



Financial and Policyholder Activity Report

October 2009

**HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY
OCTOBER 2009 MONTHLY REPORT
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**Summary Review Prior to Recording of Policyholder Payout
Un-audited HIRSP Authority Financial Statements
For the Ten-Month Period Ended October 31, 2009**

ASSETS

Total assets decreased by \$3.3 million to \$59.4 million in October 2009. This change is a result of the decrease in assessment receivable of \$5.1 million being offset by an increase of cash assets of \$1.8 million. The decrease in the assessment receivable is due to payments being received, which after other cash outflows resulted in the increase in cash assets.

Total assets as of October 2009 are \$20.9 million or 26.0% less than total assets as of October 2008. The majority of this change is due to the cash assets year-to-date being \$21.2 million or 28.4% less than cash assets as of October 2008. The decrease reflects the distribution to policyholders of \$11.9 million in March 2009 and a decrease in insurer assessments and premium revenue. Assessments receivable are \$1.2 million lower than assessments receivable as of October 2009. This is a result of the lower assessments being billed during 2009 combined with the final installments due by November 1. Drug rebate receivables increased \$1.5 million between October 2008 and 2009 as a result of higher rebates available from the pharmacy benefit manager contract that went into effect January 1, 2009.

LIABILITIES

Total liabilities decreased by \$3.0 million to \$28.5 million in October 2009. The majority of this decrease was due to a decrease in unearned assessment liability by \$2.6 million. The remaining unearned assessment liability of \$5.7 million is reasonable considering we have two months of activity left in the year.

Total liabilities year-to-date in October 2009 decreased by \$3.3 million relative to total liabilities as of October 2008. The majority of the change is due to a \$2.2 million decrease in unearned assessments due. This is a result of lower assessments being billed during 2009.

CALENDAR YEAR 2009 NET INCOME

Net loss for the ten months ended October 31, 2009 was \$4.5 million, a decrease of \$17.9 million compared to 2008 year-to-date net income of \$13.3 million. Year-to-date 2009 changes in income and expense include decreases in premium revenues, provider contribution, insurer assessments, medical losses, pharmacy losses, and increases in administrative expenses and non-operating revenues.

Net premium revenues of \$69.8 million year-to-date through October 2009 decreased by \$4.9 million or 6.6% compared to 2008 year-to-date. This is primarily due to increased HIRSP membership offset by enrollment changes in HIRSP benefit plans and the new rates for 2009. There were 16,531 HIRSP contracts in force as of October 31, 2009 compared to 16,212 contracts as of October 2008, the current number of contracts having increased from the prior year by 319. October 2009 year-to-date total operating revenue of \$113.3 million is \$25.3 million or 18.3% lower than October 2008 year-to-date operating revenue. This decrease is due to the decrease in premium revenue as explained above and a \$10.8 million decrease in provider contribution and a \$9.6 million decrease in insurer assessments year to date. This is expected since the intention was to spend down insurer and provider equity during 2009.

Incurred medical loss expense for the ten months ended October 31, 2009 was \$88.2 million. This is \$5.7 million or 6.0% lower in comparison to incurred medical losses for the ten months ended October 31, 2008. This reflects, in part, a shift in members from 2008 to 2009 to higher deductible plans.

Estimated liabilities for unpaid medical losses decreased by \$3.1 million from December 2008 through October 2009. Estimated loss reserves were decreased in October to adjust for changes in expected loss experience in 2009. The decrease in loss reserve liability flows through revenues and expenses in the income statement, and results in decreased incurred medical loss expense, decreased total operating expense, and increased reported net income. The 2009 year-to-date change in loss reserves resulted in a \$4.3 million decrease in incurred medical loss expense through October 2009.

The 2009 year-to-date pharmacy loss expense is \$26.7 million, which is \$619 thousand lower than October 2008 year-to-date total pharmacy loss expense. The change is attributable to a reduction in drug claims paid as well as an increase in drug rebate accruals. Aggregate incurred medical and pharmacy

loss expense for the ten months of 2009 was \$114.9 million. This is \$6.3 million or 5.2% less than the aggregate medical and pharmacy loss expense of \$121.2 million for the comparable ten months of 2008.

Total administrative expenses of \$5.6 million for the ten months of 2009 are an increase of \$296 thousand compared to the same period in 2008. This is reflective of higher membership in 2009 since most administrative costs are on a per member per month basis.

Investment income for the ten months ended October 31, 2009 was \$239,834, which is \$1.0 million or 81.1% less than investment income for the same period in 2008. The decreased investment income is due to decreased interest rate yield on cash deposits in 2009. Year-to-date 2009 total non-operating revenues are \$1.5 million higher than 2008 year-to-date non-operating revenues due to the decrease in interest income being offset by federal grant revenue of \$2.3 million being received in 2009. Non-operating revenue in 2008 was solely investment income.

CASH FLOW

Year-to-date 2009 cash flows from operating activities reflect \$94.6 million of sources of cash compared to \$103.3 million in uses of cash. Non-operating activities used cash of \$9.3 million which reflects the policyholder distribution of \$11.9 million in March 2009 as well as \$2.3 million cash received on the federal grant. The net change year-to-date is an \$18.0 million decrease in cash through October 2009 which we would expect given decrease in premium and assessments revenue as well the policy holder distribution activity.

2009 OPERATING BUDGET

Total revenues of \$116.0 million were short of budget by \$3.1 million. The majority of this variance is due to a \$2.6 million shortfall in net premium revenues which is due to total enrollment being less than budget as well as a shift of members to the higher deductible lower premium plans. Actual medical and pharmacy loss expenses of \$114.9 million were below budget by \$10.0 million. This is in part due to enrollment figures being different than what was budgeted but also medical claims on a Per Member Per Month basis on average are less than in 2008 for this same period of time. The premium revenue shortfall and the pharmacy and medical loss being less than budgeted resulted in the actual net loss of \$4.5 million being better than budget by \$7.0 million for the ten month period ended October 31, 2009

RETAINED EQUITY

HIRSP Authority total equity decreased by \$265,878 during the month of October 2009 and equaled \$30.9 million as of October 31, 2009. The decrease in total equity resulted from October 2009 net operating loss of \$355,298 less non operating revenues of \$89,420, which provided net loss for the month of \$265,878.

In October 2009, policyholders' equity increased by \$621,347 to equal \$20.6 million, and exceeded RBC target reserves by \$11.1 million. Providers' equity decreased by \$838,166 to equal \$4.8 million, and exceeded RBC target reserves by \$1.7 million. Insurers' equity decreased by \$49,059 to equal \$5.4 million, and exceeded RBC target reserves by \$2.3 million. Year-to-date through October 2009, HIRSP Authority total retained equity of \$30.9 million decreased by \$4.5 million from the December 2008 year-to-date total equity of \$35.4 million.

