

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(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.....	27,927	0	0	27,927	0	0	0	0	0	0
2. MEMBER MONTHS.....	84,442	0	0	84,442	0	0	0	0	0	0
3. Direct Premium Income.....	86,285,013	0	0	86,285,013	0	0	0	XXXXXXXX	0	0
4. Net Premium Income.....	85,372,915	0	0	85,372,915	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	507,032	0	0	507,032	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	85,879,947	0	0	85,879,947	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	75,691,857	0	0	75,691,857	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	255,190	0	0	255,190	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	75,436,667	0	0	75,436,667	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	2,285,149	0	0	2,285,149	0	0	0	0	0	0
15. General Administrative Expenses.....	10,441,726	0	0	10,441,726	0	0	0	0	0	0
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).....	88,163,542	0	0	88,163,542	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	(2,283,595)	0	0	(2,283,595)	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	134,878	0	0	134,878	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(50)	0	0	(50)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	(2,148,767)	0	0	(2,148,767)	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	1,189,035	0	0	1,189,035	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	(3,337,802)	0	0	(3,337,802)	0	0	0	0	0	0
24 Medical Loss Ratio	88.4%	0.0%	0.0%	88.4%	0.0%	0.0%	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				

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**  
(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: 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.....	27,927	0	0	27,927	0	0	0	0	0	0
2. MEMBER MONTHS.....	84,442	0	0	84,442	0	0	0	0	0	0
3. Direct Premium Income.....	86,285,013	0	0	86,285,013	0	0	XXXXXXX	0	0	0
4. Net Premium Income.....	85,372,915	0	0	85,372,915	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	507,032	0	0	507,032	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXX	0	0	0	0	XXXXXXX	XXXXXXX	XXXXXXX	0
7. Risk Revenue.....	0	XXXXXXX	0	0	0	XXXXXXX	XXXXXXX	0	XXXXXXX	0
8. Agg write-in for Other Health Related Revenues.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	85,879,947	0	0	85,879,947	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	75,691,857	0	0	75,691,857	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	255,190	0	0	255,190	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	75,436,667	0	0	75,436,667	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	2,285,149	0	0	2,285,149	0	0	0	0	0	0
15. General Administrative Expenses.....	10,441,726	0	0	10,441,726	0	0	0	0	0	0
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).....	88,163,542	0	0	88,163,542	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	(2,283,595)	0	0	(2,283,595)	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	134,878	0	0	134,878	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(50)	0	0	(50)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	(2,148,767)	0	0	(2,148,767)	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	1,189,035	0	0	1,189,035	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	(3,337,802)	0	0	(3,337,802)	0	0	0	0	0	0
24 Medical Loss Ratio	88.4%	0.0%	0.0%	88.4%	0.0%	0.0%	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				

## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

STATEMENT AS OF **MARCH 31, 2014**

OF THE **Physicians Health Choice of Texas, LLC**

REPORT FOR DIVISION: **Austin**

(Location)

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	8,158	0	0	0	0	0	0	8,158	0	0
2. First Quarter	7,629	0	0	0	0	0	0	7,629	0	0
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	23,439	0	0	0	0	0	0	23,439	0	0
Total Member Ambulatory Encounters for Year:										
7. Physician	35,371	0	0	0	0	0	0	35,371	0	0
8. Non-Physician	20,158	0	0	0	0	0	0	20,158	0	0
9. Total	55,529	0	0	0	0	0	0	55,529	0	0
10. Hospital Patient Days Incurred	3,117	0	0	0	0	0	0	3,117	0	0
11. Number of Inpatient Admissions	532	0	0	0	0	0	0	532	0	0
12. Health Premiums Written	21,825,662	0	0	0	0	0	0	21,825,662	0	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property & Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	22,009,066	0	0	0	0	0	0	22,009,066	0	0
Property/Casualty										
16. Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	18,043,920	0	0	0	0	0	0	18,043,920	0	0
18. Amount Incurred for Provision of Health Care Services	16,993,252	0	0	0	0	0	0	16,993,252	0	0

