

CENPATICO
STATEMENT OF FINANCIAL POSITION
AS OF: June 30, 2009

ASSETS

CURRENT ASSETS

101 Cash (Disclose on Schedule A)	\$32,722,309
102 Current Investments	\$0
103 Accounts Receivable (net) (Disclose on Schedule A)	\$2,784,084
104 Notes Receivable (current portion)	\$0
105 Prepaid Expenses	\$71,837
106 Other Current Assets (Disclose on Schedule A)	\$1,107,924
107 Total Current Assets	\$36,686,154

NON-CURRENT ASSETS

108 Land	\$0
109 Building	\$0
110 Leasehold Improvements	\$418,297
111 Furniture and Equipment	\$778,858
112 Vehicles	\$0
113 Total Property and Equipment	\$1,197,155
114 Less: Accumulated Depreciation	\$705,099
115 Net Property and Equipment	\$492,056
116 Notes Receivable (net of current portion)	\$0
117 Performance Bond (Disclose on Schedule A)	\$0
118 Long Term Investments	\$1,500,000
119 Deposits	\$58,387
120 Other Noncurrent Assets (Disclose on Schedule A)	\$10,648
121 Total Noncurrent Assets	\$2,061,091

122 TOTAL ASSETS \$38,747,245

LIABILITIES AND NET ASSETS/EQUITY

CURRENT LIABILITIES

201 Incurred But Not Reported Claims (Disclose on Sch. A)	\$5,391,648
202 Reported But Unpaid Claims	\$315,308
203 Payable to ADHS (Disclose on Schedule A)	\$4,282,010
204 Other Amounts Payable to Providers	\$3,571,074
205 Trade Accounts Payable	\$0
206 Accrued Salaries and Benefits	\$56,656
207 Long-term Debt (current portion)	\$0
208 Deferred Revenue (Disclose on Schedule A)	\$0
209 Risk Pool Payable	\$0
210 Other Current Liabilities (Disclose on Schedule A)	\$1,399,612
211 Total Current Liabilities	\$15,016,308

NON-CURRENT LIABILITIES

212 Long-term debt (net of current portion)	\$0
213 Loss Contingencies (Disclosed on Schedule A)	\$0
214 Other Noncurrent Liabilities (Disclose on Schedule A)	\$7,068,937
215 Total Noncurrent Liabilities	\$7,068,937

216 TOTAL LIABILITIES \$22,085,245

217 NET ASSETS/EQUITY

Unrestricted Net Assets	\$ 16,662,000
Restricted Net Assets (Disclose on Schedule A)	\$0

218 TOTAL LIABILITIES AND NET ASSETS/EQUITY \$38,747,245

CENPATICO
STATEMENT OF FINANCIAL POSITION
AS OF:
Schedule A Disclosures

June 30, 2009

ASSETS:

Cash			
	Unrestricted		\$32,722,309
	Restricted		-
Total Cash			<u><u>\$32,722,309</u></u>

Accounts Receivable

ADHS			
GSA 2			
Current Year	<u>Program ID</u>	<u>Category ID</u>	
	TXIX CMDP	June cap. pmt not rec'd	\$150,951
	TXIX DD Adult	June cap. pmt not rec'd	\$16,008
	NTXIX/XXI Child	CMHS -Coaching & Training Ch	\$19,680
	NTXIX/XXI SMI	Housing grant	\$310,000
	NTXIX/XXI SMI	Tobacco Tax 13th month	\$96,469
Prior Year			
	TXXI Child	Profit/Risk Corridor	\$22,145
GSA 4			
Current Year			
	TXXI Child	Profit/Risk Corridor	\$96,549
	TXIX CMDP	June cap. pmt not rec'd	\$351,381
	TXIX DD Adult	June cap. pmt not rec'd	\$79,787
	NTXIX/XXI Child	CMHS -Coaching & Training Ch	\$19,596
	NTXIX/XXI Child	SIG	\$2,838
	Substance Abuse	ACRA grant	\$1,238
	NTXIX/XXI SMI	Housing grant	\$325,000
	NTXIX/XXI SMI	Tobacco Tax 13th month	\$135,202
Prior Year			
	TXXI Child	Profit/Risk Corridor	\$23,187
Non-ADHS &/or Unrelated Business			
GSA 2			
Current Year			
	Pharmacy Rebate Receivable		62,204
	Miscellaneous Receivable (recruiting refund)		7,668
	Miscellaneous Receivable (lease operating expense r		12,498
	Provider Receivables		261,059
Prior Year			
GSA 4			
Current Year			
	Pharmacy Rebate Receivable		170,063
	Provider Receivables		329,574
Prior Year			
	Pharmacy Rebate Receivable		1,467
	Provider Receivables		289,520
GSA 2			
	Allowance for Doubtful Accounts		
GSA 4			
	Allowance for Doubtful Accounts		
Total Accounts Receivable			<u><u>2,784,084</u></u>

