	AJ TOTAL MED PHY&NONPHY ENCOUNTERS
Coordinated Care Solutions of Texas, Inc.	Dec-02	0	41,639	0	0	0	0
Magellan Behavioral Health of Texas, Inc.	Dec-02	0	0	0	0	0	0
Value Options of Texas, Inc.	Dec-02	229,484	2,623,130	0	2,623,130	348,321	0
TOTAL LIMITED SERVICE		229,484	2,664,769	0	2,623,130	348,321	0

* Only operates in one service area

FINANCIAL DATA REPORT ALL COMPANIES

ANNUAL 2002 HEALTH MAINTENANCE ORGANIZATION	E YEAR	AK TOTAL M-AID PHY&NONPHY ENCOUNTERS	TOTAL HOSP PAT DAYS INCURRED	AM MED HOSP PAT DAYS INCURRED	AN CLAIMS PAYABLE UNREPORTED	AO CLAIMS PAYABLE REPORTED	NET CASH PROVIDED BY OPER. ACTIV.
Coordinated Care Solutions of Texas, Inc.	Dec-02	0	0	0	1,610,139	0	(1,972,257)
Magellan Behavioral Health of Texas, Inc.	Dec-02	0	0	0	0	0	0
Value Options of Texas, Inc.	Dec-02	348,321	3,484	0	8,560,249	2,238,372	946,307
TOTAL LIMITED SERVICE		348,321	3,484	0	10,170,388	2,238,372	(1,025,950)

FINANCIAL DATA REPORT ALL COMPANIES

ANNUAL 2002 HEALTH MAINTENANCE ORGANIZATION	E YEAR	CUMULATIVE MEM MONTHS YTD	AR MEDICARE MEM MONTHS YTD	AS MEDICAID MEM MONTHS YTD	TEXAS WRITTEN PREMIUM	TOTAL WRITTEN PREMIUM
Coordinated Care Solutions of Texas, Inc.	Dec-02	41,639	0	0	0	0
Magellan Behavioral Health of Texas, Inc.	Dec-02	0	0	0	0	0
Value Options of Texas, Inc.	Dec-02	2,623,130	0	2,623,130	39,126,331	39,126,331
TOTAL LIMITED SERVICE		2,664,769	0	2,623,130	39,126,331	39,126,331

**Health Maintenance Organizations
Operations by Areas**

As of 12/31/02

Tot. Member Months (CP)
 Tot. Member Months (YTD)
 Dec 01/Tot. Member Months (YTD)
 Medicare Months (CP)
 Medicare Months (YTD)
 Medicaid Months (CP)
 Medicaid Months (YTD)

Enrollment

Group
 Medicare Risk
 Medicare Cost
 Medicaid Risk
 Medicaid Cost
 Individual
 Other

Total Membrs Dec 02

% Share in each market
 Total Members Dec 01
 % Share in each market

O/P encounters

Physician P7 C7 L7
 Non-Physician
 Total

Current Period

Patient Days (no medicare)
 Medicare Patient Days
 Total Patient Days
 Days/1000 (No medicare)
 Medicare Days/1000

Year to Date

Patient Days (no medicare)
 Medicare Patient Days
 Total Patient Days

YTD Annualized

Days/1000 (No medicare)
 Medicare Days/1000
 Comm. Premiums (CP)
 Comm. Premiums (YTD)
 Medicare XVIII (CP)
 Medicare XVIII (YTD)

Coordinated Care Solutions of Texas, Inc.	Magellan Behavioral Health of Texas, Inc.	ValueOptions of Texas, Inc.
Consolidated	Dallas*	Irving*
4,332	0	784,121
41,639	0	2,623,130
37,307	0	1,839,009
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	229,484
0	0	0
0	0	109,000,903
0	0	229,484
0	0	229,484
4,680	0	195,606
2,248,924	0	10,739,389
0	0	144,841
0	0	229,484
0	0	784,121
0	0	0
0	0	784,121
0	0	12,000
0	0	0
0	0	2,623,130
0	0	0
0	0	2,623,130
0	0	12,000
0	0	0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0