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION

**Austin**

(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. OTHER
			BASIC	ADVANTAGE	PART D					
1. ENROLLEES AT THE END OF REPT PERIOD.....	7,629	0	0	7,629	0	0	0	0	0	0
2. MEMBER MONTHS.....	23,439	0	0	23,439	0	0	0	0	0	0
3. Direct Premium Income.....	21,825,662	0	0	21,825,662	0	0	XXXXXXX	0	0	0
4. Net Premium Income.....	21,566,544	0	0	21,566,544	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	183,404	0	0	183,404	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	21,749,948	0	0	21,749,948	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	16,993,252	0	0	16,993,252	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	63,360	0	0	63,360	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	16,929,892	0	0	16,929,892	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	578,025	0	0	578,025	0	0	0	0	0	0
15. General Administrative Expenses.....	2,641,219	0	0	2,641,219	0	0	0	0	0	0
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).....	20,149,136	0	0	20,149,136	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	1,600,812	0	0	1,600,812	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	34,117	0	0	34,117	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(5)	0	0	(5)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	1,634,924	0	0	1,634,924	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	980,367	0	0	980,367	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	654,557	0	0	654,557	0	0	0	0	0	0
24 Medical Loss Ratio	78.5%	0.0%	0.0%	78.5%	0.0%	0.0%	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				

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION

**Austin**

(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 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.....	7,629	0	0	7,629	0	0	0	0	0	0
2. MEMBER MONTHS.....	23,439	0	0	23,439	0	0	0	0	0	0
3. Direct Premium Income.....	21,825,662	0	0	21,825,662	0	0	XXXXXXX	0	0	0
4. Net Premium Income.....	21,566,544	0	0	21,566,544	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	183,404	0	0	183,404	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	21,749,948	0	0	21,749,948	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	16,993,252	0	0	16,993,252	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	63,360	0	0	63,360	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	16,929,892	0	0	16,929,892	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	578,025	0	0	578,025	0	0	0	0	0	0
15. General Administrative Expenses.....	2,641,219	0	0	2,641,219	0	0	0	0	0	0
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).....	20,149,136	0	0	20,149,136	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	1,600,812	0	0	1,600,812	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	34,117	0	0	34,117	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(5)	0	0	(5)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	1,634,924	0	0	1,634,924	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	980,367	0	0	980,367	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	654,557	0	0	654,557	0	0	0	0	0	0
24 Medical Loss Ratio	78.5%	0.0%	0.0%	78.5%	0.0%	0.0%	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				

## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

STATEMENT AS OF **MARCH 31, 2014**

OF THE **Physicians Health Choice of Texas, LLC**

REPORT FOR DIVISION: **Corpus Christi**

(Location)

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	12,388	0	0	0	0	0	0	12,388	0	0
2. First Quarter	12,114	0	0	0	0	0	0	12,114	0	0
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	35,860	0	0	0	0	0	0	35,860	0	0
Total Member Ambulatory Encounters for Year:										
7. Physician	56,159	0	0	0	0	0	0	56,159	0	0
8. Non-Physician	32,005	0	0	0	0	0	0	32,005	0	0
9. Total	88,164	0	0	0	0	0	0	88,164	0	0
10. Hospital Patient Days Incurred	4,948	0	0	0	0	0	0	4,948	0	0
11. Number of Inpatient Admissions	846	0	0	0	0	0	0	846	0	0
12. Health Premiums Written	38,502,576	0	0	0	0	0	0	38,502,576	0	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property & Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	38,713,125	0	0	0	0	0	0	38,713,125	0	0
Property/Casualty										
16. Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	31,738,581	0	0	0	0	0	0	31,738,581	0	0
18. Amount Incurred for Provision of Health Care Services	35,397,926	0	0	0	0	0	0	35,397,926	0	0

