

**CENPATICO BEHAVIORAL HEALTH
OF ARIZONA, LLC**

**FINANCIAL STATEMENTS, OMB CIRCULAR A-133
SUPPLEMENTARY REPORTS AND
SUPPLEMENTAL INFORMATION**

Years Ended June 30, 2009 and 2008

**CENPATICO BEHAVIORAL HEALTH
OF ARIZONA, LLC**

**FINANCIAL STATEMENTS, OMB CIRCULAR A-133
SUPPLEMENTARY REPORTS AND
SUPPLEMENTAL INFORMATION**

Years Ended June 30, 2009 and 2008

CONTENTS

	<u>Pages</u>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Balance Sheets	2
Statements of Activities	3
Statements of Member's Equity	4
Statements of Cash Flows	5
Notes to Financial Statements	6 - 14
SUPPLEMENTAL SCHEDULES OF ACTIVITIES AND OMB CIRCULAR A-133 SUPPLEMENTARY REPORTS	
Schedule 1 – Supplemental Schedule of Activities – GSA 2 and GSA 4	15 -16
Schedule 2 – Supplemental Schedule of Activities - GSA 2	17 - 18
Schedule 3 – Supplemental Schedule of Activities - GSA 4	19 - 20
Schedule 4 – Supplemental Schedule of Activities – Disclosures - GSA 2 and GSA 4	21 - 22
Schedule 5 – Supplemental Schedule of Activities – Disclosures - GSA 2	23 - 24
Schedule 6 – Supplemental Schedule of Activities – Disclosures - GSA 4	25 - 26
Schedule 7 – Schedule of Expenditures of Federal Awards	27
Notes to the Schedule of Expenditures of Federal Awards	28
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	29 - 30
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	31 - 32
Schedule of Findings and Questioned Costs	33 - 34



Mayer Hoffman McCann P.C.

An Independent CPA Firm

3101 North Central Avenue, Suite 300
Phoenix, Arizona 85012
602-264-6835 ph
602-265-7631 fx
www.mhm-pc.com

AUDITORS' REPORT

To the Board of Directors of

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

We have audited the accompanying balance sheets of **Cenpatico Behavioral Health of Arizona, LLC** at June 30, 2009 and 2008, and the related statements of activities, member's equity and cash flows for the years then ended. These financial statements are the responsibility of **Cenpatico Behavioral Health of Arizona, LLC's** management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Cenpatico Behavioral Health of Arizona, LLC** at June 30, 2009 and 2008, and the results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2009 on our consideration of **Cenpatico Behavioral Health of Arizona, LLC's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplemental Schedules of Activities (Schedules 1, 2, 3, 4, 5 and 6) and the Schedule of Expenditures of Federal Awards (Schedule 7) are presented for purposes of additional analysis and are not required parts of the basic financial statements. The Schedule of Expenditures of Federal Awards is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The information in Schedules 1 through 7 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Phoenix, Arizona
October 14, 2009

A handwritten signature in black ink that reads "Mayer Hoffman McCann P.C." in a cursive, flowing script.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

BALANCE SHEETS

June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 32,722,309	\$ 696,694
Short-term investments	-	27,750,000
Accounts receivable, net	2,790,205	2,678,347
Accrued interest income	20,433	55,435
Prepaid expenses	71,837	119,249
Deferred income tax asset	<u>1,087,491</u>	<u>936,408</u>
TOTAL CURRENT ASSETS	36,692,275	32,236,133
PROPERTY AND EQUIPMENT, net	492,056	659,111
LONG-TERM INVESTMENTS	1,500,000	-
DEPOSITS	58,387	58,387
DEFERRED INCOME TAX ASSET	<u>10,648</u>	<u>48,228</u>
TOTAL ASSETS	<u>\$ 38,753,366</u>	<u>\$ 33,001,859</u>

LIABILITIES AND MEMBER'S EQUITY

CURRENT LIABILITIES		
Payable to providers	\$ 9,315,235	\$ 5,200,227
Payable to Arizona Department of Health Services	3,978,412	1,597,886
Accounts payable and accrued expenses	851,709	881,129
Due to affiliated companies	604,558	487,668
Federal income tax payable	<u>7,028,619</u>	<u>7,305,351</u>
TOTAL CURRENT LIABILITIES	21,778,533	15,472,261
MEMBER'S EQUITY	<u>16,974,833</u>	<u>17,529,598</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u>\$ 38,753,366</u>	<u>\$ 33,001,859</u>

See Notes to Financial Statements

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

STATEMENTS OF ACTIVITIES

Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
REVENUES		
Arizona Department of Health Services	\$ 112,922,445	\$ 108,795,045
Interest income	442,365	1,259,143
Other	<u>55,235</u>	<u>45,936</u>
TOTAL REVENUES	<u>113,420,045</u>	<u>110,100,124</u>
EXPENSES		
Program services	105,456,296	91,437,862
General and administrative	<u>8,908,377</u>	<u>8,254,526</u>
TOTAL EXPENSES	<u>114,364,673</u>	<u>99,692,388</u>
NET INCOME (LOSS) BEFORE INCOME TAXES	(944,628)	10,407,736
INCOME TAX PROVISION (BENEFIT)	<u>(389,863)</u>	<u>3,673,931</u>
NET INCOME (LOSS)	<u>\$ (554,765)</u>	<u>\$ 6,733,805</u>

See Notes to Financial Statements

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

STATEMENTS OF MEMBER'S EQUITY

Years Ended June 30, 2009 and 2008

	Investment by Centene Corporation	Retained Earnings	Total
Balance, July 1, 2007	\$ 9,200,000	\$ 5,595,793	\$ 14,795,793
Member distributions	-	(4,000,000)	(4,000,000)
Net income	<u>-</u>	<u>6,733,805</u>	<u>6,733,805</u>
Balance, June 30, 2008	9,200,000	8,329,598	17,529,598
Net loss	<u>-</u>	<u>(554,765)</u>	<u>(554,765)</u>
Balance, June 30, 2009	<u>\$ 9,200,000</u>	<u>\$ 7,774,833</u>	<u>\$ 16,974,833</u>

See Notes to Financial Statements

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2009 and 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (554,765)	\$ 6,733,805
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	200,881	206,695
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	(111,858)	(1,019,991)
Accrued interest income	35,002	1,313
Prepaid expenses	47,412	76,462
Deferred income tax asset	(113,503)	22,101
Increase (decrease) in:		
Payable to providers	4,115,008	(807,481)
Payable to Arizona Department of Health Services	2,380,526	(2,622,205)
Accounts payable and accrued expenses	(29,420)	483,232
Due to affiliated companies	116,890	(2,010,903)
Federal income tax payable	(276,732)	3,639,828
Net cash provided by operating activities	5,809,441	4,702,856
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of short-term investments	35,156,785	8,750,000
Purchases of short-term investments	(7,406,785)	(11,000,000)
Purchases of long-term investments	(1,500,000)	-
Purchase of property and equipment	(33,826)	(236,377)
Change in deposits	-	1,295
Net cash provided by (used in) investing activities	26,216,174	(2,485,082)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution	-	(4,000,000)
Net cash used in financing activities	-	(4,000,000)
NET CHANGE IN CASH AND CASH EQUIVALENTS	32,025,615	(1,782,226)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	696,694	2,478,920
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 32,722,309	\$ 696,694
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Income taxes paid	\$ -	\$ -

See Notes to Financial Statements

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(1) Organization operations and summary of significant accounting policies

Nature of operations - Effective March 11, 2005, *Cenpatico Behavioral Health of Arizona, LLC* ("Cenpatico" or the "Company"), was incorporated in the State of Arizona. Located in Tempe, Arizona, Cenpatico is a comprehensive behavioral health solutions company. Cenpatico is wholly owned by CenCorp Health Solutions, a subsidiary of Centene Corporation (Centene). Cenpatico was initially funded through a \$6.2 million capital contribution from Centene.

In 2005, Cenpatico was originally awarded a contract (the "Contract") with the Arizona Department of Health Services (ADHS) which commenced July 1, 2005 and expired June 30, 2008. The Contract was then renewed for two one-year extensions through June 30, 2009 and June 30, 2010. In accordance with the Contract, Cenpatico has been designated as the Regional Behavioral Health Authority (RBHA) for the geographic service areas (GSA) of Yuma, LaPaz, Gila and Pinal Counties. Cenpatico is responsible for managing and maintaining an organized, comprehensive behavioral healthcare delivery system for the benefit of eligible members within its geographic service area. Substantially all of Cenpatico's revenues are from its contract with ADHS.

Cenpatico functions as a behavioral health management organization and, except for member services functions and limited utilization management functions, does not provide direct healthcare services to eligible members. Direct behavioral healthcare services are provided to eligible members by a network of subcontracted providers.

The significant accounting policies followed by Cenpatico are as follows:

Management's use of estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and cash equivalents - Cash includes cash deposits in banks and cash equivalents. Cenpatico considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Accounts at each institution are insured in limited amounts by the Federal Deposit Insurance Corporation (FDIC).

Investments - Short-term investments include securities with maturities between three months and one year. Long-term investments include securities with maturities greater than one year.

Short-term and long-term investments are classified as available for sale and are carried at fair value based on quoted market prices. Unrealized gains and losses on investments available for sale, if any, are excluded from earnings and reported as a separate component of member's equity, net of income tax effects. Premiums and discounts are amortized or accreted over the life of the related security using the effective interest method. Cenpatico monitors the difference between the cost and fair value of investments. Investments that experience a decline in value that is judged to be other than temporary are written down to fair value and a realized loss is recorded in investment and other income. To calculate realized gains and losses on the sale of investments, Cenpatico uses the specific amortized cost of each investment sold. Realized gains and losses are recorded in investment income.

At June 30, 2008, short-term investments consisted entirely of commercial paper with maturities of less than one year. At June 30, 2009, long-term investments consisted entirely of municipal bonds valued at the principal amount of the bonds. Accordingly, there were no realized or unrealized gains or losses on investments for the years ended June 30, 2009 and 2008.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(1) Organization operations and summary of significant accounting policies (continued)

Property and equipment - Property and equipment is recorded at cost. Maintenance and repairs are charged to operations when incurred. Betterments and renewals in excess of \$1,000 are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved and any gain or loss is included in operations. Depreciation is computed using the straight-line method over the following general range of estimated useful lives:

	<u>Estimated Useful Lives</u>
Furniture and equipment	5 - 7 years
Leasehold improvements	1- 10 years
Computer hardware and software	3 - 5 years

Impairment of long-lived assets - Cenpatico accounts for long-lived assets in accordance with the provisions of SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. SFAS No. 144 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of cost or fair value less costs to sell. No impairment charges were recorded for 2009 or 2008.

Payable to providers - Cenpatico compensates providers for authorized behavioral healthcare and substance abuse services to covered beneficiaries. Cenpatico uses a variety of methods to estimate the amount payable to providers including authorizations for services to be provided, payments to be made under contract arrangements currently in force, and correspondence with significant providers to ascertain the level of care being provided to beneficiaries for which a claim has not yet been submitted.

The liability for payable to providers includes estimates of amounts due on reported claims and claims that have been incurred but were not reported as of June 30, 2009 and 2008. Such liabilities represent Cenpatico's best estimate of amounts that are reasonable and adequate to discharge Cenpatico's obligations for claims incurred but unpaid as of June 30, 2009 and 2008. Such estimates are, however, subject to a significant degree of inherent variability. The methods for making such estimates and for establishing the resulting liability are continually reviewed and adjustments are reflected in each period when necessary.

Revenue recognition - Cenpatico receives substantially all of its revenue from its contract with ADHS. Contract revenues include funds for behavioral healthcare services and prevention programs for youth and seriously mentally ill ("SMI") adult and general mental health/substance abuse populations under three major types of revenue sources: Medicaid (Title XIX), Non-Medicaid (Non-Title XIX) and KidsCare (Title XXI). Contract revenue is recognized in the period for which Cenpatico is obligated to provide covered services. Deferred revenue relates to grant amounts received in the current year that cannot be recognized until certain terms are met. At June 30, 2009 and 2008, Cenpatico had no amounts deferred. Contract revenue is also limited by the terms of the Contract to a maximum profit percentage, as defined. Contract revenue that cannot be recognized due to these profit limits (4%) or approximately \$4.0 million at June 30, 2009 and \$1.6 million at June 30, 2008 is included in payable to Arizona Department of Health Services in the accompanying balance sheets.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(1) Organization operations and summary of significant accounting policies (continued)

Title XIX Revenue - The Contract with ADHS requires Cenpatico to provide behavioral healthcare services to all eligible enrollees within its geographic service areas. Under this agreement, Cenpatico receives monthly capitation payments from ADHS based on a capitated rate and the number of Title XIX Arizona Health Care Cost Containment ("AHCCCS") enrollees eligible for covered services during that month. Payments received under capitation are subject to risk and Cenpatico assumes the risk for claims in excess of these payments. Capitation premiums are recognized as earned over the period that enrollees are entitled to services.

