

REPORT L5 -- QUARTERLY BALANCE SHEET OF CORPORATE ACTIVITY

CORPORATE TOTAL

CONTRACTOR: FamilyCare, Inc.
 QTRS THROUGH: 12/31/2017

		CORPORATE TOTAL 12/31/2016	CORPORATE TOTAL 3/31/2017	CORPORATE TOTAL 6/30/2017	CORPORATE TOTAL 9/30/2017	CORPORATE TOTAL 12/31/2017
CURRENT ASSETS	1. Cash and Cash Equivalents	\$ 64,555,097	\$ 36,594,649	\$ 18,138,638	\$ 10,930,350	\$ -
	2. Short-term Investments	104,427,144	105,437,658	104,846,148	93,701,029	-
	3. Receivables from OHA	-	-	-	-	-
	4. Investment Income Receivables	709,728	1,442,935	830,470	1,493,519	-
	5. Health Care Receivables	18,549,892	18,171,183	4,964,115	6,023,504	-
	6. Amounts Due from Affiliates	376,520	269,689	280,606	244,596	-
	7. Reinsurance Recoverable on Paid Losses	567,341	-	285,111	956,461	-
	8. Other Current Assets	1,206,150	1,615,639	2,364,870	1,796,535	-
9. TOTAL CURRENT ASSETS		190,391,871	163,531,754	131,709,958	115,145,995	-
OTHER ASSETS	10. Long-Term Investments	56,601,342	56,737,399	60,127,582	66,760,452	-
	11. Amounts Due from Affiliates	-	-	-	-	-
	12. Restricted Reserves (Cash and Investments)	18,009,815	17,763,980	17,927,103	17,727,260	-
	13. Other Assets	228,384	441,634	441,634	441,684	-
14. TOTAL OTHER ASSETS		74,839,541	74,943,013	78,496,319	84,929,396	-
PP&E	15. Land, Building and Improvements	-	-	-	-	-
	16. Furniture and Equipment	5,523,728	5,544,093	5,523,728	5,951,267	-
	17. Leasehold Improvements	967,195	967,195	967,195	1,045,117	-
	18. Other Property and Equipment	4,587,767	5,313,722	6,553,326	7,543,096	-
	19. Less: (Accumulated Depreciation)	(4,170,219)	(4,432,952)	(4,684,393)	(4,957,602)	-
20. NET PROPERTY AND EQUIPMENT		6,908,471	7,392,058	8,359,856	9,581,877	-
21. TOTAL ASSETS		\$ 272,139,883	\$ 245,866,824	\$ 218,566,133	\$ 209,657,269	\$ -
CURRENT LIABILITIES	22. Accounts Payable	\$ 8,037,458	\$ 12,305,661	\$ 4,699,027	\$ 5,582,962	\$ -
	23. Claims Payable	2,617,642	2,980,792	2,767,705	2,954,466	-
	24. Estimated Incurred But Not Reported (IBNR)	36,748,778	35,698,531	41,770,502	48,593,668	-
	25. Accrued Medical Incentive Pool	11,510,689	13,084,576	7,665,542	9,227,445	-
	26. Unearned Premiums	-	-	-	-	-
	27. Loans and Notes Payable	-	-	-	-	-
	28. Amounts Due to Affiliates	-	-	-	-	-
	29. Other Current Liabilities	76,198,054	42,252,243	30,165,682	16,093,195	-
	30. TOTAL CURRENT LIABILITIES		135,112,621	106,321,804	87,068,457	82,451,736
OTHER LIABILITIES	31. Loans and Notes Payable	-	-	-	-	-
	32. Amounts Due to Affiliates	-	-	-	-	-
	33. Other Liabilities	985,962	956,143	925,712	894,662	-
34. TOTAL OTHER LIABILITIES		985,962	956,143	925,712	894,662	-
35. TOTAL LIABILITIES		136,098,584	107,277,946	87,994,169	83,346,398	-
NET ASSETS	36. Common Stock	-	-	-	-	-
	37. Preferred Stock	-	-	-	-	-
	38. Paid in Surplus	-	-	-	-	-
	39. Contributed Capital	-	-	-	-	-
	40. Surplus Notes	-	-	-	-	-
	41. Contingency Reserves	-	-	-	-	-
	42. Retained Earnings/Fund Balance	136,041,300	138,588,878	130,571,964	126,310,870	-
	43. Other Net Assets	-	-	-	-	-
44. TOTAL NET ASSETS		136,041,300	138,588,878	130,571,964	126,310,870	-
45. TOTAL LIABILITIES AND NET ASSETS		\$ 272,139,883	\$ 245,866,824	\$ 218,566,133	\$ 209,657,269	\$ -

