



Wisconsin Family Care Association  
 16 North Carroll Street  
 Suite 800  
 Churchill Building  
 Madison, Wisconsin 53703-2726

Family Care Status Report from the view of the MCOs (Managed Care Organizations)

Overview:

As of September 1, 2009, nine certified managed care organizations are currently offering Family Care, Family Care Partnership and PACE services in 46 counties in Wisconsin. These organizations are either public, quasi-governmental districts or private non-profit organizations contracted with the Department of Health Services to operate a unique regional managed long-term care business to more efficiently and effectively serve the neediest frail elderly and adults with developmental or physical disabilities. Members receive member-centered care coordinated by an interdisciplinary team. In Family Care, this interdisciplinary team is comprised of the member/guardian, a care manager, who is often a social worker and a registered nurse. In Family Care Partnership the interdisciplinary team is comprised of the member/guardian, a social worker, registered nurse and a nurse practitioner. Whether a public or private non-profit organization, all of the MCOs remain committed to a stewardship of Medicaid and in the case of Family Care Partnership and PACE, Medicare funding.

All MCOs strive to provide services following the program's member-centered values of:

**Access                                      Choice                                      Quality                                      Cost Effectiveness**

The beauty and challenge of the program is making care management decisions with these values in mind. Challenges arise when values conflict and decisions to achieve cost-effectiveness are the priority over choice or when quality is the priority over choice. Using these values, care management teams work with members to make decisions that best support the outcomes members want to achieve in the most cost effective way.

The original pilots in the five Family Care counties (Milwaukee, Portage, La Crosse, Richland, Fond du Lac) and the original Partnership Program agencies have demonstrated overall program effectiveness. As expansion has continued, there have been new challenges based on bringing the programs to a state-wide status. Some of this has been a result of the rapid nature of the process. Some has been the significant impact of change to a 30 year old waiver system. We will outline three major concerns as a part of this presentation. It is important to note that one main goal of the program is being accomplished. The goal to end wait lists for services is being realized. Wait lists have been eliminated in several counties including the original pilot counties since the beginning of the Family Care Program. The same progress is being seen in other counties where expansion has occurred. The program does work in providing all eligible Wisconsin residents access to community-based services. We have also been able to accommodate relocating people from institutions, integrating them back into the community through Family Care and Family Care Partnership. Overall the programs are another fine example of Wisconsin leading the way.

Representing:

- ◇ Care Wisconsin First, Inc. ◇ Community Care of Central Wisconsin ◇
- ◇ Community Care, Inc. ◇ Community Health Partnership ◇
- ◇ Creative Care Options ◇ Milwaukee County Department on Aging ◇
- ◇ Northern Bridges ◇ Southwest Family Care Alliance ◇
- ◇ Western Wisconsin Cares ◇

It is important to remember that Family Care does have a self-directed option built into the program design.

The following challenges will be described and outlined as the programs advance:

Challenge: The implications for providers

Challenge: The time needed to bring care under management

Challenge: The financial stress on MCOs

#### CHALLENGE: THE IMPLICATIONS FOR PROVIDERS

Although providers were included as stakeholders in every planning process prior to Family Care expansion, the impact on providers has been significant in the roll-out of expansion. Part of the MCO role is to eliminate duplicative services which has resulted in some provider groups like Supportive, Home and Personal Care seeing a reduction in volume of work authorized. All MCOs are negotiating various rate strategies with residential providers to encourage efficiency and cost savings in the system. These changes have been significant developments for providers.

Many providers built their services and infrastructure on the manner in which waiver funding worked. Family Care funding is considerably different and it is taking time for providers to adjust to new funding systems. This is one area of focus for MCOs in the next year. We are committed to addressing concerns and assisting to resolve issues while maintaining our commitment to manage the care and related costs. MCOs are committed to working with providers on these issues based on our shared values of protecting the quality of care and life for our members.

There have also been billing issues as some MCOs expanded. Involved MCOs are working through those issues with internal improvements, better provider education and customer service activities. The resolution of these problems is a continuing focus for MCOs with claims payment issues such as service authorization and related billing accuracy.

Finally, MCOs continue to work with providers to look for both program and cost system efficiencies. Our Association and individual MCOs fully intend to continue to work with providers to find the efficiencies needed to make the system work financially.