Title XXI Revenue - The Contract with ADHS requires Cenpatico to provide behavioral healthcare services to all eligible enrollees within its geographic service areas. Under this agreement, Cenpatico receives monthly capitation payments from ADHS based on a capitated rate and the number of Title XXI AHCCCS enrollees eligible for covered services during that month. These capitated payments are accounted for as described above.

Non-Title XIX Revenue - The Contract with ADHS provides for payment to Cenpatico at a monthly rate equal to one-twelfth of specified annual contract maximums under the ADHS Non-Title XIX and Subvention programs. These programs provide behavioral healthcare services to lower income uninsured or underinsured individuals not eligible for behavioral healthcare coverage under Title XIX/Title XXI or those services not covered by Medicaid for eligible Title XIX/Title XXI enrolled individuals. Non-Title XIX and Subvention programs are funded through a combination of federal mental health block grant funds, State of Arizona Tobacco Tax Funds and State of Arizona appropriated funds administered by ADHS.

Healthcare service cost recognition - Cenpatico contracts with various at-risk providers for the provision of a full range of behavioral healthcare services to eligible adults and children for Title XIX, Title XXI and Non-Title XIX programs. Healthcare services are purchased under fee-for-service or block purchase arrangements. Fee-for-service contract expenses are accrued as incurred. Healthcare services provided under block purchase arrangements are accrued based upon contract terms. From time to time, Cenpatico amends their provider contracts. The effects of these amendments are recorded in the period in which the amendment was executed.

Cenpatico receives pharmacy rebates for volume-based utilization of certain medications. These rebates are recorded when earned as a reduction of program services expense.

Expense allocation - Certain direct, indirect and administrative expenses are incurred which benefit more than one program. Such common expenses are allocated based upon an ADHS approved cost allocation plan as submitted by Cenpatico, which is primarily based upon enrollment, claims and costs by lines of business.

Income taxes - Deferred tax assets and liabilities are recorded for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date of the tax rate change.

Valuation allowances are provided when it is considered more likely than not that deferred tax assets will not be realized. In determining if a deductible temporary difference or net operating loss can be realized, the Company considers future reversals of existing taxable temporary differences, future taxable income, taxable income in prior year carryback periods and tax planning strategies.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(1) Organization operations and summary of significant accounting policies (continued)

Subsequent events – Cenpatico has evaluated subsequent events through October 14, 2009, which is the date the financial statements were available to be issued. No subsequent events requiring disclosure were identified.

(2) Contract performance bond

In accordance with the terms of its contract with ADHS, Cenpatico is required to post a performance bond with ADHS equal to 110% of the first monthly ADHS payment to Cenpatico each fiscal year based on gross capitation payments, as specified in the contract. The amount of the bond is subject to adjustment as certain conditions change and its method of calculation is specified in the contract. The actual amount is reset each year in October. The performance bond must be maintained to guarantee payment of Cenpatico's obligations under the contract. The performance bond requirement was \$10,833,096 for 2009 and \$9,604,493 for 2008. In 2009 and 2008, the performance bond requirement was met through the purchase of a surety bond.

(3) Accounts receivable

Accounts receivable consists of:

	<u>2009</u>	<u>2008</u>
Arizona Department of Health Services	\$ 1,656,152	\$ 1,466,762
Providers	880,153	1,643,088
Pharmacy rebates	233,734	225,622
Other	<u>20,166</u>	<u>13,496</u>
Total	2,790,205	3,348,968
Allowance for uncollectible accounts receivable	-	(670,621)
	<u>\$ 2,790,205</u>	<u>\$ 2,678,347</u>

Accounts receivable from providers represent advances based on the lack of encounters reported by various block providers as of year end. The amounts due from providers will be used to offset future payments made to those providers by Cenpatico.

Receivables are stated at the amount management expects to collect. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual balances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At June 30, 2009, all accounts receivable are considered to be fully collectible and, accordingly, an allowance for doubtful accounts has not been provided. An allowance of \$670,621 was recorded at June 30, 2008.

(4) Property and equipment

Property and equipment consists of:

	<u>2009</u>	<u>2008</u>
Furniture and equipment	\$ 507,902	\$ 502,973
Leasehold improvements	418,297	414,925
Computer hardware	250,183	297,333
Computer software	<u>20,773</u>	<u>20,773</u>
Total cost and donated value	1,197,155	1,236,004
Accumulated depreciation and amortization	(705,099)	(576,893)
Net property and equipment	<u>\$ 492,056</u>	<u>\$ 659,111</u>

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(4) Property and equipment (continued)

Depreciation and amortization expense charged to operations was \$200,881 for 2009 and \$206,695 for 2008.

(5) Income taxes

Federal income tax returns are filed on a consolidated basis with Centene, the parent corporation, and other subsidiaries. A provision (benefit) for income taxes has been provided for under a separate return method. This results in each component company of the consolidated group showing tax expense (benefit) solely on the results of its own operations. Current taxes which would have been due on a separate company basis have either been paid to or will be paid to the parent company. Deferred income tax assets and liabilities are computed based upon cumulative temporary differences in financial reporting and taxable income based on enacted tax law in effect for the year in which the temporary differences are expected to be recovered or settled. Deferred tax assets result from reserves established for financial reporting purposes but not deductible for tax purposes. Income tax benefits provided by the Company to the consolidated group as a result of utilizing operating losses will be reimbursed by the parent corporation pursuant to a signed agreement between the companies. The income tax expense (benefit) consists of the following for the years ended June 30:

	<u>2009</u>	<u>2008</u>
Current provision (benefit):		
Federal	\$ 39,163	\$ 3,166,845
State and local	5,360	23,838
Total current provision	44,523	3,190,683
Deferred provision (benefit)	(434,386)	483,248
Total provision (benefit) for income taxes	<u>\$ (389,863)</u>	<u>\$ 3,673,931</u>

At June 30, 2009 and 2008, the deferred tax assets consist primarily of amounts payable to providers which are not currently deductible for tax purposes.

The effective tax rate is different than the amount that would be computed by applying the United States corporate income tax rate to the income (loss) before income taxes. The differences for 2009 and 2008 are due primarily to changes in the deferred tax assets associated with amounts payable to providers which are not currently deductible for tax purposes.

Cenpatico evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts.

(6) Related-party transactions

Centene, CenCorp Health Solutions and affiliated companies provide administrative and other services to Cenpatico, including systems functions, accounts payable and payroll processing. Included in general and administrative expenses is an allocation of the costs of the administrative services provided by affiliated companies. Cenpatico's allocation was approximately \$1.8 million for the years ended June 30, 2009 and 2008, respectively.

Amounts due to affiliated companies at June 30, 2009 and 2008 primarily represent payroll and trade accounts payable, which are payable to Centene and subsidiaries.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(6) Related-party transactions (continued)

Under the provisions of the Contract with ADHS, distributions may be paid only to the extent of allowable profit in each of the funding sources as defined. No distributions were declared or paid for the year ended June 30, 2009. For the year ended June 30, 2008, a \$4.0 million distribution was declared and paid.

The Company contracted with NurseWise, an affiliated company wholly owned by CenCorp Health Solutions, to provide nurse triage and crisis services to eligible enrollees that are served under the ADHS contract. The Company paid NurseWise a block payment of \$3,179,877 for these services for the years ended June 30, 2009 and 2008. These amounts are included in program services expense for the years ended June 30, 2009 and 2008 in the accompanying statements of activities.

In October 2006, Cenpatico entered into a management contract with US Script, an affiliated company wholly owned by CenCorp Health Solutions, to provide pharmacy benefit management services to eligible enrollees. The Company paid US Script \$14,737,718 and \$14,028,584 for these services for the years ended June 30, 2009 and 2008, respectively. Claims encounters are submitted to ADHS to substantiate these payments. These amounts are included in program services expense in the accompanying statements of activities.

(7) Retirement plan

Cenpatico participates in the retirement plan of its parent company, Centene. Centene has a defined contribution plan which covers substantially all of its employees who work at least 1,000 hours in a twelve consecutive month period and are at least twenty-one years of age. Under the plan, eligible employees may contribute a percentage of their base salary, subject to certain limitations. Centene may elect to match a portion of the employees' contribution. Cenpatico's expense related to matching contributions to the plan was \$65,057 and \$72,300 during the years ended June 30, 2009 and 2008, respectively.

(8) Commitments and contingencies

Operating leases - Cenpatico leases office space in Arizona for their headquarters, various case management clinics and certain equipment under operating lease agreements expiring at various dates through July 2012. Certain operating leases contain escalation provisions. The rental expense related to these leases is recorded on a straight-line basis over the lease term, including rent holidays. The difference between rent expense and rent paid due to recording expenses on the straight-line method of approximately \$39,000 and \$48,000 at June 30, 2009 and 2008, respectively, is included in accounts payable and accrued expenses in the accompanying balance sheets. In the normal course of business, operating leases are generally renewed or replaced by other leases. Minimum future payments under these non-cancelable operating leases as of June 30, 2009 are as follows:

Years Ending June 30,

2010	\$	611,321
2011		593,700
2012		394,580
2013		32,915
Total minimum lease payments	\$	<u>1,632,516</u>

Rent expense for the years ended June 30, 2009 and 2008 was approximately \$300,000 and \$301,000, respectively.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(8) Commitments and contingencies (continued)

Liability insurance - Cenpatico, through Centene, maintains professional and general liability insurance coverage under claims-made policies. Centene is insured for losses up to \$10 million per claim and in the aggregate, with a self-insured retention of \$1 million under its professional liability policy. Centene is insured for losses up to \$1 million per claim and \$2 million in the aggregate under its general liability policy. Cenpatico is also covered under an umbrella policy providing for professional and general liability coverage up to a \$15 million per claim and in the aggregate. Claims reported endorsement (tail coverage) is available if the policy is not renewed to cover claims incurred but not reported. Cenpatico anticipates that renewal coverage will be available at expiration of the current policy. Cenpatico participates in the above policy with its affiliates. Per claim and aggregate limits are applicable to all covered entities as a group.

Litigation - Cenpatico is routinely subject to legal proceedings in the normal course of business. While the ultimate resolution of such matters is uncertain, Cenpatico does not expect the results of these matters to have a material effect on its financial position or results of operations.

Healthcare regulation - The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. At June 30, 2009 and 2008, Cenpatico was not a Medicare certified facility and did not derive any of its revenue from the provision of services to Medicare beneficiaries. Management believes that Cenpatico is in compliance with fraud and abuse laws and regulations, as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future review and interpretation as well as regulatory actions unknown or unasserted at this time.

(9) Contract requirements

In accordance with its contract with ADHS, Cenpatico is required to maintain certain minimum financial reporting and viability measures.

Pursuant to its contract with ADHS, Cenpatico must maintain unrestricted, minimum capitalization of at least 90% of the monthly capitation and Non-Title XIX/XXI payments received under the contract. At June 30, 2009, Cenpatico was in compliance with this requirement.

Cenpatico's contract with ADHS contains various quarterly financial performance requirements, including required minimum liquidity ratio, administrative cost percentages and service expense percentages. Cenpatico was not in compliance with certain administrative expense percentages and certain service expense percentages. A corrective action plan has been accepted to address non-compliance.

As discussed in Note 1, Cenpatico is limited by the terms of its contract with ADHS to profit that can be earned under the various programs. Contract profit limitations are applied on an after-tax basis.

Should Cenpatico be in default of any material obligations under its contract with ADHS, ADHS may, at its discretion, in addition to other remedies, either adjust the amount of future payment or withhold future payment until satisfactory resolution of the default or exception. In addition, although it has not expressed an intention to do so, ADHS has the right to terminate the contract in whole or in part without cause by giving Cenpatico 90 days written notice. Further, if monies are not appropriated by the state or are not otherwise available, the contract with ADHS may be cancelled upon written notice until such monies are so appropriated or available.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(9) Contract requirements (continued)

As of June 30, 2009, Cenpatico reported less than the minimum number of encounters as stipulated in the Contract and is subject to a potential encounter withhold by ADHS if no more encounters are submitted. Cenpatico has until February 28, 2010 to submit encounters related to the year ended June 30, 2009. Cenpatico anticipates meeting the required encounters threshold. Accordingly, Cenpatico has not recorded a liability associated with an encounter withhold.

As of June 30, 2008, Cenpatico reported less than the minimum number of encounters as stipulated in the Contract and was subject to a potential encounter withhold by ADHS if no more encounters were submitted. Cenpatico had until February 28, 2009 to submit encounters related to the year ended June 30, 2008. Cenpatico anticipated meeting the required encounters threshold. Accordingly, at June 30, 2008, Cenpatico had not recorded a liability associated with an encounter withhold. Subsequent to June 30, 2008, Cenpatico met the required encounter threshold and no amounts were required to be remitted to ADHS.