Health Insurance Risk-Sharing Plan Authority
October 31, 2009
Calendar Year 2009

Unaudited Balance Sheet

Assets	01/31/2009	02/29/2009	03/31/2009	04/30/2009	05/31/2009	06/30/2009	07/31/2009	08/31/2009	09/30/2009	10/31/2009	11/30/2009	12/31/2009
Cash and Cash Equivalents	66,915,789	67,365,841	58,443,349	59,521,157	54,351,851	54,261,749	51,321,836	50,948,346	51,569,799	53,373,441	-	-
Other Receivables	3,593,057	3,234,558	3,256,561	1,646,301	1,486,877	1,459,439	775,313	914,613	1,144,609	833,912	-	-
Drug Rebates Receivable	1,199,514	1,045,073	1,028,247	484,994	1,527,800	1,844,375	1,808,079	2,122,712	2,440,599	2,768,328	-	-
Assessments Receivable	12,484,981	7,286,497	5,392,367	1,518,420	36,342	53,686	15,121,536	8,408,622	7,484,309	2,385,223	-	-
Prepaid Items	19,164	15,445	19,743	14,864	14,574	18,629	18,869	20,010	19,980	16,169	-	-
Net Fixed Assets	23,269	23,902	23,432	22,962	22,492	22,021	21,551	21,081	20,610	20,141	-	-
Total Assets	84,235,774	78,971,316	68,163,699	63,208,698	57,439,936	57,659,899	69,067,184	62,435,384	62,679,906	59,397,214	-	-
Liabilities and Fund Equity												
Liabilities:												
Unpaid Medical Loss Liabilities	8,634,305	8,066,412	9,165,224	9,822,159	10,223,937	9,637,818	9,496,542	9,621,476	9,113,927	8,705,019	-	-
Unpaid Prescription Drug Loss Liabilities	720,281	412,296	396,044	533,470	793,960	546,417	537,917	541,555	491,298	531,453	-	-
Unpaid Loss Adjustment Expense	780,000	780,000	780,000	780,000	780,000	780,000	780,000	780,000	780,000	780,000	-	-
Unearned Premiums	10,867,632	6,839,291	11,490,944	10,743,062	6,935,213	10,899,748	10,668,327	7,003,080	10,662,712	10,539,530	-	-
Unearned Assessments	10,598,285	8,716,737	6,559,981	4,426,799	2,205,148	-	12,815,126	10,567,449	8,266,865	5,653,589	-	-
Unearned Federal Grant	1,982,966	1,387,325	785,949	123,733	251,442	224,086	196,614	169,331	142,167	115,237	-	-
Accounts Payable and Other Accrued Liabilities	13,911,929	13,800,407	2,155,819	2,172,287	1,990,287	1,838,129	2,088,919	1,989,204	2,048,260	2,163,587	-	-
Total Liabilities	47,495,398	40,002,468	31,333,961	28,601,510	23,179,987	23,926,198	36,583,445	30,672,095	31,505,229	28,488,415	-	-
Fund Equity:												
Policyholder	17,153,474	19,379,608	18,233,586	17,217,614	17,967,221	18,651,709	18,832,986	19,395,656	20,015,061	20,636,408	-	-
Providers	9,872,183	9,842,693	9,716,236	9,308,638	8,753,918	8,067,629	7,233,237	6,450,556	5,677,425	4,839,259	-	-
Insurers	9,714,719	9,746,547	8,879,916	8,080,936	7,538,810	7,014,363	6,417,516	5,917,077	5,482,191	5,433,132	-	-
Total Retained Earnings	36,740,376	38,968,848	36,829,738	34,607,188	34,259,949	33,733,701	32,483,739	31,763,289	31,174,677	30,908,799	-	-
Total Liabilities and Fund Equity	84,235,774	78,971,316	68,163,699	63,208,698	57,439,936	57,659,899	69,067,184	62,435,384	62,679,906	59,397,214	-	-

