

**WSHIP
PMPM Calculations**

INCURRED BASIS													Estimated 11 Years Combined	Source
Financial Information	Year ended 12/31/2011	Year ended 12/31/2010	Year ended 12/31/2009	Year ended 12/31/2008	Year ended 12/31/2007	Year ended 12/31/2006	Year ended 12/31/2005	Year ended 12/31/2004	Year ended 12/31/2003	Year ended 12/31/2002	Year ended 12/31/2001			
Revenue														
Earned premium	\$31,036,298	\$29,398,559	\$24,408,153	\$19,604,248	\$18,617,550	\$18,250,241	\$17,483,874	\$14,249,945	\$12,829,025	\$9,015,110	\$6,175,306	\$201,068,309	Audited financials	
Excess loss ratio receipts	\$503,720	\$479,733	\$301,419	\$52,808	\$47,253	\$717,409	\$352,761	\$246,904	\$496,644			\$3,198,651	Audited financials	
Federal grant awards	\$1,643,773	\$1,630,823	\$2,294,096	\$1,617,258	\$0	\$2,432,464	\$0	\$0	\$0	\$0	\$0	\$9,618,414	Audited financials	
Investment income/other	\$2,130	\$13,188	\$136,003	\$229,254	\$456,626	\$404,148	\$348,200	\$35,862	\$62,510	\$71,568	\$179,759	\$1,939,248	Audited financials	
Total revenue	\$33,185,921	\$31,522,303	\$27,139,671	\$21,503,568	\$19,121,429	\$21,804,262	\$18,184,835	\$14,532,711	\$13,388,179	\$9,086,678	\$6,355,065	\$215,824,622		
Expenses														
Medical claims incurred	\$47,282,232	\$42,982,411	\$36,357,217	\$36,046,516	\$32,094,414	\$26,919,174	\$25,040,685	\$26,903,393	\$19,435,068	\$14,903,221	\$23,540,322 *	\$331,504,653	BMI data	
Medical IBNR 7/31/12	\$492,420	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$492,420	Leif Associates est	
Pharmacy claims incurred	\$43,934,175	\$37,264,796	\$29,381,549	\$24,009,733	\$24,255,508	\$22,808,932	\$26,667,749	\$23,833,633	\$18,550,288	\$14,045,495		\$264,751,857	BMI data	
Pharmacy IBNR 7/31/12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	Leif Associates est	
Administrative costs	\$2,766,577	\$2,938,775	\$3,468,600	\$3,567,380	\$3,566,386	\$2,388,435	\$2,524,684	\$3,160,445	\$2,473,630	\$1,442,325	\$1,108,205	\$29,405,442	Audited financials	
Total expenses	\$94,475,404	\$83,185,982	\$69,207,366	\$63,623,629	\$59,916,308	\$52,116,541	\$54,233,118	\$53,897,470	\$40,458,986	\$30,391,041	\$24,648,527	\$626,154,372		
Net Loss (1)	(\$61,289,483)	(\$51,663,679)	(\$42,067,695)	(\$42,120,061)	(\$40,794,879)	(\$30,312,279)	(\$36,048,283)	(\$39,364,759)	(\$27,070,807)	(\$21,304,363)	(\$18,293,462)	(\$410,329,750)	Revenue - expenses	
Assessments (2)	\$64,053,527	\$53,087,591	\$44,558,900	\$40,700,000	\$37,868,709	\$31,737,155	\$37,677,862	\$27,667,167	\$18,236,306	\$31,238,215	\$15,537,546	\$402,362,978	Audited financials	
Assessed members														
Health plan (3)	35,879,379	32,584,817	34,680,628	36,139,995	35,424,035	34,655,996	34,851,995	33,392,576	34,047,875	35,762,176	36,672,348	384,091,820	BMI, ACS	
Stop loss (4)	7,561,825	7,216,423	7,412,108	8,546,224	7,925,811	6,899,704	7,015,958	8,078,471	6,680,780	7,258,620		74,595,924	BMI	
Total (5)	43,441,204	39,801,240	42,092,736	44,686,219	43,349,846	41,555,700	41,867,953	41,471,047	40,728,655	43,020,796	36,672,348	458,687,744		

* Claims incurred for medical and pharmacy combined

PMPM Calculations - Stop Loss @ 1/10													Formula
Net Loss PMPM	(\$1.67)	(\$1.55)	(\$1.19)	(\$1.14)	(\$1.13)	(\$0.86)	(\$1.01)	(\$1.15)	(\$0.78)	(\$0.58)	(\$0.50)	(\$1.05)	(1) / ((3)+.10 x (4))
Assessment PMPM	\$1.75	\$1.59	\$1.26	\$1.10	\$1.05	\$0.90	\$1.06	\$0.81	\$0.53	\$0.86	\$0.42	\$1.03	(2) / ((3)+.10 x (4))