In addition, Cenpatico is subject to a profit risk corridor calculation that calculates a return of premium to the extent certain financial ratios are not met by program types. Cenpatico recorded a return of premium of approximately \$4.0 million and \$1.6 million as a result of the profit risk corridor calculation for the years ended June 30, 2009 and 2008, respectively. These amounts are included in the payable to ADHS in the accompanying balance sheets. The \$1.6 million was paid during fiscal 2009.

ADHS has a right to sanction Cenpatico for other matters of non-compliance of the Contract, as determined by ADHS. Cenpatico recorded approximately \$66,000 and \$29,000 as administrative expenses for sanctions for the years ended June 30, 2009 and 2008, respectively.

(10) Concentration of credit risk

Cenpatico currently holds a contract with ADHS to provide services through June 30, 2010. This contract represents substantially all the revenue (other than investment income) of Cenpatico. Management intends to participate in the normal re-bid process.

(11) Fair value measurements

SFAS No. 157 establishes a common definition for fair value to be applied to U.S. generally accepted accounting principles requiring use of fair value, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements. Cenpatico adopted SFAS No. 157 as of December 1, 2008 for financial assets and financial liabilities subject to fair value measurement on a recurring basis. There was no material impact on Cenpatico's financial statements for the adoption of this standard. SFAS No. 157 establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

- Level 1: Unadjusted quoted market prices in active markets for identical assets or liabilities.
- Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3: Unobservable inputs for the asset or liability.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2009 and 2008

(11) **Fair value measurements (continued)**

The following table summarizes the valuation of Cenpatico's financial instruments by the above SFAS No. 157 categories as of June 30, 2009:

	<u>Level 1</u>
Long-term investments	1,500,000

Cenpatico had no other financial instruments with recurring fair value measurements.

SUPPLEMENTAL INFORMATION

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 1 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - GSA 2 and GSA 4
Year Ended June 30, 2009

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX 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
REVENUES																							
Revenue Under ADHS Contract	\$ 32,685,370	\$ 6,385,758	\$ 1,088,987	\$ 1,156,052	\$ 1,592,078	\$ -	\$ 26,172,035	\$ 1,160,135	\$ 6,224,329	\$ 36,162	\$ 23,457	\$ 2,436	\$ 35,326,341	\$ 178,030	\$ 212,731	\$ 2,985,842	\$ 1,198,164	\$ 3,600	\$ 183,116	\$ -	\$ 116,614,623	\$ -	\$ 116,614,623
Qualifying Incentive Payments Under ADHS Contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	221,019	221,019
Specialty & Other Grants*	(1,116,996)	(1,105,882)	-	-	45,332	-	(1,170,999)	(4,167)	(62,654)	(5,453)	-	-	(492,378)	-	-	-	-	-	-	-	-	(3,913,197)	(3,913,197)
Client Fees (Co-pays)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	442,365	442,365
Other Funding Sources - Non ADHS*	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53	55,235
Unrelated Business Activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52,182	55,182	-	55,235
TOTAL REVENUE	31,571,374	5,279,876	1,088,987	1,156,052	1,637,410	-	25,001,036	1,155,968	6,161,675	30,709	23,457	2,436	34,833,963	178,030	212,731	2,985,842	1,198,164	3,600	183,116	52,182	112,756,608	663,437	113,420,045
EXPENSES																							
Service Expenses:																							
Treatment Services																							
Counseling:																							
Counseling, Individual	1,900,277	332,307	36,624	39,271	104,600	-	693,513	28,471	131,080	-	3,436	-	2,950,987	31,956	26,127	156,518	-	-	22,672	-	6,457,839	-	6,457,839
Counseling, Family	1,262,994	169,973	44,348	21,721	62,285	-	30,414	8,617	12,831	-	1,661	-	263,681	2,311	2,355	7,770	-	-	92	-	1,891,053	-	1,891,053
Counseling, Group	315,060	28,897	2,407	9,200	24,813	-	352,839	1,782	39,182	-	580	-	1,550,529	4,161	9,571	184,974	-	-	35,660	-	2,559,655	-	2,559,655
Consultation, Assessment & Specialized Testing	2,976,935	315,716	128,799	49,389	143,734	-	471,682	46,516	81,607	2,248	4,173	-	2,416,062	19,921	9,671	135,262	-	-	38,197	-	6,839,912	-	6,839,912
Other Professional	-	-	-	-	-	-	-	-	37	-	-	-	-	-	298	2,238	-	-	-	-	136	-	2,709
Total Treatment Services	6,455,266	846,893	212,178	119,581	335,432	-	1,548,448	85,386	264,737	2,248	9,850	-	7,181,259	58,349	48,022	486,762	-	-	96,757	-	17,751,168	-	17,751,168
Rehabilitation Services																							
Living Skills Training	1,079,458	69,319	29,095	15,302	54,773	-	1,314,378	203,426	53,828	382	478	-	284,851	1,540	744	25,068	-	-	-	-	3,132,642	-	3,132,642
Cognitive Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health Promotion	26,361	1,208	148	889	1,869	-	5,833	-	1,010	-	251	-	61,609	174	194	6,379	-	-	491	-	106,416	-	106,416
Supported Employment Services	7,538	537	-	-	421	-	705,019	17,624	46,329	-	638	-	1,536,181	-	6,580	59,260	-	-	9,545	-	2,389,672	-	2,389,672
Total Rehabilitation Services	1,113,357	71,064	29,243	16,191	57,063	-	2,025,230	221,050	101,167	382	1,367	-	1,882,641	1,714	7,518	90,707	-	-	10,036	-	5,628,730	-	5,628,730
Medical Services																							
Medication Services	31	23	-	-	-	-	238,555	90	19,354	-	-	-	607,882	3,392	4,246	135,362	-	-	355	-	1,009,290	-	1,009,290
Medical Management	769,414	46,538	50,116	5,707	49,494	-	645,733	50,498	91,992	1,510	2,596	-	1,129,244	14,209	6,598	39,235	-	-	633	-	2,903,517	-	2,903,517
Laboratory, Radiology & Medical Imaging	32,956	5,760	3,601	541	4,993	-	44,556	2,096	14,092	-	147	-	102,457	705	2,887	13,048	-	-	336	-	228,175	-	228,175
Electro-Convulsive Therapy	-	-	-	-	-	-	1,174	-	8,248	-	-	-	240	-	-	-	-	-	-	-	9,662	-	9,662
Total Medical Services	802,401	52,321	53,717	6,248	54,487	-	930,018	52,684	133,686	1,510	2,743	-	1,839,823	18,306	13,731	187,645	-	-	1,324	-	4,150,644	-	4,150,644
Support Services																							
Case Management	5,246,168	813,429	191,940	95,744	244,572	-	3,052,198	101,288	350,950	4,805	6,678	-	3,901,011	26,998	24,700	262,565	-	-	23,521	-	14,346,567	-	14,346,567
Personal Assistance	71,253	3,835	341	1,130	5,301	-	323,460	120,997	4,120	-	-	-	781,541	1,631	2,983	75,765	-	-	702	-	1,393,059	-	1,393,059
Family Support	884,169	69,759	56,976	12,439	34,434	-	7,217	1,933	94	-	375	-	29,960	206	16	163	-	-	-	-	1,097,741	-	1,097,741
Peer Support	341,815	32,816	1,904	6,347	15,124	-	772,379	22,746	97,731	102	236	-	1,679,427	2,033	2,849	123,670	-	-	3,307	-	3,102,486	-	3,102,486
Therapeutic Foster Care Services	1,437,671	1,703,120	77,098	6,107	16,691	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,240,687
Respite Care	1,901,334	211,387	96,301	34,976	120,375	-	97,563	104	10,327	-	-	-	103,767	-	51	1,490	-	-	-	-	2,577,675	-	2,577,675
Housing Support	-	-	-	-	-	-	-	-	166,128	-	-	-	-	-	1,299	81,422	-	-	-	-	248,849	-	248,849
Interpreter Services	-	-	-	119,296	-	-	-	-	8,127	-	-	-	-	-	33,934	1,816	-	-	-	-	163,173	-	163,173
Flex Fund Services	-	-	-	15,296	-	-	-	-	7,042	-	-	-	-	-	894	9,540	-	-	1,073	-	33,845	-	33,845
Transportation	3,163,060	305,483	91,656	64,682	167,598	-	2,657,500	64,370	232,886	4,203	1,068	-	3,288,016	5,332	12,043	215,522	-	-	6,298	-	10,279,717	-	10,279,717
Block Purchase NTXIX Consumer Drop In Center	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	13,045,470	3,139,829	516,216	356,017	604,095	-	6,910,317	311,438	877,405	9,110	8,357	-	9,783,722	36,200	78,769	771,953	-	-	34,901	-	36,483,799	-	36,483,799
Crisis Intervention Services																							
Crisis Intervention - Mobile	291,607	55,018	9,185	90,618	12,462	-	909,276	39,402	621,321	2,991	1,739	-	971,239	12,104	21,678	263,245	-	-	-	-	3,301,885	-	3,301,885
Crisis Services	414	-	-	-	-	-	8,322	-	414	-	-	-	136,153	2,068	5,029	13,899	-	-	-	-	166,299	-	166,299
Crisis Phones	288,229	57,299	9,932	30,000	12,000	-	888,774	33,642	299,012	1,931	1,061	-	1,396,202	8,207	10,231	143,357	-	-	-	-	3,179,877	-	3,179,877
Total Crisis Intervention Services	580,250	112,317	19,117	120,618	24,462	-	1,806,372	73,044	920,747	4,922	2,800	-	2,503,594	22,379	36,938	420,501	-	-	-	-	6,648,061	-	6,648,061