**Health Insurance Risk-Sharing Plan Authority
for the Period Ended October 31, 2009
Calendar Year 2009**

Unaudited Statement of Revenues, Expenses, and Changes in Retained Earnings

Operating Revenues	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year to Date
Gross Premiums	7,442,150	7,601,512	7,681,060	7,534,999	7,660,521	7,713,409	7,563,136	7,632,813	7,675,768	7,432,067	-	-	75,937,435
Premium Subsidized	(574,590)	(592,579)	(598,091)	(660,331)	(623,467)	(629,182)	(637,088)	(628,457)	(620,489)	(602,895)	-	-	(6,167,169)
Net Premium Revenues	6,867,560	7,008,933	7,082,969	6,874,668	7,037,054	7,084,227	6,926,048	7,004,356	7,055,279	6,829,172	-	-	69,770,266
Provider Contribution	2,352,115	1,820,231	2,896,930	2,524,563	2,209,057	2,043,307	2,021,631	1,965,436	1,962,340	1,824,169	-	-	21,619,779
Insurer Assessments	1,842,305	1,881,548	2,156,756	2,133,182	2,221,651	2,205,148	2,259,176	2,247,677	2,300,584	2,613,276	-	-	21,861,303
Total Operating Revenues	11,061,980	10,710,712	12,136,655	11,532,413	11,467,762	11,332,682	11,206,855	11,217,469	11,318,203	11,266,617	-	-	113,251,348
Operating Expenses													
Medical Losses:													
Losses Paid or Approved for Payment	11,322,260	7,005,225	9,915,344	9,837,743	8,709,603	9,609,514	9,145,223	8,586,385	9,170,117	8,654,373	-	-	91,955,787
Increase (Decrease) in Unpaid Losses	(4,459,904)	(780,285)	1,475,705	864,526	518,695	(741,441)	(175,324)	154,543	(627,331)	(505,410)	-	-	(4,276,226)
Deductible Subsidy Paid	46,339	64,105	84,608	74,856	60,921	59,306	48,880	48,880	39,496	32,685	-	-	557,573
Total Medical Losses	6,908,695	6,289,045	11,475,657	10,777,125	9,289,219	8,927,379	9,016,276	8,789,808	8,582,282	8,181,648	-	-	88,237,134
Pharmacy Losses:													
Losses Paid or Approved for Payment	2,701,745	2,708,078	2,986,532	3,157,129	2,741,938	2,901,926	3,093,549	2,817,380	3,002,740	3,036,686	-	-	29,147,703
Increase (Decrease) in Unpaid Losses	361,382	(307,985)	(16,252)	137,426	260,490	(247,543)	(8,500)	3,638	(50,257)	40,155	-	-	172,554
Drug Rebates	(101,235)	(113,173)	(159,122)	(219,200)	(1,211,629)	(316,575)	(322,425)	(315,007)	(317,887)	(327,728)	-	-	(3,403,981)
Subsidy - Coinsurance Out-of-Pocket Max	6,291	27,988	52,768	64,362	81,365	89,933	108,315	105,466	105,740	113,940	-	-	756,168
Total Pharmacy Losses	2,968,183	2,314,908	2,863,926	3,139,717	1,872,164	2,427,741	2,870,939	2,611,477	2,740,336	2,863,053	-	-	26,672,444
Total Losses	9,876,878	8,603,953	14,339,583	13,916,842	11,161,383	11,355,120	11,887,215	11,401,285	11,322,618	11,044,701	-	-	114,909,578
Loss Adjustment Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Administrative Expenses	515,084	514,682	574,138	528,843	546,859	539,179	609,714	576,602	622,626	577,214	-	-	5,604,941
Total Operating Expenses	10,391,962	9,118,635	14,913,721	14,445,685	11,708,242	11,894,299	12,496,929	11,977,887	11,945,244	11,621,915	-	-	120,514,519
Net Operating Income (Loss)	670,018	1,592,077	(2,777,066)	(2,913,272)	(240,480)	(561,617)	(1,290,074)	(760,418)	(627,041)	(355,298)	-	-	(7,263,171)
Non-Operating Revenues (Expenses)													
Federal Grant - Disease Management	26,900	26,826	27,062	27,243	27,222	27,356	27,472	27,283	27,163	26,930	-	-	271,457
Federal Grant - Low Income Subsidy	551,303	568,815	574,313	634,974	(154,931)						-	-	2,174,474
Investment Income	49,580	40,754	35,231	29,855	21,560	15,778	14,100	12,685	9,806	10,485	-	-	239,834
Miscellaneous Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution to Policyholders	-	-	1,350	(1,350)	(610)	(7,765)	(1,460)	-	1,460	52,005	-	-	43,630
Total Non-operating Revenues (Expenses)	627,783	636,395	637,956	690,722	(106,759)	35,369	40,112	39,968	38,429	89,420	-	-	2,729,395
Net Income (Loss)	1,297,801	2,228,472	(2,139,110)	(2,222,550)	(347,239)	(526,248)	(1,249,962)	(720,450)	(588,612)	(265,878)	-	-	(4,533,776)
Additions to Retained Earnings													
Policyholder													
Retained Earnings, Beginning of Period	15,869,036	17,153,474	19,379,608	18,233,586	17,217,614	17,967,221	18,651,709	18,832,986	19,395,656	20,015,061	-	-	15,869,036
Current Earnings	1,284,438	2,226,134	(1,146,022)	(1,015,972)	749,607	684,488	181,277	562,670	619,405	621,347	-	-	4,767,372
Retained Earnings, End of Period	17,153,474	19,379,608	18,233,586	17,217,614	17,967,221	18,651,709	18,832,986	19,395,656	20,015,061	20,636,408	-	-	20,636,408
RBC Target Reserves	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	-	-	(9,495,391)
Retained Earnings in Excess of RBC	7,658,083	9,884,217	8,738,195	7,722,223	8,471,830	9,156,318	9,337,595	9,900,265	10,519,670	11,141,017	-	-	11,141,017
Providers													
Retained Earnings, Beginning of Period	9,610,597	9,872,183	9,842,693	9,716,236	9,308,638	8,753,918	8,067,629	7,233,237	6,450,556	5,677,425	-	-	9,610,597
Current Earnings	261,586	(29,490)	(126,457)	(407,598)	(554,720)	(686,289)	(834,392)	(782,681)	(773,131)	(838,166)	-	-	(4,771,338)
Retained Earnings, End of Period	9,872,183	9,842,693	9,716,236	9,308,638	8,753,918	8,067,629	7,233,237	6,450,556	5,677,425	4,839,259	-	-	4,839,259
RBC Target Reserves	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	-	-	(3,165,130)
Retained Earnings in Excess of RBC	6,707,053	6,677,563	6,551,106	6,143,508	5,588,788	4,902,499	4,068,107	3,285,426	2,512,295	1,674,129	-	-	1,674,129
Insurers													
Retained Earnings, Beginning of Period	9,962,942	9,714,719	9,746,547	8,879,916	8,080,936	7,538,810	7,014,363	6,417,516	5,917,077	5,482,191	-	-	9,962,942
Current Earnings	(248,223)	31,828	(866,631)	(798,980)	(542,126)	(524,447)	(596,847)	(500,439)	(434,886)	(49,059)	-	-	(4,529,810)
Retained Earnings, End of Period	9,714,719	9,746,547	8,879,916	8,080,936	7,538,810	7,014,363	6,417,516	5,917,077	5,482,191	5,433,132	-	-	5,433,132
RBC Target Reserves	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	-	-	(3,165,130)
Retained Earnings in Excess of RBC	6,549,589	6,581,417	5,714,786	4,915,806	4,373,680	3,849,233	3,252,386	2,751,947	2,317,061	2,268,002	-	-	2,268,002
Retained Earnings, End of Period	36,740,376	38,968,848	36,829,738	34,607,188	34,259,949	33,733,701	32,483,739	31,763,289	31,174,677	30,908,799	-	-	30,908,799
RBC Target Reserves	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	-	-	(15,825,651)
Retained Earnings in Excess of RBC	20,914,725	23,143,197	21,004,087	18,781,537	18,434,298	17,908,050	16,658,088	15,937,638	15,349,026	15,083,148	-	-	15,083,148

**Health Insurance Risk-Sharing Plan Authority
Calendar Financial Statement Reconciliation
October 2009**

STATEMENT OF CASH FLOWS

Cash Flows from Operating Activities	Month of October 2009	YTD Through October 2009
<u>Sources of Cash</u>		
Cash received for premiums	6,863,977	69,415,505
Cash received for assessments	5,099,086	25,174,060
Total Operating Sources	11,963,063	94,589,565
<u>Uses of Cash</u>		
Cash payments for medical losses	(6,611,790)	(69,631,168)
Cash payments for pharmacy losses	(3,028,616)	(27,917,587)
Cash payments for referral fees	(4,520)	(54,215)
Cash payments for other expenses	(576,984)	(5,658,620)
Total Operating Uses	(10,221,910)	(103,261,590)
Net Cash Provided (Used) by Operating Activities	1,741,153	(8,672,025)

Cash Flows from Non-Operating Activities		
Cash received from investment income	10,484	258,562
Cash received from federal grant	-	2,309,727
Cash received for miscellaneous income	-	-
Cash Distribution to Policyholders	52,005	(11,848,435)
Net Cash Provided/(Used) by Non-Operating Activities	62,489	(9,280,146)

Cash and Cash Equivalents		
Net Increase (Decrease) in cash equivalents	1,803,642	(17,952,171)
Cash and cash equivalents, beginning of period	50,948,346	71,325,612
Cash and Equivalents, End of Period	51,569,799	53,373,441

RECONCILIATION OF NET OPERATING INCOME TO CASH FLOWS FROM OPERATIONS

Net income (loss) from operations	(355,298)	(7,263,171)
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Adjustments to Reconcile Net Operating Income to Net Cash Provided By Operating Activities

Changes in assets and liabilities:

Decrease (increase) in receivables	5,082,525	(3,290,545)
Decrease (increase) in prepaids	3,811	(2,139)
Increase (decrease) in liability for premium overpayments	-	-
Increase (decrease) in liability for accounts payable	(2,627,959)	5,538,145
Increase (decrease) in liability for unearned premiums	(132,746)	(680,006)
Increase (decrease) in liability for medical loss liabilities	(391,345)	(3,052,306)
Increase (decrease) in liability for pharmacy loss liabilities	162,165	77,997
Other adjustments	-	-
Total adjustments	2,096,451	(1,408,854)