* Only operates in one service area

**Health Maintenance Organizations
Operations by Areas**

	Coordinated Care Solutions of Texas, Inc.	Magellan Behavioral Health of Texas, Inc.	ValueOptions of Texas, Inc.
As of 12/31/02	Consolidated	Dallas*	Irving*
Medicaid XIX (CP)	\$0	\$0	\$10,341,760
Medicaid XIX (YTD)	\$0	\$0	\$39,126,331
Point of Serv Rider Cov (CP)	\$0	\$0	\$0
Point of Serv Rider Cov (YTD)	\$0	\$0	\$0
Publicly Supported (CP)	\$0	\$0	\$0
Publicly Supported (YTD)	\$0	\$0	\$0
Children's Health Ins Plan (CP)	\$0	\$0	\$0
Children's Health Ins Plan (YTD)	\$0	\$0	\$0
Total Premium (CP)	\$0	\$0	\$10,341,760
Total Premium (YTD)	\$0	\$0	\$39,126,331
2000 Premium PMPM	\$0.00	\$5.26	\$16.56
2001 Premium PMPM	\$0.00	\$0.00	\$20.41
2002 Premium PMPM	\$0.00	\$0.00	\$14.92
ACTUAL PMPM '02 YTD			
Commercial Premium	\$0.00	\$0.00	\$0.00
Medicare Premium	\$0.00	\$0.00	\$0.00
Medicaid Premium	\$0.00	\$0.00	\$0.00
Total Premium	\$0.00	\$0.00	\$14.92
Other Revenue	\$0.00	\$0.00	\$0.00
TOTAL REVENUE	\$261.31	\$0.00	\$41.55
Physician Services	\$54.01	\$0.00	\$4.09
Hosp/Medical Benefits	\$0.00	\$0.00	\$26.64
Total Med & Hosp	\$266.43	\$0.00	\$38.14
Total Admin. & Other Exp	\$44.58	\$0.00	\$4.13
TOTAL EXPENSES	\$311.02	\$0.00	\$42.27
INCOME (loss) YTD	(\$49.71)	\$0.00	(\$0.48)
INCOME (loss) Dec 01	\$0.00	\$0.00	(\$1.49)
YTD M & H/Total Prens. (%)	0.00%	0.00%	255.70%
YTD M & H/Total Expenses (%)	85.67%	0.00%	90.24%
Admin/Total Expenses (%)	14.33%	0.00%	9.76%
ACTUAL INCOME/LOSS			
Before Tax Net Inc (CP)	(\$41,301)	\$0	(\$973,351)
After Tax Net Inc (CP)	(\$41,301)	\$0	(\$668,063)
Before Tax Net Inc (YTD)	(\$2,069,761)	\$0	(\$1,866,035)
After Tax Net Inc (YTD)	(\$2,069,761)	\$0	(\$1,248,307)
Before Tax Net Inc (2001)	(\$1,608,391)	\$0	(\$5,998,849)
After Tax Net Inc (2001)	(\$1,608,391)	\$0	(\$3,951,995)
Before Tax Net Inc (2000)	\$0	(\$585,004)	(\$4,210,869)
After Tax Net Inc (2000)	\$0	(\$585,004)	(\$2,737,064)
Before Tax Net Inc (1999)	\$0	(\$1,839,282)	(\$2,097,697)
After Tax Net Inc (1999)	\$0	(\$1,839,282)	(\$1,363,503)

**BALANCE SHEET DATA
2002 ANNUAL INFORMATION**

TOTAL ADMITTED ASSETS

LIMITED SERVICE HMOs	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	\$0	\$0	\$0	\$2,252,369	\$1,551,465
Magellan Behavioral Health of Texas, Inc.	\$0	\$7,030,825	\$8,307,956	\$374,932	\$375,902
ValueOptions of Texas, Inc.	\$1,025,034	\$7,563,154	\$9,690,649	\$13,492,632	\$13,396,895
TOTAL LIMITED SERVICE	\$1,025,034	\$14,593,979	\$17,998,605	\$16,119,933	\$15,324,262

**BALANCE SHEET DATA
2002 ANNUAL INFORMATION**

TOTAL LIABILITIES

LIMITED SERVICE HMOs	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	\$0	\$0	\$0	\$1,544,838	\$1,772,747
Magellan Behavioral Health of Texas, Inc.	\$0	\$3,396,872	\$1,718,723	\$0	\$970
ValueOptions of Texas, Inc.	\$9,495	\$4,142,557	\$7,557,116	\$11,589,551	\$12,192,122
TOTAL LIMITED SERVICE	\$9,495	\$7,539,429	\$9,275,839	\$13,134,389	\$13,965,839