Premium deficiency reserves (PDR) is recorded to recognize the anticipated losses on contracts. The premium deficiency shall be recognized if the sum of expected claims costs, claims adjustment expenses, and maintenance costs exceed related premium revenue. Please be advised Coordinated Care Organizations (CCO) currently report premium deficiency reserves in different sections of the Internal Financial Statements (Exhibit L), affecting the comparability of CCO financial reports. The Oregon Health Authority is aware of the inconsistency and is working with CCOs to ensure consistency in future financial reporting. FamilyCare reported a premium deficiency reserve of \$52,619,434 as of December 31, 2016, and \$39,464,575, \$26,309,717 and \$13,154,859 as of March 31, 2017, June 30, 2017 and September 30, 2017, respectively, on Report L5 Line 29 "Other Current Liabilities." FamilyCare also recorded releases of \$13,154,858 in premium deficiency reserve on Report L6 CORP and L6 OHP Line 27 "Other Administrative Expenses" and Report L6.1 Line 13 "Other Administrative Expenses" for Q1, Q2 and Q3 of 2017, respectively.

REPORT L6 -- QUARTERLY STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET ASSETS

CORPORATE TOTAL

CONTRACTOR: FamilyCare, Inc.
 CALENDAR YEAR: 1/1/2017 - 12/31/2017

		CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL
		Q1-2017	Q2-2017	Q3-2017	Q4-2017	YTD 2017
REVENUES	1. Gross Premiums (Capitation & Case Rate Revenue)	\$ 127,583,774	\$ 134,750,463	\$ 132,810,170	\$ -	\$ 395,144,406
	a. Hospital Reimbursement Adjustments	16,391,284	16,893,775	16,703,520	-	49,988,579
	b. Minimum MLR/Risk Corridor Rebate	58,475	47,607	(8,858)	-	97,224
	c. Health Insurance Provider Fee	-	-	-	-	-
	2. Net Premiums	111,134,015	117,809,080	116,115,508	-	345,058,603
	3. Quality Incentive Pool	-	6,490,911	-	-	6,490,911
4. Other Medicaid Revenue	-	-	-	-	-	
5. Other Health Care Related Revenues	8,000	-	60,928	-	68,928	
6. TOTAL OPERATING REVENUES		111,142,015	124,299,991	116,176,436	-	351,618,442
MEMBER SERVICE EXPENSES	7. Hospital Services	-	-	-	-	-
	a. Inpatient	17,423,215	26,165,011	18,918,912	-	62,507,138
	b. Outpatient	611,050	624,746	677,618	-	1,913,414
	c. Emergency Room	5,814,337	7,195,775	7,811,849	-	20,821,961
	8. Physician/Profession Services	33,619,078	38,900,118	37,395,238	-	109,914,434
	9. Substance Abuse Disorder	2,363,713	3,254,842	2,932,550	-	8,551,105
	10. Mental Health	-	-	-	-	-
	a. Inpatient	906,663	1,399,701	1,209,127	-	3,515,491
	b. Residential	-	-	-	-	-
	c. Other Non-Inpatient	11,783,295	13,881,285	13,640,489	-	39,305,069
	11. Dental	9,457,864	9,947,166	10,106,243	-	29,511,274
	12. Prescription Drugs	18,407,482	18,432,981	19,069,549	-	55,910,012
	13. Transportation	-	-	-	-	-