Net Cash Provided/(Used) by Operating Activities	1,741,153	(8,672,025)
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Health Insurance Risk-Sharing Plan Authority
Comparison of Current vs. Prior Month and Current Fiscal Year-to-Date Vs. Prior Fiscal Year-to-Date
Unaudited Statement of Revenues, Expenses, and Changes in Retained Earnings
Calendar Year 2009

Operating Revenues	October 2009	September 2009	Variance	Year-to-Date Through October 2009	Year-to-Date Through October 2008	Variance
Gross Premiums	7,432,067	7,675,768	(243,701)	75,937,435	80,472,177	(4,534,742)
Premium Subsidized	(602,895)	(620,489)	17,594	(6,167,169)	(5,760,956)	(406,213)
Net Premium Revenues	<u>6,829,172</u>	<u>7,055,279</u>	<u>(226,107)</u>	<u>69,770,266</u>	<u>74,711,221</u>	<u>(4,940,955)</u>
Provider Contribution	1,824,169	1,962,340	(138,171)	21,619,779	32,451,649	(10,831,870)
Insurer Assessments	2,613,276	2,300,584	312,692	21,861,303	31,418,130	(9,556,827)
Total Operating Revenues	<u>11,266,617</u>	<u>11,318,203</u>	<u>(51,586)</u>	<u>113,251,348</u>	<u>138,581,000</u>	<u>(25,329,652)</u>
Operating Expenses						
Medical Losses:						
Losses Paid or Approved for Payment	8,654,373	9,170,117	(515,744)	91,955,787	101,924,339	(9,968,552)
Increase (Decrease) in Unpaid Losses	(505,410)	(627,331)	121,921	(4,276,226)	(8,572,503)	4,296,277
Deductible Subsidy Paid	32,685	39,496	(6,811)	557,573	554,725	2,848
Total Medical Losses	<u>8,181,648</u>	<u>8,582,282</u>	<u>(400,634)</u>	<u>88,237,134</u>	<u>93,906,561</u>	<u>(5,669,427)</u>
Pharmacy Losses:						
Losses Paid or Approved for Payment	3,036,686	3,002,740	33,946	29,147,703	29,716,332	(568,629)
Increase (Decrease) in Unpaid Losses	40,155	(50,257)	90,412	172,554	(468,921)	641,475
Drug Rebates	(327,728)	(317,887)	(9,841)	(3,403,981)	(2,503,745)	(900,236)
Subsidy - Coinsurance Out-of-Pocket Max	113,940	105,740	8,200	756,168	547,896	208,272
Total Pharmacy Losses	<u>2,863,053</u>	<u>2,740,336</u>	<u>122,717</u>	<u>26,672,444</u>	<u>27,291,562</u>	<u>(619,118)</u>
Total Losses	11,044,701	11,322,618	(277,917)	114,909,578	121,198,123	(6,288,545)
Loss Adjustment Expenses	-	-	-	-	-	-
Administrative expenses						
Authority Admin Fees	52,679	50,197	2,482	494,132	548,222	(54,090)
WPS Admin Fees	362,246	362,930	(684)	3,612,510	3,589,846	22,664
Pharmacy Benefits Manager Admin Fees	83,054	81,902	1,152	808,226	893,804	(85,578)
Milliman USA Actuarial Services	12,356	28,698	(16,342)	186,483	173,949	12,534
Disease Management Services	26,930	27,163	(233)	273,957	-	273,957
Other Admin Fees And Expenses	35,429	67,016	(31,587)	174,678	57,137	117,541
Referral fees	4,520	4,720	(200)	54,955	46,025	8,930
Total Administrative Expenses	<u>577,214</u>	<u>622,626</u>	<u>(45,412)</u>	<u>5,604,941</u>	<u>5,308,983</u>	<u>295,958</u>
Total Operating Expenses	<u>11,621,915</u>	<u>11,945,244</u>	<u>(323,329)</u>	<u>120,514,519</u>	<u>126,507,106</u>	<u>(5,992,587)</u>
Net Operating Income (Loss)	<u>(355,298)</u>	<u>(627,041)</u>	<u>271,743</u>	<u>(7,263,171)</u>	<u>12,073,894</u>	<u>(19,337,065)</u>
Non-Operating Revenues (Expenses)						
Federal Grant - Disease Management	26,930	27,163	(233)	271,457	-	271,457
Federal Grant - Low Income Subsidy	-	-	-	2,174,474	-	2,174,474
Investment Income	10,485	9,806	679	239,834	1,270,907	(1,031,073)
Miscellaneous Income	-	-	-	-	-	-
Distribution to Policyholders	52,005	1,460	50,545	43,630	-	43,630
Total Non-operating Revenues (Expenses)	<u>89,420</u>	<u>38,429</u>	<u>50,991</u>	<u>2,729,395</u>	<u>1,270,907</u>	<u>1,458,488</u>
Net Income (Loss)	<u>(265,878)</u>	<u>(588,612)</u>	<u>322,734</u>	<u>(4,533,776)</u>	<u>13,344,801</u>	<u>(17,878,577)</u>

Health Insurance Risk-Sharing Plan Authority
Comparison of Budget Vs. Actual
Unaudited Statement of Revenues, Expenses, and Changes in Retained Earnings
Calendar Year 2009

	October 2009 Budget	October 2009 Actual	Variance	Year-to-Date Through October 2009 Budget	Year-to-Date Through October 2009 Actual	Variance
Operating Revenues						
Gross Premiums	7,745,046	7,432,067	(312,979)	77,551,017	75,937,435	(1,613,582)
Premium Subsidized	(505,906)	(602,895)	(96,989)	(5,208,427)	(6,167,169)	(958,742)
Net Premium Revenues	7,239,140	6,829,172	(409,968)	72,342,590	69,770,266	(2,572,324)
Provider Contribution	2,448,448	1,824,169	(624,279)	21,838,061	21,619,779	(218,282)
Insurer Assessments	2,613,276	2,613,276	-	21,861,303	21,861,303	-
Total Operating Revenues	12,300,864	11,266,617	(1,034,247)	116,041,954	113,251,348	(2,790,606)
Operating Expenses						
Medical and Pharmacy Losses:	14,437,861	10,898,076	3,539,785	123,719,379	113,595,837	10,123,542
Deductible Subsidy/RX OOP Max	177,234	146,625	30,609	1,269,988	1,313,741	(43,753)
Total Medical and Pharmacy Losses	14,615,095	11,044,701	3,570,394	124,989,367	114,909,578	10,079,789
Loss Adjustment Expenses	-	-	-	-	-	-
Total Administrative Expenses	549,869	577,214	(27,345)	5,582,263	5,604,941	(22,678)
Total Operating Expenses	15,164,964	11,621,915	3,543,049	130,571,630	120,514,519	10,057,111
Net Operating Income (Loss)	(2,864,100)	(355,298)	2,508,802	(14,529,676)	(7,263,171)	7,266,505
Non-Operating Revenues (Expenses)						
Federal Grant - Disease Management	32,225	26,930	(5,295)	322,250	271,457	(50,793)
Federal Grant - Low Income Subsidy	-	-	-	2,174,474	2,174,474	-
Investment Income	53,639	10,485	(43,154)	530,918	239,834	(291,084)
Miscellaneous Income	-	-	-	-	-	-
Distribution to Policyholders	-	52,005	52,005	-	43,630	43,630
Total Non-operating Revenues (Expenses)	85,864	89,420	3,556	3,027,642	2,729,395	(298,247)
Net Income (Loss)	(2,778,236)	(265,878)	2,512,358	(11,502,034)	(4,533,776)	6,968,258

