

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **JUNE 30, 2006**

OF THE **Scott & White Health Plan**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISIONATION / 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 B	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						
1. ENROLLEES AT THE END OF REPT PERIOD.....	185,643	145,037	23,997	16,609	0	0	0	0	0	0
2. MEMBER MONTHS.....	553,885	433,538	71,920	48,427	0	0	0	0	0	0
3. Direct Premium.....	118,543,361	97,442,242	18,572,879	2,528,240	0	0	0	0	0	XXXXXXXX
4. Net Premium.....	118,543,361	97,442,242	18,572,879	2,528,240	0	0	0	0	0	XXXXXXXX
5. Change in unearned premium reserve and reserve for rate cre	0	0	0	0	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	0
7. Risk Revenue.....	0	XXXXXXXX	0	0	XXXXXXXX	XXXXXXXX	0	XXXXXXXX	XXXXXXXX	XXXXXXXX
8. Other Health Related Revenues.....	6,464,484	5,719,111	0	0	0	0	0	0	0	745,373
9. TOTAL HEALTHCARE RELATED REVENUES (L4 to L8)....	125,007,845	103,161,353	18,572,879	2,528,240	0	0	0	0	0	745,373
10. Other Revenues (excluding investment income).....	0	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	125,007,845	103,161,353	18,572,879	2,528,240	0	0	0	0	0	745,373
<b>MEDICAL AND HOSPITAL:</b>										
12. Hospital/Medical Benefits.....	71,586,335	56,710,672	14,834,067	41,596	0	0	0	0	0	0
13. Other Professional Services.....	1,007,786	870,945	135,034	1,807	0	0	0	0	0	0
14. Outside Referrals.....	10,452,341	9,767,475	679,685	5,181	0	0	0	0	0	0
15. Emergency Room and Out-of-Area.....	9,237,716	8,168,008	1,061,345	8,363	0	XXXXXXXX	0	0	0	0
16. Other Medical & Hospital.....	17,359,306	11,597,717	3,559,813	2,201,776	0	0	0	0	0	0
17. Incentive Pool & Withhold Adjustments.....	2,500,000	2,500,000	0	0	0	0	0	0	0	0
18. SUBTOTAL MED & HOSP (L12 to L17).....	112,143,484	89,614,817	20,269,944	2,258,723	0	0	0	0	0	0
19. Net Reins Recoveries Incurred.....	591,636	591,636	0	0	0	0	0	0	0	0
20. TOTAL MEDICAL & HOSP (L18 less L19).....	111,551,848	89,023,181	20,269,944	2,258,723	0	0	0	0	0	0
21. Claims Adjustment Expenses.....	1,602,446	1,586,957	15,489	0	0	0	0	0	0	0
22. General Administrative Expenses.....	8,675,820	6,267,294	1,254,834	753,651	0	0	0	0	0	400,041
23. Increase in Reserves for A&H contracts.....	349,224	0	349,224	0	0	0	0	0	0	0
24. TOTAL UNDERWRITING DEDUCTIONS (L20 to L23).....	122,179,338	96,877,432	21,889,491	3,012,374	0	0	0	0	0	400,041
25. NET UNDERWRITING GAIN/LOSS (L9 less L24).....	2,828,507	6,283,921	(3,316,612)	(484,134)	0	0	0	0	0	345,332
26. Net Investment Income Earned.....	670,553	670,553	0	0	0	0	0	0	0	0
27. Net Realized Capital Gains/Losses.....	106,782	106,782	0	0	0	0	0	0	0	0
28. NET INVESTMENT GAINS/LOSSES (L26 to L27).....	777,335	777,335	0	0	0	0	0	0	0	0
29. Other Expenses.....	3,112,847	3,112,847	0	0	0	0	0	0	0	0
30. INCOME/LOSSES before FIT + EX Items (L10+L25+L28-L2	492,995	3,948,409	(3,316,612)	(484,134)	0	0	0	0	0	345,332
31. Extraordinary Items & Federal income taxes.....	92,068	92,068	0	0	0	0	0	0	0	0
32. NET INCOME/LOSS (L30 less L31).....	400,927	3,856,341	(3,316,612)	(484,134)	0	0	0	0	0	345,332
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		51,053	(Examples of non-taxable enrollees are State of Texas enrollees and Federal employees.)			15,869	# of Enrollees in C3-Pt D included in C3-Basic			
33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		153,318				46,498	# of Member Months in C3-Pt D included in C3-Basic			