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 1 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - GSA 2 and GSA 4
Year Ended 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	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Service Expenses (continued)																							
Inpatient Services																							
Hospital:																							
Psychiatric (Provider Types 02 & 71)	\$ 651,478	\$ 346,048	\$ 25,455	\$ 6,968	\$ 45,245	\$ -	\$ 783,485	\$ 54,908	\$ 210,822	\$ -	\$ -	\$ -	\$ 953,956	\$ -	\$ -	\$ 49,045	\$ -	\$ -	\$ -	\$ -	\$ 3,127,410	\$ -	\$ 3,127,410
Detoxification (Provider Types 02 & 71)	-	-	-	-	-	-	14,103	-	-	-	-	-	95,749	-	-	3,770	-	-	-	-	113,622	-	113,622
Sub-acute Facility:																							
Psychiatric (Provider Types B5 & B6)	12,255	-	-	-	-	-	2,548,980	38,266	424,857	-	-	-	1,283,769	1,532	-	168,941	-	-	-	-	4,478,600	-	4,478,600
Detoxification (Provider Types B5 & B6)	-	-	-	-	-	-	26,030	-	-	-	-	-	460,579	-	-	20,246	-	-	-	-	506,855	-	506,855
Residential Treatment Center (RTC):																							
Psychiatric - Secure & Non-Secure (Provider Types 78,B1,B2,B3)	703,147	1,082,191	-	-	69,022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,854,360	-	1,854,360
Detoxification - Secure & Non-Secure (Provider Types 78,B1,B2,B3)	1,962	3,304	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,266	-	5,266
Inpatient Services, Professional	117,250	36,523	4,373	-	10,419	-	85,598	1,352	26,644	-	-	-	118,216	-	-	9,425	-	-	-	-	409,800	-	409,800
Total Inpatient Services	1,486,092	1,468,066	29,828	6,968	124,686	-	3,458,196	94,526	662,323	-	-	-	2,912,269	1,532	-	251,427	-	-	-	-	10,495,913	-	10,495,913
Residential Services																							
Level II Behavioral Health Residential Facilities	1,165,280	475,060	-	36,823	6,759	-	2,658,597	-	237,319	-	-	-	1,133,842	1,805	2,515	45,525	-	-	-	-	5,763,525	-	5,763,525
Level III Behavioral Health Residential Facilities Room and Board	6,299	7,112	-	-	610	-	18,875	-	-	-	-	-	-	-	-	-	-	-	-	-	32,896	-	32,896
	-	-	-	155,371	-	-	-	-	112,006	-	-	-	-	-	2,103	159,063	-	-	-	3,704	432,247	-	432,247
Total Residential Services	1,171,579	482,172	-	192,194	7,369	-	2,677,472	-	349,325	-	-	-	1,133,842	1,805	4,618	204,588	-	-	-	3,704	6,228,668	-	6,228,668
Behavioral Health Day Program																							
Supervised Day Program	45,100	7,165	385	395	2,906	-	52,240	-	-	-	-	-	14,710	-	-	-	-	-	-	-	122,901	-	122,901
Therapeutic Day Program	116,356	4,340	3,574	2,133	7,275	-	274,001	8,858	7,576	3,416	-	-	20,410	-	88	132	-	-	-	-	448,159	-	448,159
Medical Day Program	-	-	-	-	-	-	-	-	35	-	-	-	-	-	-	-	-	-	-	-	35	-	35
Total Behavioral Health Day Program	161,456	11,505	3,959	2,528	10,181	-	326,241	8,858	7,611	3,416	-	-	35,120	-	88	132	-	-	-	-	571,095	-	571,095
Prevention Services																							
Prevention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,045,640	-	-	-	1,045,640	-	1,045,640
HIV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86,903	-	-	-	-	86,903	-	86,903
Total Prevention Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86,903	1,045,640	-	-	-	1,132,543	-	1,132,543
Medication																							
Medication Expense	3,297,485	149,018	407,854	-	327,445	-	3,572,842	240,798	1,681,329	-	-	-	5,056,024	-	-	-	-	-	-	-	4,922	-	14,737,717
(Less Pharmacy Rebate Received)	(77,623)	(3,623)	(9,668)	-	(8,350)	-	(85,153)	(6,764)	(40,432)	-	-	-	(119,182)	-	-	-	-	-	-	-	(208)	-	(351,003)
Pharmacy Rebate Related Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Medication Services	3,219,862	145,395	398,186	-	319,095	-	3,487,689	234,034	1,640,897	-	-	-	4,936,842	-	-	-	-	-	-	-	4,714	-	14,386,714
Other ADHS Service Expenses Not Rpt'd Above*	365,286	2,567	6,092	218,083	4,458	-	248,962	3,548	660,125	-	-	-	336,615	-	-	23,879	-	3,420	53	-	1,873,088	-	1,873,088
ADHS/DOC COOL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,312	-	70,312	-
Subtotal ADHS Service Expenses	28,401,019	6,332,129	1,268,536	1,038,428	1,541,328	-	23,418,945	1,084,568	5,618,023	21,588	25,117	-	32,545,727	140,285	189,684	2,524,497	1,045,640	3,420	221,801	-	105,420,735	-	105,420,735
Service Expenses from Non ADHS Sources*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,561	35,561	-	35,561
Total Service Expense	28,401,019	6,332,129	1,268,536	1,038,428	1,541,328	-	23,418,945	1,084,568	5,618,023	21,588	25,117	-	32,545,727	140,285	189,684	2,524,497	1,045,640	3,420	221,801	35,561	105,456,296	-	105,456,296
Administrative Expenses:																							
Salaries	1,278,432	237,686	61,112	36,128	53,750	-	1,183,090	55,069	195,238	751	878	-	1,197,455	4,862	6,522	87,514	69,793	-	7,692	-	4,475,972	-	4,475,972
Employee Benefits	203,794	37,890	9,742	5,759	8,569	-	188,596	8,778	31,123	119	140	-	190,885	775	1,040	13,950	11,125	-	1,226	-	713,511	-	713,511
Professional & Outside Services	177,234	32,952	8,473	5,008	7,452	-	164,016	7,635	27,067	104	121	-	166,008	674	904	12,132	9,675	-	1,067	-	620,522	-	620,522
Travel	61,860	11,502	2,957	1,748	2,601	-	57,247	2,664	9,447	37	42	-	57,942	235	316	4,235	3,378	-	372	-	216,583	-	216,583
Occupancy	167,256	31,097	7,996	4,727	7,032	-	154,783	7,204	25,543	98	115	-	156,663	636	853	11,449	9,131	-	1,007	-	585,590	-	585,590
Depreciation	44,485	8,270	2,126	1,257	1,871	-	41,167	1,917	6,793	26	31	-	41,667	169	227	3,045	2,423	-	268	-	155,742	-	155,742
All Other Operating*	615,457	115,593	29,621	17,476	26,071	-	564,073	26,700	94,438	369	426	-	564,909	2,360	3,155	42,330	33,759	-	3,720	-	2,140,457	-	2,140,457
Subtotal ADHS Administrative Expenses	2,548,518	474,990	122,027	72,103	107,346	-	2,352,972	109,967	389,649	1,504	1,753	-	2,375,529	9,711	13,017	174,655	139,284	-	15,352	-	8,908,377	-	8,908,377
Encounter Withhold Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non ADHS and/or Unrelated Admin. Expense*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Administrative Expense	2,548,518	474,990	122,027	72,103	107,346	-	2,352,972	109,967	389,649	1,504	1,753	-	2,375,529	9,711	13,017	174,655	139,284	-	15,352	-	8,908,377	-	8,908,377
Unrelated Business Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income Tax Provisions																							
ADHS Income Tax Provision	703,156	(170,686)	(122,163)	18,439	(32,947)	-	162,081	(13,935)	87,764	6,270	(1,224)	987	164,093	13,033	4,063	116,134	5,364	73	(21,890)	-	918,612	89,531	1,008,143
Non ADHS Income Tax Provision	(451,261)	(447,974)	-	-	18,364	-	(474,353)	(1,688)	(25,380)	(2,209)	-	-	(199,454)	-	-	-	-	-	-	6,733	(1,577,222)	179,216	(1,398,006)
Subtotal Income Tax Provision	251,895	(618,660)	(122,163)	18,439	(14,583)	-	(312,272)	(15,623)	62,384	4,061	(1,224)	987	(35,361)	13,033	4,063	116,134	5,364	73	(21,890)	6,733	(658,610)	268,747	(389,863)
TOTAL EXPENSES	\$ 31,201,432	\$ 6,188,459	\$ 1,268,400	\$ 1,128,970	\$ 1,634,091	\$ -	\$ 25,459,645	\$ 1,178,912	\$ 6,070,056	\$ 27,153	\$ 25,646	\$ 987	\$ 34,885,895	\$ 163,029	\$ 206,764	\$ 2,815,286	\$ 1,190,288	\$ 3,493	\$ 215,263	\$ 42,294	\$ 113,706,063	\$ 268,747	\$ 113,974,810
INC/(DEC) IN NET ASSETS/EQUITY	\$ 369,942	\$ (908,583)	\$ (179,413)	\$ 27,082	\$ 3,319	\$ -	\$ (458,609)	\$ (22,944)	\$ 91,619	\$ 3,556	\$ (2,189)	\$ 1,449	\$ (51,932)	\$ 15,001	\$ 5,967	\$ 170,556	\$ 7,876	\$ 107	\$ (32,147)	\$ 9,888	\$ (949,455)	\$ 394,690	\$ (554,765)

*Disclose on Schedule 4

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 2 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - GSA 2
Year Ended June 30, 2009

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX 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	
REVENUES																								
Revenue Under ADHS Contract																								
ADHS Revenue	\$ 12,585,541	\$ 2,047,963	\$ 282,170	\$ 463,881	\$ 634,783	\$ -	\$ 10,456,018	\$ 193,850	\$ 2,630,903	\$ 14,218	\$ 10,580	\$ 812	\$ 14,865,925	\$ 89,965	\$ 77,763	\$ 1,346,698	\$ 527,642	\$ 2,700	\$ 80,278	\$ -	\$ 46,311,690	\$ -	\$ 46,311,690	
ADHS Revenue - Qualifying Incentive Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	126,478	126,478	
Specialty & Other Grants*	-	-	-	-	22,145	-	(510,227)	(4,167)	(62,654)	(4,638)	-	-	(200,364)	-	-	-	-	-	-	-	(759,905)	-	(759,905)	
Client Fees (Co-pays)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Third Party Recoveries																								
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	179,007	179,007	
Other Funding Sources - Non ADHS*	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,000	12,000	53	12,053	
Unrelated Business Activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUE	12,588,541	2,047,963	282,170	463,881	656,928	-	9,945,791	189,683	2,568,249	9,580	10,580	812	14,665,561	89,965	77,763	1,346,698	527,642	2,700	80,278	9,000	45,563,785	305,538	45,869,323	
EXPENSES																								
Service Expenses:																								
Treatment Services																								
Counseling																								
Counseling, Individual	562,550	58,204	10,160	7,834	40,750	-	297,944	3,206	79,954	-	1,452	-	924,235	13,596	15,260	58,798	-	-	-	4,159	-	2,078,102	-	2,078,102
Counseling, Family	246,557	23,483	3,503	5,440	15,961	-	12,185	1,235	8,770	-	174	-	45,128	218	1,104	512	-	-	-	-	-	364,270	-	364,270
Counseling, Group	144,144	7,913	436	6,573	17,332	-	190,868	882	24,184	-	347	-	586,003	1,514	7,633	67,285	-	-	-	18,745	-	1,073,859	-	1,073,859
Consultation, Assessment & Specialized Testing	835,374	63,134	28,719	13,350	47,547	-	244,577	21,450	58,297	2,248	2,587	-	940,961	6,377	3,680	66,923	-	-	-	15,379	-	2,350,603	-	2,350,603
Other Professional	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Treatment Services	1,788,625	152,734	42,818	33,197	121,590	-	745,574	26,773	171,205	2,248	4,560	-	2,496,327	21,705	27,677	193,518	-	-	-	38,283	-	5,866,834	-	5,866,834
Rehabilitation Services																								
Living Skills Training	300,651	11,454	4,715	7,529	16,597	-	57,342	2,409	7,810	-	-	-	182,975	1,455	255	6,568	-	-	-	-	-	599,760	-	599,760
Cognitive Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health Promotion	6,615	478	148	52	922	-	52	-	-	-	-	-	21,531	-	87	731	-	-	-	-	-	30,616	-	30,616
Supported Employment Services	2,747	497	-	-	337	-	88,450	-	9,973	-	-	-	1,390,820	-	4,863	56,620	-	-	-	9,545	-	1,563,852	-	1,563,852
Total Rehabilitation Services	310,013	12,429	4,863	7,581	17,856	-	145,844	2,409	17,783	-	-	-	1,595,326	1,455	5,205	63,919	-	-	-	9,545	-	2,194,228	-	2,194,228
Medical Services																								
Medication Services	-	-	-	-	-	-	206,648	-	13,826	-	-	-	521,231	3,392	1,415	126,333	-	-	-	355	-	873,200	-	873,200
Medical Management	260,231	17,473	9,115	1,615	18,627	-	306,101	19,703	52,677	719	214	-	355,983	5,323	2,242	14,202	-	-	-	160	-	1,064,385	-	1,064,385
Laboratory, Radiology & Medical Imaging	2,101	739	718	-	-	-	24,397	919	3,218	-	-	-	46,077	325	865	9,678	-	-	-	52	-	89,089	-	89,089
Electro-Convulsive Therapy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Medical Services	262,332	18,212	9,833	1,615	18,627	-	537,146	20,622	69,721	719	214	-	923,291	9,040	4,522	150,213	-	-	-	567	-	2,026,674	-	2,026,674
Support Services																								
Case Management	2,454,376	310,003	68,275	41,405	139,131	-	1,738,672	38,400	249,712	4,064	2,502	-	1,881,442	13,860	15,926	112,873	-	-	-	6,876	-	7,077,517	-	7,077,517
Personal Assistance	56,220	1,977	249	1,019	4,011	-	83,554	611	628	-	-	-	63,321	144	75	3,149	-	-	-	64	-	215,022	-	215,022
Family Support	469,168	39,753	23,791	5,044	24,681	-	4,875	-	49	-	-	-	13,647	96	12	144	-	-	-	-	-	581,260	-	581,260
Peer Support	287,144	32,010	1,839	5,925	12,286	-	433,840	11,177	68,839	-	236	-	1,050,181	996	1,326	67,385	-	-	-	1,474	-	1,974,658	-	1,974,658
Home Care Training to Home Care Client	843,313	560,785	54,879	1,357	13,042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,473,376	-	1,473,376
Respite Care	934,543	32,036	59,518	21,416	58,539	-	-	96	-	-	-	-	70,493	-	-	-	-	-	-	-	-	1,199,499	-	1,199,499
Housing Support	-	-	-	-	-	-	-	-	112,914	-	-	-	-	-	216	19,677	-	-	-	-	-	132,807	-	132,807
Interpreter Services	-	-	-	48,635	-	-	-	-	6,133	-	-	-	-	-	32,887	1,632	-	-	-	-	-	89,287	-	89,287
Flex Fund Services	-	-	-	3,478	-	-	-	-	5,478	-	-	-	-	-	559	3,026	-	-	-	1,073	-	13,614	-	13,614
Transportation	1,191,612	126,636	20,758	28,976	69,516	-	1,238,854	8,889	157,929	-	27	-	1,648,482	4,019	1,998	120,630	-	-	-	1,112	-	4,619,438	-	4,619,438
Block Purchase NTXIX Consumer Drop In Center	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Support Services	6,236,376	1,103,200	229,309	157,255	321,206	-	3,513,012	59,173	611,323	4,064	2,765	-	4,727,566	19,115	52,999	328,516	-	-	-	10,599	-	17,376,478	-	17,376,478
Crisis Intervention Services																								
Crisis Intervention - Mobile	134,525	21,142	2,913	29,969	610	-	367,613	6,792	261,294	276	146	-	341,620	1,208	7,867	134,145	-	-	-	-	-	1,310,120	-	1,310,120
Crisis Intervention - Stabilization	178	-	-	-	-	-	190	-	178	-	-	-	9,558	2,068	-	1,867	-	-	-	-	-	14,039	-	14,039
Crisis Intervention - Telephone	92,394	15,035	2,071	10,000	5,000	-	489,082	9,067	124,949	1,253	663	-	498,149	5,484	3,693	63,958	-	-	-	-	-	1,320,798	-	1,320,798
Total Crisis Intervention Services	227,097	36,177	4,984	39,969	5,610	-	856,885	15,859	386,421	1,529	809	-	849,327	8,760	11,560	199,970	-	-	-	-	-	2,644,957	-	2,644,957