#### CHALLENGE: THE TIME REQUIRED TO BRING CARE UNDER MANAGEMENT

MCOs work through their interdisciplinary teams to support member outcomes in the most cost effective ways. This has required intense training and support for care managers and registered nurses in order to do this properly and congruently with Family Care Program values and in contrast to the way the waiver programs worked. While we believe this can be done, we are still too early into the expansion process to fully determine how long it takes to make the transition from the waiver system to Family Care and to bring care under management. As MCOs continue expansion, greater experience and wisdom will be added to the knowledge from the original five counties providing Family Care. It will take some time for fully understand the time needed in various county expansion efforts.

The shared experience of MCOs and DHS is that the first two to three years of expansion are intense as we work toward having the cost of care plans match the reimbursement. The capitation rates set for each MCO anticipate the savings that were realized by the original five pilot counties over a period of eight years. This requires current MCOs to work expeditiously as members, guardians, providers and care managers can adjust to working within Family Care.

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### CHALLENGE: THE FINANCIAL STRESS ON MCOs

All expanding MCOs have experienced financial losses in their expansion of Family Care. While this is a function of business development and expansion to a point, the expansion capitation structure has caused stress for all MCOs involved in expansion. Most MCOs have depleted their Family Care reserves to pay for unanticipated costs associated with expansion and expect that it will take several years to replace them. MCOs are now more vulnerable to unexpected and higher service costs experienced in a given year. For new MCOs, under funding expansion creates greater financial risk and instability, an impediment to becoming a viable and stable at risk business. MCOs have partnered with DHS to address losses and significant financial issues. Nonetheless, MCOs submitted a Business Plan for 2010, 2011 and 2012 and identified unique financial issues for the MCOs that will need to be addressed. MCOs are committed to working with DHS to attain financial well-being but, the expansion process has been complicated based on the financial realities. A summary of the 2010 second quarter financial results are attached.

There have also been several important public policy issues that we are working together to resolve for members enrolled in Family Care programs. These include issues like payment of guardianships, standard room and board rates, paratransit fees, paying for in lieu of services (services that substitute for otherwise being in an institution), self-directed supports. The impact of these issues has been two-fold. First, the implications of some of the issues have significant financial implications for some or all MCOs. Secondly, taking the time to address the issues can become a distraction to the main work around managing the care and services provided. MCOs and DHS are looking at ways to better resolve these issues and address any financial impact.

Health Care Reform implications are being analyzed and understood. It looks like there is consistent support for integrated programs like Family Care Partnership and the development of an Office for Medicare/Medicaid Integration is likely to occur. Also, included is an extension of Special Need Programs like Family Care Partnership that serve dually eligible individuals through 2015. There is also language that will require the Secretary of HHS to explore the re-establishment of the frailty factor for programs like Partnership. This could result in a small amount of additional reimbursement.

One area that raises considerable concern is the issue of an excise tax for all insurance plans .PACE and Family Care Partnership will likely NOT be excluded. This could amount to 1.5% of our total (Medicare and Medicaid) premiums. The obvious implication is a funding gap that will make the programs financially unstable. This is of course on top of already experienced and planned cuts to our reimbursement. The proposal calls for this tax to be effective 1-1-10.

The second issue is with the physician payment fix. As has been the case in the past, Congress has reinstated the reimbursement cuts and it is expected, whether within or removed from any final health care reform bill, this will happen again before the end of the year. The funding problem is that our Medicare rates were calculated as if the 21% decrease was in effect. Should Congress reverse this as expected, our Medicare rates will be funded without the payment fix accounted for. These issues will require MCOs and DHS to work with our Congressional delegation to address the financial implications.

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### CONCLUSION

All MCOs are working together to evolve the Wisconsin Family Care Association. We remain committed individually and collectively to seeing Family Care and Family Care Partnership work successfully for Wisconsin residents and as a potential model for national application. We expect rough spots and bumps in the road as we work through the realities of this considerable systems change to reform our long term-care system in Wisconsin. This system change has been intense and complex for all stakeholders in the reform of long-term care. However, the best way to meet the challenges presented and get to the place we all want to be for the residents of Wisconsin is to continue to communicate and collaborate towards the common goal of high quality and cost-effective care for the most vulnerable citizens of the Badger State. Patience, endurance and faith are required for all of us to proceed. We appreciate the Legislature's continued support as we move forward and ask for continued support as Family Care expansion continues.