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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 B	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						
1. ENROLLEES AT THE END OF REPT PERIOD.....	185,643	145,037	23,997	16,609	0	0	0	0	0	0
2. MEMBER MONTHS.....	1,104,125	866,556	143,905	93,664	0	0	0	0	0	0
3. Direct Premium.....	237,349,024	193,887,474	36,221,757	7,239,793	0	0	0	0	0	XXXXXXXX
4. Net Premium.....	237,349,024	193,887,474	36,221,757	7,239,793	0	0	0	0	0	XXXXXXXX
5. Change in unearned premium reserve and reserve for rate cre	0	0	0	0	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	XXXXXXXX	XXXXXXXX	XXXXXXXX	0	0
7. Risk Revenue.....	0	XXXXXXXX	0	0	XXXXXXXX	XXXXXXXX	0	XXXXXXXX	XXXXXXXX	XXXXXXXX
8. Other Health Related Revenues.....	11,637,035	10,145,623	0	0	0	0	0	0	0	1,491,412
9. TOTAL HEALTHCARE RELATED REVENUES (L4 to L8)....	248,986,059	204,033,097	36,221,757	7,239,793	0	0	0	0	0	1,491,412
10. Other Revenues (excluding investment income).....	0	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	248,986,059	204,033,097	36,221,757	7,239,793	0	0	0	0	0	1,491,412
<b>MEDICAL AND HOSPITAL:</b>										
12. Hospital/Medical Benefits.....	141,472,405	111,657,197	29,763,141	52,067	0	0	0	0	0	0
13. Other Professional Services.....	2,122,056	1,793,841	325,230	2,985	0	0	0	0	0	0
14. Outside Referrals.....	18,193,108	16,893,863	1,289,727	9,518	0	0	0	0	0	0
15. Emergency Room and Out-of-Area.....	19,200,594	17,070,241	2,119,585	10,768	0	XXXXXXXX	0	0	0	0
16. Other Medical & Hospital.....	33,385,842	22,059,520	4,907,459	6,418,863	0	0	0	0	0	0
17. Incentive Pool & Withhold Adjustments.....	5,300,000	5,300,000	0	0	0	0	0	0	0	0
18. SUBTOTAL MED & HOSP (L12 to L17).....	219,674,005	174,774,662	38,405,142	6,494,201	0	0	0	0	0	0
19. Net Reins Recoveries Incurred.....	566,761	566,761	0	0	0	0	0	0	0	0
20. TOTAL MEDICAL & HOSP (L18 less L19).....	219,107,244	174,207,901	38,405,142	6,494,201	0	0	0	0	0	0
21. Claims Adjustment Expenses.....	3,196,559	3,166,020	30,539	0	0	0	0	0	0	0
22. General Administrative Expenses.....	16,958,006	12,315,215	2,426,720	1,309,192	0	0	0	0	0	906,879
23. Increase in Reserves for A&H contracts.....	481,787	0	481,787	0	0	0	0	0	0	0
24. TOTAL UNDERWRITING DEDUCTIONS (L20 to L23).....	239,743,596	189,689,136	41,344,188	7,803,393	0	0	0	0	0	906,879
25. NET UNDERWRITING GAIN/LOSS (L9 less L24).....	9,242,463	14,343,961	(5,122,431)	(563,600)	0	0	0	0	0	584,533
26. Net Investment Income Earned.....	1,271,154	1,271,154	0	0	0	0	0	0	0	0
27. Net Realized Capital Gains/Losses.....	484,572	484,572	0	0	0	0	0	0	0	0
28. NET INVESTMENT GAINS/LOSSES (L26 to L27).....	1,755,726	1,755,726	0	0	0	0	0	0	0	0
29. Other Expenses.....	6,013,341	6,013,341	0	0	0	0	0	0	0	0
30. INCOME/LOSSES before FIT + EX Items (L10+L25+L28-L2	4,984,848	10,086,346	(5,122,431)	(563,600)	0	0	0	0	0	584,533
31. Extraordinary Items & Federal income taxes.....	212,565	212,565	0	0	0	0	0	0	0	0
32. NET INCOME/LOSS (L30 less L31).....	4,772,283	9,873,781	(5,122,431)	(563,600)	0	0	0	0	0	584,533
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		51,053	(Examples of non-taxable enrollees are State			15,869 # of Enrollees in C3-Pt D included in C3-Basic				
33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		308,860	of Texas enrollees and Federal employees.)			90,515 # of Member Months in C3-Pt D included in C3-Basic				