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION

**Corpus Christi**  
(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. OTHER
			BASIC	ADVANTAGE	PART D					
1. ENROLLEES AT THE END OF REPT PERIOD.....	12,114	0	0	12,114	0	0	0	0	0	0
2. MEMBER MONTHS.....	35,860	0	0	35,860	0	0	0	0	0	0
3. Direct Premium Income.....	38,502,576	0	0	38,502,576	0	0	0	XXXXXXXX	0	0
4. Net Premium Income.....	38,136,969	0	0	38,136,969	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	210,549	0	0	210,549	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	38,347,518	0	0	38,347,518	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	35,397,926	0	0	35,397,926	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	94,421	0	0	94,421	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	35,303,505	0	0	35,303,505	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	1,019,692	0	0	1,019,692	0	0	0	0	0	0
15. General Administrative Expenses.....	4,659,365	0	0	4,659,365	0	0	0	0	0	0
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).....	40,982,562	0	0	40,982,562	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	(2,635,044)	0	0	(2,635,044)	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	60,186	0	0	60,186	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(3)	0	0	(3)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	(2,574,861)	0	0	(2,574,861)	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	26,433	0	0	26,433	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	(2,601,294)	0	0	(2,601,294)	0	0	0	0	0	0
24 Medical Loss Ratio	92.6%	0.0%	0.0%	92.6%	0.0%	0.0%	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				

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION

**Corpus Christi**  
(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 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.....	12,114	0	0	12,114	0	0	0	0	0	0
2. MEMBER MONTHS.....	35,860	0	0	35,860	0	0	0	0	0	0
3. Direct Premium Income.....	38,502,576	0	0	38,502,576	0	0	XXXXXXX	0	0	0
4. Net Premium Income.....	38,136,969	0	0	38,136,969	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	210,549	0	0	210,549	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	38,347,518	0	0	38,347,518	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	35,397,926	0	0	35,397,926	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	94,421	0	0	94,421	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	35,303,505	0	0	35,303,505	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	1,019,692	0	0	1,019,692	0	0	0	0	0	0
15. General Administrative Expenses.....	4,659,365	0	0	4,659,365	0	0	0	0	0	0
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).....	40,982,562	0	0	40,982,562	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	(2,635,044)	0	0	(2,635,044)	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	60,186	0	0	60,186	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(3)	0	0	(3)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	(2,574,861)	0	0	(2,574,861)	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	26,433	0	0	26,433	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	(2,601,294)	0	0	(2,601,294)	0	0	0	0	0	0
24 Medical Loss Ratio	92.6%	0.0%	0.0%	92.6%	0.0%	0.0%	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				

## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

STATEMENT AS OF **MARCH 31, 2014**

OF THE **Physicians Health Choice of Texas, LLC**

REPORT FOR DIVISION: **EI Paso**

(Location)

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	3,787	0	0	0	0	0	0	3,787	0	0
2. First Quarter	3,044	0	0	0	0	0	0	3,044	0	0
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	9,353	0	0	0	0	0	0	9,353	0	0
Total Member Ambulatory Encounters for Year:										
7. Physician	14,114	0	0	0	0	0	0	14,114	0	0
8. Non-Physician	8,043	0	0	0	0	0	0	8,043	0	0
9. Total	22,157	0	0	0	0	0	0	22,157	0	0
10. Hospital Patient Days Incurred	1,244	0	0	0	0	0	0	1,244	0	0
11. Number of Inpatient Admissions	212	0	0	0	0	0	0	212	0	0
12. Health Premiums Written	9,410,122	0	0	0	0	0	0	9,410,122	0	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property & Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	9,469,723	0	0	0	0	0	0	9,469,723	0	0
Property/Casualty										
16. Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	7,763,661	0	0	0	0	0	0	7,763,661	0	0
18. Amount Incurred for Provision of Health Care Services	8,389,860	0	0	0	0	0	0	8,389,860	0	0

