

HIRSP Authority
Statement of Revenues, Expenses and Changes in Retained Earnings
Calendar Year 2010
As of March 31, 2010

	Actual	Budget
Premiums	\$ 20,311,875	\$ 20,471,754
Insurer Assessments	\$ 7,217,537	\$ 7,217,537
Provider Contributions	<u>\$ 6,455,080</u>	<u>\$ 8,049,917</u>
Total Operating Revenue	\$ 33,984,492	\$ 35,739,208
Medical Losses	\$ 21,730,104	\$ 27,083,385
Pharmacy Losses	\$ 8,301,508	\$ 7,955,316
Administration	<u>\$ 1,659,488</u>	<u>\$ 1,661,729</u>
Total Operating Expenses	\$ 31,691,100	\$ 36,700,430
Non-operating Revenue (Expense)	\$ 1,801,427	\$ 1,837,035
Net Income (Loss)	\$ 4,094,819	\$ 875,813
Total Net Assets Beginning Balance	<u>\$ 27,467,504</u>	
Total Net Assets Ending Balance*	\$ 31,562,323	

Financial Highlights:

- Operating revenues were below budget by \$1.8 million due to a shortfall in provider contribution.
- Operating expenses were \$5 million below budget due to the favorable medical loss experience.
- The net income of \$4 million exceeded the budget net income by \$3.2 million.

* Note: A portion of net assets are required as risk-based capital to protect the HIRSP Authority from unexpected significant expenses. Net assets are also utilized to reduce the 60/20/20 funding required from HIRSP stakeholders. For example the portion of net assets attributable to policyholders is used to reduce the required premium payment.