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 2 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - GSA 2
Year Ended June 30, 2009

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX DD CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX 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
Service Expenses (continued)																							
Inpatient Services																							
Hospital																							
Psychiatric (Provider Types 02 & 71)	\$ 110,445	\$ 27,531	\$ 5,310	\$ -	\$ 6,169	\$ -	\$ 108,817	\$ -	\$ 34,601	\$ -	\$ -	\$ -	\$ 165,185	\$ -	\$ -	\$ 21,707	\$ -	\$ -	\$ -	\$ -	\$ 479,765	\$ -	\$ 479,765
Detoxification (Provider Types 02 & 71)	-	-	-	-	-	-	8,159	-	-	-	-	-	29,469	-	-	-	-	-	-	-	37,628	-	37,628
Sub acute Facility																							
Psychiatric (Provider Types B5 & B6)	12,255	-	-	-	-	-	1,024,813	-	86,550	-	-	-	530,934	1,532	-	17,616	-	-	-	-	1,673,700	-	1,673,700
Detoxification (Provider Types B5 & B6)	-	-	-	-	-	-	-	-	-	-	-	-	28,407	-	-	-	-	-	-	-	28,407	-	28,407
Residential Treatment Center (RTC)																							
Psychiatric - Secure & Non-Secure Provider Types 78,B1,B2,B3)	83,915	612,065	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	695,980	-	695,980
Detoxification - Secure & Non-Secure (Provider Types 78,B1,B2,B3)	-	3,114	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,114	-	3,114
Inpatient Services, Professional	16,625	5,214	520	-	2,479	-	13,107	-	3,349	-	-	-	20,107	-	-	5,699	-	-	-	-	67,100	-	67,100
Total Inpatient Services	223,240	647,924	5,830	-	8,648	-	1,154,896	-	124,500	-	-	-	774,102	1,532	-	45,022	-	-	-	-	2,985,694	-	2,985,694
Residential Services																							
Level II Behavioral Health Residential Facilities	590,320	188,317	-	-	1,775	-	872,602	-	33,394	-	-	-	565,215	-	131	24,426	-	-	-	-	2,276,180	-	2,276,180
Level III Behavioral Health Residential Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Room and Board	-	-	-	73,700	-	-	-	-	-	-	-	-	-	-	890	54,508	-	-	-	1,444	175,412	-	175,412
Total Residential Services	590,320	188,317	-	73,700	1,775	-	872,602	-	78,264	-	-	-	565,215	-	1,021	78,934	-	-	-	1,444	2,451,592	-	2,451,592
Behavioral Health Day Program																							
Supervised Day Program	221	-	-	-	-	-	52,240	-	-	-	-	-	14,710	-	-	-	-	-	-	-	67,171	-	67,171
Therapeutic Day Program	62	-	-	-	-	-	2,117	-	-	-	-	-	150	-	-	-	-	-	-	-	2,329	-	2,329
Medical Day Program	-	-	-	-	-	-	-	-	35	-	-	-	-	-	-	-	-	-	-	-	35	-	35
Total Behavioral Health Day Program	283	-	-	-	-	-	54,357	-	35	-	-	-	14,860	-	-	-	-	-	-	-	69,535	-	69,535
Prevention Services																							
Prevention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	463,008	-	-	-	463,008	-	463,008
HIV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,452	-	-	-	-	41,452	-	41,452
Total Prevention Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,452	463,008	-	-	-	504,460	-	504,460
Medication																							
Medication Expense	632,667	80,500	122,908	-	57,838	-	1,473,915	89,762	502,592	-	-	-	1,326,983	-	-	-	-	-	-	-	4,287,165	-	4,287,165
Less Pharmacy Rebate Received	(15,592)	(2,123)	(3,076)	-	(1,361)	-	(36,474)	(2,189)	(12,930)	-	-	-	(33,400)	-	-	-	-	-	-	(6)	(107,151)	-	(107,151)
Pharmacy Rebate Related Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Medication Services	617,075	78,377	119,832	-	56,477	-	1,437,441	87,573	489,662	-	-	-	1,293,583	-	-	-	-	-	-	(6)	4,180,014	-	4,180,014
Other ADHS Service Expenses Not Rpt'd Above*	167,257	1,661	2,443	90,711	1,100	-	125,078	1,754	320,139	1,100	-	-	169,751	-	-	-	-	2,520	-	-	882,414	-	882,414
ADHS/DOC COOL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,156	-	35,156	-	35,156
Subtotal ADHS Service Expenses	10,422,618	2,239,031	419,912	404,028	552,889	-	9,442,835	214,163	2,269,053	8,560	8,348	-	13,409,348	61,607	102,984	1,101,544	463,008	2,520	95,588	-	41,218,036	-	41,218,036
Service Expenses from Non ADHS Sources*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Service Expense	10,422,618	2,239,031	419,912	404,028	552,889	-	9,442,835	214,163	2,269,053	8,560	8,348	-	13,409,348	61,607	102,984	1,101,544	463,008	2,520	95,588	-	41,218,036	-	41,218,036
Administrative Expenses:																							
Salaries	482,380	82,201	21,875	13,398	18,335	-	488,049	15,052	75,246	284	277	-	476,482	2,043	3,415	36,530	31,255	-	3,170	-	1,749,992	-	1,749,992
Employee Benefits	76,896	13,104	3,487	2,136	2,923	-	77,800	2,399	11,995	45	44	-	75,955	326	545	5,823	4,982	-	505	-	278,965	-	278,965
Professional & Outside Services	66,874	11,396	3,033	1,857	2,542	-	67,660	2,087	10,432	39	38	-	66,057	283	473	5,064	4,333	-	440	-	242,608	-	242,608
Travel	23,341	3,978	1,058	648	887	-	23,616	728	3,641	14	13	-	23,056	99	165	1,768	1,513	-	153	-	84,678	-	84,678
Occupancy	63,109	10,755	2,862	1,753	2,399	-	63,851	1,969	9,845	37	36	-	62,338	267	447	4,779	4,089	-	415	-	228,951	-	228,951
Depreciation	16,785	2,860	761	466	638	-	16,982	524	2,618	10	10	-	16,580	71	119	1,271	1,089	-	110	-	60,894	-	60,894
All Other Operating*	233,329	39,761	10,581	6,481	8,869	-	236,072	7,281	36,397	137	134	-	230,476	988	1,652	17,669	15,118	-	1,533	-	846,478	-	846,478
Subtotal ADHS Administrative Expenses	962,714	164,055	43,657	26,739	36,593	-	974,030	30,040	150,174	566	552	-	950,944	4,077	6,816	72,904	62,379	-	6,326	-	3,492,566	-	3,492,566
Encounter Withhold Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non ADHS and/or Unrelated Admin. Expense*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Administrative Expense	962,714	164,055	43,657	26,739	36,593	-	974,030	30,040	150,174	566	552	-	950,944	4,077	6,816	72,904	62,379	-	6,326	-	3,492,566	-	3,492,566
Unrelated Business Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income Tax Provisions																							
ADHS Income Tax Provision	486,184	(143,854)	(73,482)	13,413	18,351	-	15,860	(20,397)	85,747	3,038	838	329	204,823	11,514	(12,978)	69,776	914	73	(8,765)	-	651,384	51,234	702,618
Non ADHS Income Tax Provision	1,215	-	-	-	8,971	-	(206,685)	(1,688)	(25,380)	(1,879)	-	-	(81,164)	-	-	-	-	-	-	3,646	(302,964)	72,534	(230,430)
Subtotal Income Tax Provision	487,399	(143,854)	(73,482)	13,413	27,322	-	(190,825)	(22,085)	60,367	1,159	838	329	123,659	11,514	(12,978)	69,776	914	73	(8,765)	3,646	348,420	123,768	472,188
TOTAL EXPENSES	\$ 11,872,731	\$ 2,259,232	\$ 390,087	\$ 444,180	\$ 616,804	\$ -	\$ 10,226,040	\$ 222,118	\$ 2,479,594	\$ 10,285	\$ 9,738	\$ 329	\$ 14,483,951	\$ 77,198	\$ 96,822	\$ 1,244,224	\$ 526,301	\$ 2,593	\$ 93,149	\$ 3,646	\$ 45,059,022	\$ 123,768	\$ 45,182,790
INC(DEC) IN NET ASSETS/EQUITY	\$ 715,810	\$ (211,269)	\$ (107,917)	\$ 19,701	\$ 40,124	\$ -	\$ (280,249)	\$ (32,435)	\$ 88,655	\$ (705)	\$ 842	\$ 483	\$ 181,610	\$ 12,767	\$ (19,059)	\$ 102,474	\$ 1,341	\$ 107	\$ (12,871)	\$ 5,354	\$ 504,763	\$ 181,770	\$ 686,533