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION

**El Paso**

(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. OTHER
			BASIC	ADVANTAGE	PART D					
1. ENROLLEES AT THE END OF REPT PERIOD.....	3,044	0	0	3,044	0	0	0	0	0	0
2. MEMBER MONTHS.....	9,353	0	0	9,353	0	0	0	0	0	0
3. Direct Premium Income.....	9,410,122	0	0	9,410,122	0	0	XXXXXXXX	0	0	0
4. Net Premium Income.....	9,298,341	0	0	9,298,341	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	59,601	0	0	59,601	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	9,357,942	0	0	9,357,942	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	8,389,860	0	0	8,389,860	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	32,662	0	0	32,662	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	8,357,198	0	0	8,357,198	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	249,215	0	0	249,215	0	0	0	0	0	0
15. General Administrative Expenses.....	1,138,759	0	0	1,138,759	0	0	0	0	0	0
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).....	9,745,172	0	0	9,745,172	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	(387,230)	0	0	(387,230)	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	14,710	0	0	14,710	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(2)	0	0	(2)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	(372,522)	0	0	(372,522)	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	86,567	0	0	86,567	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	(459,089)	0	0	(459,089)	0	0	0	0	0	0
24 Medical Loss Ratio	89.9%	0.0%	0.0%	89.9%	0.0%	0.0%	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				

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION

**El Paso**

(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 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.....	3,044	0	0	3,044	0	0	0	0	0	0
2. MEMBER MONTHS.....	9,353	0	0	9,353	0	0	0	0	0	0
3. Direct Premium Income.....	9,410,122	0	0	9,410,122	0	0	XXXXXXX	0	0	0
4. Net Premium Income.....	9,298,341	0	0	9,298,341	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	59,601	0	0	59,601	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	9,357,942	0	0	9,357,942	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	8,389,860	0	0	8,389,860	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	32,662	0	0	32,662	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	8,357,198	0	0	8,357,198	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	249,215	0	0	249,215	0	0	0	0	0	0
15. General Administrative Expenses.....	1,138,759	0	0	1,138,759	0	0	0	0	0	0
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).....	9,745,172	0	0	9,745,172	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	(387,230)	0	0	(387,230)	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	14,710	0	0	14,710	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(2)	0	0	(2)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	(372,522)	0	0	(372,522)	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	86,567	0	0	86,567	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	(459,089)	0	0	(459,089)	0	0	0	0	0	0
24 Medical Loss Ratio	89.9%	0.0%	0.0%	89.9%	0.0%	0.0%	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				

## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

STATEMENT AS OF **MARCH 31, 2014**

OF THE **Physicians Health Choice of Texas, LLC**

REPORT FOR DIVISION: **Rio Grande**

(Location)

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	7,859	0	0	0	0	0	0	7,859	0	0
2. First Quarter	5,139	0	0	0	0	0	0	5,139	0	0
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	15,790	0	0	0	0	0	0	15,790	0	0
Total Member Ambulatory Encounters for Year:										
7. Physician	23,827	0	0	0	0	0	0	23,827	0	0
8. Non-Physician	13,579	0	0	0	0	0	0	13,579	0	0
9. Total	37,406	0	0	0	0	0	0	37,406	0	0
10. Hospital Patient Days Incurred	2,100	0	0	0	0	0	0	2,100	0	0
11. Number of Inpatient Admissions	359	0	0	0	0	0	0	359	0	0
12. Health Premiums Written	16,546,653	0	0	0	0	0	0	16,546,653	0	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0
14. Property & Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	16,600,131	0	0	0	0	0	0	16,600,131	0	0
Property/Casualty										
16. Premiums Earned	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	13,609,457	0	0	0	0	0	0	13,609,457	0	0
18. Amount Incurred for Provision of Health Care Services	14,910,819	0	0	0	0	0	0	14,910,819	0	0

