

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **JUNE 30, 2004**

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.....	166,949	142,895	0	24,054	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	500,377	428,105	0	72,272	0	0	0	0	0	0	0
3. Direct Premium.....	107,285,905	86,376,319	0	20,909,586	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Premiums.....	107,285,905	86,376,319	0	20,909,586	0	0	0	XXXXXXXX	0	0	XXXXXXXX
5. Chg in unearned prem. reserve & reserve for rate credits...	0	0	0	0	0	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	0
7. Risk Revenue.....	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	XXXXXXXX	XXXXXXXX	XXXXXXXX
8. Other Health Related Revenues.....	5,644,891	4,927,226	0	717,665	0	0	0	0	0	0	0
9. TOTAL HEALTHCARE RELATED REVENUES(L4 to L8)	112,930,796	91,303,545	0	21,627,251	0	0	0	0	0	0	0
10. Other Revenues (excluding investment income).....	0	0	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	112,930,796	91,303,545	0	21,627,251	0	0	0	0	0	0	0
MEDICAL AND HOSPITAL:											
12. Hospital/Medical Benefits.....	75,075,302	59,205,036	0	15,870,266	0	0	0	0	0	0	0
13. Other Professional Services.....	589,570	462,315	0	127,255	0	0	0	0	0	0	0
14. Outside Referrals.....	2,103,087	1,820,354	0	282,733	0	0	0	0	0	0	0
15. Emergency Room and Out-of-Area.....	1,685,395	1,707,896	0	(22,501)	0	0	XXXXXXXX	0	0	0	0
16. Other Medical & Hospital.....	13,495,916	9,729,651	0	3,766,265	0	0	0	0	0	0	0
17. Incentive Pool & Withhold Adjustments.....	9,724,898	9,724,898	0	0	0	0	0	0	0	0	0
18. SUBTOTAL MED & HOSP (L12 to L17).....	102,674,168	82,650,150	0	20,024,018	0	0	0	0	0	0	0
19. Net Reins Recoveries Incurred.....	112,116	112,116	0	0	0	0	0	0	0	0	0
20. TOTAL MEDICAL & HOSP (L18 less L19).....	102,562,052	82,538,034	0	20,024,018	0	0	0	0	0	0	0
21. Claims Adjustment Expenses.....	693,013	693,013	0	0	0	0	0	0	0	0	0
22. General Administrative Expenses.....	7,641,534	3,941,174	0	3,700,360	0	0	0	0	0	0	0
23. Increase in Reserves for A&H contracts.....	(702,962)	0	0	(702,962)	0	0	0	0	0	0	0
24. TOTAL UNDERWRITING DEDUCTIONS(L20 to L23)....	110,193,637	87,172,221	0	23,021,416	0	0	0	0	0	0	0
25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24).....	2,737,159	4,131,324	0	(1,394,165)	0	0	0	0	0	0	0
26. Net Investment Income Earned.....	243,646	243,646	0	0	0	0	0	0	0	0	0
27. Net Realized Capital Gains/(Losses).....	39,832	39,832	0	0	0	0	0	0	0	0	0
28. NET INVESTMENT GAINS/(LOSSES) (L26 to L27).....	283,478	283,478	0	0	0	0	0	0	0	0	0
29. Other Expenses.....	2,832,104	2,832,104	0	0	0	0	0	0	0	0	0
30. INCOME (LOSS) BEFORE FIT & EXP ITEMS(L10+L25+L26+L27+L28+L29)	188,533	1,582,698	0	(1,394,165)	0	0	0	0	0	0	0
31. Extraordinary Items & Federal income taxes.....	188,533	188,533	0	0	0	0	0	0	0	0	0
32. NET INCOME (LOSS) (L30 less L31).....	0	1,394,165	0	(1,394,165)	0	0	0	0	0	0	0
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		54,012	(Examples of non-taxable enrollees are State								
33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		162,268	of Texas enrollees and Federal employees.)								