*Disclose on Schedule 5

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 3 -SUPPLEMENTAL SCHEDULE OF ACTIVITIES - GSA 4
Year Ended 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	
REVENUES																								
Revenue Under ADHS Contract																								
ADHS Revenue	\$ 20,099,829	\$ 4,337,795	\$ 806,817	\$ 692,171	\$ 957,295	\$ -	\$ 15,716,017	\$ 966,285	\$ 3,593,426	\$ 21,944	\$ 12,877	\$ 1,624	\$ 20,460,416	\$ 88,065	\$ 134,968	\$ 1,639,144	\$ 670,522	\$ 900	\$ 102,838	\$ -	\$ 70,302,933	\$ -	\$ 70,302,933	
ADHS Revenue - Qualifying Incentive Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	94,541	94,541	
Specialty & Other Grants*	(1,116,996)	(1,105,882)	-	-	23,187	-	(660,772)	-	-	(815)	-	-	(292,014)	-	-	-	-	-	-	-	-	(3,153,292)	-	(3,153,292)
Client Fees (Co-pays)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Third Party Recoveries																								
Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	263,358	263,358	
Other Funding Sources - Non ADHS*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,182	43,182	43,182	
Unrelated Business Activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUE	18,982,833	3,231,913	806,817	692,171	980,482	-	15,055,245	966,285	3,593,426	21,129	12,877	1,624	20,168,402	88,065	134,968	1,639,144	670,522	900	102,838	43,182	67,192,823	357,899	67,550,722	
EXPENSES																								
Service Expenses:																								
Treatment Services																								
Counseling																								
Counseling, Individual	1,337,727	274,103	26,464	31,437	63,850	-	395,569	25,265	51,126	-	1,984	-	2,026,752	18,360	10,867	97,720	-	-	-	18,513	-	4,379,737	-	4,379,737
Counseling, Family	1,016,437	146,490	40,845	16,281	46,324	-	18,229	7,382	4,061	-	1,487	-	218,553	2,093	1,251	7,258	-	-	-	92	-	1,526,783	-	1,526,783
Counseling, Group	170,916	20,984	1,971	2,627	7,481	-	161,971	900	14,998	-	233	-	964,526	2,647	1,938	117,689	-	-	-	16,915	-	1,485,796	-	1,485,796
Consultation, Assessment & Specialized Testing	2,141,561	252,582	100,080	36,039	96,187	-	227,105	25,066	23,310	-	1,586	-	1,475,101	13,544	5,991	68,339	-	-	-	22,818	-	4,489,309	-	4,489,309
Other Professional	-	-	-	-	-	-	-	-	37	-	-	-	-	-	-	298	-	-	-	136	-	2,709	-	2,709
Total Treatment Services	4,666,641	694,159	169,360	86,384	213,842	-	802,874	58,613	93,532	-	5,290	-	4,684,932	36,644	20,345	293,244	-	-	-	58,474	-	11,884,334	-	11,884,334
Rehabilitation Services																								
Living Skills Training	778,807	57,865	24,380	7,773	38,176	-	1,257,036	201,017	46,018	382	478	-	101,876	85	489	18,500	-	-	-	-	-	2,532,882	-	2,532,882
Cognitive Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health Promotion	19,746	730	-	837	947	-	5,781	-	1,010	-	251	-	40,078	174	107	5,648	-	-	-	491	-	75,800	-	75,800
Supported Employment Services	4,791	40	-	84	84	-	616,569	17,624	36,356	-	638	-	145,361	-	1,717	2,640	-	-	-	-	-	825,820	-	825,820
Total Rehabilitation Services	803,344	58,635	24,380	8,610	39,207	-	1,879,386	218,641	83,384	382	1,367	-	287,315	259	2,313	26,788	-	-	-	491	-	3,434,502	-	3,434,502
Medical Services																								
Medication Services	31	23	-	-	-	-	31,907	90	5,528	-	-	-	86,651	-	2,831	9,029	-	-	-	-	-	136,090	-	136,090
Medical Management	509,183	29,065	41,001	4,092	30,867	-	339,632	30,795	39,315	791	2,382	-	773,261	8,896	4,356	25,033	-	-	-	473	-	1,839,132	-	1,839,132
Laboratory, Radiology & Medical Imaging	30,855	5,021	2,883	541	4,993	-	20,159	1,177	10,874	-	147	-	56,380	380	2,022	3,370	-	-	-	284	-	139,086	-	139,086
Electro-Convulsive Therapy	-	-	-	-	-	-	1,174	-	8,248	-	-	-	240	-	-	-	-	-	-	-	-	9,662	-	9,662
Total Medical Services	540,069	34,109	43,884	4,633	35,860	-	392,872	32,062	63,965	791	2,529	-	916,532	9,266	9,209	37,432	-	-	-	757	-	2,123,970	-	2,123,970
Support Services																								
Case Management	2,791,792	503,426	123,665	54,339	105,441	-	1,313,526	62,888	101,238	741	4,176	-	2,019,569	13,138	8,774	149,692	-	-	-	16,645	-	7,269,050	-	7,269,050
Personal Assistance	15,033	1,858	92	111	1,290	-	239,906	120,386	3,492	-	-	-	718,220	1,487	2,908	72,616	-	-	-	638	-	1,178,037	-	1,178,037
Family Support	415,001	30,006	33,185	7,395	9,753	-	2,342	1,933	45	-	375	-	16,313	110	4	19	-	-	-	-	-	516,481	-	516,481
Peer Support	54,671	806	65	422	2,838	-	338,539	11,569	28,892	102	-	-	629,246	1,037	1,523	56,285	-	-	-	1,833	-	1,127,828	-	1,127,828
Home Care Training to Home Care Client	594,358	1,142,335	22,219	4,750	3,649	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,767,311	-	1,767,311
Respite Care	966,791	179,351	36,783	13,560	61,836	-	84,346	8	-	-	-	-	33,274	-	-	-	-	-	-	-	-	1,378,176	-	1,378,176
Housing Support	-	-	-	-	-	-	-	-	53,214	-	-	-	-	-	-	1,083	61,745	-	-	-	-	116,042	-	116,042
Interpreter Services	-	-	-	70,661	-	-	-	-	1,994	-	-	-	-	-	-	1,047	184	-	-	-	-	73,886	-	73,886
Flex Fund Services	-	-	-	11,818	-	-	-	-	1,564	-	-	-	-	-	-	335	6,514	-	-	-	-	20,231	-	20,231
Transportation	1,971,448	178,847	70,898	35,706	98,082	-	1,418,646	55,481	74,957	4,203	1,041	-	1,639,534	1,313	10,045	94,892	-	-	-	5,186	-	5,660,279	-	5,660,279
Block Purchase NTXIX Consumer Drop In Center	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Support Services	6,809,094	2,036,629	286,907	198,762	282,889	-	3,397,305	252,265	266,082	5,046	5,592	-	5,056,156	17,085	25,770	443,437	-	-	-	24,302	-	19,107,321	-	19,107,321
Crisis Intervention Services																								
Crisis Intervention - Mobile	157,082	33,876	6,272	60,649	11,852	-	541,663	32,610	360,027	2,715	1,593	-	629,619	10,896	13,811	129,100	-	-	-	-	-	1,991,765	-	1,991,765
Crisis Intervention - Stabilization	236	-	-	-	-	-	8,132	-	236	-	-	-	126,595	-	5,029	12,032	-	-	-	-	-	152,260	-	152,260
Crisis Intervention - Telephone	195,835	42,264	7,861	20,000	7,000	-	399,692	24,575	174,063	678	398	-	898,053	2,723	6,538	79,399	-	-	-	-	-	1,859,079	-	1,859,079
Total Crisis Intervention Services	353,153	76,140	14,133	80,649	18,852	-	949,487	57,185	534,326	3,393	1,991	-	1,654,267	13,619	25,378	220,531	-	-	-	-	-	4,003,104	-	4,003,104

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 3 -SUPPLEMENTAL SCHEDULE OF ACTIVITIES - GSA 4
Year Ended 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
Service Expenses (continued)																							
Inpatient Services																							
Hospital																							
Psychiatric (Provider Types 02 & 71)	\$ 541,033	\$ 318,517	\$ 20,145	\$ 6,968	\$ 39,076	\$ -	\$ 674,668	\$ 54,908	\$ 176,221	\$ -	\$ -	\$ -	\$ 788,771	\$ -	\$ -	\$ 27,338	\$ -	\$ -	\$ -	\$ -	\$ 2,647,645	\$ -	\$ 2,647,645
Detoxification (Provider Types 02 & 71)	-	-	-	-	-	-	5,944	-	-	-	-	-	66,280	-	-	3,770	-	-	-	-	75,994	-	75,994
Sub acute Facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Psychiatric (Provider Types B5 & B6)	-	-	-	-	-	-	1,524,167	38,266	338,307	-	-	-	752,835	-	-	151,325	-	-	-	-	2,804,900	-	2,804,900
Detoxification (Provider Types B5 & B6)	-	-	-	-	-	-	26,030	-	-	-	-	-	432,172	-	-	20,246	-	-	-	-	478,448	-	478,448
Residential Treatment Center (RTC)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Psychiatric - Secure & Non-Secure Provider Types 78,B1,B2,B3)	619,232	470,126	-	-	69,022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,158,380	-	1,158,380
Detoxification - Secure & Non-Secure (Provider Types (78,B1,B2,B3)	1,962	190	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,152	-	2,152
Inpatient Services, Professional	100,625	31,309	3,853	-	7,940	-	72,491	1,352	23,295	-	-	-	98,109	-	-	3,726	-	-	-	-	342,700	-	342,700
Total Inpatient Services	1,262,852	820,142	23,998	6,968	116,038	-	2,303,300	94,526	537,823	-	-	-	2,138,167	-	-	206,405	-	-	-	-	7,510,219	-	7,510,219
Residential Services																							
Level II Behavioral Health Residential Facilities	574,960	286,743	-	36,823	4,984	-	1,785,995	-	203,925	-	-	-	568,627	1,805	2,384	21,099	-	-	-	-	3,487,345	-	3,487,345
Level III Behavioral Health Residential Facilities	6,299	7,112	-	-	610	-	18,875	-	-	-	-	-	-	-	-	-	-	-	-	-	32,896	-	32,896
Room and Board	-	-	-	81,671	-	-	-	-	67,136	-	-	-	-	-	1,213	104,555	-	-	2,260	-	256,835	-	256,835
Total Residential Services	581,259	293,855	-	118,494	5,594	-	1,804,870	-	271,061	-	-	-	568,627	1,805	3,597	125,654	-	-	2,260	-	3,777,076	-	3,777,076
Behavioral Health Day Program																							
Supervised Day Program	44,879	7,165	385	395	2,906	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,730	-	55,730
Therapeutic Day Program	116,294	4,340	3,574	2,133	7,275	-	271,884	8,858	7,576	3,416	-	-	20,260	-	88	132	-	-	-	-	445,830	-	445,830
Medical Day Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Behavioral Health Day Program	161,173	11,505	3,959	2,528	10,181	-	271,884	8,858	7,576	3,416	-	-	20,260	-	88	132	-	-	-	-	501,560	-	501,560
Prevention Services																							
Prevention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	582,632	-	-	-	582,632	-	582,632
HIV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,451	-	-	-	-	45,451	-	45,451
Total Prevention Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,451	582,632	-	-	-	628,083	-	628,083
Medication																							
Medication Expense	2,664,818	68,518	284,946	-	269,607	-	2,098,927	151,036	1,178,737	-	-	-	3,729,041	-	-	-	-	-	4,922	-	10,450,552	-	10,450,552
Less Pharmacy Rebate Received	(62,031)	(1,500)	(6,592)	-	(6,989)	-	(48,679)	(4,575)	(27,502)	-	-	-	(85,782)	-	-	-	-	-	(202)	-	(243,852)	-	(243,852)
Pharmacy Rebate Related Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Medication Services	2,602,787	67,018	278,354	-	262,618	-	2,050,248	146,461	1,151,235	-	-	-	3,643,259	-	-	-	-	-	4,720	-	10,206,700	-	10,206,700
Other ADHS Service Expenses Not Rpt'd Above*	198,029	906	3,649	127,372	3,358	-	123,884	1,794	339,986	-	-	-	166,864	-	-	23,879	-	900	53	-	990,674	-	990,674
ADHS/DOC COOL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,156	-	35,156	-	35,156
Subtotal ADHS Service Expenses	17,978,401	4,093,098	848,624	634,400	988,439	-	13,976,110	870,405	3,348,970	13,028	16,769	-	19,136,379	78,678	86,700	1,422,953	582,632	900	126,213	-	64,202,699	-	64,202,699
Service Expenses from Non ADHS Sources*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,561	35,561	-	35,561
Total Service Expense	17,978,401	4,093,098	848,624	634,400	988,439	-	13,976,110	870,405	3,348,970	13,028	16,769	-	19,136,379	78,678	86,700	1,422,953	582,632	900	126,213	35,561	64,238,260	-	64,238,260
Administrative Expenses:																							
Salaries	796,052	155,485	39,237	22,730	35,415	-	695,041	40,017	119,992	467	601	-	720,973	2,819	3,107	50,984	38,538	-	4,522	-	2,725,980	-	2,725,980
Employee Benefits	126,898	24,786	6,255	3,623	5,646	-	110,796	6,379	19,128	74	96	-	114,930	449	495	8,127	6,143	-	721	-	434,546	-	434,546
Professional & Outside Services	110,360	21,556	5,440	3,151	4,910	-	96,356	5,548	16,635	65	83	-	99,951	391	431	7,068	5,342	-	627	-	377,914	-	377,914
Travel	38,519	7,524	1,899	1,100	1,714	-	33,631	1,936	5,806	23	29	-	34,886	136	151	2,467	1,865	-	219	-	131,905	-	131,905
Occupancy	104,147	20,342	5,134	2,974	4,633	-	90,932	5,235	15,698	61	79	-	94,325	369	406	6,670	5,042	-	592	-	356,639	-	356,639
Depreciation	27,700	5,410	1,365	791	1,233	-	24,185	1,393	4,175	16	21	-	25,087	98	108	1,774	1,334	-	158	-	94,848	-	94,848
All Other Operating*	382,128	75,832	19,040	10,995	17,202	-	328,001	19,419	58,041	232	292	-	334,433	1,372	1,503	24,661	18,641	-	2,187	-	1,293,979	-	1,293,979
Subtotal ADHS Administrative Expenses	1,585,804	310,935	78,370	45,364	70,753	-	1,378,942	79,927	239,475	938	1,201	-	1,424,585	5,634	6,201	101,751	76,905	-	9,026	-	5,415,811	-	5,415,811
Encounter Withhold Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non ADHS and/or Unrelated Admin. Expense*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Administrative Expense	1,585,804	310,935	78,370	45,364	70,753	-	1,378,942	79,927	239,475	938	1,201	-	1,424,585	5,634	6,201	101,751	76,905	-	9,026	-	5,415,811	-	5,415,811
Unrelated Business Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income Tax Provisions																							
ADHS Income Tax Provision	216,972	(26,832)	(48,681)	5,026	(51,298)	-	146,221	6,462	2,017	3,232	(2,062)	658	(40,730)	1,519	17,041	46,358	4,450	-	(13,125)	-	267,228	38,297	305,525
Non ADHS Income Tax Provision	(452,476)	(447,974)	-	-	9,393	-	(267,668)	-	-	(330)	-	-	(118,290)	-	-	-	-	-	-	3,087	(1,274,258)	106,682	(1,167,576)
Subtotal Income Tax Provision	(235,504)	(474,806)	(48,681)	5,026	(41,905)	-	(121,447)	6,462	2,017	2,902	(2,062)	658	(159,020)	1,519	17,041	46,358	4,450	-	(13,125)	3,087	(1,007,030)	144,979	(862,051)
TOTAL EXPENSES	\$ 19,328,701	\$ 3,929,227	\$ 878,313	\$ 684,790	\$ 1,017,287	\$ -	\$ 15,233,605	\$ 956,794	\$ 3,590,462	\$ 16,868	\$ 15,908	\$ 658	\$ 20,401,944	\$ 85,831	\$ 109,942	\$ 1,571,062	\$ 683,987	\$ 900	\$ 122,114	\$ 38,648	\$ 68,647,041	\$ 144,979	\$ 68,792,020
INC/(DEC) IN NET ASSETS/EQUITY	\$ (345,868)	\$ (697,314)	\$ (71,496)	\$ 7,381	\$ (36,805)	\$ -	\$ (178,360)	\$ 9,491	\$ 2,964	\$ 4,261	\$ (3,031)	\$ 966	\$ (233,542)	\$ 2,234	\$ 25,026	\$ 68,082	\$ 6,535	\$ -	\$ (19,276)	\$ 4,534	\$ (1,454,218)	\$ 212,920	\$ (1,241,298)