Health Insurance Risk-Sharing Plan Authority
Calendar Year 2009 Interim Reconciliation
As of October 31, 2009

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year to Date
1. Operating and Administrative Costs under s.149.143(1)													
Medical Losses Paid or Approved for Payment	11,322,260	7,005,225	9,915,344	9,837,743	8,709,603	9,609,514	9,145,223	8,586,385	9,170,117	8,654,373	-	-	91,955,787
Increase (Decrease) in Unpaid Medical Losses	(4,459,904)	(780,285)	1,475,705	864,526	518,695	(741,441)	(175,324)	154,543	(627,331)	(505,410)	-	-	(4,276,226)
Pharmacy Losses Paid or Approved for Payment	2,701,745	2,708,078	2,986,532	3,157,129	2,741,938	2,901,926	3,093,549	2,817,380	3,002,740	3,036,686	-	-	29,147,703
Increase (Decrease) in Unpaid Pharmacy Losses	361,382	(307,985)	(16,252)	137,426	260,490	(247,543)	(8,500)	3,638	(50,257)	40,155	-	-	172,554
Drug Rebates	(101,235)	(113,173)	(159,122)	(219,200)	(1,211,629)	(316,575)	(322,425)	(315,007)	(317,887)	(327,728)	-	-	(3,403,981)
Total Administrative Expenses	515,084	514,682	574,138	528,843	546,859	539,179	609,714	576,602	622,626	577,214	-	-	5,604,941
Loss Adjustment Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating and Administrative Costs	10,339,332	9,026,542	14,776,345	14,306,467	11,565,956	11,745,060	12,342,237	11,823,541	11,800,008	11,475,290	-	-	119,200,778
2. Adjustments to Operating and Administrative Costs													
Total Non-operating Revenue (Expense) - excluding Federal Grant Funds	49,580	40,754	35,231	29,855	21,560	15,778	14,100	12,685	9,806	10,485	-	-	239,834
Federal Grant used for Disease Management Services	26,900	26,826	27,062	27,243	27,222	27,356	27,472	27,283	27,163	26,930	-	-	271,457
3. Total Fiscal Year Program Costs to be Split 60% 20% 20%	10,262,852	8,958,962	14,714,052	14,249,369	11,517,174	11,701,926	12,300,665	11,783,573	11,763,039	11,437,875	-	-	118,689,487
4. Year-to-Date Adjusted Program Costs Under s.149.143(1) (Excluding Subsidy Costs)													
Funding Shares													
60% Policyholders	6,157,712	5,375,378	8,828,432	8,549,621	6,910,304	7,021,156	7,380,399	7,070,143	7,057,823	6,862,725	-	-	71,213,693
20% Providers	2,052,570	1,791,792	2,942,810	2,849,874	2,303,435	2,340,385	2,460,133	2,356,715	2,352,608	2,287,575	-	-	23,737,897
20% Insurers	2,052,570	1,791,792	2,942,810	2,849,874	2,303,435	2,340,385	2,460,133	2,356,715	2,352,608	2,287,575	-	-	23,737,897
5. Subsidy Funding Shares													
Premium subsidies	574,590	592,579	598,091	660,331	623,467	629,182	637,088	628,457	620,489	602,895	-	-	6,167,169
Deductible Subsidies	46,339	64,105	84,608	74,856	60,921	59,306	46,377	48,880	39,496	32,685	-	-	557,573
Subsidy - coinsurance out-of-pocket Max	6,291	27,988	52,768	64,362	81,365	89,933	108,315	105,466	105,740	113,940	-	-	756,168
Total Subsidies	627,220	684,672	735,467	799,549	765,753	778,421	791,780	782,803	765,725	749,520	-	-	7,480,910
Federal Grant Funds Applied to Low Income Subsidies	(551,303)	(568,815)	(574,313)	(634,974)	154,931	-	-	-	-	-	-	-	(2,174,474)
Net Subsidy Funding Needed	75,917	115,857	161,154	164,575	920,684	778,421	791,780	782,803	765,725	749,520	-	-	5,306,436
Subsidy Funding Needed by Source in addition to Section 3 Funding Shares													
Providers	37,959	57,929	80,577	82,287	460,342	389,211	395,890	391,402	382,863	374,760	-	-	2,653,220
Insurers	37,958	57,928	80,577	82,288	460,342	389,210	395,890	391,401	382,862	374,760	-	-	2,653,216
	75,917	115,857	161,154	164,575	920,684	778,421	791,780	782,803	765,725	749,520	-	-	5,306,436
6. Year-to-Date Adjusted Program Costs Under s.149.143(1) (Including Subsidy Costs)													
Policyholders	6,157,712	5,375,378	8,828,432	8,549,621	6,910,304	7,021,156	7,380,399	7,070,143	7,057,823	6,862,725	-	-	71,213,693
Providers	2,090,529	1,849,721	3,023,387	2,932,161	2,763,777	2,729,596	2,856,023	2,748,117	2,735,471	2,662,335	-	-	26,391,117
Insurers	2,090,528	1,849,720	3,023,387	2,932,162	2,763,777	2,729,595	2,856,023	2,748,116	2,735,470	2,662,335	-	-	26,391,113
7. Operating Revenues by Source													
Policyholders													
Premium	6,867,560	7,008,933	7,082,969	6,874,668	7,037,054	7,084,227	6,926,048	7,004,356	7,055,279	6,829,172	-	-	69,770,266
Premium and Deductible Subsidies Credited to Policyholders	574,590	592,579	598,091	660,331	623,467	629,182	637,088	628,457	620,489	602,895	-	-	6,167,169
Subtotal	7,442,150	7,601,512	7,681,060	7,534,999	7,660,521	7,713,409	7,563,136	7,632,813	7,675,768	7,432,067	-	-	75,937,435
Providers	2,352,115	1,820,231	2,896,930	2,524,563	2,209,057	2,043,307	2,021,631	1,965,436	1,962,340	1,824,169	-	-	21,619,779
Insurers	1,842,305	1,881,548	2,156,756	2,133,182	2,221,651	2,205,148	2,259,176	2,247,677	2,300,584	2,613,276	-	-	21,861,303
Total	11,636,570	11,303,291	12,734,746	12,192,744	12,091,229	11,961,864	11,843,943	11,845,926	11,938,692	11,869,512	-	-	119,418,517

