

SCAN Group (Consolidated)**As of September 30, 2022****Unaudited***(in thousands)*

	<u>2022</u>
ASSETS	
CURRENT ASSETS:	
Cash & cash equivalents	\$ 640,844
Investments	788,623
Premiums & other receivables - net	217,410
Prepaid expenses & other current assets	<u>10,559</u>
Total current assets	1,657,436
PPE - net	11,671
RESTRICTED CASH	957
INVESTMENTS	43,241
NOTES RECEIVABLE FROM AFFILIATE	4,000
DEPOSITS AND OTHER ASSETS	854
TOTAL ASSETS	<u>\$ 1,718,159</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES:	
Accounts payable and accrued expenses	\$ 49,572
Accrued payroll and related benefits	31,746
Medical claims payable	194,286
Premium Deficiency Reserve	-
Unearned premiums	371,457
Current portion of Grant Payable	<u>3,687</u>
Total current liabilities	650,748
DEFERRED COMPENSATION	9,950
GRANT PAYABLE - Net of current portion	-
OTHER LIABILITIES	<u>8,740</u>
Total liabilities	669,438
UNRESTRICTED NET ASSETS	1,048,721
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	<u>\$ 1,718,159</u>

SCAN Group (Consolidated)
For the period ended September 30, 2022

Unaudited

(in thousands)

	<u>2022</u>
REVENUES:	
Medicare premiums	\$ 3,190,767
Medicaid premiums	49,489
Grants and donations	4,135
Investment income (loss)	7,387
Net Assets Released From Restrictions	<u>(724)</u>
 Total net revenues	 <u>3,251,054</u>
 OPERATING EXPENSES:	
Health care services expense	3,133,070
Community program expense	11,338
General and administrative expense	<u>164,889</u>
 Total operating expenses	 <u>3,309,297</u>
 CHANGE IN NET ASSETS FROM CONTINUING OPERATIONS	 (58,243)
 UNREALIZED GAIN (LOSS) ON INVESTMENT - Net	 <u>(33,868)</u>
 INCREASE IN UNRESTRICTED NET ASSETS	 (92,111)
 UNRESTRICTED NET ASSETS - Beginning of year	 <u>570,020</u>
 UNRESTRICTED NET ASSETS - End of year	 <u>\$ 477,909</u>

SCAN Group - Statement of Cash Flows (Consolidated)

For the period ended September 30, 2022

Unaudited

(in thousands)

	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in net assets	\$ (122,403)
Adjustments to reconcile (decrease) increase in net assets to net cash provided by operating activities:	-
Depreciation and amortization	3,581
Net realized and unrealized loss (gain) on investments	(26,480)
Loss on Disposal of Equipment	-
Changes in operating assets and liabilities:	-
Premiums and other receivables — net	6,192
Prepaid expenses and other current assets	(4,418)
Deposits and other assets	(37)
Accounts payable and accrued expenses	(11,153)
Accrued payroll and related benefits	1,926
Medical claims payable	40,304
Premium Deficiency Reserve	(52,130)
Unearned premiums	365,745
Deferred compensation	(2,838)
Grants Payable	1,205
Other liabilities	(1,449)
	<u>198,045</u>
Net cash provided by operating activities	<u>198,045</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of property and equipment	(1,301)
Purchase of short-term investments	168,256
Proceeds from sales, maturities, and redemptions of short-term investments	-
Purchase of long-term investments	(18,904)
Proceeds from the sale of long-term investments	-
Net change in restricted cash	<u>(114)</u>
Net cash provided by investing activities	<u>147,936</u>
Increase/Decrease in Cash and Cash Equivalents	345,981
CASH AND CASH EQUIVALENTS — Beginning of year	<u>294,863</u>
CASH AND CASH EQUIVALENTS — End of year	<u>\$ 640,844</u>