	a. Emergency Medical Transportation	1,113,550	1,244,901	1,196,863	-	3,555,313
	b. Non-emergency Medical Transportation (NEMT)	3,609,686	3,398,676	3,786,210	-	10,794,572
	14. DME & Supplies	50,441	925,301	1,266,177	-	2,241,919
15. Health Related Non-benefit (Flexible Services)	49,864	19,862	6,132	-	75,858	
16. Other Member Service Expenses	5,003,884	7,778,361	7,687,209	-	20,469,455	
17. MEMBER SERVICE EXPENSES SUBTOTAL		110,214,123	133,168,727	125,704,164	-	369,087,014
ADJUSTMENTS	18. Costs that Improve Health Care Quality	-	-	-	-	-
	19. Fraud Prevention Activities	-	-	-	-	-
	20. Reinsurance/Stop Loss Premiums	375,289	393,403	409,268	-	1,177,960
	21. (Reinsurance Recoveries)	(3,642)	(301,656)	(1,067,964)	-	(1,373,262)
	22. (Co-payments)	-	-	-	-	-
23. (TPR, COB, and Subrogation)	(156,470)	(232,682)	(456,127)	-	(845,280)	
24. NET ADJUSTMENTS		215,177	(140,935)	(1,114,823)	-	(1,040,581)
25. TOTAL ADJUSTED MEMBER SERVICE EXPENSES		110,429,300	133,027,792	124,589,341	-	368,046,433
ADMINISTRATIVE	26. Compensation	6,965,730	6,449,727	6,433,666	-	19,849,123
	27. Other Administrative Expenses	(8,378,952)	(8,503,712)	(8,756,921)	-	(25,639,585)
28. TOTAL ADMINISTRATIVE EXPENSES		(1,413,221)	(2,053,985)	(2,323,256)	-	(5,790,462)
29. TOTAL OPERATING EXPENSES		109,016,079	130,973,806	122,266,086	-	362,255,971
30. NET OPERATING INCOME (LOSS)		2,125,936	(6,673,815)	(6,089,650)	-	(10,637,529)
NON-OPERATING REVENUES AND EXPENSES	31. Net Investment Income	555,642	(1,068,099)	1,928,556	-	1,416,099
	32. Non-Healthcare-Related (Expenses)	(126,000)	(275,000)	(100,000)	-	(501,000)
	33. Other Non-Operating Revenues and (Expenses)	(8,000)	-	-	-	(8,000)
34. TOTAL NON-OPERATING REVENUES AND EXPENSES		421,642	(1,343,099)	1,828,556	-	907,099
35. NET INCOME (LOSS) BEFORE TAXES		2,547,578	(8,016,914)	(4,261,094)	-	(9,730,429)
36. Provision for Income Taxes		-	-	-	-	-
37. NET INCOME (LOSS)		\$ 2,547,578	\$ (8,016,914)	\$ (4,261,094)	\$ -	\$ (9,730,429)
NET ASSETS	38. Net Assets Beginning of Quarter	\$ 136,041,300	\$ 138,588,878	\$ 130,571,964	\$ 126,310,870	\$ 136,041,300
	39. Increase (Decrease) in Common Stock	-	-	-	-	-
	40. Increase (Decrease) in Preferred Stock	-	-	-	-	-
	41. Increase (Decrease) in Paid in Surplus	-	-	-	-	-
	42. Increase (Decrease) in Contributed Capital	-	-	-	-	-
	43. Increase (Decrease) in Surplus Notes	-	-	-	-	-
	44. Increase (Decrease) in Contingency Reserves	-	-	-	-	-
	45. Increase (Decrease) in Net Assets	-	-	-	-	-
	a. Net Income (Loss)	2,547,578	(8,016,914)	(4,261,094)	-	(9,730,429)
	b. Dividends/Distributions to Owners	-	-	-	-	-
c. Interest on Surplus Notes	-	-	-	-	-	
d. Other Changes in Net Assets	-	-	-	-	-	
46. Net Assets		\$ 138,588,878	\$ 130,571,964	\$ 126,310,870	\$ 126,310,870	\$ 126,310,870

