

**TEXAS HMO SUPPLEMENT**

STATEMENT FOR THE PERIOD ENDING **DECEMBER 31, 2014**

OF THE **AdvantageOptimum**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION 'ION / 2. DIVISION **CONSOLIDATED**

(Location)

**EXHIBIT II (Filed Annually and Quarterly)**

**ACTUAL REVENUES AND EXPENSES BY MAJOR SPECIFIED LINES**

Indicate Reporting Period: **Current Quarter**

	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. OTHER
			BASIC	ADVANTAGE	PART D					
1. ENROLLEES AT THE END OF REPT PERIOD.....	415,686	0	0	51,584	0	364,102	0	0	0	0
2. MEMBER MONTHS.....	1,232,407	0	0	153,111	0	1,079,296	0	0	0	0
3. Direct Premium Income.....	427,775,249	0	0	175,087,586	0	252,687,663	0	XXXXXXXX	0	0
4. Net Premium Income.....	427,775,249	0	0	175,087,586	0	252,687,663	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	0	0	0	0	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	777,084	XXXXXXXX	0	0	0	777,084	XXXXXXXX	XXXXXXXX	XXXXXXXX	0
7. Risk Revenue.....	0	XXXXXXXX	0	0	0	XXXXXXXX	XXXXXXXX	0	XXXXXXXX	0
8. Agg write-in for Other Health Related Revenues.....	(1,894,307)	0	0	0	0	(1,894,307)	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	224,480	0	0	0	0	0	0	0	0	224,480
10. TOTAL REVENUE (L4 to L9).....	426,882,506	0	0	175,087,586	0	251,570,440	0	0	0	224,480
11. Hospital & Medical Benefits.....	371,085,160	(3,681)	0	165,996,202	0	205,087,180	0	0	5,459	0
12. Net Reins Recoveries Incurred.....	2,264,054	0	0	179,336	0	2,084,718	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	368,821,106	(3,681)	0	165,816,866	0	203,002,462	0	0	5,459	0
14. Claims Adjustment Expenses.....	0	0	0	0	0	0	0	0	0	0
15. General Administrative Expenses.....	30,835,794	9,711	0	14,213,221	0	13,763,915	0	0	175	2,848,772
16. Increase in Reserves for A&H contracts.....	0	0	0	0	0	0	0	0	0	0
17. TOTAL UNDERWRITING DEDUCTIONS (L13 to L16).....	399,656,900	6,030	0	180,030,087	0	216,766,377	0	0	5,634	2,848,772
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	27,225,606	(6,030)	0	(4,942,501)	0	34,804,063	0	0	(5,634)	(2,624,292)
19. Net Investments Gains / (Losses).....	0	0	0	0	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	5,555,714	0	0	0	0	0	0	0	0	5,555,714
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	32,781,320	(6,030)	0	(4,942,501)	0	34,804,063	0	0	(5,634)	2,931,422
22. Federal and foreign income taxes incurred.....	12,162,879	0	0	0	0	0	0	0	0	12,162,879
23. NET INCOME/(LOSS) (L21 less L22).....	20,618,441	(6,030)	0	(4,942,501)	0	34,804,063	0	0	(5,634)	(9,231,457)
24 Medical Loss Ratio	86.2%	0.0%	0.0%	94.7%	0.0%	80.3%	0.0%	0.0%	0.0%	0.0%
NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		0	(Examples of non-taxable enrollees are State			* Other (identify products(s); eg Non-Risk Business, PPO):				
NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		0	of Texas enrollees and Federal employees.)			0				

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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

	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. OTHER
			BASIC	ADVANTAGE	PART D					
1. ENROLLEES AT THE END OF REPT PERIOD.....	415,686	0	0	51,584	0	364,102	0	0	0	0
2. MEMBER MONTHS.....	4,633,300	83	0	526,874	0	4,106,339	0	0	4	0
3. Direct Premium Income.....	1,384,324,599	32,182	0	536,262,259	0	848,004,580	0	XXXXXXXX	360	25,218
4. Net Premium Income.....	1,384,324,599	32,182	0	536,262,259	0	848,004,580	0	0	360	25,218
5. Change in unearned premium reserve and reserve for rate credits.....	0	0	0	0	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	3,696,650	XXXXXXXX	0	0	0	3,696,650	XXXXXXXX	XXXXXXXX	XXXXXXXX	0
7. Risk Revenue.....	0	XXXXXXXX	0	0	0	XXXXXXXX	XXXXXXXX	0	XXXXXXXX	0
8. Agg write-in for Other Health Related Revenues.....	(6,607,350)	0	0	0	0	(6,607,350)	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	850,408	0	0	0	0	0	0	0	0	850,408
10. TOTAL REVENUE (L4 to L9).....	1,382,264,307	32,182	0	536,262,259	0	845,093,880	0	0	360	875,626
11. Hospital & Medical Benefits.....	1,212,704,677	79,297	0	491,476,376	0	721,120,750	0	0	5,558	22,696
12. Net Reins Recoveries Incurred.....	2,264,054	0	0	179,336	0	2,084,718	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	1,210,440,623	79,297	0	491,297,040	0	719,036,032	0	0	5,558	22,696
14. Claims Adjustment Expenses.....	0	0	0	0	0	0	0	0	0	0
15. General Administrative Expenses.....	111,203,870	10,747	0	48,349,888	0	59,989,117	0	0	3,646	2,850,472
16. Increase in Reserves for A&H contracts.....	0	0	0	0	0	0	0	0	0	0
17. TOTAL UNDERWRITING DEDUCTIONS (L13 to L16).....	1,321,644,493	90,044	0	539,646,928	0	779,025,149	0	0	9,204	2,873,168
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	60,619,814	(57,862)	0	(3,384,669)	0	66,068,731	0	0	(8,844)	(1,997,542)
19. Net Investments Gains / (Losses).....	0	0	0	0	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	0	0	0	0	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	60,619,814	(57,862)	0	(3,384,669)	0	66,068,731	0	0	(8,844)	(1,997,542)
22. Federal and foreign income taxes incurred.....	12,162,879	0	0	0	0	0	0	0	0	12,162,879
23. NET INCOME/(LOSS) (L21 less L22).....	48,456,935	(57,862)	0	(3,384,669)	0	66,068,731	0	0	(8,844)	(14,160,421)
24 Medical Loss Ratio	87.4%	246.4%	0.0%	91.6%	0.0%	84.8%	0.0%	0.0%	1543.9%	90.0%
NON-TAXABLE COMMERCIAL RISK ENROLLEES.....		0	(Examples of non-taxable enrollees are State			* Other (identify products(s); eg Non-Risk Business, PPO):				
NON-TAXABLE COMMERCIAL RISK MEMBER MONTHS.....		0	of Texas enrollees and Federal employees.)			0				