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Family Care Program Summary:

Managed Care Organization	Counties Served	September 1, 2009 Enrollment
Care Wisconsin First, Inc.	Columbia; Dodge; Green Lake; Jefferson; Marquette; Washington; Waukesha; Waushara	2915
Community Care of Central Wisconsin	Marathon; Portage Wood Langlade to begin 1-1-2011 Lincoln to begin 4-1-2011	2470
Community Care, Inc.	Kenosha; Ozaukee; Racine; Sheboygan; Washington; Waukesha Walworth began 10-1-09 Milwaukee begins 11-1-09 Calumet begins 1-1-10 Outagamie begins 4-1-10 Waupaca begins 7-1-10	3825
Community Health Partnership	Chippewa; Dunn; Eau Claire; Pierce; St. Croix	974
Lakeland Care District	Fond du Lac Manitowoc begins 4-1-10 Winnebago begins 7-1-10	1056
Milwaukee County Department on Aging	Milwaukee Expansion to disabled adults begins 11-1-09	6825
Northern Bridges	Ashland; Barron; Bayfield; Burnett; Douglas; Iron; Polk; Price; Rusk; Sawyer; Washburn	1623
Southwest Family Care Alliance	Crawford; Green; Juneau; Lafayette; Richland; Sauk Need to add 2010 counties and dates	1264
Western Wisconsin Cares	Buffalo; Clark; Jackson; La Crosse; Monroe; Pepin; Trempealeau; Vernon	3054
Total		24094

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Family Care Partnership Program Summary:

Managed Care Organization	Counties Served	September 1, 2009 Enrollment
Care Wisconsin First, Inc. Care Wisconsin Health Plan	Columbia; Dane; Dodge; Jefferson; Sauk	1132
Community Care, Inc Community Care Health Plan, Inc.	Kenosha; Milwaukee; Racine; Ozaukee; Washington; Waukesha Calumet and Outagamie to begin 4-1-10 Waupaca to begin 7-1-10	293
Community Health Partnership Community Health Plan	Chippewa; Dunn; Eau Claire; Pierce; St. Croix	1959
Independent Health Plan (iCare)	Will begin enrollments on 1-1-10	
Total		3384

PACE (Program of All Inclusive Care for the Elderly) Program Summary

Managed Care Organization	Counties Served	September 1, 2009 Enrollment
Community Care, Inc. Community Care Health Plan	Milwaukee Waukesha	881

Total Wisconsin Residents services in managed care programs as of September 1, 2009 = 28,359:

8,296 are adults with developmental disabilities

15,846 are frail elderly

4,132 are adults with physically disabilities

A Family Care District forming in the northeast region of the state, called the Northeast Wisconsin Family Care including Brown, Door, Kewaunee, Marinette, Menomonee, Oconto and Shawano counties and the Oneida Tribe hopes to begin Family Care by December 2011.

