

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **MARCH 31, 2003**

OF THE **Scott & White Health Plan**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION **CONSOLIDATED**

(Location)

**EXHIBIT II (Filed Annually and Quarterly)  
ACTUAL REVENUES AND EXPENSES BY MAJOR SPECIFIED LINES**

Indicate Reporting Period: Current Quarter **X**

	1. Total	2. COMMERCIAL RISK (Omit Provider HMO Business)	3. MEDICARE (Omit Provider HMO Business)		4. MEDICAID (Omit Provider HMO Business)		5. POINT OF SERVICE RIDER COVERAGE	6. ASSUMED RISK (as Provider HMO)	7. CHILDREN'S HEALTH INSURANCE PLAN	8. PUBLICLY SUPPORTED HEALTH CARE	9. NON-RISK
			RISK	COST	RISK	COST					
1. ENROLLEES AT THE END OF REPT PERIOD.....	167,879	142,576	0	25,303	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	503,657	427,763	0	75,894	0	0	0	0	0	0	0
3. Premiums.....	103,431,629	84,651,381	0	18,780,248	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Change in Unearn. Prem. Resrv & Resrv for Rate Credits..	0	0	0	0	0	0	0	0	0	0	0
5. Fee-for-Service (gross revenues).....	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	0
6. Risk Revenue.....	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	XXXXXXXX	XXXXXXXX	XXXXXXXX
7. Other Health Related Revenues.....	0	0	0	0	0	0	0	0	0	0	0
8. TOTAL HEALTHCARE RELATED REVENUES(L3 to L7)	103,431,629	84,651,381	0	18,780,248	0	0	0	0	0	0	0
9. Other Revenues (excluding investment income).....	7,216,841	7,216,841	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L8 to L9).....	110,648,470	91,868,222	0	18,780,248	0	0	0	0	0	0	0
<b>MEDICAL AND HOSPITAL:</b>											
11. Hospital/Medical Benefits.....	69,483,527	55,019,237	0	14,464,290	0	0	0	0	0	0	0
12. Other Professional Services.....	0	0	0	0	0	0	0	0	0	0	0
13. Outside Referrals.....	2,931,696	2,618,132	0	313,564	0	0	0	0	0	0	0
14. Emergency Room and Out-of-Area.....	3,464,690	3,318,479	0	146,211	0	0	XXXXXXXX	0	0	0	0
15. Other Medical & Hospital.....	16,416,699	12,050,139	0	4,366,560	0	0	0	0	0	0	0
16. Incentive Pool & Withhold Adjustments.....	2,100,000	2,100,000	0	0	0	0	0	0	0	0	0
17. SUBTOTAL MED & HOSP (L11 to L16).....	94,396,612	75,105,987	0	19,290,625	0	0	0	0	0	0	0
18. Net Reins Recoveries Incurred.....	(76,556)	(76,556)	0	0	0	0	0	0	0	0	0
19. TOTAL MEDICAL & HOSP (L17 less L18).....	94,473,168	75,182,543	0	19,290,625	0	0	0	0	0	0	0
20. Claims Adjustment Expenses.....	4,484,442	4,484,442	0	0	0	0	0	0	0	0	0
21. General Administrative Expenses.....	8,120,488	7,503,132	0	617,356	0	0	0	0	0	0	0
22. Increase in Reserves for A&H contracts.....	502,055	1,888,744	0	(1,386,689)	0	0	0	0	0	0	0
23. TOTAL UNDERWRITING DEDUCTIONS(L19 to L22)....	107,580,153	89,058,861	0	18,521,292	0	0	0	0	0	0	0
24. NET UNDERWRITING GAIN/(LOSS) (L8 less L23).....	(4,148,524)	(4,407,480)	0	258,956	0	0	0	0	0	0	0
25. Net Investment Income Earned.....	266,591	266,591	0	0	0	0	0	0	0	0	0
26. Net Realized Capital Gains/(Losses).....	(102,185)	(102,185)	0	0	0	0	0	0	0	0	0
27. NET INVESTMENT GAINS/(LOSSES) (L25 to L26).....	164,406	164,406	0	0	0	0	0	0	0	0	0
28. Other Expenses.....	0	0	0	0	0	0	0	0	0	0	0
29. <b>INCOME (LOSS) BEFORE FIT &amp; EXP ITEMS(L9+L24+L2</b>	<b>3,232,723</b>	<b>2,973,767</b>	<b>0</b>	<b>258,956</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
30. Extraordinary Items & Federal income taxes.....	159,511	159,511	0	0	0	0	0	0	0	0	0
31. <b>NET INCOME (LOSS) (L29 less L30).....</b>	<b>3,073,212</b>	<b>2,814,256</b>	<b>0</b>	<b>258,956</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
31a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		45,706	(Examples of non-taxable enrollees are State								
31b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		136,915	of Texas enrollees and Federal employees.)								