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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: 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.....	166,949	142,895	0	24,054	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	1,003,477	858,259	0	145,218	0	0	0	0	0	0	0
3. Direct Premium.....	214,623,465	172,601,038	0	42,022,427	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Premiums.....	214,623,465	172,601,038	0	42,022,427	0	0	0	XXXXXXXX	0	0	XXXXXXXX
5. Chg in unearned prem. reserve & reserve for rate credits...	0	0	0	0	0	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	0
7. Risk Revenue.....	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	XXXXXXXX	XXXXXXXX	XXXXXXXX
8. Other Health Related Revenues.....	10,853,544	10,135,879	0	717,665	0	0	0	0	0	0	0
9. TOTAL HEALTHCARE RELATED REVENUES(L4 to L8)	225,477,009	182,736,917	0	42,740,092	0	0	0	0	0	0	0
10. Other Revenues (excluding investment income).....	0	0	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	225,477,009	182,736,917	0	42,740,092	0	0	0	0	0	0	0
MEDICAL AND HOSPITAL:											
12. Hospital/Medical Benefits.....	150,266,393	118,431,537	0	31,834,856	0	0	0	0	0	0	0
13. Other Professional Services.....	1,054,495	867,253	0	187,242	0	0	0	0	0	0	0
14. Outside Referrals.....	3,891,188	3,401,136	0	490,052	0	0	0	0	0	0	0
15. Emergency Room and Out-of-Area.....	3,358,098	3,389,087	0	(30,989)	0	0	XXXXXXXX	0	0	0	0
16. Other Medical & Hospital.....	27,866,515	19,458,271	0	8,408,244	0	0	0	0	0	0	0
17. Incentive Pool & Withhold Adjustments.....	18,032,877	18,032,877	0	0	0	0	0	0	0	0	0
18. SUBTOTAL MED & HOSP (L12 to L17).....	204,469,566	163,580,161	0	40,889,405	0	0	0	0	0	0	0
19. Net Reins Recoveries Incurred.....	(108,159)	(108,159)	0	0	0	0	0	0	0	0	0
20. TOTAL MEDICAL & HOSP (L18 less L19).....	204,577,725	163,688,320	0	40,889,405	0	0	0	0	0	0	0
21. Claims Adjustment Expenses.....	1,419,561	1,419,561	0	0	0	0	0	0	0	0	0
22. General Administrative Expenses.....	15,034,844	10,914,363	0	4,120,481	0	0	0	0	0	0	0
23. Increase in Reserves for A&H contracts.....	(1,405,557)	0	0	(1,405,557)	0	0	0	0	0	0	0
24. TOTAL UNDERWRITING DEDUCTIONS(L20 to L23)....	219,626,573	176,022,244	0	43,604,329	0	0	0	0	0	0	0
25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24).....	5,850,436	6,714,673	0	(864,237)	0	0	0	0	0	0	0
26. Net Investment Income Earned.....	491,015	491,015	0	0	0	0	0	0	0	0	0
27. Net Realized Capital Gains/(Losses).....	153,969	153,969	0	0	0	0	0	0	0	0	0
28. NET INVESTMENT GAINS/(LOSSES) (L26 to L27).....	644,984	644,984	0	0	0	0	0	0	0	0	0
29. Other Expenses.....	5,579,444	5,579,444	0	0	0	0	0	0	0	0	0
30. INCOME (LOSS) BEFORE FIT & EXP ITEMS(L10+L25+L	915,976	1,780,213	0	(864,237)	0	0	0	0	0	0	0
31. Extraordinary Items & Federal income taxes.....	415,976	415,976	0	0	0	0	0	0	0	0	0
32. NET INCOME (LOSS) (L30 less L31).....	500,000	1,364,237	0	(864,237)	0	0	0	0	0	0	0
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		54,012	(Examples of non-taxable enrollees are State								
33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		326,277	of Texas enrollees and Federal employees.)								