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	Managed LTC Programs													
	Surplus / (Deficits)													
	Historical Results													
	2004	2005	2006	2007	2008	Q1 2009	Q2 2009	2004	2005	2006	2007	2008	Q1 2009	Q2 2009
<b>Family Care</b>														
<b>Total Revenues, FC</b>														
SFCA/Richland	\$ 6,807,396	\$ 7,887,973	\$ 8,802,687	\$ 9,684,041	\$ 14,082,113	\$ 7,159,161	\$ 14,798,115							
CCOW/Portage	\$ 19,040,524	\$ 22,089,742	\$ 24,984,035	\$ 27,440,857	\$ 32,239,300	\$ 19,334,158	\$ 40,286,940							
CCO/Fond du Lac	\$ 20,654,814	\$ 24,379,601	\$ 25,435,208	\$ 27,047,647	\$ 27,979,165	\$ 7,277,902	\$ 14,573,423							
WWC/La Crosse	\$ 32,231,886	\$ 35,837,353	\$ 40,300,193	\$ 45,171,481	\$ 47,449,159	\$ 19,427,681	\$ 45,171,459							
MCDA	\$ 109,979,122	\$ 135,738,127	\$ 145,311,868	\$ 157,200,481	\$ 175,120,366	\$ 47,787,823	\$ 95,838,826							
<b>Total Revenues, Original FC Pilots</b>	\$ 188,713,742	\$ 225,912,796	\$ 244,833,992	\$ 266,544,507	\$ 296,870,103	\$ 300,986,725	\$ 210,668,763							
CCI				\$ 28,187,083	\$ 95,460,003	\$ 34,408,603	\$ 70,653,166							
CW					\$ 29,801,797	\$ 27,038,156	\$ 54,611,766							
CHP-LTS						\$ 8,818,658	\$ 21,196,689							
Northern Bridges (NB)							\$ 4,253,752							
<b>Total Revenues, All FC MCOs</b>	\$ 188,713,742	\$ 225,912,796	\$ 244,833,992	\$ 294,731,590	\$ 430,950,561	\$ 171,355,487	\$ 361,384,136							
<b>Net Income, FC</b>														
SFCA/Richland	\$ 158,001	\$ 483,209	\$ 42,055	\$ (54,273)	\$ 79,249	\$ 232,214	\$ 215,115							
CCOW/Portage	\$ (1,689,871)	\$ (908,966)	\$ 1,783,026	\$ 2,129,361	\$ (2,328,852)	\$ (388,647)	\$ 65,843							
CCO/Fond du Lac	\$ (746,538)	\$ 3,125,176	\$ 2,112,758	\$ 1,429,173	\$ 54,057	\$ 244,177	\$ (191,570)							
WWC/La Crosse	\$ (2,799,577)	\$ (765,239)	\$ 2,196,670	\$ 3,078,798	\$ (3,360,286)	\$ (1,987,867)	\$ (1,348,457)							
MCDA	\$ (3,223,031)	\$ 10,645,192	\$ 4,651,429	\$ 3,915,925	\$ (509,681)	\$ 929,213	\$ 1,706,497							
<b>Total Net Income, Original FC Pilots</b>	\$ (8,301,016)	\$ 12,579,371	\$ 10,785,948	\$ 10,498,984	\$ (6,065,514)	\$ (970,909)	\$ 447,428							
CCI				\$ (1,332,424)	\$ (4,170,701)	\$ (1,418,354)	\$ (1,781,965)							
CW					\$ (7,335,121)	\$ (213,366)	\$ (1,328,097)							
CHP					\$ (2,570,088)	\$ (1,482,759)	\$ (2,097,490)							
Northern Bridges							\$ (1,151,401)							
<b>Total Net Income, All FC MCOs</b>	\$ (8,301,016)	\$ 12,579,371	\$ 10,785,948	\$ 9,166,560	\$ (20,141,424)	\$ (4,085,408)	\$ (5,911,525)							
<b>Net Income, All FC MCOs (% terms)</b>	-4.4%	5.6%	4.4%	3.1%	-4.7%	-2.4%	-1.64%							
<b>FCP/PACE</b>														
<b>Total Revenues, FCP/PACE</b>														
Care WI	\$ 23,628,716	\$ 27,116,336	\$ 34,470,237	\$ 43,610,575	\$ 57,707,033	\$ 16,899,813	\$ 33,890,287							
CLA	\$ 19,460,839	\$ 21,459,363	\$ 23,763,898	\$ 27,159,359	\$ -	\$ -	\$ -							
CHP	\$ 29,603,325	\$ 39,200,782	\$ 55,162,473	\$ 71,473,998	\$ 100,719,300	\$ 28,621,798	\$ 59,583,165							
CCI-CCHP	\$ 45,895,360	\$ 52,164,851	\$ 60,636,601	\$ 69,557,623	\$ 74,610,355	\$ 17,942,769	\$ 37,148,658							
<b>Total Rev, FCP/PACE MCOs</b>	\$ 118,588,240	\$ 139,941,332	\$ 174,033,209	\$ 211,801,555	\$ 233,036,688	\$ 63,464,370	\$ 130,622,110							
<b>Net Income, FCP/PACE (1)</b>														
Care WI	\$ 93,107	\$ 297,629	\$ 3,304,211	\$ 5,402,540	\$ (408,262)	\$ (79,987)	\$ 532,726							
CLA	\$ 205,372	\$ 971,193	\$ 3,437,851	\$ (3,157,859)	\$ -	\$ -	\$ -							
CHP	\$ 1,585,349	\$ 3,178,537	\$ 4,269,117	\$ 2,255,621	\$ 2,922,296	\$ 242,872	\$ (1,105,538)							
CCI-CCHP	\$ 674,922	\$ (856,247)	\$ 4,363,510	\$ 5,847,301	\$ 5,645,285	\$ (835,061)	\$ (20,912)							
<b>Net Income, All FCP/PACE MCOs</b>	\$ 2,558,750	\$ 3,591,112	\$ 15,374,689	\$ 10,347,603	\$ 8,159,319	\$ (672,177)	\$ (593,724)							
<b>Net Income, All FCP/PACE MCOs (% terms)</b>	2.2%	2.6%	8.8%	4.9%	3.5%	-1.1%	-0.45%							
<b>Revenue, All MLTC Programs</b>	\$ 307,301,982	\$ 365,854,128	\$ 418,867,201	\$ 506,533,145	\$ 663,987,249	\$ 234,819,856	\$ 492,006,246							
<b>Net Income, All MLTC Programs</b>	\$ (5,742,266)	\$ 16,170,483	\$ 26,160,637	\$ 19,514,163	\$ (11,982,105)	\$ (4,757,585)	\$ (6,509,250)							
<b>Net Income, All MLTC Programs (% Terms)</b>	-1.9%	4.4%	6.2%	3.9%	-1.8%	-2.0%	-1.32%							

