

NOTES FOR OCTOBER 2014 FINANCIALS

PSE

- We received \$20 million from the Department of Education that is earmarked for Plan Year 2015. On this financial it shows the money in the checking account, but we have since transferred it to the state treasury to earn interest until it is needed. Two new lines have been added to the report to reflect this money: In the Revenues and Expenditures section it is listed under Less Allocation for Plan Year 2015. This way we have a true picture of the Net Income/(Loss) for the current plan year. In the Balance Sheet section it is listed under Less Reserves Allocated. That way we have a true picture of the Net Assets Available for this plan year.
- There were 5 weeks of claims this month, but we also received the quarterly Department of Education funding so we were able to post a modest gain of \$684,998 for the month. Our year-to-date Net Income is \$30,985,805.
- There is \$17,418,308 Net Assets Available. The Catastrophic Reserve remains fully funded.
- We have finalized what the Transitional Reinsurance Fee (\$63 per non-Medicare member) will be. The total for PSE will be \$4,177,071.16. We have already booked \$2,318,242 of that expense and the remaining \$1,858,829.16 has been booked and will appear in the November financials. Our Net Assets Available will be decreased by this additional expense in November. We have the option to pay the whole amount instead of splitting up the payment so the full payment will be made on December 5, 2014.

ASE

- There were 5 weeks of claims this month with the fifth week of claims totaling \$4.95 million; therefore we posted a loss of \$2.588 million for the month. Our year-to-date Net Income is \$23.77 million.
- There are \$26.078 million in Net Assets Available. The Catastrophic Reserve remains fully funded.
- We have finalized what the Transitional Reinsurance Fee (\$63 per non-Medicare member) will be. The total for ASE will be \$3,069,903.90. We have already booked \$1,688,337 of that expense and the remaining \$1,381,566.90 has been booked and will appear in the November financials. Our Net Assets Available will be decreased by this additional expense in November. We have the option to pay the whole amount instead of splitting up the payment so the full payment will be made on December 5, 2014.