PAID BASIS													Estimated 11 Years Combined	Source
Financial Information	Year ended 12/31/2011	Year ended 12/31/2010	Year ended 12/31/2009	Year ended 12/31/2008	Year ended 12/31/2007	Year ended 12/31/2006	Year ended 12/31/2005	Year ended 12/31/2004	Year ended 12/31/2003	Year ended 12/31/2002	Year ended 12/31/2001			
Revenue														
Premium	\$34,631,440	\$29,786,390	\$24,119,568	\$20,028,510	\$18,466,676	\$17,636,623	\$18,481,482	\$14,217,748	\$12,585,718	\$9,343,475	\$6,332,770	\$205,630,400	Audited financials	
Excess loss ratio receipts	\$503,720	\$479,733	\$301,419	\$52,808	\$47,253	\$717,409	\$352,761	\$246,904	\$496,644			\$3,198,651	Audited financials	
Federal grant awards	\$1,936,976	\$1,580,315	\$2,180,598	\$1,213,297	\$2,432,464	\$0	\$0	\$0	\$0	\$0	\$0	\$9,343,650	Audited financials	
Investment income/other	\$2,130	\$13,188	\$136,006	\$229,254	\$456,626	\$404,148	\$348,200	\$35,511	\$62,510	\$71,568	\$244,513	\$2,003,654	Audited financials	
Total revenue	\$37,074,266	\$31,859,626	\$26,737,591	\$21,523,869	\$21,403,019	\$18,758,180	\$19,182,443	\$14,500,163	\$13,144,872	\$9,415,043	\$6,577,283	\$220,176,355		
Expenses														
Medical/Rx claims paid	\$92,003,313	\$76,827,709	\$65,982,326	\$56,893,934	\$53,431,816	\$47,813,891	\$51,137,955	\$48,054,440	\$33,567,476	\$29,125,982	\$19,912,261	\$574,751,103	Audited financials	
Administrative costs	\$2,813,552	\$2,950,549	\$3,561,519	\$3,750,186	\$3,193,723	\$2,356,765	\$2,017,590	\$2,100,942	\$2,232,307	\$1,541,693	\$1,114,732	\$27,633,558	Audited financials	
Total expenses	\$94,816,865	\$79,778,258	\$69,543,845	\$60,644,120	\$56,625,539	\$50,170,656	\$53,155,545	\$50,155,382	\$35,799,783	\$30,667,675	\$21,026,993	\$602,384,661		
Net Loss (1)	(\$57,742,599)	(\$47,918,632)	(\$42,806,254)	(\$39,120,251)	(\$35,222,520)	(\$31,412,476)	(\$33,973,102)	(\$35,655,219)	(\$22,654,911)	(\$21,252,632)	(\$14,449,710)	(\$382,208,306)	Revenue - expenses	
Assessments (2)	\$61,163,450	\$51,438,028	\$45,737,695	\$41,409,297	\$37,898,623	\$28,751,178	\$37,938,516	\$36,711,758	\$16,547,419	\$27,429,766	\$11,256,515	\$396,282,245	Audited financials (less exc lr rcpts)	
Assessed members														
Health plan (3)	35,879,379	32,584,817	34,680,628	36,139,995	35,424,035	34,655,996	34,851,995	33,392,576	34,047,875	35,762,176	36,672,348	384,091,820	BMI, ACS	
Stop loss (4)	7,561,825	7,216,423	7,412,108	8,546,224	7,925,811	6,899,704	7,015,958	8,078,471	6,680,780	7,258,620		74,595,924	BMI	
Total (5)	43,441,204	39,801,240	42,092,736	44,686,219	43,349,846	41,555,700	41,867,953	41,471,047	40,728,655	43,020,796	36,672,348	458,687,744		

PMPM Calculations - Stop Loss @ 1/10													Formula
Net Loss PMPM	(\$1.58)	(\$1.44)	(\$1.21)	(\$1.06)	(\$0.97)	(\$0.89)	(\$0.96)	(\$1.04)	(\$0.65)	(\$0.58)	(\$0.39)	(\$0.98)	(1) / ((3)+.10 x (4))
Assessment PMPM	\$1.67	\$1.54	\$1.29	\$1.12	\$1.05	\$0.81	\$1.07	\$1.07	\$0.48	\$0.75	\$0.31	\$1.01	(2) / ((3)+.10 x (4))