(1) Net income for the P/P programs for 2004-07 period are off the OCI Statutory Reports, 2008 forward are off the DHS GAAP statements

Family Care  
MCO Financial Statement Summaries  
YTD for Period Ending June 30, 2009

	SFCA	CCCW	CCO	WWC	MCDA	CCI	CWF	CHP	NB	Total
<b>Revenue</b>										
Capitation	14,781,169	40,214,520	14,537,750	42,056,977	95,692,285	65,989,814	50,004,692	19,096,689	4,165,546	346,539,432
Pvt Pay & other Operating Revenue										0
Interest Income- Operating Acct		41,125	31,805		1,763	6			2,751	77,450
Risk Sharing Accrual	16,946	31,295	3,867	2,572,343	144,778	4,282,102	4,607,084	2,100,000		9,660,672
Other Income	14,798,115	40,286,840	14,573,423	45,171,459	95,838,826	70,653,166	54,611,766	21,196,689	4,253,752	5,106,582
<b>Total Revenue</b>										361,384,136
<b>Expenses</b>										
Member Services	12,229,224	36,473,803	13,389,025	42,647,043	88,017,847	68,196,931	51,757,631	21,564,443	4,128,486	338,402,433
Cost Share	(328,589)	(577,155)	(445,460)	(971,583)	(5,472,035)	(892,473)	(523,398)	(145,012)	(27,688)	(9,483,393)
Room & Board	(977,570)	(3,409,348)	(1,213,613)	(3,098,933)	(6,470,512)	(6,165,695)	(5,165,028)	(1,847,757)	(328,819)	(28,677,275)
Spend Down/ Third Party/ Refunds	(50,402)	(191,351)	(80,326)	(140,505)	(257,723)	(291,683)	(193,296)		(5,829)	(1,221,116)
Net Member Services Costs	10,872,661	32,195,949	11,639,625	38,436,022	75,817,577	60,947,080	45,875,909	19,571,675	3,764,150	299,020,649
Care Management (External)	2,479,696		30,789		10,742,803	2,620,473	1,958,723			17,832,284
Care Management (Internal)		5,868,953	2,090,835	6,336,840	741,544	5,086,977	3,666,852	2,512,608	978,159	27,282,768
Care Management-Admin Allocation					1,366,103	232,924		68,333	203,592	1,890,952
Net Care Management Costs	2,479,696	5,868,953	2,121,624	6,336,840	12,870,249	7,940,374	5,625,575	2,580,941	1,181,751	47,006,004
Administrative Expenses	1,230,643	2,285,761	933,552	1,864,453	4,428,072	3,122,619	4,438,379	1,144,029	459,252	19,906,761
<b>Total Operating Expenses</b>	14,583,001	40,350,663	14,694,801	46,637,315	93,115,898	71,910,073	55,939,863	23,296,645	5,405,153	365,933,413
<b>Income (Loss) from Operations</b>	215,115	(63,723)	(121,379)	(1,465,856)	2,722,927	(1,256,907)	(1,328,097)	(2,099,957)	(1,151,401)	(4,549,277)
<b>Other (Revenue)/Expense</b>										
Prior Year Adjustment		(113,504)	(31,258)	(100,000)		(85,499)				(330,242)
Other Funding										0
Investment Income		(17,857)	(5,198)	(17,399)		(31,646)		(2,467)		(74,367)
Start-up Expenses										0
Other Non-Operating		1,595	106,627		1,016,431	642,204				1,766,857
Total Non-Operating (Revenue)/Expense	0	(129,566)	70,191	(117,399)	1,016,431	525,058	0	(2,467)	0	1,362,248
<b>Net Surplus (Deficit)</b>	215,115	65,843	(191,570)	(1,348,457)	1,706,497	(1,781,965)	(1,328,097)	(2,097,490)	(1,151,401)	(5,911,525)
<b>Member Months</b>	5,490	14,118	6,190	17,162	40,410	21,734	16,275	5,234	1,408	128,022
<b>Key Ratios</b>										
Member Service Cost	73.47%	79.92%	79.87%	85.09%	79.11%	86.12%	84.00%	92.33%	88.49%	82.74%
Care Management Service Cost	16.76%	14.57%	14.56%	14.03%	13.43%	11.24%	10.30%	12.18%	27.78%	13.01%
Total Member Service Cost (Loss Ratio)	90.23%	94.48%	94.43%	99.12%	92.54%	97.36%	94.30%	104.51%	116.27%	95.75%
Administrative Expense	8.32%	5.67%	6.41%	4.13%	4.62%	4.42%	8.13%	5.40%	10.80%	5.51%
Total Operating Expenses	98.55%	100.16%	100.83%	103.25%	97.16%	101.78%	102.43%	109.91%	127.07%	101.26%
Net Surplus (Deficit)	1.45%	-0.16%	-0.83%	-3.25%	2.84%	-1.78%	-2.43%	-9.91%	-27.07%	-1.26%

1. Initial calculation for Risk Sharing for NBs was \$950K in June, began accruing as income in July  
2. We believe only one MCO (CCI) was accruing an acuity adjustment as of the second quarter.