(cont)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year to Date
(cont)													
8. Interim Estimate of Surplus/(Deficit) Account Balance for 2009													
Policyholders													
Prior Period Surplus / (Deficit)	15,869,036	17,153,474	19,379,608	18,233,586	17,217,614	17,967,221	18,651,709	18,832,986	19,395,656	20,015,061	-	-	15,869,036
Premium (Including Premium and Deductible Subsidies)	7,442,150	7,601,512	7,681,060	7,534,999	7,660,521	7,713,409	7,563,136	7,632,813	7,675,768	7,432,067	-	-	75,937,435
Less Cost	6,157,712	5,375,378	8,828,432	8,549,621	6,910,304	7,021,156	7,380,399	7,070,143	7,057,823	6,862,725	-	-	71,213,693
Less Distribution to Policyholders	-	-	(1,350)	1,350	610	7,765	1,460	-	(1,460)	(52,005)	-	-	(43,630)
Monthly Change	1,284,438	2,226,134	(1,146,022)	(1,015,972)	749,607	684,488	181,277	562,670	619,405	621,347	-	-	4,767,372
Ending Surplus / (Deficit)	17,153,474	19,379,608	18,233,586	17,217,614	17,967,221	18,651,709	18,832,986	19,395,656	20,015,061	20,636,408	-	-	20,636,408
Policyholders's RBC Target Reserves	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	(9,495,391)	-	-	(9,495,391)
Ending Surplus / (Deficit) Net of RBC Reserves	7,658,083	9,884,217	8,738,195	7,722,223	8,471,830	9,156,318	9,337,595	9,900,265	10,519,670	11,141,017	-	-	11,141,017
Providers													
Prior Period Surplus / (Deficit)	9,610,597	9,872,183	9,842,693	9,716,236	9,308,638	8,753,918	8,067,629	7,233,237	6,450,556	5,677,425	-	-	9,610,597
Contribution	2,352,115	1,820,231	2,896,930	2,524,563	2,209,057	2,043,307	2,021,631	1,965,436	1,962,340	1,824,169	-	-	21,619,779
Less Cost	2,090,529	1,849,721	3,023,387	2,932,161	2,763,777	2,729,596	2,856,023	2,748,117	2,735,471	2,662,335	-	-	26,391,117
Monthly Change	261,586	(29,490)	(126,457)	(407,598)	(554,720)	(686,289)	(834,392)	(782,681)	(773,131)	(838,166)	-	-	(4,771,338)
Ending Surplus / (Deficit)	9,872,183	9,842,693	9,716,236	9,308,638	8,753,918	8,067,629	7,233,237	6,450,556	5,677,425	4,839,259	-	-	4,839,259
Provider's RBC Target Reserves	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	-	-	(3,165,130)
Ending Surplus / (Deficit) Net of RBC Reserves	6,707,053	6,677,563	6,551,106	6,143,508	5,588,788	4,902,499	4,068,107	3,285,426	2,512,295	1,674,129	-	-	1,674,129
Insurers													
Prior Period Surplus / (Deficit)	9,962,942	9,714,719	9,746,547	8,879,916	8,080,936	7,538,810	7,014,363	6,417,516	5,917,077	5,482,191	-	-	9,962,942
Assessment	1,842,305	1,881,548	2,156,756	2,133,182	2,221,651	2,205,148	2,259,176	2,247,677	2,300,584	2,613,276	-	-	21,861,303
Less Cost	2,090,528	1,849,720	3,023,387	2,932,162	2,763,777	2,729,595	2,856,023	2,748,116	2,735,470	2,662,335	-	-	26,391,113
Monthly Change	(248,223)	31,828	(866,631)	(798,980)	(542,126)	(524,447)	(596,847)	(500,439)	(434,886)	(49,059)	-	-	(4,529,810)
Ending Surplus / (Deficit)	9,714,719	9,746,547	8,879,916	8,080,936	7,538,810	7,014,363	6,417,516	5,917,077	5,482,191	5,433,132	-	-	5,433,132
Insurer's RBC Target Reserves	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	(3,165,130)	-	-	(3,165,130)
Ending Surplus / (Deficit) Net of RBC Reserves	6,549,589	6,581,417	5,714,786	4,915,806	4,373,680	3,849,233	3,252,386	2,751,947	2,317,061	2,268,002	-	-	2,268,002
Total HIRSP Retained Earnings	36,740,376	38,968,848	36,829,738	34,607,188	34,259,949	33,733,701	32,483,739	31,763,289	31,174,677	30,908,799	-	-	30,908,799
Total RBC Target Reserves	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	(15,825,651)	-	-	(15,825,651)
Total Retained Earnings in Excess of RBC Target Reserves	20,914,725	23,143,197	21,004,087	18,781,537	18,434,298	17,908,050	16,658,088	15,937,638	15,349,026	15,083,148	-	-	15,083,148

**Health Insurance Risk-Sharing Plan Authority
 Monthly Provider Contribution Report
 As of October 2009 Month End (10/28/2009)**

Provider Contribution Calculation for the Current Month - Claims by Claim Type						
Claims Incurred 1/1/2008 and After						
Claim Type	Billed Charges		HIRSP Fee Schedule	HIRSP Allowed	Provider Contribution	HIRSP Paid
Professional	\$ 7,466,486.81		\$ 4,120,211.90	\$ 3,344,795.12	\$ 775,416.78	\$ 2,311,548.59
Hospital Outpatient	\$ 4,781,946.23		\$ 3,187,968.96	\$ 2,573,403.20	\$ 614,565.76	\$ 2,082,823.35
Hospital Inpatient	\$ 3,520,417.07		\$ 2,173,555.35	\$ 1,755,047.57	\$ 418,507.78	\$ 1,690,551.59
Nursing Home	\$ 21,387.46		\$ 23,511.03	\$ 19,276.34	\$ 4,234.69	\$ 19,251.17
Other	\$ 934,100.84		\$ 612,101.73	\$ 503,599.13	\$ 108,502.60	\$ 351,277.75
Total	\$ 16,724,338.41		\$ 10,117,348.97	\$ 8,196,121.36	\$ 1,921,227.61	\$ 6,455,452.45

Claims Incurred Prior to 1/1/2008						
Claim Type	Billed Charges	U&C Percentage	Usual and Customary	HIRSP Allowed	Provider Contribution	HIRSP Paid
Total	\$ (1,082.43)	28.5%	\$ (773.94)	\$ (216.85)	\$ (557.09)	\$ (263.00)

Provider Contribution on the Increase(Decrease) in Unpaid Losses	\$ (96,502.00)
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Total Provider Contribution	\$ 1,824,168.52
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* Note: Medicare supplement is excluded from this report.