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION

**Rio Grande**

(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. OTHER
			BASIC	ADVANTAGE	PART D					
1. ENROLLEES AT THE END OF REPT PERIOD.....	5,139	0	0	5,139	0	0	0	0	0	0
2. MEMBER MONTHS.....	15,790	0	0	15,790	0	0	0	0	0	0
3. Direct Premium Income.....	16,546,653	0	0	16,546,653	0	0	XXXXXXX	0	0	0
4. Net Premium Income.....	16,371,061	0	0	16,371,061	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	53,478	0	0	53,478	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	16,424,539	0	0	16,424,539	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	14,910,819	0	0	14,910,819	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	64,747	0	0	64,747	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	14,846,072	0	0	14,846,072	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	438,217	0	0	438,217	0	0	0	0	0	0
15. General Administrative Expenses.....	2,002,383	0	0	2,002,383	0	0	0	0	0	0
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).....	17,286,672	0	0	17,286,672	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	(862,133)	0	0	(862,133)	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	25,865	0	0	25,865	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(40)	0	0	(40)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	(836,308)	0	0	(836,308)	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	95,668	0	0	95,668	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	(931,976)	0	0	(931,976)	0	0	0	0	0	0
24 Medical Loss Ratio	90.7%	0.0%	0.0%	90.7%	0.0%	0.0%	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				

**TEXAS HMO SUPPLEMENT**

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

OF THE **Physicians Health Choice of Texas, LLC**

(Name of Company)

REPORT FOR :1. CORPORATION / 2. DIVISION

**Rio Grande**

(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 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.....	5,139	0	0	5,139	0	0	0	0	0	0
2. MEMBER MONTHS.....	15,790	0	0	15,790	0	0	0	0	0	0
3. Direct Premium Income.....	16,546,653	0	0	16,546,653	0	0	XXXXXXXX	0	0	0
4. Net Premium Income.....	16,371,061	0	0	16,371,061	0	0	0	0	0	0
5. Change in unearned premium reserve and reserve for rate credits.....	53,478	0	0	53,478	0	0	0	0	0	0
6. Fee-for-Service (gross revenues).....	0	XXXXXXXX	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0
9. Aggregate write-ins for other non-health revenues.....	0	0	0	0	0	0	0	0	0	0
10. TOTAL REVENUE (L4 to L9).....	16,424,539	0	0	16,424,539	0	0	0	0	0	0
11. Hospital & Medical Benefits.....	14,910,819	0	0	14,910,819	0	0	0	0	0	0
12. Net Reins Recoveries Incurred.....	64,747	0	0	64,747	0	0	0	0	0	0
13. TOTAL MEDICAL & HOSP (L11 less L12).....	14,846,072	0	0	14,846,072	0	0	0	0	0	0
14. Claims Adjustment Expenses.....	438,217	0	0	438,217	0	0	0	0	0	0
15. General Administrative Expenses.....	2,002,383	0	0	2,002,383	0	0	0	0	0	0
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).....	17,286,672	0	0	17,286,672	0	0	0	0	0	0
18. NET UNDERWRITING GAIN/LOSS (L10 - L17).....	(862,133)	0	0	(862,133)	0	0	0	0	0	0
19. Net Investments Gains / (Losses).....	25,865	0	0	25,865	0	0	0	0	0	0
20. Aggregate write-ins for other expenses.....	(40)	0	0	(40)	0	0	0	0	0	0
21. INCOME/LOSSES after cap. gains tax before FIT Items (L18 to L20).....	(836,308)	0	0	(836,308)	0	0	0	0	0	0
22. Federal and foreign income taxes incurred.....	95,668	0	0	95,668	0	0	0	0	0	0
23. NET INCOME/(LOSS) (L21 less L22).....	(931,976)	0	0	(931,976)	0	0	0	0	0	0
24 Medical Loss Ratio	90.7%	0.0%	0.0%	90.7%	0.0%	0.0%	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				