Family Care  
MCO Financial Statement Summaries  
YTD for Period Ending June 30, 2009  
PNP/M

	SFCA	CCCW	CCO	WWC	MCDA	CCI	CW	CHP	NB	Total
<b>Revenue</b>										
Capitation	2,692.46	2,848.46	2,348.41	2,450.59	2,368.03	3,036.25	3,072.50	3,648.30	2,958.48	2,706.88
Pvt Pay & other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income- Operating Acct	0.00	2.91	5.14	0.00	0.04	0.00	0.00	0.00	1.95	0.60
Risk Sharing Accrual	0.00	0.00	0.00	149.89	0.00	17.54	283.98	401.19	0.00	75.46
Other Income	3.09	2.22	0.62	31.59	3.58	197.02	0.00	0.00	60.69	39.89
<b>Total Revenue</b>	<b>2,695.54</b>	<b>2,853.59</b>	<b>2,354.17</b>	<b>2,632.06</b>	<b>2,371.66</b>	<b>3,250.81</b>	<b>3,355.58</b>	<b>4,049.49</b>	<b>3,021.13</b>	<b>2,822.84</b>
<b>Expenses</b>										
Member Services	2,227.61	2,583.50	2,162.85	2,484.97	2,178.12	3,137.80	3,180.21	4,119.75	2,930.74	2,643.32
Cost Share	(59.85)	(47.96)	(71.96)	(56.61)	(135.41)	(41.06)	(32.16)	(27.70)	(19.66)	(74.08)
Room & Board	(178.07)	(241.49)	(196.05)	(180.57)	(160.12)	(283.69)	(317.36)	(953.00)	(233.54)	(224.00)
Spend Down/ Third Party/ Refunds	(9.18)	(13.55)	(14.59)	(8.19)	(6.38)	(13.42)	(11.98)	0.00	(4.14)	(9.54)
<b>Net Member Services Costs</b>	<b>1,960.50</b>	<b>2,280.49</b>	<b>1,880.25</b>	<b>2,239.60</b>	<b>1,876.21</b>	<b>2,799.63</b>	<b>2,818.81</b>	<b>3,739.05</b>	<b>2,673.40</b>	<b>2,335.70</b>
Care Management (External)	451.69	0.00	4.97	0.00	265.84	120.57	120.35	0.00	0.00	139.29
Care Management (Internal)	0.00	415.71	337.75	369.24	18.35	234.06	225.31	480.02	694.72	213.11
Care Management - Admin Allocation	0.00	0.00	0.00	0.00	34.30	10.72	0.00	13.05	144.60	14.77
<b>Net Care Management Costs</b>	<b>451.69</b>	<b>415.71</b>	<b>342.72</b>	<b>369.24</b>	<b>318.49</b>	<b>365.34</b>	<b>345.66</b>	<b>493.07</b>	<b>839.31</b>	<b>367.17</b>
Administrative Expenses	224.17	161.90	150.81	108.64	109.58	143.67	272.71	218.56	326.17	155.50
<b>Total Operating Expenses</b>	<b>2,656.36</b>	<b>2,858.10</b>	<b>2,373.78</b>	<b>2,717.48</b>	<b>2,304.28</b>	<b>3,308.64</b>	<b>3,437.18</b>	<b>4,450.68</b>	<b>3,838.89</b>	<b>2,858.37</b>
<b>Income (Loss) from Operations</b>	<b>39.18</b>	<b>(4.51)</b>	<b>(19.61)</b>	<b>(85.41)</b>	<b>67.38</b>	<b>(57.83)</b>	<b>(81.60)</b>	<b>(401.18)</b>	<b>(817.76)</b>	<b>(35.54)</b>
<b>Other (Revenue)/Expense</b>										
Prior Year Adjustment	0.00	(8.04)	(5.05)	(5.83)	0.00	0.00	0.00	0.00	0.00	(2.58)
County Funding	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investment Income	0.00	(1.25)	(0.84)	(1.01)	0.00	(3.93)	0.00	0.00	0.00	(2.58)
Other Non-Operating	0.00	0.11	17.22	0.00	25.15	29.55	0.00	0.00	0.00	13.80
<b>Total Non-Operating (Revenue)/Expense</b>	<b>0.00</b>	<b>(9.18)</b>	<b>11.34</b>	<b>(6.84)</b>	<b>25.15</b>	<b>25.61</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8.64</b>
<b>Net Surplus/(Deficit)</b>	<b>39.18</b>	<b>4.66</b>	<b>(30.95)</b>	<b>(76.57)</b>	<b>42.23</b>	<b>(83.45)</b>	<b>(81.60)</b>	<b>(401.18)</b>	<b>(817.76)</b>	<b>(44.18)</b>
<b>Member Months</b>	<b>5,490</b>	<b>14,118</b>	<b>6,190</b>	<b>17,162</b>	<b>40,410</b>	<b>21,734</b>	<b>16,275</b>	<b>5,234</b>	<b>1,408</b>	<b>128,022</b>