**BALANCE SHEET DATA
2002 ANNUAL INFORMATION**

TOTAL UNCOVERED LIABILITIES

LIMITED SERVICE HMOs	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	\$0	\$0	\$0	\$0	\$130,405
Magellan Behavioral Health of Texas, Inc.	\$0	\$0	\$0	\$0	\$0
ValueOptions of Texas, Inc.	\$0	\$0	\$0	\$0	\$0
TOTAL LIMITED SERVICE	\$0	\$0	\$0	\$0	\$130,405

**BALANCE SHEET DATA
2002 ANNUAL INFORMATION**

TOTAL NET WORTH

LIMITED SERVICE HMOs	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	\$0	\$0	\$0	\$707,531	(\$221,282)
Magellan Behavioral Health of Texas, Inc.	\$0	\$3,633,953	\$6,589,233	\$374,932	\$374,932
ValueOptions of Texas, Inc.	\$1,015,539	\$3,420,597	\$2,133,533	\$1,903,081	\$1,204,773
TOTAL LIMITED SERVICE	\$1,015,539	\$7,054,550	\$8,722,766	\$2,985,544	\$1,358,423

**BALANCE SHEET DATA
2002 ANNUAL INFORMATION**

STATUTORY SURPLUS

LIMITED SERVICE HMOs	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	\$0	\$0	\$0	\$2,252,369	\$1,421,060
Magellan Behavioral Health of Texas, Inc.	\$0	\$7,030,825	\$8,307,956	\$374,932	\$375,902
ValueOptions of Texas, Inc.	\$1,025,034	\$7,563,154	\$9,690,649	\$13,492,632	\$13,396,895
TOTAL LIMITED SERVICE	\$1,025,034	\$14,593,979	\$17,998,605	\$16,119,933	\$15,193,857

**BALANCE SHEET DATA
2002 ANNUAL INFORMATION**

ENDING ENROLLMENT

LIMITED SERVICE HMOs	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	0	0	0	15,562	0
Magellan Behavioral Health of Texas, Inc.	0	618,665	27,661	0	0
ValueOptions of Texas, Inc.	0	66,074	140,546	144,841	229,484
TOTAL LIMITED SERVICE	0	684,739	168,207	160,403	229,484

**INCOME STATEMENT DATA
2002 ANNUAL INFORMATION**

COMMERCIAL PREMIUMS

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	\$0	\$0
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	\$0	\$0	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$0	\$0	\$0	\$0	\$0
TOTAL LIMITED SERVICE TEXAS		\$0	\$0	\$0	\$0	\$0
TOTAL LIMITED SERVICE IND WIDE		\$0	\$0	\$0	\$0	\$0

* Only operates in one service area

**INCOME STATEMENT DATA
2002 ANNUAL INFORMATION**

MEDICARE PREMIUM

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	\$0	\$0
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	\$0	\$0	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$0	\$0	\$0	\$0	\$0
TOTAL LIMITED SERVICE TEXAS		\$0	\$0	\$0	\$0	\$0
TOTAL LIMITED SERVICE IND WIDE		\$0	\$0	\$0	\$0	\$0

* Only operates in one service area

INCOME STATEMENT DATA
2002 ANNUAL INFORMATION

MEDICAID PREMIUM

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	\$0	\$0
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	\$18,572,909	\$35,516,109	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$0	\$1,417,806	\$21,184,005	\$39,957,680	\$39,126,331
TOTAL LIMITED SERVICE TEXAS		\$0	\$19,990,715	\$56,700,114	\$39,957,680	\$39,126,331
TOTAL LIMITED SERVICE IND WIDE		\$0	\$19,990,715	\$56,700,114	\$39,957,680	\$39,126,331

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INCOME STATEMENT DATA
2002 ANNUAL INFORMATION

TOTAL REVENUES

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	\$2,829,242	\$10,880,622
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	\$18,714,629	\$36,108,224	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$25,034	\$16,695,148	\$58,795,581	\$103,016,866	\$109,000,903
TOTAL LIMITED SERVICE TEXAS		\$25,034	\$35,409,777	\$94,903,805	\$105,846,108	\$119,881,525
TOTAL LIMITED SERVICE IND WIDE		\$25,034	\$35,409,777	\$94,903,805	\$105,846,108	\$119,881,525

* Only operates in one service area

INCOME STATEMENT DATA
2002 ANNUAL INFORMATION

TOTAL MEDICAL & HOSPITAL EXPENSE

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	\$3,166,550	\$11,094,060
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	\$17,860,232	\$32,665,449	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$0	\$15,862,496	\$54,775,133	\$94,968,508	\$100,045,386
TOTAL LIMITED SERVICE TEXAS		\$0	\$33,722,728	\$87,440,582	\$98,135,058	\$111,139,446
TOTAL LIMITED SERVICE IND WIDE		\$0	\$33,722,728	\$87,440,582	\$98,135,058	\$111,139,446

