TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING JUNE 30, 2006

33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS....

OF THE Scott & White Health Plan

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION ATION / 2. DIVISION

CONSOLIDATED

EXHIBIT II (Filed Annually and Quarterly)

ACTUAL REVENUES AND EXPENSES BY MAJOR SPECIFIED LINES

2. MEMBER MONTHS. 5 3. Direct Premium. 118,5 4. Net Premium. 118,5 5. Change in unearned premium reserve and reserve for rate cree 6. Fee-for-Service (gross revenues). 7. Risk Revenue. 6,4 9. TOTAL HEALTHCARE RELATED REVENUES (L4 to L8). 125,0 10. Other Revenues (excluding investment income). 125,0 11. TOTAL REVENUE (L9 to L10). 125,0 MEDICAL AND HOSPITAL: 71,5 13. Other Professional Services. 1,0 14. Outside Referrals. 10,4 15. Emergency Room and Out-of-Area. 9,2 16. Other Medical & Hospital. 17,3 17. Incentive Pool & Withhold Adjustments. 2,5 18. SUBTOTAL MED & HOSP (L12 to L17). 112,1 19. Net Reins Recoveries Incurred. 5 20. TOTAL MEDICAL & HOSP (L18 less L19). 111,5	185,643 553,885 543,361 0 0 0 464,484 007,845 0	2. COMMERCIAL RISK (Omit Provider HMO Business) 145,037 433,538 97,442,242 97,442,242 0 XXXXXXXX XXXXXXXX 5,719,111 103,161,353 0 103,161,353	MEDI (Omit Provider RISK 23,997 71,920 18,572,879 0 0 0 0 18,572,879 0 18,572,879	CARE	0	5. POINT OF SERVICE RIDER COVERAGE 0 0 0 0 XXXXXXXX XXXXXXX 0 0	6. ASSUMED RISK (as Provider HMO) 0 0 0 0 0 XXXXXXXXX 0 0 0	7. CHILDREN'S HEALTH INSURANCE PLAN 0 0 0 XXXXXXXXX XXXXXXXX 0	8. PUBLICLY SUPPORTED HEALTH CARE 0 0 0 0 0 XXXXXXXXX	9. NON-RISK 0 0 0 XXXXXXXX XXXXXXX 0 0 XXXXXXXX
2. MEMBER MONTHS. 5 3. Direct Premium. 118,5 4. Net Premium. 118,5 5. Change in unearned premium reserve and reserve for rate cree. 118,5 6. Fee-for-Service (gross revenues). 6,4 7. Risk Revenue. 6,4 8. Other Health Related Revenues. 6,4 9. TOTAL HEALTHCARE RELATED REVENUES (L4 to L8). 125,0 10. Other Revenues (excluding investment income). 125,0 11. TOTAL REVENUE (L9 to L10). 125,0 MEDICAL AND HOSPITAL: 71,5 12. Hospital/Medical Benefits. 71,5 13. Other Professional Services. 1,0 14. Outside Referrals. 10,4 15. Emergency Room and Out-of-Area. 9,2 16. Other Medical & Hospital. 17,3 17. Incentive Pool & Withhold Adjustments. 2,5 18. SUBTOTAL MED & HOSP (L12 to L17). 112,1 19. Net Reins Recoveries Incurred. 5 20. TOTAL MEDICAL & HOSP (L18 less L19). 111,5	553,885 543,361 643,361 0 0 0 164,484 007,845	433,538 97,442,242 97,442,242 0 XXXXXXXX XXXXXXXX 5,719,111 103,161,353 0	23,997 71,920 18,572,879 18,572,879 0 0 0 18,572,879 0 0 0 0 0 18,572,879	16,609 48,427 2,528,240 2,528,240 0 0 0 2,528,240	0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 XXXXXXXX XXXXXXXX 0	0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 XXXXXXXX XXXXXXXX	0 0 0 0 0 0 0 XXXXXXXX	XXXXXXXX 0 0 XXXXXXXX