REPORT L6 -- QUARTERLY STATEMENT OF REVENUES & EXPENSES

OHP LINE OF BUSINESS

CONTRACTOR: FamilyCare, Inc.
 CALENDAR YEAR: 1/1/2017 - 12/31/2017

		OHP LOB ACTIVITY *	OHP LOB ACTIVITY *	OHP LOB ACTIVITY *	OHP LOB ACTIVITY *	OHP LOB ACTIVITY *
		Q1-2017	Q2-2017	Q3-2017	Q4-2017	YTD 2017
REVENUES	1. Gross Premiums (Capitation & Case Rate Revenue)	\$ 127,583,774	\$ 134,750,463	\$ 132,810,170	\$ -	\$ 395,144,406
	a. Hospital Reimbursement Adjustments	16,391,284	16,893,775	16,703,520	-	49,988,579
	b. Minimum MLR/Risk Corridor Rebate	58,475	47,607	(8,858)	-	97,224
	c. Health Insurance Provider Fee	-	-	-	-	-
	2. Net Premiums	111,134,015	117,809,080	116,115,508	-	345,058,603
	3. Quality Incentive Pool	-	6,490,911	-	-	6,490,911
	4. Other Medicaid Revenue	-	-	-	-	-
	5. Other Health Care Related Revenues	-	-	-	-	-
6. TOTAL OPERATING REVENUES		111,134,015	124,299,991	116,115,508	-	351,549,514
MEMBER SERVICE EXPENSES	7. Hospital Services	-	-	-	-	-
	a. Inpatient	17,423,215	26,165,011	18,918,912	-	62,507,138
	b. Outpatient	611,050	624,746	677,618	-	1,913,414
	c. Emergency Room	5,814,337	7,195,775	7,811,849	-	20,821,961
	8. Physician/Profession Services	33,619,078	38,900,118	37,395,238	-	109,914,434
	9. Substance Abuse Disorder	2,363,713	3,254,842	2,932,550	-	8,551,105
	10. Mental Health	-	-	-	-	-
	a. Inpatient	906,663	1,399,701	1,209,127	-	3,515,491
	b. Residential	-	-	-	-	-
	c. Other Non-Inpatient	11,783,295	13,881,285	13,640,489	-	39,305,069
	11. Dental	9,457,864	9,947,166	10,106,243	-	29,511,274
	12. Prescription Drugs	18,407,482	18,432,981	19,069,549	-	55,910,012
	13. Transportation	-	-	-	-	-
	a. Emergency Medical Transportation	1,113,550	1,244,901	1,196,863	-	3,555,313
	b. Non-emergency Medical Transportation (NEMT)	3,609,686	3,398,676	3,786,210	-	10,794,572
	14. DME & Supplies	50,441	925,301	1,266,177	-	2,241,919
15. Health Related Non-benefit (Flexible Services)	49,864	19,862	6,132	-	75,858	
16. Other Member Service Expenses	5,003,884	7,778,361	7,687,209	-	20,469,455	
17. MEMBER SERVICE EXPENSES SUBTOTAL		110,214,123	133,168,727	125,704,164	-	369,087,014
ADJUSTMENTS	18. Costs that Improve Health Care Quality	-	-	-	-	-
	19. Fraud Prevention Activities	-	-	-	-	-
	20. Reinsurance/Stop Loss Premiums	375,289	393,403	409,268	-	1,177,960
	21. (Reinsurance Recoveries)	(3,642)	(301,656)	(1,067,965)	-	(1,373,263)
	22. (Co-payments)	-	-	-	-	-
	23. (TPR, COB, and Subrogation)	(156,470)	(232,682)	(456,127)	-	(845,280)
24. NET ADJUSTMENTS		215,177	(140,935)	(1,114,824)	-	(1,040,582)
25. TOTAL ADJUSTED MEMBER SERVICE EXPENSES		110,429,300	133,027,792	124,589,340	-	368,046,432
ADMINISTRATIVE	26. Compensation	6,965,730	6,449,726.78	6,433,666	-	19,849,123
	27. Other Administrative Expenses	(8,414,793)	(8,513,962.30)	(8,860,519)	-	(25,789,274)
28. TOTAL ADMINISTRATIVE EXPENSES		(1,449,062)	(2,064,236)	(2,426,853)	-	(5,940,151)
29. TOTAL OPERATING EXPENSES		108,980,238	130,963,556	122,162,487	-	362,106,281
30. NET OPERATING INCOME (LOSS)		2,153,777	(6,663,565)	(6,046,979)	-	(10,556,767)
NON-OPERATING REVENUES AND EXPENSES	31. Net Investment Income	-	-	-	-	-
	32. Non-Healthcare-Related (Expenses)	-	-	-	-	-
	33. Other Non-Operating Revenues and (Expenses)	-	-	-	-	-
34. TOTAL NON-OPERATING REVENUES AND EXPENSES		-	-	-	-	-
35. NET INCOME (LOSS) BEFORE TAXES		2,153,777	(6,663,565)	(6,046,979)	-	(10,556,767)
36. Provision for Income Taxes		-	-	-	-	-
37. NET INCOME (LOSS)		\$ 2,153,777	\$ (6,663,565)	\$ (6,046,979)	\$ -	\$ (10,556,767)