Other Current Assets (Detail of Line 106)

	Accrued Interest Income		\$20,433
	Short-Term Deferred Taxes		\$1,087,491
Total Other Current Assets			<u><u>\$1,107,924</u></u>

LIABILITIES:

IBNR Claims Estimate	
GSA 2	
Current Year	\$2,399,421
Prior Year(s)	\$86,485
GSA 4	
Current Year	\$2,679,975
Prior Year(s)	\$225,767
Total IBNR	<u><u>\$5,391,648</u></u>

Payable to ADHS (Detail of Line 203)

GSA 2			
	<u>Program ID</u>	<u>Category ID</u>	
Current Year			
	TXXI Adult	Profit/Risk Corridor	\$1,251
	HIFA II SMI	Profit/Risk Corridor	\$8,524
	HIFA II GMH	Profit/Risk Corridor	\$2,002
	NTXIX/XXI Child	Profit/Risk Corridor	\$5,567
	NTXIX/XXI SMI	Profit/Risk Corridor	\$14,603
Prior Year			
	TXIX SMI	Profit/Risk Corridor	\$510,227
	TXIX DD Adult	Profit/Risk Corridor	\$4,167
	TXIX GMHSA	Profit/Risk Corridor	\$200,364
	NTXIX/XXI SMI	Profit/Risk Corridor	\$62,654
	HIFA II SMI	Profit/Risk Corridor	\$4,638
GSA 4			
Current Year			
	TXIX Child	Profit/Risk Corridor	80,688
	TXIX CMDP	Profit/Risk Corridor	\$131,061
	TXIX SMI	Profit/Risk Corridor	\$79,364
	HIFA II SMI	Profit/Risk Corridor	\$421
Prior Year			
	TXIX Child	Profit/Risk Corridor	\$1,116,996
	TXIX CMDP	Profit/Risk Corridor	\$1,105,882
	TXIX SMI	Profit/Risk Corridor	\$660,772
	HIFA II SMI	Profit/Risk Corridor	\$815
	TXIX GMHSA	Profit/Risk Corridor	\$292,014
Total Accounts Payable - ADHS			<u><u>\$4,282,010</u></u>

Deferred Revenue from: (Detail of Line 208)

	<u>Program ID</u>	<u>Category ID</u>	
GSA 2			
Current Year			
Prior Year(s)			
			\$0
GSA 4			
Current Year			

Other Noncurrent Assets (Detail of Line 120)
 Long-term Deferred Taxes

\$10,648

\$0

Total Other Noncurrent Assets

\$10,648

PERFORMANCE BOND:

CBH AZ has a Surety Bond with RLI Insurance Company, in the amount of \$10,833,096

Included in Financial Statements? No

Adjustments:

Disclose and describe any adjustments made to previously submitted financial statements, including those that affect the current period financial statements.

Payables to ADHS - Other* Category

Disclose items recorded as "Other" in the category for Payable to ADHS Section

Prior Year

Non-ADHS &/or Unrelated Business

GSA 2

Current Year

Identify Program	Identify Category	\$0
Identify Program	Identify Category	\$0

Prior Year

Identify Program	Identify Category	\$0
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GSA 4

Current Year

Identify Program	Identify Category	\$0
Identify Program	Identify Category	\$0

Prior Year

Identify Program	Identify Category	\$0
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Total Deferred Revenue

\$0

Other Current Liabilities (Detail of Line 210)

Travel	\$7,000
Occupancy	\$54,030
Professional Services	\$65,346
Pharmacy Expense	\$10,436
Other Medical Expense	\$654,492
Other Operating Expenses	\$0
Use Tax Payable	\$0
Personal Property Tax Payable	\$3,750
Due to Affiliates	\$604,558

Total Other Current Liabilities

\$1,399,612

Loss Contingencies (Detail of Line 213)

GSA 2

GSA 4

Total Loss Contingencies

\$0

Other Noncurrent Liabilities (Detail of Line 214)