Family Care  
MCO Financial Statement Summaries  
Solvency Protection

YTD for Period Ending June 30, 2009

	SFCA	CCCW	CCO	WWC	MCDA	CCI	CW	CHP	NB
<b>Solvency Protection</b>									
<b>Working Capital</b>									
Current Assets	4,913,018	15,175,462	10,459,525	11,170,195	30,672,676	25,379,146	16,197,576	6,603,522	3,053,639
Current Liabilities	3,888,353	15,572,994	3,497,515	12,640,768	21,086,799	24,883,013	24,915,500	7,880,774	4,053,701
Working Capital Requirement	1,024,665	(397,532)	6,962,010	(1,470,573)	9,575,878	486,132	(6,717,924)	(1,277,252)	(1,000,062)
Excess (Shortage)	732,373	1,641,148	593,798	1,769,790	3,891,661	2,841,942	2,091,261	899,280	677,749
	292,292	(2,038,680)	6,368,212	(3,240,363)	5,684,217	(2,345,810)	(10,809,184)	(2,176,532)	(1,677,811)
<b>Restricted Reserve</b>									
Current Restricted Reserve Required	361,659	1,870,574	1,212,128	1,546,204	2,000,000	2,230,641	1,718,967	250,285	0
Excess (Shortage)	1,282,373	1,870,574	1,143,798	1,934,895	2,000,000	2,000,000	2,000,000	1,449,280	1,227,749
	(920,714)	0	68,330	(388,691)	0	230,641	(281,033)	(1,198,995)	(1,227,749)
<b>Solvency Fund</b>									
Current Solvency Fund Required	0	1,524,798	305,320	252,676	250,000	2,018,542	0	0	0
Excess (Shortage)	1,166,187	1,620,574	250,000	1,684,895	250,000	1,772,034	1,845,630	1,249,640	1,138,874
	(1,166,187)	(95,776)	55,320	(1,432,219)	0	246,508	(1,845,630)	(1,249,640)	(1,138,874)
<b>Total Equity</b>	1,386,324	4,728,355	8,610,146	1,330,705	11,825,878	4,903,483	(2,113,046)	(3,467,578)	(769,911)

MCO Financial Statement Summaries  
 Family Care Partnership  
 YTD for Period Ending June 30, 2009

	CHP-PHP	Care Wl- CWHP	CCI-CCHP	Total
<b>Revenue</b>				
Capitation-MA	39,463,880	21,391,640	20,038,689	80,894,209
Capitation-MC	20,119,284	11,438,481	17,098,078	48,655,843
Interest Income-Operating Account	266,003		11,891	277,894
Other Income	794,163			794,163
<b>Total Service Revenue</b>	<b>59,583,165</b>	<b>33,890,287</b>	<b>37,148,658</b>	<b>130,622,110</b>

<b>Expenses</b>				
Member Services-LTC	33,881,791	15,557,609	23,897,057	73,336,457
Member Services-Other	16,914,067	10,321,774	8,343,650	35,579,492
Cost Share, Net	(1,081,328)	(584,853)	(435,359)	(2,101,540)
Room & Board, Net	(1,906,926)	(745,189)	(552,446)	(3,204,559)
Spend Down & Third Party	(211,451)	(6,575)	(15,597)	(233,623)
Net Member Services Costs	47,596,454	24,542,772	31,237,305	103,376,531

Care Management (External)		6,278		6,278
Care Management (Internal)	10,419,384	5,605,106	3,393,111	19,417,601
Care Management-Admin Alloc	113,847			113,847
<b>Net Care Management Costs</b>	<b>10,533,230</b>	<b>5,611,384</b>	<b>3,393,111</b>	<b>19,537,725</b>