* This sheet should only include activity relating to the OHP portion of the business.

REPORT L7 -- CASH FLOW ANALYSIS CORPORATE ACTIVITY/INDIRECT METHOD

CORPORATE TOTAL

CONTRACTOR: **FamilyCare, Inc.**
 CALENDAR YEAR: **1/1/2017 - 12/31/2017**

	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL
	Q1-2017	Q2-2017	Q3-2017	Q4-2017	YTD 2017
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES					
ADJUST TO					
RECON NET INC					
1. Net Income	\$ 2,547,578	\$ (8,016,914)	\$ (4,261,094)	\$ -	\$ (9,730,429)
2. Depreciation and Amortization	262,733	251,441	273,209	-	787,383
3. Premium Receivable	-	-	-	-	-
(INCREASE)					
DECREASE IN					
OPERATING					
ASSETS					
4. Due from Affiliates	106,831	(10,917)	36,009	-	131,923
5. Health Care Receivable	407,237	149,484	(134,413)	-	422,307
6. Other (Increase) Decrease in Operating Assets	(817,134)	12,635,709	(1,691,091)	-	10,127,484
(DECREASE) IN					
OPERATING					
LIABILITIES					
7. Accounts Payable	4,140,630	(7,347,533)	893,489	-	(2,313,414)
8. Claims Payable	(34,454,419)	(7,248,369)	(6,153,789)	-	(47,856,576)
9. Accrued Medical Incentive Pool	1,573,887	(5,419,035)	1,561,904	-	(2,283,244)
10. Unearned Premiums	-	-	-	-	-
11. Due to Affiliates	-	-	-	-	-
12. Other Increase (Decrease) in Operating Liabilities	(80,736)	731,160	(949,375)	-	(298,951)
13. NET CASH PROVIDED (USED) FROM OPERATING ACTIVITIES	(26,313,393)	(14,274,975)	(10,425,150)	-	(51,013,518)
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES					
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES					
14. Receipts from Investments	602,072	(2,602,007)	(5,971,228)	-	(7,971,163)
15. Receipts for Sales of Property and Equipment	-	-	-	-	-
16. Payments for Investments	(1,502,808)	(359,789)	10,683,321	-	8,820,724
17. Payments for Property and Equipment	(746,319)	(1,219,240)	(1,495,230)	-	(3,460,789)
18. Other Increase (Decrease) in Cash Flow from Investing Activities	-	-	-	-	-
19. NET CASH PROVIDED BY INVESTING ACTIVITIES	(1,647,055)	(4,181,036)	3,216,862	-	(2,611,229)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES					
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES					
20. Proceeds from Paid in Capital or Issuance of Stock	-	-	-	-	-
21. Loan Proceeds from Non-Affiliates	-	-	-	-	-
22. Loan Proceeds from Affiliates	-	-	-	-	-
23. Principal Payments on Loans from Non-Affiliates	-	-	-	-	-
24. Principal Payments on Loans from Affiliates	-	-	-	-	-
25. Dividends/Distributions Paid to Owners	-	-	-	-	-
26. Principal Payments under Lease Obligations	-	-	-	-	-
27. Other Cash Flow Provided by Financing Activities	-	-	-	-	-
28. NET CASH PROVIDED BY FINANCING ACTIVITIES	-	-	-	-	-
29. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIV	(27,960,448)	(18,456,011)	(7,208,288)	-	(53,624,747)
30. CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	64,555,097	36,594,649	18,138,638	10,930,350	64,555,097
31. CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 36,594,649	\$ 18,138,638	\$ 10,930,350	\$ 10,930,350	\$ 10,930,350