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ACTUAL REVENUES AND EXPENSES BY MAJOR SPECIFIED LINES**

Indicate Reporting Period: Year-to-Date **X**

	1. Total	2. COMMERCIAL RISK (Omit Provider HMO Business)	3. MEDICARE (Omit Provider HMO Business)		4. MEDICAID (Omit Provider HMO Business)		5. POINT OF SERVICE RIDER	6. ASSUMED RISK (as Provider HMO)	7. CHILDREN'S HEALTH INSURANCE PLAN	8. PUBLICLY SUPPORTED HEALTH CARE	9. NON-RISK
			RISK	COST	RISK	COST					
1. ENROLLEES AT THE END OF REPT PERIOD.....	167,879	142,576	0	25,303	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	503,657	427,763	0	75,894	0	0	0	0	0	0	0
3. Premiums.....	103,431,629	84,651,381	0	18,780,248	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Change in Uearn. Prem. Resrv & Resrv for Rate Credits..	0	0	0	0	0	0	0	0	0	0	0
5. Fee-for-Service (gross revenues).....	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	0
6. Risk Revenue.....	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	XXXXXXXX	XXXXXXXX	XXXXXXXX
7. Other Health Related Revenues.....	0	0	0	0	0	0	0	0	0	0	0
8. TOTAL HEALTHCARE RELATED REVENUES(L3 to L7)	103,431,629	84,651,381	0	18,780,248	0	0	0	0	0	0	0
9. Other Revenues (excluding investment income).....	7,216,841	7,216,841	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L8 to L9).....	110,648,470	91,868,222	0	18,780,248	0	0	0	0	0	0	0
<b>MEDICAL AND HOSPITAL:</b>											
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13. Outside Referrals.....	2,931,696	2,618,132	0	313,564	0	0	0	0	0	0	0
14. Emergency Room and Out-of-Area.....	3,464,690	3,318,479	0	146,211	0	0	XXXXXXXX	0	0	0	0
15. Other Medical & Hospital.....	16,416,699	12,050,139	0	4,366,560	0	0	0	0	0	0	0
16. Incentive Pool & Withhold Adjustments.....	2,100,000	2,100,000	0	0	0	0	0	0	0	0	0
17. SUBTOTAL MED & HOSP (L11 to L16).....	94,396,612	75,105,987	0	19,290,625	0	0	0	0	0	0	0
18. Net Reins Recoveries Incurred.....	(76,556)	(76,556)	0	0	0	0	0	0	0	0	0
19. TOTAL MEDICAL & HOSP (L17 less L18).....	94,473,168	75,182,543	0	19,290,625	0	0	0	0	0	0	0
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25. Net Investment Income Earned.....	266,591	266,591	0	0	0	0	0	0	0	0	0
26. Net Realized Capital Gains/(Losses).....	(102,185)	(102,185)	0	0	0	0	0	0	0	0	0
27. NET INVESTMENT GAINS/(LOSSES) (L25 to L26).....	164,406	164,406	0	0	0	0	0	0	0	0	0
28. Other Expenses.....	0	0	0	0	0	0	0	0	0	0	0
29. <b>INCOME (LOSS) BEFORE FIT &amp; EXP ITEMS(L9+L24+L28)</b>	<b>3,232,723</b>	<b>2,973,767</b>	<b>0</b>	<b>258,956</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
30. Extraordinary Items & Federal income taxes.....	159,511	159,511	0	0	0	0	0	0	0	0	0
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31a. <b>NON-TAXABLE COMMERCIAL RISK ENROLLEES.....</b>		45,706	(Examples of non-taxable enrollees are State								
31b. <b>NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....</b>		136,915	of Texas enrollees and Federal employees.)								