2. MEMBER MONTHS 5 3. Direct Premium 118,5 4. Net Premium 118,5 5. Change in unearned premium reserve and reserve for rate creed. 118,5 6. Fee-for-Service (gross revenues) 6,4 7. Risk Revenue 6,4 9. TOTAL HEALTHCARE RELATED REVENUES (L4 to L8) 125,0 10. Other Revenues (excluding investment income) 11. TOTAL REVENUE (L9 to L10) 125,0 MEDICAL AND HOSPITAL: 71,5 13. Other Professional Services 1,0 14. Outside Referrals 10,4 15. Emergency Room and Out-of-Area 9,2 16. Other Medical & Hospital 17,3 17. Incentive Pool & Withhold Adjustments 2,5 18. SUBTOTAL MED & HOSP (L12 to L17) 112,1 19. Net Reins Recoveries Incurred 5 20. TOTAL MEDICAL & HOSP (L18 less L19) 111,5	553,885 543,361 643,361 0 0 0 164,484 007,845	433,538 97,442,242 97,442,242 0 XXXXXXXX XXXXXXXX 5,719,111 103,161,353 0	71,920 18,572,879 18,572,879 0 0 0 0 18,572,879	48,427 2,528,240 2,528,240 0 0 0 0 2,528,240 0	0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 XXXXXXXX XXXXXXXX 0	0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 XXXXXXXX XXXXXXXX 0	0 0 0 0 0 0 0 XXXXXXXX	XXXXXXXX
3. Direct Premium	643,361 643,361 0 0 0 164,484 007,845 0	97,442,242 97,442,242 0 XXXXXXXX XXXXXXX 5,719,111 103,161,353 0	18,572,879 18,572,879 0 0 0 0 18,572,879	2,528,240 2,528,240 0 0 0 0 2,528,240 0	0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 XXXXXXXX XXXXXXXX	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 XXXXXXXX XXXXXXXX 0	0 0 0 0 0 0 XXXXXXXX	XXXXXXXX
4. Net Premium. 118,5 5. Change in unearned premium reserve and reserve for rate crei 6. Fee-for-Service (gross revenues)	0 0 0 0 464,484 007,845 0	97,442,242 0 XXXXXXXX XXXXXXXX 5,719,111 103,161,353 0	18,572,879 0 0 0 0 0 18,572,879	2,528,240 0 0 0 0 2,528,240 0	0 0 0 0 0 0 0 0 0 0 0	0 0 XXXXXXXX XXXXXXXX 0	0 0 XXXXXXXX 0 0	0 0 XXXXXXXX XXXXXXXX 0	0 0 0 0 0 XXXXXXXX	XXXXXXXX
5. Change in unearned premium reserve and reserve for rate cree 6. Fee-for-Service (gross revenues)	0 0 0 0 464,484 007,845 0	0 XXXXXXXX XXXXXXXX 5,719,111 103,161,353 0	0 0 0 0 18,572,879	0 0 0 0 2,528,240 0	0 0 0 0 0 0 0 0 0 0	0 XXXXXXXX XXXXXXXX 0	0 XXXXXXXX 0 0	0 XXXXXXXX XXXXXXXX 0	0 0 0 XXXXXXXX	XXXXXXXX
6. Fee-for-Service (gross revenues). 6. Fee-for-Service (gross revenues). 7. Risk Revenue. 6.4 8. Other Health Related Revenues. 6.4 9. TOTAL HEALTHCARE RELATED REVENUES (L4 to L8). 125,0 10. Other Revenues (excluding investment income). 125,0 11. TOTAL REVENUE (L9 to L10). 125,0 MEDICAL AND HOSPITAL: 12. Hospital/Medical Benefits. 71,5 13. Other Professional Services. 1,0 14. Outside Referrals. 10,4 15. Emergency Room and Out-of-Area. 9,2 16. Other Medical & Hospital. 17,3 17. Incentive Pool & Withhold Adjustments. 2,5 18. SUBTOTAL MED & HOSP (L12 to L17). 112,1 19. Net Reins Recoveries Incurred. 5 20. TOTAL MEDICAL & HOSP (L18 less L19). 111,5	0 0 464,484 007,845 0	XXXXXXXX XXXXXXXX 5,719,111 103,161,353 0	0 0 0 18,572,879 0	0 0 0 2,528,240 0	0 XXXXXXXX 0 0	XXXXXXXX XXXXXXXX 0	XXXXXXXX 0 0	XXXXXXXX XXXXXXXX	0 XXXXXXXX	