Administrative Expenses	2,890,054	3,360,200	2,442,361	8,692,615
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<b>Total Operating Expenses</b>	<b>61,019,737</b>	<b>33,514,356</b>	<b>37,072,777</b>	<b>131,606,870</b>
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<b>Income (Loss) from Operations</b>	<b>(1,436,573)</b>	<b>375,931</b>	<b>75,861</b>	<b>(984,761)</b>
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<b>Other (Revenue)/Expense</b>				
Prior Year Adjustment			68,599	68,599
Other Funding				0
Investment Income	(331,034)	(156,795)	(89,202)	(577,031)
Other Non-Operating			117,396	117,396
Total Other (Revenue)/Expense	(331,034)	(156,795)	96,793	(391,036)
<b>Net Surplus/(Deficit)</b>	<b>(1,105,538)</b>	<b>532,726</b>	<b>(20,912)</b>	<b>(593,724)</b>

<b>Member Months</b>	<b>11,377</b>	<b>6,612</b>	<b>6,858</b>	<b>24,847</b>
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**Key Ratios (as % of Revenue)**

Member Service Expense, Net	79.88%	72.42%	84.09%	79.14%
Care Management Service Expense	17.68%	16.56%	9.13%	14.96%
Total Member Service Expense	97.56%	88.98%	93.22%	94.10%
Administrative Expense	4.85%	9.91%	6.57%	6.65%
Total Operating Expense	102.41%	98.89%	99.80%	100.75%
Net Surplus/(Deficit)	-1.86%	1.57%	-0.06%	-0.45%

MCO Financial Statement Summaries  
 Family Care Partnership  
 YTD for Period Ending June 30, 2009

	CHP-PHP	Care Wl- CWHP	CCI-CCHP	Total
<b>Summary PMPM Presentation</b>				
<u>Revenue</u>				
Capitation-MA	3,468.65	3,235.38	2,921.94	3,255.68
Capitation-MC	1,768.37	1,730.01	2,493.16	1,958.21
Interest Income-Operating Account		40.23	1.73	
Other Income	0.00	120.11	0.00	31.96
<b>Total Service Revenue</b>	<b>5,237.02</b>	<b>5,125.74</b>	<b>5,416.84</b>	<b>5,245.85</b>
<b>Expenses</b>				
Member Services-LTC	2,978.02	2,353.01	3,484.55	2,951.51
Member Services-Other	1,486.65	1,561.12	1,216.63	1,431.94
Cost Share	(95.04)	(88.46)	(63.48)	(84.58)
Room & Board	(167.58)	(112.71)	(80.55)	(128.96)
Spend Down & Third Party	(18.59)	(0.99)	(2.27)	(9.40)
Net Member Services Costs	4,183.46	3,711.97	4,554.87	4,160.51
Care Management (External)	0.00	0.95	0.00	0.25
Care Management (Internal)	915.80	847.74	494.77	781.48
Care Management-Admin Alloc (Internal)	10.01			4.58
Net Care Management Costs	925.81	848.69	494.77	786.32
Administrative Expenses	254.02	508.21	356.13	349.84
Total Operating Expenses	5,363.29	5,068.88	5,405.77	5,296.67
<b>Income (Loss) from Operations</b>	<b>(126.27)</b>	<b>56.86</b>	<b>11.06</b>	<b>(50.82)</b>
<b>Other (Revenue)/Expense</b>				
Prior Year Adjustment	0.00	0.00	10.00	2.76
Other Funding	0.00	0.00	0.00	0.00
Investment Income	(29.10)	(23.71)	(13.01)	(23.22)
Other Non-Operating	0.00	0.00	17.12	4.72
Total Other (Revenue)/Expense	(29.10)	(23.71)	14.11	(16.74)
<b>Net Surplus/(Deficit)</b>	<b>(97.17)</b>	<b>80.57</b>	<b>(3.05)</b>	<b>(35.08)</b>
<b>Member Months</b>	<b>11,377</b>	<b>6,612</b>	<b>6,858</b>	<b>24,847</b>
<b>Solvency Protection</b>				
<b>Working Capital</b>				
Current Assets	12,620,366	21,545,196	12,987,903	
Current Liabilities	15,266,662	10,165,944	9,551,049	
Working Capital	(2,646,296)	11,379,252	3,436,854	
<b>Total Equity</b>	<b>10,099,722</b>	<b>11,577,806</b>	<b>11,574,459</b>	