

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **SEPTEMBER 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.....	166,852	142,862	0	23,990	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	501,177	429,424	0	71,753	0	0	0	0	0	0	0
3. Direct Premium.....	108,946,785	89,835,001	0	19,111,784	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Premiums.....	108,946,785	89,835,001	0	19,111,784	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.....	5,137,860	4,346,187	0	22,136	0	0	0	0	0	0	769,537
9. TOTAL HEALTHCARE RELATED REVENUES(L4 to L8)	114,084,645	94,181,188	0	19,133,920	0	0	0	0	0	0	769,537
10. Other Revenues (excluding investment income).....	0	0	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	114,084,645	94,181,188	0	19,133,920	0	0	0	0	0	0	769,537
<b>MEDICAL AND HOSPITAL:</b>											
12. Hospital/Medical Benefits.....	67,524,307	54,115,545	0	13,408,762	0	0	0	0	0	0	0
13. Other Professional Services.....	871,171	660,265	0	210,906	0	0	0	0	0	0	0
14. Outside Referrals.....	7,043,077	6,492,765	0	550,312	0	0	0	0	0	0	0
15. Emergency Room and Out-of-Area.....	7,898,175	7,072,830	0	825,345	0	0	XXXXXXXX	0	0	0	0
16. Other Medical & Hospital.....	13,273,048	10,196,306	0	3,076,742	0	0	0	0	0	0	0
17. Incentive Pool & Withhold Adjustments.....	1,753,179	1,753,179	0	0	0	0	0	0	0	0	0
18. SUBTOTAL MED & HOSP (L12 to L17).....	98,362,957	80,290,890	0	18,072,067	0	0	0	0	0	0	0
19. Net Reins Recoveries Incurred.....	(717,813)	(717,813)	0	0	0	0	0	0	0	0	0
20. TOTAL MEDICAL & HOSP (L18 less L19).....	99,080,770	81,008,703	0	18,072,067	0	0	0	0	0	0	0
21. Claims Adjustment Expenses.....	1,469,108	1,459,528	0	9,580	0	0	0	0	0	0	0
22. General Administrative Expenses.....	7,946,528	6,619,001	0	815,503	0	0	0	0	0	0	512,024
23. Increase in Reserves for A&H contracts.....	(472,950)	0	0	(472,950)	0	0	0	0	0	0	0
24. TOTAL UNDERWRITING DEDUCTIONS(L20 to L23)....	108,023,456	89,087,232	0	18,424,200	0	0	0	0	0	0	512,024
25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24).....	6,061,189	5,093,956	0	709,720	0	0	0	0	0	0	257,513
26. Net Investment Income Earned.....	438,193	438,193	0	0	0	0	0	0	0	0	0
27. Net Realized Capital Gains/(Losses).....	80,045	80,045	0	0	0	0	0	0	0	0	0
28. NET INVESTMENT GAINS/(LOSSES) (L26 to L27).....	518,238	518,238	0	0	0	0	0	0	0	0	0
29. Other Expenses.....	2,792,174	2,792,174	0	0	0	0	0	0	0	0	0
30. <b>INCOME (LOSS) BEFORE FIT &amp; EX ITEMS(L10+L25+L2</b>	<b>3,787,253</b>	<b>2,820,020</b>	<b>0</b>	<b>709,720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>257,513</b>
31. Extraordinary Items & Federal income taxes.....	82,149	82,149	0	0	0	0	0	0	0	0	0
32. <b>NET INCOME (LOSS) (L30 less L31).....</b>	<b>3,705,104</b>	<b>2,737,871</b>	<b>0</b>	<b>709,720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>257,513</b>
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		51,809	(Examples of non-taxable enrollees are State								
33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		220,521	of Texas enrollees and Federal employees.)								

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(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.....	166,852	142,862	0	23,990	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	1,506,709	1,291,701	0	215,008	0	0	0	0	0	0	0
3. Direct Premium.....	325,554,549	268,082,993	0	57,471,556	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Premiums.....	325,554,549	268,082,993	0	57,471,556	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.....	15,687,848	13,313,150	0	22,136	0	0	0	0	0	0	2,352,562
9. TOTAL HEALTHCARE RELATED REVENUES(L4 to L8)	341,242,397	281,396,143	0	57,493,692	0	0	0	0	0	0	2,352,562
10. Other Revenues (excluding investment income).....	0	0	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	341,242,397	281,396,143	0	57,493,692	0	0	0	0	0	0	2,352,562
<b>MEDICAL AND HOSPITAL:</b>											
12. Hospital/Medical Benefits.....	203,723,169	163,190,822	0	40,532,347	0	0	0	0	0	0	0
13. Other Professional Services.....	2,751,398	1,940,237	0	811,161	0	0	0	0	0	0	0
14. Outside Referrals.....	23,995,871	22,203,813	0	1,792,058	0	0	0	0	0	0	0
15. Emergency Room and Out-of-Area.....	23,113,485	20,739,939	0	2,373,546	0	0	XXXXXXXX	0	0	0	0
16. Other Medical & Hospital.....	41,362,216	30,380,500	0	10,981,716	0	0	0	0	0	0	0
17. Incentive Pool & Withhold Adjustments.....	8,644,448	8,644,448	0	0	0	0	0	0	0	0	0
18. SUBTOTAL MED & HOSP (L12 to L17).....	303,590,587	247,099,759	0	56,490,828	0	0	0	0	0	0	0
19. Net Reins Recoveries Incurred.....	(114,599)	(114,599)	0	0	0	0	0	0	0	0	0
20. TOTAL MEDICAL & HOSP (L18 less L19).....	303,705,186	247,214,358	0	56,490,828	0	0	0	0	0	0	0
21. Claims Adjustment Expenses.....	4,292,674	4,233,706	0	58,968	0	0	0	0	0	0	0
22. General Administrative Expenses.....	22,642,830	17,199,680	0	3,973,191	0	0	0	0	0	0	1,469,959
23. Increase in Reserves for A&H contracts.....	(1,406,230)	0	0	(1,406,230)	0	0	0	0	0	0	0
24. TOTAL UNDERWRITING DEDUCTIONS(L20 to L23)....	329,234,460	268,647,744	0	59,116,757	0	0	0	0	0	0	1,469,959
25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24).....	12,007,937	12,748,399	0	(1,623,065)	0	0	0	0	0	0	882,603
26. Net Investment Income Earned.....	2,495,967	2,495,967	0	0	0	0	0	0	0	0	0
27. Net Realized Capital Gains/(Losses).....	342,603	342,603	0	0	0	0	0	0	0	0	0
28. NET INVESTMENT GAINS/(LOSSES) (L26 to L27).....	2,838,570	2,838,570	0	0	0	0	0	0	0	0	0
29. Other Expenses.....	8,605,251	8,605,251	0	0	0	0	0	0	0	0	0
30. <b>INCOME (LOSS) BEFORE FIT &amp; EX ITEMS(L10+L25+L2</b>	<b>6,241,256</b>	<b>6,981,718</b>	<b>0</b>	<b>(1,623,065)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>882,603</b>
31. Extraordinary Items & Federal income taxes.....	363,806	363,806	0	0	0	0	0	0	0	0	0
32. <b>NET INCOME (LOSS) (L30 less L31).....</b>	<b>5,877,450</b>	<b>6,617,912</b>	<b>0</b>	<b>(1,623,065)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>882,603</b>
33a. <b>NON-TAXABLE COMMERCIAL RISK ENROLLEES.....</b>		51,809	(Examples of non-taxable enrollees are State								
33b. <b>NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....</b>		479,498	of Texas enrollees and Federal employees.)								