

TEXAS HMO SUPPLEMENT

STATEMENT FOR THE PERIOD ENDING **JUNE 30, 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.....	35,306	35,306	0	0	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	105,390	105,390	0	0	0	0	0	0	0	0	0
3. Direct Premium.....	346,964	346,964	0	0	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Premiums.....	346,964	346,964	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)	346,964	346,964	0	0	0	0	0	0	0	0	0
10. Other Revenues (excluding investment income).....	2,757	2,757	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	349,721	349,721	0	0	0	0	0	0	0	0	0
MEDICAL AND HOSPITAL:											
12. Hospital/Medical Benefits.....	158,372	158,372	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).....	158,372	158,372	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).....	158,372	158,372	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.....	192,949	192,949	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)....	351,321	351,321	0	0	0	0	0	0	0	0	0
25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24).....	(4,357)	(4,357)	0	0	0	0	0	0	0	0	0
26. Net Investment Income Earned.....	1,587	1,587	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).....	1,587	1,587	0	0	0	0	0	0	0	0	0
29. Other Expenses.....	0	0	0	0	0	0	0	0	0	0	0
30. INCOME (LOSS) BEFORE FIT & EXP ITEMS(L10+L25+L26+L27+L28+L29)	(13)	(13)	0	0	0	0	0	0	0	0	0
31. Extraordinary Items & Federal income taxes.....	0	0	0	0	0	0	0	0	0	0	0
32. NET INCOME (LOSS) (L30 less L31)	(13)	(13)	0	0	0	0	0	0	0	0	0
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		29,300	(Examples of non-taxable enrollees are State								
33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		87,383	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.....	35,306	35,306	0	0	0	0	0	0	0	0	0
2. MEMBER MONTHS.....	209,245	209,245	0	0	0	0	0	0	0	0	0
3. Direct Premium.....	683,768	683,768	0	0	0	0	0	XXXXXXXX	0	0	XXXXXXXX
4. Premiums.....	683,768	683,768	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)	683,768	683,768	0	0	0	0	0	0	0	0	0
10. Other Revenues (excluding investment income).....	5,576	5,576	0	0	0	0	0	0	0	0	0
11. TOTAL REVENUE (L9 to L10).....	689,344	689,344	0	0	0	0	0	0	0	0	0
MEDICAL AND HOSPITAL:											
12. Hospital/Medical Benefits.....	299,205	299,205	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).....	299,205	299,205	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).....	299,205	299,205	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.....	386,157	386,157	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)....	685,362	685,362	0	0	0	0	0	0	0	0	0
25. NET UNDERWRITING GAIN/(LOSS) (L9 less L24).....	(1,594)	(1,594)	0	0	0	0	0	0	0	0	0
26. Net Investment Income Earned.....	3,081	3,081	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).....	3,081	3,081	0	0	0	0	0	0	0	0	0
29. Other Expenses.....	0	0	0	0	0	0	0	0	0	0	0
30. INCOME (LOSS) BEFORE FIT & EXP ITEMS(L10+L25+L	7,063	7,063	0	0	0	0	0	0	0	0	0
31. Extraordinary Items & Federal income taxes.....	0	0	0	0	0	0	0	0	0	0	0
32. NET INCOME (LOSS) (L30 less L31).....	7,063	7,063	0	0	0	0	0	0	0	0	0
33a. NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		29,300	(Examples of non-taxable enrollees are State								
33b. NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		174,418	of Texas enrollees and Federal employees.)								