

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **MARCH 31, 2004**

OF THE **MNM-1997, Inc.**

(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.....	34,927	34,927	0	0	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	103,855	103,855	0	0	0	0	0	0	0	0	0
3. Direct Premium.....	336,804	336,804	0	0	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Premiums.....	336,804	336,804	0	0	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.....	0	0	0	0	0	0	0	0	0	0	0
9. TOTAL HEALTHCARE RELATED REVENUES(L4 to L8)	336,804	336,804	0	0	0	0	0	0	0	0	0
10. Other Revenues (excluding investment income).....	2,819	2,819	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	339,623	339,623	0	0	0	0	0	0	0	0	0
<b>MEDICAL AND HOSPITAL:</b>											
12. Hospital/Medical Benefits.....	140,833	140,833	0	0	0	0	0	0	0	0	0
13. Other Professional Services.....	0	0	0	0	0	0	0	0	0	0	0
14. Outside Referrals.....	0	0	0	0	0	0	0	0	0	0	0
15. Emergency Room and Out-of-Area.....	0	0	0	0	0	0	XXXXXXXX	0	0	0	0
16. Other Medical & Hospital.....	0	0	0	0	0	0	0	0	0	0	0
17. Incentive Pool & Withhold Adjustments.....	0	0	0	0	0	0	0	0	0	0	0
18. SUBTOTAL MED & HOSP (L12 to L17).....	140,833	140,833	0	0	0	0	0	0	0	0	0
19. Net Reins Recoveries Incurred.....	0	0	0	0	0	0	0	0	0	0	0
20. TOTAL MEDICAL & HOSP (L18 less L19).....	140,833	140,833	0	0	0	0	0	0	0	0	0
21. Claims Adjustment Expenses.....	0	0	0	0	0	0	0	0	0	0	0
22. General Administrative Expenses.....	193,207	193,207	0	0	0	0	0	0	0	0	0
23. Increase in Reserves for A&H contracts.....	0	0	0	0	0	0	0	0	0	0	0
24. TOTAL UNDERWRITING DEDUCTIONS(L20 to L23)....	334,040	334,040	0	0	0	0	0	0	0	0	0
25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24).....	2,764	2,764	0	0	0	0	0	0	0	0	0
26. Net Investment Income Earned.....	1,494	1,494	0	0	0	0	0	0	0	0	0
27. Net Realized Capital Gains/(Losses).....	0	0	0	0	0	0	0	0	0	0	0
28. NET INVESTMENT GAINS/(LOSSES) (L26 to L27).....	1,494	1,494	0	0	0	0	0	0	0	0	0
29. Other Expenses.....	0	0	0	0	0	0	0	0	0	0	0
30. <b>INCOME (LOSS) BEFORE FIT &amp; EXP ITEMS(L10+L25+L26+L27+L28+L29)</b>	<b>7,077</b>	<b>7,077</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
31. Extraordinary Items & Federal income taxes.....	0	0	0	0	0	0	0	0	0	0	0
32. <b>NET INCOME (LOSS) (L30 less L31)</b> .....	<b>7,077</b>	<b>7,077</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		0	(Examples of non-taxable enrollees are State								
33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		0	of Texas enrollees and Federal employees.)								

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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.....	34,927	34,927	0	0	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	103,855	103,855	0	0	0	0	0	0	0	0	0
3. Direct Premium.....	336,804	336,804	0	0	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Premiums.....	336,804	336,804	0	0	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.....	0	0	0	0	0	0	0	0	0	0	0
9. TOTAL HEALTHCARE RELATED REVENUES(L4 to L8)	336,804	336,804	0	0	0	0	0	0	0	0	0
10. Other Revenues (excluding investment income).....	2,819	2,819	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	339,623	339,623	0	0	0	0	0	0	0	0	0
<b>MEDICAL AND HOSPITAL:</b>											
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13. Other Professional Services.....	0	0	0	0	0	0	0	0	0	0	0
14. Outside Referrals.....	0	0	0	0	0	0	0	0	0	0	0
15. Emergency Room and Out-of-Area.....	0	0	0	0	0	0	XXXXXXXX	0	0	0	0
16. Other Medical & Hospital.....	0	0	0	0	0	0	0	0	0	0	0
17. Incentive Pool & Withhold Adjustments.....	0	0	0	0	0	0	0	0	0	0	0
18. SUBTOTAL MED & HOSP (L12 to L17).....	140,833	140,833	0	0	0	0	0	0	0	0	0
19. Net Reins Recoveries Incurred.....	0	0	0	0	0	0	0	0	0	0	0
20. TOTAL MEDICAL & HOSP (L18 less L19).....	140,833	140,833	0	0	0	0	0	0	0	0	0
21. Claims Adjustment Expenses.....	0	0	0	0	0	0	0	0	0	0	0
22. General Administrative Expenses.....	193,207	193,207	0	0	0	0	0	0	0	0	0
23. Increase in Reserves for A&H contracts.....	0	0	0	0	0	0	0	0	0	0	0
24. TOTAL UNDERWRITING DEDUCTIONS(L20 to L23)....	334,040	334,040	0	0	0	0	0	0	0	0	0
25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24).....	2,764	2,764	0	0	0	0	0	0	0	0	0
26. Net Investment Income Earned.....	1,494	1,494	0	0	0	0	0	0	0	0	0
27. Net Realized Capital Gains/(Losses).....	0	0	0	0	0	0	0	0	0	0	0
28. NET INVESTMENT GAINS/(LOSSES) (L26 to L27).....	1,494	1,494	0	0	0	0	0	0	0	0	0
29. Other Expenses.....	0	0	0	0	0	0	0	0	0	0	0
30. <b>INCOME (LOSS) BEFORE FIT &amp; EXP ITEMS(L10+L25+L26+L27+L28+L29)</b> .....	<b>7,077</b>	<b>7,077</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
31. Extraordinary Items & Federal income taxes.....	0	0	0	0	0	0	0	0	0	0	0
32. <b>NET INCOME (LOSS) (L30 less L31).....</b>	<b>7,077</b>	<b>7,077</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
33a. <b>NON-TAXABLE COMMERCIAL RISK ENROLLEES.....</b>		0	(Examples of non-taxable enrollees are State								
33b. <b>NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....</b>		0	of Texas enrollees and Federal employees.)								