7. Risk Revenue	0 464,484 007,845 0 007,845	XXXXXXX 5,719,111 103,161,353 0	0 0 18,572,879 0	0 0 2,528,240 0	XXXXXXXX 0 0	XXXXXXXX 0	0	XXXXXXXX 0	XXXXXXXX	
8. Other Health Related Revenues	007,845 007,845	5,719,111 103,161,353 0	0 18,572,879 0	0 2,528,240 0	0	0	0	0		
9. TOTAL HEALTHCARE RELATED REVENUES (L4 to L8) 125,0 10. Other Revenues (excluding investment income) 11. TOTAL REVENUE (L9 to L10) 125,0 MEDICAL AND HOSPITAL: 71,5 13. Other Professional Services 1,0 14. Outside Referrals 10,4 15. Emergency Room and Out-of-Area 9,2 16. Other Medical & Hospital 17,3 17. Incentive Pool & Withhold Adjustments 2,5 18. SUBTOTAL MED & HOSP (L12 to L17) 112,1 19. Net Reins Recoveries Incurred 5 20. TOTAL MEDICAL & HOSP (L18 less L19) 111,5	007,845	103,161,353	18,572,879	2,528,240	0		-		0	745,373
10. Other Revenues (excluding investment income) 11. TOTAL REVENUE (L9 to L10) 125,0 MEDICAL AND HOSPITAL: 12. Hospital/Medical Benefits 71,5 13. Other Professional Services 1,0 14. Outside Referrals 10,4 15. Emergency Room and Out-of-Area 9,2 16. Other Medical & Hospital 17,3 17. Incentive Pool & Withhold Adjustments 2,5 18. SUBTOTAL MED & HOSP (L12 to L17) 112,1 19. Net Reins Recoveries Incurred 5 20. TOTAL MEDICAL & HOSP (L18 less L19) 111,5	007,845	0	0	0		0	0			
11. TOTAL REVENUE (L9 to L10). 125,0 MEDICAL AND HOSPITAL: 71,5 12. Hospital/Medical Benefits	007,845				0		•	0	0	745,373
MEDICAL AND HOSPITAL: 12. Hospital/Medical Benefits	·	103,161,353	18,572,879	2 528 240		0	0	0	0	
12. Hospital/Medical Benefits 71,5 13. Other Professional Services 1,0 14. Outside Referrals 10,4 15. Emergency Room and Out-of-Area 9,2 16. Other Medical & Hospital 17,3 17. Incentive Pool & Withhold Adjustments 2,5 18. SUBTOTAL MED & HOSP (L12 to L17) 112,1 19. Net Reins Recoveries Incurred 5 20. TOTAL MEDICAL & HOSP (L18 less L19) 111,5	586,335			2,020,210	0	0	0	0	0	745,37
13. Other Professional Services. 1,0 14. Outside Referrals. 10,4 15. Emergency Room and Out-of-Area. 9,2 16. Other Medical & Hospital. 17,3 17. Incentive Pool & Withhold Adjustments. 2,5 18. SUBTOTAL MED & HOSP (L12 to L17). 112,1 19. Net Reins Recoveries Incurred. 5 20. TOTAL MEDICAL & HOSP (L18 less L19) 111,5	86,335									
14. Outside Referrals		56,710,672	14,834,067	41,596	0	0	0	0	0	
15. Emergency Room and Out-of-Area. 9,2 16. Other Medical & Hospital. 17,3 17. Incentive Pool & Withhold Adjustments. 2,5 18. SUBTOTAL MED & HOSP (L12 to L17). 112,1 19. Net Reins Recoveries Incurred. 5 20. TOTAL MEDICAL & HOSP (L18 less L19) 111,5	007,786	870,945	135,034	1,807	0	0	0	0	0	