Exhibit 1
Wisconsin Health Insurance Risk-Sharing Plan
Breakdown of Incurred Claims and Earned Premium
by Quarter and Plan

1Q08						
Plan	Total Dollars			Per Member Per Month		
	Incurred Claims	Earned Premium	Loss Ratio	Incurred Claims	Earned Premium	
\$1,000	\$15,501,506	\$8,912,951	173.9%	\$1,147.58	\$659.83	
\$2,500	\$17,862,484	\$13,682,977	130.5%	\$641.91	\$491.72	
\$3,500 HSA	\$59,184	\$239,700	24.7%	\$106.64	\$431.89	
\$5,000	1,842,327	2,067,147	89.1%	340.23	381.74	
Medicare Supplement	1,695,055	1,016,804	166.7%	585.11	350.99	
Total	\$36,960,556	\$25,919,578	142.6%	\$736.24	\$516.31	
2Q08						
Plan	Total Dollars			Per Member Per Month		
	Incurred Claims	Earned Premium	Loss Ratio	Incurred Claims	Earned Premium	
\$1,000	\$15,132,418	\$8,129,129	186.2%	\$1,222.03	\$656.47	
\$2,500	19,375,593	12,031,373	161.0%	720.71	447.53	
\$3,500 HSA	235,833	311,443	75.7%	291.51	384.97	
\$5,000	1,829,111	2,042,935	89.5%	313.85	350.54	
Medicare Supplement	1,693,361	1,005,634	168.4%	591.05	351.01	
Total	\$38,266,315	\$23,520,514	162.7%	\$784.64	\$482.28	
3Q08						
Plan	Total Dollars			Per Member Per Month		
	Incurred Claims	Earned Premium	Loss Ratio	Incurred Claims	Earned Premium	
\$1,000	\$14,032,391	\$7,800,642	179.9%	\$1,186.37	\$659.51	
\$2,500	19,458,134	11,920,269	163.2%	730.41	447.46	
\$3,500 HSA	399,829	420,224	95.1%	370.56	389.46	
\$5,000	2,430,075	2,253,875	107.8%	377.93	350.52	
Medicare Supplement	1,414,705	1,002,917	141.1%	497.96	353.02	
Total	\$37,735,134	\$23,397,927	161.3%	\$772.98	\$479.29	
4Q08						
Plan	Total Dollars			Per Member Per Month		
	Incurred Claims	Earned Premium	Loss Ratio	Incurred Claims	Earned Premium	
\$1,000	\$14,096,221	\$7,526,300	187.3%	\$1,240.86	\$662.53	
\$2,500	22,375,692	11,782,502	189.9%	853.19	449.27	
\$3,500 HSA	626,643	506,044	123.8%	486.90	393.20	
\$5,000	3,026,163	2,444,488	123.8%	434.23	350.77	
Medicare Supplement	1,226,006	1,008,190	121.6%	434.91	357.64	
Total	\$41,350,725	\$23,267,524	177.7%	\$849.77	\$478.16	
1Q09						
Plan	Total Dollars			Per Member Per Month		
	Incurred Claims	Earned Premium	Loss Ratio	Incurred Claims	Earned Premium	
\$1,000	\$9,363,204	\$5,460,674	171.5%	\$1,177.76	\$686.88	
\$2,500	18,744,211	12,211,896	153.5%	703.27	458.18	
\$3,500 HSA	1,145,103	667,990	171.4%	694.42	405.09	
\$5,000	3,259,931	3,539,260	92.1%	335.94	364.72	
Medicare Supplement	1,535,763	886,659	173.2%	552.23	318.83	
Total	\$34,048,211	\$22,766,479	149.6%	\$698.61	\$467.13	
2Q09						
Plan	Total Dollars			Per Member Per Month		
	Incurred Claims	Earned Premium	Loss Ratio	Incurred Claims	Earned Premium	
\$1,000	\$10,229,006	\$5,213,270	196.2%	\$1,343.09	\$684.52	
\$2,500	21,346,298	12,259,577	174.1%	796.77	457.60	
\$3,500 HSA	921,167	732,792	125.7%	505.86	402.41	
\$5,000	3,645,916	3,761,369	96.9%	354.01	365.22	
Medicare Supplement	1,479,032	900,164	164.3%	526.91	320.69	
Total	\$37,621,419	\$22,867,172	164.5%	\$762.59	\$463.52	

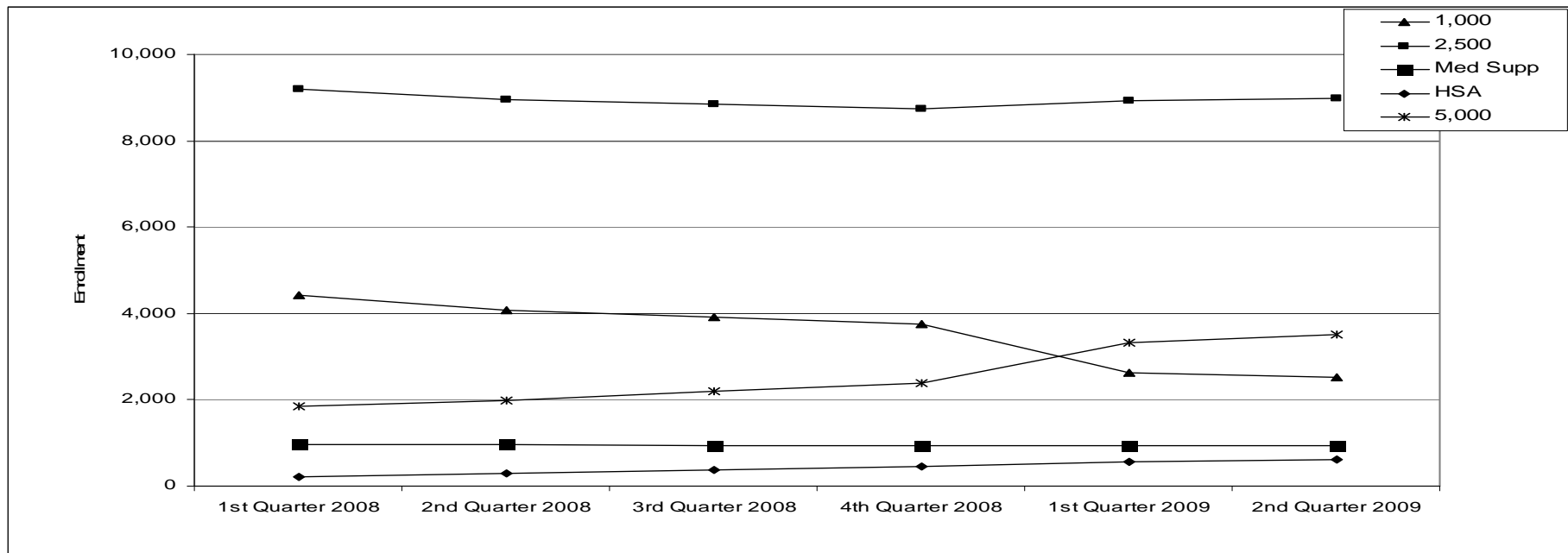
NOTES: Loss Ratio = Incurred Claims / Earned Premiums
Earned Premium includes Premium Subsidies
Incurred Claims include Provider Contributions
Administrative Expenses are not included in this exhibit
Incurred Claims and Earned Premiums are updated quarterly and restated to reflect the most current information available as of September 30, 2009