REPORT L4 -- KEY FINANCIAL INDICATORS

CONTRACTOR: **FamilyCare, Inc.**
 CALENDAR YEAR: **1/1/2017 - 12/31/2017**

QTR Ending 3/31/2017	QTR Ending 6/30/2017	QTR Ending 9/30/2017	QTR Ending 12/31/2017	YTD 2017
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Note: This report self-populates based on values entered on other reports.

KEY FINANCIAL RATIOS	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL	CORPORATE TOTAL
	Current Ratio	1.54	1.51	1.40	-
Days Cash on Hand	117.26	85.45	78.73	-	
Debt to Net Assets Ratio	-	-	-	-	
Return on Net Assets	7.4%	-24.6%	-13.5%	0.0%	-7.7%
	OHP LOB ACTIVITY	OHP LOB ACTIVITY	OHP LOB ACTIVITY	OHP LOB ACTIVITY	OHP LOB ACTIVITY
Adjusted Member Service Ratio	99.4%	107.0%	107.3%	0.0%	104.7%
Administrative Cost Ratio	-1.3%	-1.7%	-2.1%	0.0%	-1.7%
Operating Margin Percent	1.9%	-5.4%	-5.2%	0.0%	-3.0%
Total Margin Percent (Before Income Tax)	1.9%	-5.4%	-5.2%	0.0%	-3.0%
Total Margin Percent (After Income Tax)	1.9%	-5.4%	-5.2%	0.0%	-3.0%

MEMBER SERVICE EXPENSE ANALYSIS PER MEMBER PER MONTH (OHP LINE OF BUSINESS)	OHP LOB ACTIVITY	OHP LOB ACTIVITY	OHP LOB ACTIVITY	OHP LOB ACTIVITY	OHP LOB ACTIVITY
	Member Months (OHP LOB)	322,789	339,624	336,680	Input
Member Service Expenses (PMPM)					
7. Hospital Services	-	-	-	-	-
a. Inpatient	53.98	77.04	56.19	-	62.56
b. Outpatient	1.89	1.84	2.01	-	1.92
c. Emergency Room	18.01	21.19	23.20	-	20.84
8. Physician/Profession Services	104.15	114.54	111.07	-	110.01
9. Substance Abuse Disorder	7.32	9.58	8.71	-	8.56
10. Mental Health	-	-	-	-	-
a. Inpatient	2.81	4.12	3.59	-	3.52
b. Residential	-	-	-	-	-
c. Other Non-Inpatient	36.50	40.87	40.51	-	39.34
11. Dental	29.30	29.29	30.02	-	29.54
12. Prescription Drugs	57.03	54.27	56.64	-	55.96
13. Transportation	-	-	-	-	-
a. Emergency Medical Transportation	3.45	3.67	3.55	-	3.56
b. Non-emergency Medical Transportation (NEMT)	11.18	10.01	11.25	-	10.80
14. DME & Supplies	0.16	2.72	3.76	-	2.24
15. Health Related Non-benefit (Flexible Services)	0.15	0.06	0.02	-	0.08
16. Other Member Service Expenses	15.50	22.90	22.83	-	20.49
Total Member Service Expenses	341.44	392.11	373.36	-	369.42