*Disclose on Schedule 6

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 4 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - DISCLOSURES - GSA 2 and GSA 4
Year Ended 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 OTHER ADHS REVENUE																							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other - Other Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF OTHER GRANTS REPORTED																							
Itemization of Items Reported																							
FY08 revenue adjustments	(1,116,996)	(1,105,882)	-	-	45,332	-	(1,170,999)	(4,167)	(62,654)	(5,453)	-	-	(492,378)	-	-	-	-	-	-	-	-	(3,913,197)	-
Total Other Grants	\$ (1,116,996)	\$ (1,105,882)	\$ -	\$ -	\$ 45,332	\$ -	\$ (1,170,999)	\$ (4,167)	\$ (62,654)	\$ (5,453)	\$ -	\$ -	\$ (492,378)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,913,197)	\$ -
DISCLOSURE OF OTHER REVENUE REPORTED																							
Pinal & Gila County - COE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,182	40,182	-
Payments for copies of records	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53
Sanctions Imposed by Cenpatico to provider	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,000	15,000	-
Total Other Revenue	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,182	\$ 55,182	\$ 53
UNRELATED BUSINESS ACTIVITIES REPORTED																							
Total Unrelated Business Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF ALL OTHER BEHAVIORAL HEALTH SERVICES																							
Block Provider Incentive Bonus Expense	318,853	-	-	-	-	-	193,078	-	-	-	-	-	262,025	-	-	-	-	-	-	-	-	773,956	-
Pharmacy Provider Incentives	46,433	2,567	6,092	-	4,458	-	55,884	3,548	25,125	-	-	-	74,590	-	-	-	-	-	-	53	-	218,750	-
FY06 encounter withhold (92.5%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Arnold v Sarn Housing	-	-	-	-	-	-	-	-	-	635,000	-	-	-	-	-	-	-	-	-	-	-	635,000	-
Rural Detox Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SIG Adolescent Substance Abuse Conference	-	-	-	10,065	-	-	-	-	-	-	-	-	-	-	-	11,615	-	-	-	-	-	21,680	-
SAC Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,264	-	-	-	-	-	12,264	-
IEP/S.E.H.	-	-	-	(7,650)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,650)	-
SMI Flex funds (ASH transition)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SIG, CMHS	-	-	-	215,668	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215,668	-
MMWIA Administration Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PASRR Screening Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,420	-	-	3,420	-
Total All Other Behavioral Health Services	\$ 365,286	\$ 2,567	\$ 6,092	\$ 218,083	\$ 4,458	\$ -	\$ 248,962	\$ 3,548	\$ 660,125	\$ -	\$ -	\$ -	\$ 336,615	\$ -	\$ -	\$ 23,879	\$ -	\$ 3,420	\$ 53	\$ -	\$ 1,873,088	\$ -	

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 4 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - DISCLOSURES - GSA 2 and GSA 4
Year Ended June 30, 2009

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX ADULT	HB2003 SMI	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
DISCLOSURE OF SERVICE EXPENSES FROM NON ADHS																							
Pinal & Gila County COE-related expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-ADHS Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF ALL OTHER OPERATING																							
Moving & Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Meeting Expense	2,240	417	107	63	94	-	2,073	96	342	2	1	-	2,098	9	11	153	123	-	14	-	7,843	-	
Seminars	3,241	602	154	92	136	-	2,999	139	495	2	3	-	3,036	12	17	222	177	-	19	-	11,346	-	
Postage	1,058	197	51	30	44	-	979	46	161	-	-	-	991	4	6	72	58	-	7	-	3,704	-	
Messenger	1,341	249	64	38	56	-	1,241	58	205	1	1	-	1,256	5	7	91	73	-	8	-	4,694	-	
Bank Charges	1,787	332	86	51	75	-	1,654	77	273	1	1	-	1,674	7	9	122	98	-	10	-	6,257	-	
Penalties	28,797	13,151	1,290	-	1,497	-	10,312	317	-	50	11	-	10,748	77	-	-	-	-	-	-	66,250	-	
Other Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dues & Subscriptions	2,676	497	128	76	112	-	2,475	116	408	2	2	-	2,506	10	14	183	146	-	16	-	9,367	-	
Publications	616	115	30	17	26	-	570	26	94	-	-	-	577	2	3	43	34	-	3	-	2,156	-	
Printing	9,215	1,714	441	261	388	-	8,528	396	1,407	5	6	-	8,633	35	47	631	503	-	56	-	32,266	-	
MDC Printing/Postage Allocation	2,098	390	100	59	88	-	1,942	91	320	1	2	-	1,966	8	11	144	114	-	12	-	7,346	-	
Office Supplies	10,154	1,888	486	288	427	-	9,396	438	1,551	6	7	-	9,511	38	52	695	554	-	61	-	35,552	-	
Business Gifts	623	116	30	18	26	-	577	27	95	-	-	-	583	2	4	43	34	-	3	-	2,181	-	
CPT Books/Med Dict/Phys Cred	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Outreach Expense	120	23	6	3	5	-	111	6	18	-	-	-	113	1	-	9	7	-	-	-	422	-	
Marketing give aways	3,236	602	154	92	136	-	2,996	139	495	2	3	-	3,031	12	17	222	177	-	19	-	11,333	-	
Sponsorships	6,024	1,119	288	170	254	-	5,575	260	920	3	4	-	5,642	23	31	412	329	-	36	-	21,090	-	
Equipment Maintenance	7,017	1,303	335	199	295	-	6,494	303	1,072	5	4	-	6,572	26	36	480	383	-	42	-	24,566	-	
Equipment Lease	26,564	4,939	1,270	750	1,117	-	24,583	1,145	4,057	16	18	-	24,882	101	136	1,818	1,450	-	160	-	93,006	-	
Misc Equipment Expense	330	61	15	9	16	-	305	13	50	-	2	-	308	2	-	22	16	-	5	-	1,154	-	
Insurance Expense	22,583	4,198	1,079	638	950	-	20,898	973	3,449	13	16	-	21,152	86	115	1,546	1,233	-	136	-	79,065	-	
Other Operating Expense	1,988	370	95	56	84	-	1,840	85	304	2	1	-	1,862	7	10	136	109	-	12	-	6,961	-	
Information System Expense	1,353	252	65	38	56	-	1,253	58	207	-	1	-	1,267	5	6	93	74	-	8	-	4,736	-	
Charitable Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Corporate Allocations	514,118	95,585	24,576	14,528	21,615	-	475,777	22,146	78,515	302	353	-	481,553	1,956	2,623	35,193	28,067	-	3,093	-	1,800,000	-	
Recouped Sanctions	(31,722)	(12,527)	(1,229)	-	(1,426)	-	(18,505)	(255)	-	(44)	(10)	-	(25,052)	(68)	-	-	-	-	-	-	(90,838)	-	
Total All Other Operating	\$ 615,457	\$ 115,593	\$ 29,621	\$ 17,476	\$ 26,071	\$ -	\$ 564,073	\$ 26,700	\$ 94,438	\$ 369	\$ 426	\$ -	\$ 564,909	\$ 2,360	\$ 3,155	\$ 42,330	\$ 33,759	\$ -	\$ 3,720	\$ -	\$ 2,140,457	\$ -	
DISCLOSURE OF NON-ADHS																							
Total Non-ADHS Admin. Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF UNRELATED																							
Total Unrelated Administrative Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF UNRELATED BUSINESS EXPENSES																							
Total Unrelated Business Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 5 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - DISCLOSURES - GSA 2
Year Ended June 30, 2009

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX 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 OTHER ADHS REVENUE																							
Itemization of Items Reported In Other Column																							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other - Other Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF OTHER GRANTS REPORTED																							
Itemization of Items Reported																							
FY08 revenue adjustments																							
	-	-	-	-	22,145	-	(510,227)	(4,167)	(62,654)	(4,638)	-	-	(200,364)	-	-	-	-	-	-	-	(759,905)	-	(759,905)
Total Other Grants	\$ -	\$ -	\$ -	\$ -	\$ 22,145	\$ -	\$ (510,227)	\$ (4,167)	\$ (62,654)	\$ (4,638)	\$ -	\$ -	\$ (200,364)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (759,905)	\$ -	\$ (759,905)
DISCLOSURE OF OTHER REVENUE REPORTED																							
Itemization of Items Reported																							
Payments for copies of records																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53	53
Sanctions Imposed by Cenpatico to provider																							
	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,000	12,000	-	12,000
Total Other Revenue	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000	\$ 12,000	\$ 53	\$ 12,053
UNRELATED BUSINESS ACTIVITIES REPORTED																							
Itemization of Items Reported																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Unrelated Business Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF ALL OTHER BEHAVIORAL HEALTH SERVICES																							
Itemization of Items Reported																							
Block Provider Incentive Bonus Expense																							
	154,869	-	-	-	-	-	96,101	-	-	-	-	-	143,211	-	-	-	-	-	-	-	394,181	-	394,181
Pharmacy Provider Incentives																							
	12,387	1,661	2,443	-	1,100	-	28,977	1,754	10,139	-	-	-	26,540	-	-	-	-	-	-	-	85,001	-	85,001
Arnold v Sam Housing																							
	-	-	-	-	-	-	-	-	310,000	-	-	-	-	-	-	-	-	-	-	-	310,000	-	310,000
Rural Detox Infrastructure																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SAC Grant																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SMI Flex funds (ASH transition)																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SIG, CMHS																							
	-	-	-	90,711	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	90,711	-	90,711
MMWIA Administration Funds																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PASRR Screening Services																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,520	-	2,520
Total All Other Behavioral Health Services	\$ 167,256	\$ 1,661	\$ 2,443	\$ 90,711	\$ 1,100	\$ -	\$ 125,078	\$ 1,754	\$ 320,139	\$ -	\$ -	\$ -	\$ 169,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,520	\$ 882,413	\$ 882,413

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 5 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - DISCLOSURES - GSA 2
Year Ended 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	TXIX 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 SERVICES EXPENSES FROM NON ADHS SOURCES																							
Itemization of Items Reported																							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Expenses Non-ADHS Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF ALL OTHER OPERATING																							
Itemization of Items Reported																							
Moving & Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Meeting Expense	845	144	38	23	32	-	855	26	132	1	-	-	835	4	6	64	55	-	6	-	3,066	-	3,066
Seminars	1,223	208	55	34	46	-	1,237	38	191	1	1	-	1,208	5	9	93	79	-	8	-	4,436	-	4,436
Postage	399	68	18	11	15	-	404	13	62	-	-	-	394	2	3	30	26	-	3	-	1,448	-	1,448
Messenger	506	86	23	14	19	-	512	16	79	-	-	-	500	2	4	38	33	-	3	-	1,835	-	1,835
Bank Charges	674	115	31	19	26	-	682	21	105	-	-	-	666	3	5	51	44	-	4	-	2,446	-	2,446
Penalties	-	-	-	-	-	-	4,773	68	27	6	-	-	5,084	42	-	-	-	-	-	-	10,000	-	10,000
Other Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dues & Subscriptions	1,010	172	46	28	38	-	1,021	32	157	1	1	-	997	4	7	76	65	-	7	-	3,662	-	3,662
Publications	232	40	11	6	9	-	235	7	36	-	-	-	230	1	2	18	15	-	1	-	843	-	843
Printing	3,477	593	158	97	132	-	3,518	108	542	2	2	-	3,435	15	25	263	225	-	23	-	12,615	-	12,615
MDC Printing/Postage Allocation	792	135	36	22	30	-	801	25	123	-	1	-	782	3	6	60	51	-	5	-	2,872	-	2,872
Office Supplies	3,831	653	174	107	146	-	3,876	120	598	2	2	-	3,785	16	27	290	248	-	25	-	13,900	-	13,900
Business Gifts	235	40	11	7	9	-	238	7	37	-	-	-	232	1	2	18	15	-	1	-	853	-	853
CPT Books/Med Dict/Phys Cred	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Outreach Expense	45	8	2	1	2	-	46	2	7	-	-	-	45	-	-	4	3	-	-	-	165	-	165
Marketing give aways	1,221	208	55	34	46	-	1,236	38	191	1	1	-	1,206	5	9	93	79	-	8	-	4,431	-	4,431
Sponsorships	2,273	387	103	63	87	-	2,300	71	355	1	1	-	2,245	10	16	172	147	-	15	-	8,246	-	8,246
Equipment Maintenance	2,648	451	120	74	101	-	2,679	83	413	2	1	-	2,615	11	19	200	171	-	17	-	9,605	-	9,605
Equipment Lease	10,023	1,708	455	278	381	-	10,141	313	1,564	6	6	-	9,901	42	71	759	649	-	66	-	36,363	-	36,363
Misc Equipment Expense	125	21	5	3	5	-	126	3	19	-	2	-	122	1	-	9	10	-	1	-	452	-	452
Insurance Expense	8,521	1,452	386	237	324	-	8,621	266	1,329	5	5	-	8,417	36	60	645	552	-	57	-	30,913	-	30,913
Other Operating Expense	750	128	34	21	29	-	759	23	117	1	-	-	741	3	5	57	49	-	5	-	2,722	-	2,722
Information System Expense	511	87	23	14	19	-	517	16	80	-	-	-	504	2	2	39	33	-	3	-	1,850	-	1,850
Charitable Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Corporate Allocations	193,988	33,057	8,797	5,388	7,373	-	196,268	6,053	30,260	114	111	-	191,616	822	1,374	14,690	12,569	-	1,275	-	703,755	-	703,755
Recouped Sanctions	-	-	-	-	-	-	(4,773)	(68)	(27)	(6)	-	-	(5,084)	(42)	-	-	-	-	-	-	(10,000)	-	(10,000)
Total All Other Operating	\$ 233,329	\$ 39,761	\$ 10,581	\$ 6,481	\$ 8,869	\$ -	\$ 236,072	\$ 7,281	\$ 36,397	\$ 137	\$ 134	\$ -	\$ 230,476	\$ 988	\$ 1,652	\$ 17,669	\$ 15,118	\$ -	\$ 1,533	\$ -	\$ 846,478	\$ -	\$ 846,478
DISCLOSURE OF ENCOUNTER WITHHOLD EXPENSES																							
Itemization of Items Reported																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Encounter Withhold Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF NON ADHS AND/OR UNRELATED ADMINISTRATIVE EXPENSES																							
Itemization of Items Reported																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Unrelated Administrative Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF UNRELATED BUSINESS EXPENSES																							
Itemization of Items Reported																							
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Unrelated Business Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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.
Tax impact of (\$307,825) related to the FY08 revenue adjustments moved to line 790b in the Statement of Activities.

