

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **JUNE 30, 2005**

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..... | 167,756 | 143,898 | 0 | 23,858 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. MEMBER MONTHS..... | 502,464 | 430,890 | 0 | 71,574 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Direct Premium..... | \$216.68 | \$207.46 | \$0.00 | \$272.16 | \$0.00 | \$0.00 | \$0.00 | XXXXXXXX | \$0.00 | \$0.00 | XXXXXXXX |
| 4. Premiums..... | \$216.68 | \$207.46 | \$0.00 | \$272.16 | \$0.00 | \$0.00 | \$0.00 | XXXXXXXX | \$0.00 | \$0.00 | XXXXXXXX |
| 5. Chg in unearned prem. reserve & reserve for rate credits... | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 6. Fee-for-Service (gross revenues)..... | \$0.00 | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | \$0.00 | \$0.00 |
| 7. Risk Revenue..... | \$0.00 | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | \$0.00 | XXXXXXXX | XXXXXXXX | XXXXXXXX |
| 8. Other Health Related Revenues..... | \$10.64 | \$10.58 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 9. TOTAL HEALTHCARE RELATED REVENUES(L4 to L8) | \$227.31 | \$218.03 | \$0.00 | \$272.16 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 10. Other Revenues (excluding investment income)..... | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 11. TOTAL REVENUE (L9 to L10)..... | \$227.31 | \$218.03 | \$0.00 | \$272.16 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| MEDICAL AND HOSPITAL: | | | | | | | | | | | |
| 12. Hospital/Medical Benefits..... | \$135.47 | \$126.87 | \$0.00 | \$187.20 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 13. Other Professional Services..... | \$1.92 | \$1.49 | \$0.00 | \$4.51 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 14. Outside Referrals..... | \$17.74 | \$19.18 | \$0.00 | \$9.07 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 15. Emergency Room and Out-of-Area..... | \$15.40 | \$16.09 | \$0.00 | \$11.24 | \$0.00 | \$0.00 | XXXXXXXX | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 16. Other Medical & Hospital..... | \$27.14 | \$23.19 | \$0.00 | \$50.93 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 17. Incentive Pool & Withhold Adjustments..... | \$10.35 | \$12.07 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 18. SUBTOTAL MED & HOSP (L12 to L17)..... | \$208.01 | \$198.89 | \$0.00 | \$262.95 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 19. Net Reins Recoveries Incurred..... | \$0.22 | \$0.26 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 20. TOTAL MEDICAL & HOSP (L18 less L19)..... | \$207.79 | \$198.63 | \$0.00 | \$262.95 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 21. Claims Adjustment Expenses..... | \$2.78 | \$3.20 | \$0.00 | \$0.24 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 22. General Administrative Expenses..... | \$14.59 | \$11.98 | \$0.00 | \$22.97 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 23. Increase in Reserves for A&H contracts..... | (\$0.93) | \$0.00 | \$0.00 | (\$6.52) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 24. TOTAL UNDERWRITING DEDUCTIONS(L20 to L23).... | \$224.23 | \$213.80 | \$0.00 | \$279.64 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24)..... | \$3.08 | \$4.23 | \$0.00 | (\$7.48) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 26. Net Investment Income Earned..... | \$1.38 | \$1.61 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 27. Net Realized Capital Gains/(Losses)..... | \$0.20 | \$0.23 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 28. NET INVESTMENT GAINS/(LOSSES) (L26 to L27)..... | \$1.58 | \$1.84 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 29. Other Expenses..... | \$5.83 | \$6.80 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 30. INCOME (LOSS) BEFORE FIT & EX ITEMS(L10+L25+L2 | (\$1.18) | (\$0.73) | \$0.00 | (\$7.48) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 31. Extraordinary Items & Federal income taxes..... | \$0.32 | \$0.37 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 32. NET INCOME (LOSS) (L30 less L31)..... | (\$1.49) | (\$1.10) | \$0.00 | (\$7.48) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES..... | | 42,739 | (Examples of non-taxable enrollees are State | | | | | | | | |
| 33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS..... | | 128,751 | of Texas enrollees and Federal employees.) | | | | | | | | |

