

**HIRSP Authority**  
**Statement of Revenues, Expenses and Changes in Retained Earnings**  
**Calendar Year 2011**  
**As of September 30, 2011**

	<b>Actual</b>	<b>Budget</b>
Premiums	\$ 70,293,866	\$ 70,669,311
Insurer Assessments	\$ 30,390,365	\$ 30,390,365
Provider Contributions	<u>\$ 28,904,619</u>	<u>\$ 31,644,283</u>
Total Operating Revenue	\$ 129,588,850	\$132,703,959
Medical Losses	\$ 97,875,869	\$104,002,694
Pharmacy Losses	\$ 31,521,236	\$ 31,629,241
Change in Loss Adjustment Liability	\$ (53,000)	\$ (53,000)
Administration	<u>\$ 5,895,068</u>	<u>\$ 5,728,934</u>
Total Operating Expenses	\$ 135,239,173	\$141,307,869
Non-operating Revenue (Expense)	\$ 2,564,658	\$ 2,497,379
Net Income (Loss)	\$ ( 3,085,665)	\$ (6,106,531)
Total Net Assets Beginning Balance	<u>\$ 13,739,280</u>	
Total Net Assets Ending Balance	\$ 10,653,615	

Financial Highlights:

- Operating revenue came in below budget as a result of provider contributions coming in \$2.7 million below budget due to the medical loss experience being lower than expected.
- Operating expenses were \$6 million under budget which is in large part due to medical losses coming in lower than projected.
- The Net Loss of \$3.1 million is \$3 million better than the budgeted net loss of \$6.1 million. However, the budget projects significant losses for 2011 and for the reserves to be almost exhausted with a projected balance of \$1.1 million at the end of 2011.