16. Other Medical & Hospital. 17,3 17. Incentive Pool & Withhold Adjustments. 2,5 18. SUBTOTAL MED & HOSP (L12 to L17). 112,1 19. Net Reins Recoveries Incurred. 5 20. TOTAL MEDICAL & HOSP (L18 less L19) 111,5	152,341	9,767,475	679,685	5,181	0	0	0	0	0	(
17. Incentive Pool & Withhold Adjustments 2,5 18. SUBTOTAL MED & HOSP (L12 to L17) 112,1 19. Net Reins Recoveries Incurred 5 20. TOTAL MEDICAL & HOSP (L18 less L19) 111,5	237,716	8,168,008	1,061,345	8,363	0	XXXXXXXX	0	0	0	(
18. SUBTOTAL MED & HOSP (L12 to L17). 112,1 19. Net Reins Recoveries Incurred. 5 20. TOTAL MEDICAL & HOSP (L18 less L19). 111,5	359,306	11,597,717	3,559,813	2,201,776	0	0	0	0	0	
19. Net Reins Recoveries Incurred	500,000	2,500,000	0	0	0	0	0	0	0	
20. TOTAL MEDICAL & HOSP (L18 less L19)	43,484	89,614,817	20,269,944	2,258,723	0	0	0	0	0	
,	591,636	591,636	0	0	0	0	0	0	0	
21. Claims Adjustment Expenses	551,848	89,023,181	20,269,944	2,258,723	0	0	0	0	0	
	602,446	1,586,957	15,489	0	0	0	0	0	0	,
22. General Administrative Expenses	675,820	6,267,294	1,254,834	753,651	0	0	0	0	0	400,04
23. Increase in Reserves for A&H contracts	349,224	0	349,224	0	0	0	0	0	0	
24. TOTAL UNDERWRITING DEDUCTIONS (L20 to L23) 122,1	79,338	96,877,432	21,889,491	3,012,374	0	0	0	0	0	400,04
25. NET UNDERWRITING GAIN/LOSS (L9 less L24)	328,507	6,283,921	(3,316,612)	(484,134)	0	0	0	0	0	345,33
26. Net Investment Income Earned	670,553	670,553	0	0	0	0	0	0	0	
	06,782	106,782	0	0	0	0	0	0	0	
	777,335	777,335	0	0	0	0	0	0	0	
` ` ` ` ` ` ` ` ` ` ` ` ` ` ` ` ` ` `	12,847	3,112,847	0	0	0	0	0	0	0	
	192,995	3,948,409	(3,316,612)	(484,134)	0	0	0	0	0	345,33
•	92,068	92,068	0	0	0	0	-	0	0	2 : 2 ,000
*	100,927	3,856,341	(3,316,612)	(484,134)	0	0	0	0	0	345,33
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES		51,053	(, , , ,	-taxable enrollees	ű	15 860	# of Enrollees in C3-	•	-	0-10,002

153,318 of Texas enrollees and Federal employees.)

3

46,498 # of Member Months in C3-Pt D included in C3-Basic

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING JUNE 30, 2006

33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....

OF THE Scott & White Health Plan

(Location)

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION ATION / 2. DIVISION

CONSOLIDATED

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 E	5. POINT OF SERVICE RIDER COVERAGE	6. ASSUMED RISK (as Provider HMO)	7. CHILDREN'S HEALTH INSURANCE	8. PUBLICLY SUPPORTED HEALTH CARE	9. NON-RISK
			RISK	COST	RISK			PLAN		
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	XXXXXXX
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	XXXXXXX	XXXXXXX	XXXXXXX	0	0
7. Risk Revenue	0	XXXXXXXX	0	0	XXXXXXXX	XXXXXXX	0	XXXXXXXX	XXXXXXX	XXXXXXXX
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
MEDICAL AND HOSPITAL:										
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	

of Texas enrollees and Federal employees.)

308,860

90,515 # of Member Months in C3-Pt D included in C3-Basic