* Only operates in one service area

**INCOME STATEMENT DATA
2002 ANNUAL INFORMATION**

TOTAL ADMINISTRATION EXPENSE

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	\$1,271,083	\$1,856,323
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	\$2,693,679	\$4,027,779	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$0	\$2,212,004	\$8,231,317	\$14,047,207	\$10,821,552
TOTAL LIMITED SERVICE TEXAS		\$0	\$4,905,683	\$12,259,096	\$15,318,290	\$12,677,875
TOTAL LIMITED SERVICE IND WIDE		\$0	\$4,905,683	\$12,259,096	\$15,318,290	\$12,677,875

* Only operates in one service area

INCOME STATEMENT DATA
2002 ANNUAL INFORMATION

TOTAL EXPENSES

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	\$4,437,633	\$12,950,383
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	\$20,553,911	\$36,693,228	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$0	\$18,074,500	\$63,006,450	\$109,015,715	\$110,866,938
TOTAL LIMITED SERVICE TEXAS		\$0	\$38,628,411	\$99,699,678	\$113,453,348	\$123,817,321
TOTAL LIMITED SERVICE IND WIDE		\$0	\$38,628,411	\$99,699,678	\$113,453,348	\$123,817,321

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**INCOME STATEMENT DATA
2002 ANNUAL INFORMATION**

NET INCOME BEFORE TAXES

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	(\$1,608,391)	(\$2,069,761)
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	(\$1,839,282)	(\$585,004)	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$25,034	(\$2,097,697)	(\$4,210,869)	(\$5,998,849)	(\$1,866,035)
TOTAL LIMITED SERVICE TEXAS		\$25,034	(\$3,936,979)	(\$4,795,873)	(\$7,607,240)	(\$3,935,796)
TOTAL LIMITED SERVICE IND WIDE		\$25,034	(\$3,936,979)	(\$4,795,873)	(\$7,607,240)	(\$3,935,796)

* Only operates in one service area

**INCOME STATEMENT DATA
2002 ANNUAL INFORMATION**

AFTER TAX NET INCOME

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0	\$0	\$0	(\$1,608,391)	(\$2,069,761)
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0	(\$1,839,282)	(\$585,004)	\$0	\$0
ValueOptions of Texas, Inc.	Irving*	\$15,539	(\$1,363,503)	(\$2,737,064)	(\$3,951,995)	(\$1,248,307)
TOTAL LIMITED SERVICE TEXAS		\$15,539	(\$3,202,785)	(\$3,322,068)	(\$5,560,386)	(\$3,318,068)
TOTAL LIMITED SERVICE IND WIDE		\$15,539	(\$3,202,785)	(\$3,322,068)	(\$5,560,386)	(\$3,318,068)

* Only operates in one service area

**INCOME STATEMENT DATA
2002 ANNUAL INFORMATION**

TOTAL ENDING ENROLLMENT

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	0	0	0	15,562	0
Magellan Behavioral Health of Texas, Inc.	Dallas*	0	618,665	27,661	0	0
ValueOptions of Texas, Inc.	Irving*	0	66,074	140,546	144,841	229,484
TOTAL LIMITED SERVICE TEXAS		0	684,739	168,207	160,403	229,484
TOTAL LIMITED SERVICE IND WIDE		0	684,739	168,207	160,403	229,484

* Only operates in one service area

**INCOME STATEMENT DATA
2002 ANNUAL INFORMATION**

CUMULATIVE MEMBER MONTHS

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	0	0	0	76,742	41,639
Magellan Behavioral Health of Texas, Inc.	Dallas*	0	3,533,604	5,760,922	0	0
ValueOptions of Texas, Inc.	Irving*	0	100,233	1,116,461	1,957,960	2,623,130
TOTAL LIMITED SERVICE TEXAS		0	3,633,837	6,877,383	2,034,702	2,664,769
TOTAL LIMITED SERVICE IND WIDE		0	3,633,837	6,877,383	2,034,702	2,664,769

* Only operates in one service area

COMMERCIAL PREMIUMS

LIMITED SERVICE HMOs		DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Magellan Behavioral Health of Texas, Inc.	Dallas*		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ValueOptions of Texas, Inc.	Irving*		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL LIMITED SERVICE TEXAS			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL LIMITED SERVICE IND WIDE			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

