



Second Quarter 2014 Activities Summary

2Q 2014 Financial Highlights (Unaudited)

Subrogation Recoveries:	\$ 77,777
Open Subrogation Cases, TPA ¹ , as of June 30, 2014:	\$ 3,071,783
Open Subrogation Cases, EDO ² , as of June 30, 2014:	\$ 331,820
Federal Grant Funds Received:	\$ 209,116
Federal Grant Funds Receivable as of June 30, 2014:	\$ 2,107,705
Medical Claims Paid:	\$ 7,110,711
Pharmacy Claims Paid (credits exceeded claims):	\$(2,007,690)
Pool Cash on Hand as of June 30, 2014:	\$ 10,302,236
Prompt Pay Penalties Collected:	\$ 12,035,421
Prompt Pay Penalty Funds Held for TDI as of June 30, 2014:	\$ 58,780,578

2Q 2014 Operational Highlights

Number of Medical Claims Processed by TPA:	20,164
Number of Pharmacy Claims Processed by PBM ³ :	194
Number of Phone Calls Handled by Pool's TPA and PBM:	6,533
Number of Appeals Received by EDO:	13
Number of Appeals Processed by EDO:	13
Number of Open Appeals as of June 30, 2014 (all claims-related):	6

¹ Third Party Administrator

² Executive Director's Office

³ Pharmacy Benefit Manager

TEXAS HEALTH INSURANCE POOL
Second Quarter 2014 Activities Summary

2Q 2014 Administrative Highlights

The Pool's 1Q 2014 quarterly financial statement was timely filed with TDI on May 15, 2014

The Pool Board of Directors held its 84th meeting on May 29, 2014.

The Pool's Y2013 financial statement audit report was accepted by the Board on May 29, 2014. PMB Helin Donovan, Certified Public Accountants, issued a clean audit report.

EDO staffing was reduced to one full-time employee (the Executive Director) and one part-time Accountant.

The Pool's Austin office was successfully closed May 30, 2014, when that office lease expired. All excess furniture, equipment and supplies were transferred by TDI staff to the state's surplus property store.

Following an extensive review of records, the number of Pool file boxes, stored at its off-site records facility, was reduced from 413 to 181.

The Pool's claimed exemption from the Affordable Care Act health insurance provider fee, previously estimated at \$1.25 million, was accepted by the IRS.

The Y2013 Annual Report to the Governor was timely delivered on June 2, 2014 and was posted to the Pool's website.

The Pool Board approved a Y2014 assessment refund in an amount that would leave an estimated \$5 million cash balance on hand at December 31, 2014. This refund amount will be determined after Milliman, the Pool's actuary, completes its next cash flow projection update.

All 2Q 2014 risk pool grants reports were timely filed with CMS.

Notice of eligibility for a new \$2,107,705 federal grant was received from CMS May 8, 2014. The grant application package was received June 4, 2014 and the application was timely filed by the EDO before the July 14, 2014 deadline. The anticipated grant funding date is mid-September 2014.

The EDO responded to four subpoenas for records related to litigation between former Pool policyholders and third parties.