Accrued Income Tax	\$7,068,937
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Total Other Noncurrent Liabilities

\$7,068,937

Restricted Net Assets (Detail of Line 217)

Identify Restricted Net Assets

Total Restricted Net Assets

\$0

Explain ≥10% fluctuation in account from prior quarter (June 30, 2009 compared to May 31, 2009)

- 101 Cash - Increased \$31.4M due to reclassification from current investments.
- 102 Current Investments - Decreased \$30.8M due to reclassification of current investments to cash & cash equivalents.
- 103 Accounts Receivable - Increased \$1.45M due to accrued revenue for CMDP, DD Adult, Tobacco Tax, and Housing grants.
- 105 Prepaid Expenses - Decreased \$46K due to expensing of prepaid rent to Landlord and current quarter expensing of costs for performance bond, Essential Learning, and URAC accreditation fees.
- 106 Other Current Assets - Increased \$115K due to increase in short-term deferred tax estimate based on current quarter results.
- 118 Long Term Investments - Increased \$1.5M due to investment in long-term bonds.
- 120 Other Noncurrent Assets - Decreased \$68K due to FY08 profit/risk corridor receivables moving to short-term receivables.
- 201 Incurred But Not Reported Claims - Increased \$1.2M due to increase in estimated claims liability outstanding.
- 202 Reported But Unpaid Claims - Increased \$57K due to the timing of claims check runs, i.e. more claims received but unpaid at the end of June.
- 203 Payable to ADHS - Increased \$953K due to FY08 profit/risk corridor payables moved from long-term, offset by ADHS recoupment of some FY08 profit/risk corridor payables.
- 204 Other Amounts Payable to Providers - Increased \$2M due to current quarter accrual of provider incentives and accrual of amounts payable to block providers for FY09 additional payments due to increased eligibles.
- 206 Accrued Salaries and Benefits - Decreased \$78K due to timing of last payroll in June, resulting in a lower number of accrued salary days.
- 214 Other Noncurrent Liabilities - Decreased \$3.1M due to FY08 profit/risk corridor payables that moved to short-term.

CENPATICO

STATEMENT OF CHANGES IN NET ASSETS / EQUITY

AS OF : June 30, 2009

			Net Assets /		
		Initial Capital	Additional Capital	Retained Earnings	Total
Beginning Balance:	July 1, 2008	6,200,000	(1,000,000)	\$ 12,329,598	\$ 17,529,598
* Net Surplus / Net Earning for the period ended:	June 30, 2009			(867,598)	(867,598)
Dividends Declared					-
** Prior Period Adjustments					-
Ending Balance:	June 30, 2009	<u>\$ 6,200,000</u>	<u>\$ (1,000,000)</u>	<u>\$ 11,462,000</u>	<u>\$ 16,662,000</u>

* Net of dividends declared

** Prior Period Adjustments

CENPATICO 2
STATEMENT OF ACTIVITIES
YEAR TO DATE AS OF:

June 30, 2009

*DISCLOSE ON SCHEDULE A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL	
Administrative Expenses:																								
601 Salaries	482,970	82,298	21,893	12,906	18,341	-	488,222	15,058	75,273	284	277	-	476,650	2,044	3,416	36,542	31,266	-	3,171	-	\$1,750,610		\$1,750,610	
602 Employee Benefits	76,990	13,119	3,490	2,057	2,924	-	77,827	2,400	11,999	45	44	-	75,982	326	545	5,825	4,984	-	505	-	\$279,063		\$279,063	
603 Professional & Outside Services	66,956	11,409	3,035	1,789	2,543	-	67,684	2,087	10,435	39	38	-	66,080	283	474	5,066	4,335	-	440	-	\$242,694		\$242,694	
604 Travel	23,370	3,982	1,059	624	887	-	23,624	729	3,642	14	13	-	23,064	99	165	1,768	1,513	-	153	-	\$84,708		\$84,708	
605 Occupancy	63,167	10,767	2,864	1,688	2,400	-	63,874	1,970	9,848	37	36	-	62,360	267	447	4,781	4,090	-	415	-	\$229,031		\$229,031	
606 Depreciation	16,806	2,864	762	449	638	-	16,988	524	2,619	10	10	-	16,586	71	119	1,272	1,082	-	110	-	\$60,909		\$60,909	
607 All Other Operating*	233,614	39,808	10,589	6,242	8,872	-	236,155	7,283	36,410	137	134	-	230,557	989	1,653	17,676	15,123	-	1,534	-	\$846,777		\$846,777	
608 Subtotal ADHS Administrative Expenses	\$963,892	\$164,248	\$43,692	\$25,756	\$36,605	\$0	\$974,374	\$30,051	\$150,226	\$567	\$553	\$0	\$951,279	\$4,079	\$6,818	\$72,930	\$62,393	\$0	\$6,329	\$0	\$3,493,792	\$0	\$3,493,792	
650 Encounter Withhold Expenses																						\$0	\$0	
651 Non ADHS and/or Unrelated Admin. Expense*																						\$0	\$0	
652 Subtotal Administrative Expense Unrelated Business Expenses*	\$963,892	\$164,248	\$43,692	\$25,756	\$36,605	\$0	\$974,374	\$30,051	\$150,226	\$567	\$553	\$0	\$951,279	\$4,079	\$6,818	\$72,930	\$62,393	\$0	\$6,329	\$0	\$3,493,792	\$0	\$3,493,792	
701																						\$0	\$0	
Income Tax Provisions																								
a ADHS Income Tax Provision	418,791	(126,154)	(64,146)	17,332	23,804	-	(166,411)	(19,249)	52,587	3,190	1,114	287	107,641	12,038	(11,310)	60,795	791	64	(7,639)	-	\$303,524	44,647	\$348,171	
b Non ADHS Income Tax Provision	1,059	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,177	-	\$4,236	63,208	\$67,444
799 Subtotal Income Tax Provision	\$419,850	(\$126,154)	(\$64,146)	\$17,332	\$23,804	\$0	(\$166,411)	(\$19,249)	\$52,587	\$3,190	\$1,114	\$287	\$107,641	\$12,038	(\$11,310)	\$60,795	\$791	\$64	(\$7,639)	\$3,177	\$307,760	\$107,855	\$415,615	
800 TOTAL EXPENSES	\$11,819,015	\$2,279,185	\$399,741	\$432,115	\$613,297	\$0	\$10,250,799	\$224,963	\$2,471,865	\$12,317	\$10,016	\$287	\$14,468,270	\$77,724	\$98,494	\$1,235,268	\$526,192	\$2,584	\$94,278	\$3,177	\$45,019,592	\$107,855	\$45,127,447	
801 INC/(DEC) IN NET ASSETS/EQUITY	\$769,526	(\$231,222)	(\$117,571)	\$26,199	\$43,631	\$0	(\$305,008)	(\$35,280)	\$81,781	(\$2,678)	\$791	\$525	\$197,291	\$20,061	(\$20,731)	\$111,430	\$1,451	\$116	(\$14,000)	\$5,823	\$532,129	\$197,682	\$729,812	

*Disclose on Schedule A

CENPATICO 4
STATEMENT OF ACTIVITIES
YEAR TO DATE AS OF:

June 30, 2009

*DISCLOSE ON SCHEDULE A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Administrative Expenses:																							
601 Salaries	795,669	155,535	39,246	22,738	35,428	-	694,833	40,026	120,035	467	601	-	720,790	2,820	3,107	51,002	38,541	-	4,524	-	\$2,725,361		\$2,725,361
602 Employee Benefits	126,837	24,794	6,256	3,625	5,648	-	110,763	6,381	19,135	74	96	-	114,900	450	495	8,130	6,144	-	721	-	\$434,447		\$434,447
603 Professional & Outside Services	110,307	21,562	5,441	3,152	4,912	-	96,327	5,549	16,641	65	83	-	99,926	391	431	7,071	5,343	-	627	-	\$377,827		\$377,827
604 Travel	38,501	7,526	1,899	1,100	1,714	-	33,621	1,937	5,808	23	29	-	34,877	136	150	2,468	1,865	-	219	-	\$131,874		\$131,874
605 Occupancy	104,097	20,349	5,134	2,975	4,635	-	90,905	5,237	15,704	61	79	-	94,301	369	407	6,673	5,042	-	592	-	\$356,558		\$356,558
606 Depreciation	27,686	5,412	1,366	791	1,233	-	24,178	1,393	4,177	16	21	-	25,081	98	108	1,775	1,337	-	157	-	\$94,828		\$94,828
607 All Other Operating*	381,943	75,856	19,044	10,999	17,208	-	327,901	19,423	58,061	232	292	-	334,345	1,373	1,503	24,670	18,642	-	2,188	-	\$1,293,679		\$1,293,679
608 Subtotal ADHS Administrative Expenses	\$1,585,040	\$311,034	\$78,386	\$45,380	\$70,777	\$0	\$1,378,527	\$79,945	\$239,560	\$938	\$1,201	\$0	\$1,424,220	\$5,637	\$6,202	\$101,787	\$76,914	\$0	\$9,028	\$0	\$5,414,574	\$0	\$5,414,574
650 Encounter Withhold Expenses																					\$0		\$0
651 Non ADHS and/or Unrelated Admin. Expense*																					\$0		\$0
652 Subtotal Administrative Expense Unrelated Business Expenses*	\$1,585,040	\$311,034	\$78,386	\$45,380	\$70,777	\$0	\$1,378,527	\$79,945	\$239,560	\$938	\$1,201	\$0	\$1,424,220	\$5,637	\$6,202	\$101,787	\$76,914	\$0	\$9,028	\$0	\$5,414,574	\$0	\$5,414,574
790 Income Tax Provisions																							
a ADHS Income Tax Provision	(199,284)	(413,793)	(42,428)	4,374	(64,036)	-	(102,332)	5,625	1,729	2,528	(1,797)	573	(134,337)	1,323	14,849	40,385	3,875	-	(11,438)	-	(\$894,184)	33,373	(\$860,811)
b Non ADHS Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,690	\$2,690	92,965	\$95,655
799 Subtotal Income Tax Provision	(\$199,284)	(\$413,793)	(\$42,428)	\$4,374	(\$64,036)	\$0	(\$102,332)	\$5,625	\$1,729	\$2,528	(\$1,797)	\$573	(\$134,337)	\$1,323	\$14,849	\$40,385	\$3,875	\$0	(\$11,438)	\$2,690	(\$891,494)	\$126,338	(\$765,156)
800 TOTAL EXPENSES	\$19,348,092	\$3,990,339	\$984,582	\$684,154	\$995,180	\$0	\$15,242,805	\$955,975	\$3,590,258	\$16,495	\$16,172	\$573	\$20,414,622	\$85,639	\$107,751	\$1,565,124	\$663,421	\$900	\$123,804	\$38,251	\$68,724,139	\$126,338	\$68,850,477
801 INC(DEC) IN NET ASSETS/EQUITY	(\$445,947)	(\$889,487)	(\$77,765)	\$8,017	(\$20,820)	\$0	(\$266,924)	\$10,310	\$3,168	\$4,213	(\$3,295)	\$1,051	(\$246,220)	\$2,426	\$27,217	\$74,020	\$7,101	\$0	(\$20,966)	\$4,931	(\$1,828,971)	\$231,561	(\$1,597,410)

*Disclose on Schedule A

CENPATICO 2
 STATEMENT OF ACTIVITIES
 YEAR TO DATE AS OF:
 Schedule A Disclosure

June 30, 2009

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL	
DISCLOSURE OF UNRELATED BUSINESS EXPENSES LINE 701																								
Itemization of Items Reported on Line 701																								
																					\$0		\$0	
																						\$0		\$0
Total Unrelated Business Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

ADJUSTMENTS

(Disclose and describe any adjustments to previously submitted financial statements including those that affect the current financial statements.)
 FY08 Revenue Adjustments of (\$760K) due to modifications of profit/risk corridor calculation.

Analysis:

(Compare prior quarter activity to current quarter activity for each column [program] and each row major category of service.)
 Administrative expenses allocated based on new allocation plan effective with quarterly financial statements submitted September 2008.
 Professional & Outside Services expense includes employment services contract with Linkages for \$8k/month effective June 2008.
 Increase in Salaries expense due to filling additional required positions (QI auditor, employment specialist) and other vacant positions.
 In November 2008, booked additional \$1.1M medical expense due to change in estimated ffs claims liability.
 In December 2008, booked additional \$3.7M estimated payable to ADHS and reduction of revenue for profit/risk corridor FY08.
 In December 2008, block provider incentives accrued for FY08 were reduced by \$1.1M to reflect actual service incentives earned by providers.
 Legal Fees \$57K higher than budget Dec 08 - Feb 09 due to provider dispute.