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**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..... | 167,756 | 143,898 | 0 | 23,858 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. MEMBER MONTHS..... | 1,005,532 | 862,277 | 0 | 143,255 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Direct Premium..... | \$215.42 | \$206.72 | \$0.00 | \$267.77 | \$0.00 | \$0.00 | \$0.00 | XXXXXXXX | \$0.00 | \$0.00 | XXXXXXXX |
| 4. Premiums..... | \$215.42 | \$206.72 | \$0.00 | \$267.77 | \$0.00 | \$0.00 | \$0.00 | XXXXXXXX | \$0.00 | \$0.00 | XXXXXXXX |
| 5. Chg in unearned prem. reserve & reserve for rate credits... | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 6. Fee-for-Service (gross revenues)..... | \$0.00 | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | \$0.00 | \$0.00 |
| 7. Risk Revenue..... | \$0.00 | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | \$0.00 | XXXXXXXX | XXXXXXXX | XXXXXXXX |
| 8. Other Health Related Revenues..... | \$10.49 | \$10.40 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 9. TOTAL HEALTHCARE RELATED REVENUES(L4 to L8) | \$225.91 | \$217.12 | \$0.00 | \$267.77 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 10. Other Revenues (excluding investment income)..... | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 11. TOTAL REVENUE (L9 to L10)..... | \$225.91 | \$217.12 | \$0.00 | \$267.77 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| MEDICAL AND HOSPITAL: | | | | | | | | | | | |
| 12. Hospital/Medical Benefits..... | \$135.45 | \$126.50 | \$0.00 | \$189.34 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 13. Other Professional Services..... | \$1.87 | \$1.48 | \$0.00 | \$4.19 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 14. Outside Referrals..... | \$16.86 | \$18.22 | \$0.00 | \$8.67 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 15. Emergency Room and Out-of-Area..... | \$15.13 | \$15.85 | \$0.00 | \$10.81 | \$0.00 | \$0.00 | XXXXXXXX | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 16. Other Medical & Hospital..... | \$27.93 | \$23.41 | \$0.00 | \$55.18 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 17. Incentive Pool & Withhold Adjustments..... | \$6.85 | \$7.99 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 18. SUBTOTAL MED & HOSP (L12 to L17)..... | \$204.10 | \$193.45 | \$0.00 | \$268.18 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 19. Net Reins Recoveries Incurred..... | \$0.60 | \$0.70 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 20. TOTAL MEDICAL & HOSP (L18 less L19)..... | \$203.50 | \$192.75 | \$0.00 | \$268.18 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 21. Claims Adjustment Expenses..... | \$2.81 | \$3.22 | \$0.00 | \$0.34 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 22. General Administrative Expenses..... | \$14.62 | \$12.27 | \$0.00 | \$22.04 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 23. Increase in Reserves for A&H contracts..... | (\$0.93) | \$0.00 | \$0.00 | (\$6.51) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 24. TOTAL UNDERWRITING DEDUCTIONS(L20 to L23).... | \$219.99 | \$208.24 | \$0.00 | \$284.06 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24)..... | \$5.91 | \$8.88 | \$0.00 | (\$16.28) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 26. Net Investment Income Earned..... | \$2.05 | \$2.39 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 27. Net Realized Capital Gains/(Losses)..... | \$0.26 | \$0.30 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 28. NET INVESTMENT GAINS/(LOSSES) (L26 to L27)..... | \$2.31 | \$2.69 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 29. Other Expenses..... | \$5.78 | \$6.74 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 30. INCOME (LOSS) BEFORE FIT & EX ITEMS(L10+L25+L2 | \$2.44 | \$4.83 | \$0.00 | (\$16.28) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 31. Extraordinary Items & Federal income taxes..... | \$0.28 | \$0.33 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 32. NET INCOME (LOSS) (L30 less L31)..... | \$2.16 | \$4.50 | \$0.00 | (\$16.28) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES..... | | 42,739 | (Examples of non-taxable enrollees are State | | | | | | | | |
| 33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS..... | | 258,977 | of Texas enrollees and Federal employees.) | | | | | | | | |