* Only operates in one service area

TOTAL REVENUE

LIMITED SERVICE HMOs		DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated		\$0.00	\$0.00	\$0.00	\$36.87	\$261.31
Magellan Behavioral Health of Texas, Inc.	Dallas*		\$0.00	\$5.30	\$6.27	\$0.00	\$0.00
ValueOptions of Texas, Inc.	Irving*		\$0.00	\$166.56	\$52.66	\$52.61	\$41.55
TOTAL LIMITED SERVICE TEXAS			\$0.00	\$9.74	\$13.80	\$52.02	\$44.99
TOTAL LIMITED SERVICE IND WIDE			\$0.00	\$9.74	\$13.80	\$52.02	\$44.99

* Only operates in one service area

TOTAL MEDICAL & HOSPITAL EXPENSE

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0.00	\$0.00	\$0.00	\$41.26	\$266.43
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0.00	\$5.05	\$5.67	\$0.00	\$0.00
ValueOptions of Texas, Inc.	Irving*	\$0.00	\$158.26	\$49.06	\$48.50	\$38.14
TOTAL LIMITED SERVICE TEXAS		\$0.00	\$9.28	\$12.71	\$48.23	\$41.71
TOTAL LIMITED SERVICE IND WIDE		\$0.00	\$9.28	\$12.71	\$48.23	\$41.71

* Only operates in one service area

PER MEMBER PER MONTH (PMPM)

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TOTAL ADMINISTRATION EXPENSE

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0.00	\$0.00	\$0.00	\$16.56	\$44.58
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0.00	\$0.76	\$0.70	\$0.00	\$0.00
ValueOptions of Texas, Inc.	Irving*	\$0.00	\$22.07	\$7.37	\$7.17	\$4.13
TOTAL LIMITED SERVICE TEXAS		\$0.00	\$1.35	\$1.78	\$7.53	\$4.76
TOTAL LIMITED SERVICE IND WIDE		\$0.00	\$1.35	\$1.78	\$7.53	\$4.76

* Only operates in one service area

TOTAL EXPENSES

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0.00	\$0.00	\$0.00	\$57.83	\$311.02
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0.00	\$5.82	\$6.37	\$0.00	\$0.00
ValueOptions of Texas, Inc.	Irving*	\$0.00	\$180.32	\$56.43	\$55.68	\$42.27
TOTAL LIMITED SERVICE TEXAS		\$0.00	\$10.63	\$14.50	\$55.76	\$46.46
TOTAL LIMITED SERVICE IND WIDE		\$0.00	\$10.63	\$14.50	\$55.76	\$46.46

* Only operates in one service area

NET INCOME BEFORE TAXES

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0.00	\$0.00	\$0.00	(\$20.96)	(\$49.71)
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0.00	(\$0.52)	(\$0.10)	\$0.00	\$0.00
ValueOptions of Texas, Inc.	Irving*	\$0.00	(\$20.93)	(\$3.77)	(\$3.06)	(\$0.71)
TOTAL LIMITED SERVICE TEXAS		\$0.00	(\$1.08)	(\$0.70)	(\$3.74)	(\$1.48)
TOTAL LIMITED SERVICE IND WIDE		\$0.00	(\$1.08)	(\$0.70)	(\$3.74)	(\$1.48)

* Only operates in one service area

PER MEMBER PER MONTH (PMPM)

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AFTER TAX NET INCOME

LIMITED SERVICE HMOs	DIVISION	12/98 Year	12/99 Year	12/00 Year	12/01 Year	12/02 Year
Coordinated Care Solutions of Texas, Inc.	Consolidated	\$0.00	\$0.00	\$0.00	(\$20.96)	(\$49.71)
Magellan Behavioral Health of Texas, Inc.	Dallas*	\$0.00	(\$0.52)	(\$0.10)	\$0.00	\$0.00
ValueOptions of Texas, Inc.	Irving*	\$0.00	(\$13.60)	(\$2.45)	(\$2.02)	(\$0.48)
TOTAL LIMITED SERVICE TEXAS		\$0.00	(\$0.88)	(\$0.48)	(\$2.73)	(\$1.25)
TOTAL LIMITED SERVICE IND WIDE		\$0.00	(\$0.88)	(\$0.48)	(\$2.73)	(\$1.25)

* Only operates in one service area