CENPATICO 4
 STATEMENT OF ACTIVITIES
 YEAR TO DATE AS OF: June 30, 2009
 Schedule A Disclosure

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL
DISCLOSURE OF UNRELATED BUSINESS EXPENSES LINE 701																							
Itemization of Items Reported on Line 701																							
																					\$0		\$0
																					\$0		\$0
Total Unrelated Business Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ADJUSTMENTS
 (Disclose and describe any adjustments to previously submitted financial statements including those that affect the current financial statements.)
 FY08 Revenue Adjustments of (\$3,153K) due to modifications of profit/risk corridor calculation.

Analysis:
 (Compare prior quarter activity to current quarter activity for each column [program] and each row major category of service.)
 Administrative expenses allocated based on new allocation plan effective with quarterly financial statements submitted September 2008.
 Professional & Outside Services expense includes employment services contract with Linkages for \$9k/month effective June 2008.
 Increase in Salaries expense due to filling additional required positions (OI auditor, employment specialist) and other vacant positions.
 In October 2008, accrued \$30k for recoupment of sanctions from providers (for 23-day access to care sanctions paid in Nov 07 and Feb 08) - see Recouped Sanctions line above in Other Operating Expense detail.
 In November 2008, booked additional \$1.1M medical expense due to change in estimated fit claims liability.
 In December 2008, booked additional \$3.7M estimated payable to ADHS and reduction of revenue for profit/risk corridor FY08.
 In December 2008, booked \$505K estimated payable to ADHS for estimated Encounter Withhold Expense.
 In December 2008, block provider incentives accrued for FY08 were reduced by \$1.1M to reflect actual service incentives earned by providers.
 In December 2008, accrued \$27k for recoupment of sanctions from providers (for 23-day access to care sanctions paid in Dec 08 less \$9k allowance) - see Recouped Sanctions line above in Other Operating Expense detail.
 In February 2009, reduced estimated payable to ADHS for FY08 Encounter Withhold Expense to \$189K, per Encounter Withhold Report received February 10th.
 Legal Fees \$57K higher than budget Dec 08 - Feb 09 due to provider dispute.
 In March 2009, reduced estimated payable to ADHS for FY08 Encounter Withhold Expense to \$0, per Encounter Withhold Report received March 13th.

CENPATICO
STATEMENT OF CASH FLOWS
YEAR TO DATE FOR PERIOD ENDED:

June 30, 2009

CASH FLOWS FROM OPERATING ACTIVITIES:

Changes in Net Assets	(867,598)
Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	128,205
Amortization of Bond Issuance Costs	
Changes in Operating Assets and Liabilities	
(Increases)/Decreases in Assets:	
Current Investments	-
Receivables	(105,735)
Inventory & Prepaid Expenses	47,412
Interest Receivable	35,002
Deposits	-
Other	(113,503)
Increases/(Decreases) in Liabilities:	
IBNR	2,193,558
RBUC	144,231
Accounts Payable to ADHS	2,684,124
Loss Contingencies	-
Accounts Payable to Providers	1,740,014
Interest Payable	
Trade Accounts Payable	
Accrued Salaries & Benefits	19,836
Other Liabilities	(168,780)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES 5,736,766

CASH FLOWS FROM INVESTING ACTIVITIES

Disposal of Property & Equipment	
Purchases of Property & Equipment	38,849
Proceeds from Sales of Investments	27,750,000
Purchase of Investments	(1,500,000)

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES 26,288,849

CASH FLOWS FROM FINANCING ACTIVITIES:

Acquisition of Debt (Describe on Schedule A)	
Payment of Lease Obligations	
Dividend to Parent	
Payment of Other Debts (Describe on Schedule A)	

NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES -

NET INCREASE/(DECREASE) IN CASH 32,025,615

BEGINNING CASH 696,694

ENDING CASH BALANCE * 32,722,309

***NOTE: ENDING CASH BALANCE MUST AGREE WITH TOTAL CASH BALANCE ON BALANCE SHEET**

CENPATICO
STATEMENT OF CASH FLOWS
YEAR TO DATE FOR PERIOD ENDED: June 30, 2009
Schedule A Disclosure

Describe:

1. Sources and amounts of cash received for other grants.

-

2. Underlying transactions for acquisition of debt.
(Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)

3. Underlying transactions for retirement of debt.
(Debtor, amount paid off.)

Cash Flows From Financing Activities - Payment of Other Debt

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Cash Flows From Investing Activities - Payment of Other Debt

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4. Supplemental data or non-cash investing and financing activities, gifts, etc.