**Health Insurance Risk-Sharing Plan Authority
Enrollment as of Last Day of the Quarter**

October 2009
16,531

October 2008
16,212

Plan	1st Quarter 2008	2nd Quarter 2008	3rd Quarter 2008	4th Quarter 2008	1st Quarter 2009	2nd Quarter 2009	3rd Quarter 2009	4th Quarter 2009
1,000	4,422	4,085	3,905	3,752	2,635	2,529	2,392	
2,500	9,206	8,948	8,839	8,732	8,925	8,980	8,966	
Med Supp	967	953	946	937	932	947	957	
HSA	213	301	381	455	575	622	660	
5,000	1,854	1,994	2,202	2,376	3,321	3,499	3,662	
Total	16,662	16,281	16,273	16,252	16,388	16,577	16,637	



**Health Insurance Risk-Sharing Plan Authority
Subsidy Report
Oct-09**

Total Subsidy by Plan			
Plan		Number of Policyholders	% of Total
HIRSP 1,000	Non-subsidized	1,397	8.5%
	Subsidized	944	5.7%
	Total	2,341	14.2%
HIRSP 2,500	Non-subsidized	7,028	42.5%
	Subsidized	1,865	11.3%
	Total	8,893	53.8%
HIRSP Medicare Supplement	Non-subsidized	562	3.4%
	Subsidized	397	2.4%
	Total	959	5.8%
HIRSP Health Savings Account	Non-subsidized	577	3.5%
	Subsidized	89	0.5%
	Total	666	4.0%
HIRSP 5,000	Non-subsidized	2,930	17.7%
	Subsidized	742	4.5%
	Total	3,672	22.2%
Non-subsidized Total		12,494	75.6%
Subsidized Total		4,037	24.4%
Grand Total		16,531	100.0%

Total Subsidy by Household Income		
Household Income	Number of Policyholders	% of Total
\$30,000 - \$32,999	224	5.5%
\$25,000 - \$29,999	445	11.0%
\$20,000 - \$24,999	701	17.4%
\$17,000 - \$19,999	420	10.4%
\$14,000 - \$16,999	390	9.7%
\$10,000 - \$13,999	557	13.8%
\$9,999 Under	1,300	32.2%
Total	4,037	100.0%

Health Insurance Risk-Sharing Plan Authority
Summary of Monthly Applicant Activity
 October, 2009

Summary of Monthly Application Activity	
Number of Applications Pending September	166
Number of Applications Received October	382
Number of Applications Rejected October	13
Number of Applications Closed October	53
Number of Applications Pending October	172
Number of Applications Approved October	310

Detail of Applications Rejected	
65 or older	0
Current Medicaid Coverage	2
Currently covered by other insurance	2
Did not qualify for lost employer coverage.	0
Eligible for Group Health Coverage	9
Insufficient Premium Submitted	0
No Medical Reason	0
Not a Wisconsin Resident	0
Previous HIRSP <12 Months Ago	0
Total	13

Detail of Applications Closed	
Applicant Request	8
Application Data requested; never received	0
Proper eligibility requested; never received	45
Total	53

Applications Approved in 2009*						
Date	1,000	2,500	Med Supp	3,500	5,000	Total
January	19	147	4	28	100	298
February	31	172	3	27	149	382
March	19	169	4	33	124	349
April	32	193	2	33	106	366
May	16	153	4	24	123	320
June	28	191	3	24	164	410
July	20	148	4	29	108	309
August	17	131	4	20	96	268
September	21	176	1	26	134	358
October	16	139	3	12	106	276
November						
December						
Total	219	1619	32	256	1210	3336

Disenrollment in 2009						
Date	1,000	2,500	Med Supp	3,500	5,000	Total
January	124	227	25	4	63	443
February	67	151	6	5	39	268
March	49	145	4	5	42	245
April	73	188	17	14	61	350
May	50	124	8	9	60	251
June	45	133	8	15	66	266
July	74	172	5	13	69	331
August	56	158	12	5	72	299
September	51	166	5	10	68	271
October	61	164	5	12	112	309
November						
December						
Total	650	1,628	95	92	652	3,033

* Month application was approved, not the effective date.

HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY

Monthly Eligibility Report October, 2009

A.	Medicare Eligible	3
B.	HIV +	1
C.	Eligible Individual	194
D.	Letter of Medical Eligibility	112
	1. Letter of Rejection By:	
	<i>American Community Mutual Insurance</i>	5
	<i>American Family</i>	6
	<i>American National Life Insurance Company of Texas</i>	1
	<i>American Republic</i>	4
	<i>Arise</i>	2
	<i>Assurant Health</i>	19
	<i>Atrium Health Plan</i>	1
	<i>Blue Cross & Blue Shield United of Wisconsin</i>	41
	<i>Celtic Life Insurance Company</i>	1
	<i>Dean Health Plan</i>	3
	<i>Golden Rule Insurance Company</i>	24
	<i>Group Health Cooperative</i>	1
	<i>Humana Insurance Company</i>	49
	<i>Insurers Administrative Corporation</i>	1
	<i>John Alden Life Insurance</i>	1
	<i>Pekin Life Insurance</i>	3
	<i>Security Health Plan</i>	5
	<i>United HealthCare Insurance</i>	1
	<i>Unity Health Plan</i>	3
	<i>Wisconsin Physicians Service Insurance</i>	53
	2. Notice of Benefit Reduction	0
	3. Notice of Premium increase due to a Health Reason	0
	Total	310
	Eligible individual as percent of total enrollment	63%

**Health Insurance Risk-Sharing Plan
Appeals and Grievances
October 2009**

Grievance

<u>Type of Grievance</u>		<u># of Grievances</u>
	Drug & Drug Formulary	0
	Enrollment/Eligibility Requirements	0
	Not Covered Benefit	5
	Not Medically Necessary	3
	Plan Administration	12
	Prior Authorization	1
	Experimental Treatment	2
	Billing/Claim Processing	0
<u>Grievance Committee Decision</u>		
	Closed Prior to Committee	1
	Approved	12
	Upheld Denial	10
	Partial Approval	0
Total Grievances Received		23

Appeal

<u>Type of Appeal</u>		<u># of Appeal</u>
	Drug & Drug Formulary	0
	Enrollment/Eligibility Requirements	0
	Experimental Treatment	0
	Not Medically Necessary	0
	Plan Administration	0
	Not Covered Benefit	1
	Prior Authorization	0
	Billing/Claim Processing	0
<u>Appeal Committee Decision</u>		
	Closed Prior to Committee	0
	Approved	1
	Upheld Denial	0
	Upheld Denial with IRO Rights	0
	Partial Approval	0
Total Appeals Received		1