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 BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 6 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - DISCLOSURES - GSA 4
Year Ended 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 OTHER ADHS REVENUE																							
Itemization of Items Reported In Other Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other - Other Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF OTHER GRANTS REPORTED																							
Itemization of Items Reported																							
FY08 revenue adjustments	(1,116,996)	(1,105,882)	-	-	23,187	-	(660,772)	-	-	(815)	-	-	(292,014)	-	-	-	-	-	-	-	(3,153,292)	-	(3,153,292)
Total Other Grants	\$ (1,116,996)	\$ (1,105,882)	\$ -	\$ -	\$ 23,187	\$ -	\$ (660,772)	\$ -	\$ -	\$ (815)	\$ -	\$ -	\$ (292,014)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,153,292)	\$ -	\$ (3,153,292)
DISCLOSURE OF OTHER REVENUE REPORTED																							
Itemization of Items Reported																							
Pinal & Gila County - COE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,182	40,182	-	40,182
Sanctions Imposed by Cenpatico to provider	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000	3,000	-	3,000
Total Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,182	\$ 43,182	\$ -	\$ 43,182
UNRELATED BUSINESS ACTIVITIES REPORTED																							
Itemization of Items Reported																							
Total Unrelated Business Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DISCLOSURE OF ALL OTHER BEHAVIORAL HEALTH SERVICES																							
Itemization of Items Reported																							
Block Provider Incentive Bonus Expense	163,983	-	-	-	-	-	96,977	-	-	-	-	-	118,814	-	-	-	-	-	-	-	379,774	-	379,774
Pharmacy Provider Incentives	34,046	906	3,649	-	3,358	-	26,907	1,794	14,986	-	-	-	48,050	-	-	-	-	-	53	-	133,749	-	133,749
Arnold v Sam Housing	-	-	-	-	-	-	-	-	325,000	-	-	-	-	-	-	-	-	-	-	-	325,000	-	325,000
SIG Adolescent Substance Abuse Conference	-	-	-	10,065	-	-	-	-	-	-	-	-	-	-	-	11,615	-	-	-	-	21,680	-	21,680
SAC - ACRA grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,264	-	-	-	-	12,264	-	12,264
IEP/S.E.H.	-	-	-	(7,650)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,650)	-	(7,650)
SMI Flex funds (ASH transition)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SIG, CMHS	-	-	-	124,957	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	124,957	-	124,957
MMWIA Administration Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PASRR Screening Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	900	-	-	900	-	900
Total All Other Behavioral Health Services	\$ 198,029	\$ 906	\$ 3,649	\$ 127,372	\$ 3,358	\$ -	\$ 123,884	\$ 1,794	\$ 339,986	\$ -	\$ -	\$ -	\$ 166,864	\$ -	\$ -	\$ 23,879	\$ -	\$ 900	\$ 53	\$ -	\$ 990,674	\$ -	\$ 990,674

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 6 - SUPPLEMENTAL SCHEDULE OF ACTIVITIES - DISCLOSURES - GSA 4
Year Ended 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 SERVICES EXPENSES FROM NON ADHS SOURCES																								
Itemization of Items Reported																								
Pinal & Gila County COE-related expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,561	\$ 35,561	\$ -	\$ 35,561
Total Service Expenses Non-ADHS Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,561	\$ 35,561	\$ -	\$ 35,561
DISCLOSURE OF ALL OTHER OPERATING																								
Itemization of Items Reported																								
Moving & Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Meeting Expense	1,395	273	69	40	62	-	1,218	70	210	1	1	-	1,263	5	5	89	68	-	8	-	4,777	-	4,777	
Seminars	2,018	394	99	58	90	-	1,762	101	304	1	2	-	1,828	7	8	129	98	-	11	-	6,910	-	6,910	
Postage	659	129	33	19	29	-	575	33	99	-	-	-	597	2	3	42	32	-	4	-	2,256	-	2,256	
Messenger	835	163	41	24	37	-	729	42	126	1	1	-	756	3	3	53	40	-	5	-	2,859	-	2,859	
Bank Charges	1,113	217	55	32	49	-	972	56	168	1	1	-	1,008	4	4	71	54	-	6	-	3,811	-	3,811	
Penalties	28,797	13,151	1,290	-	1,497	-	5,539	249	-	23	5	-	5,664	35	-	-	-	-	-	-	56,250	-	56,250	
Other Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dues & Subscriptions	1,666	325	82	48	74	-	1,454	84	251	1	1	-	1,509	6	7	107	81	-	9	-	5,705	-	5,705	
Publications	384	75	19	11	17	-	335	19	58	-	-	-	347	1	1	25	19	-	2	-	1,313	-	1,313	
Printing	5,738	1,121	283	164	256	-	5,010	288	865	3	4	-	5,198	20	22	368	278	-	33	-	19,651	-	19,651	
MDC Printing/Postage Allocation	1,306	255	64	37	58	-	1,141	66	197	1	1	-	1,184	5	5	84	63	-	7	-	4,474	-	4,474	
Office Supplies	6,323	1,235	312	181	281	-	5,520	318	953	4	5	-	5,726	22	25	405	306	-	36	-	21,652	-	21,652	
Business Gifts	388	76	19	11	17	-	339	20	58	-	-	-	351	1	2	25	19	-	2	-	1,328	-	1,328	
CPT Books/Med Dict/Phys Cred	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Outreach Expense	75	15	4	2	3	-	65	4	11	-	-	-	68	1	-	5	4	-	-	-	257	-	257	
Marketing give aways	2,015	394	99	58	90	-	1,760	101	304	1	2	-	1,825	7	8	129	98	-	11	-	6,902	-	6,902	
Sponsorships	3,751	732	185	107	167	-	3,275	189	565	2	3	-	3,397	13	15	240	182	-	21	-	12,844	-	12,844	
Equipment Maintenance	4,369	852	215	125	194	-	3,815	220	659	3	3	-	3,957	15	17	280	212	-	25	-	14,961	-	14,961	
Equipment Lease	16,541	3,231	815	472	736	-	14,442	832	2,493	10	12	-	14,981	59	65	1,059	801	-	94	-	56,643	-	56,643	
Misc Equipment Expense	205	40	10	6	11	-	179	10	31	-	-	-	186	1	-	13	6	-	3	-	701	-	701	
Insurance Expense	14,062	2,746	693	401	626	-	12,277	707	2,120	8	11	-	12,735	50	55	901	681	-	79	-	48,152	-	48,152	
Other Operating Expense	1,238	242	61	35	55	-	1,081	62	187	1	1	-	1,121	4	5	79	60	-	7	-	4,239	-	4,239	
Information System Expense	842	165	42	24	37	-	736	42	127	-	1	-	763	3	4	54	41	-	5	-	2,886	-	2,886	
Charitable Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Corporate Allocations	320,130	62,528	15,779	9,140	14,242	-	279,509	16,093	48,255	188	242	-	289,937	1,134	1,249	20,503	15,498	-	1,818	-	1,096,245	-	1,096,245	
Recouped Sanctions	(31,722)	(12,527)	(1,229)	-	(1,426)	-	(13,732)	(187)	-	(17)	(4)	-	(19,968)	(26)	-	-	-	-	-	-	(80,838)	-	(80,838)	
Total All Other Operating	\$ 382,128	\$ 75,832	\$ 19,040	\$ 10,995	\$ 17,202	\$ -	\$ 328,001	\$ 19,419	\$ 58,041	\$ 232	\$ 292	\$ -	\$ 334,433	\$ 1,372	\$ 1,503	\$ 24,661	\$ 18,641	\$ -	\$ 2,186	\$ -	\$ 1,293,978	\$ -	\$ 1,293,978	
DISCLOSURE OF ENCOUNTER WITHHOLD EXPENSES																								
Itemization of Items Reported																								
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Encounter Withhold Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
DISCLOSURE OF NON ADHS AND/OR UNRELATED ADMINISTRATIVE EXPENSES																								
Itemization of Items Reported																								
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Non ADHS and/or Unrelated Adm Exps	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
DISCLOSURE OF UNRELATED BUSINESS EXPENSES																								
Itemization of Items Reported																								
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Unrelated Business Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
SCHEDULE 7 - SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2009

Federal Grantor / Pass-Through Grantor / Program	Federal CFDA Number	Federal Expenditures
U.S. Department of Health and Human Services		
Arizona Department of Economic Security		
Children - Title XIX	93.778	\$ 791,373
SMI - Title XIX	93.778	832,976
Total Arizona Department of Economic Security		<u>1,624,349</u>
Arizona Department of Health Services:		
Mental Health Block Grant (CMHS):		
SMI - Non Title XIX	93.958	74,701
Children - Non Title XIX	93.958	584,476
Coaching & Training	93.958	200,209
Total Mental Health Block Grant		<u>859,386</u>
Substance Abuse and Mental Health Services	93.243	<u>99,789</u>
Substance Abuse Block Grant (SAPT):		
Substance Abuse/General Mental Health Prevention	93.959	2,040,751
	93.959	490,732
		<u>2,531,483</u>
Center for Medicare and Medicaid Services (CMS) Medical Assistance Program:		
SMI - Title XIX	93.778	8,816,959
Children - Title XIX	93.778	28,162,962
General Mental Health	93.778	12,476,967
PASSAR	93.778	3,600
Proposition 204	93.778	22,968,574
Total CMS Medical Assistance Program		<u>72,429,062</u>
KidsCare, Title XXI	93.767	<u>1,494,415</u>
Total Arizona Department of Health and Human Services		<u>77,414,135</u>
Total U.S. Department of Health and Human Services		<u>79,038,484</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 79,038,484</u>

See Independent Auditors' Report
See Notes to Schedule of Expenditures of Federal Awards

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2009

(1) Basis of presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Cenpatico Behavioral Health of Arizona, LLC** and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. **Cenpatico Behavioral Health of Arizona, LLC** did not provide federal awards to subrecipients during the year ended June 30, 2009.

(2) Catalog of federal domestic assistance (CFDA) numbers

The program titles and CFDA numbers were obtained from the 2009 *Catalog of Federal Domestic Assistance*.



Mayer Hoffman McCann P.C.

An Independent CPA Firm

3101 North Central Avenue, Suite 300
Phoenix, Arizona 85012
602-264-6835 ph
602-265-7631 fx
www.mhm-pc.com

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

We have audited the financial statements of ***Cenpatico Behavioral Health of Arizona, LLC*** at June 30, 2009 and for the year then ended, and have issued our report thereon dated October 14, 2009. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered ***Cenpatico Behavioral Health of Arizona, LLC's*** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ***Cenpatico Behavioral Health of Arizona, LLC's*** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of ***Cenpatico Behavioral Health of Arizona, LLC's*** internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

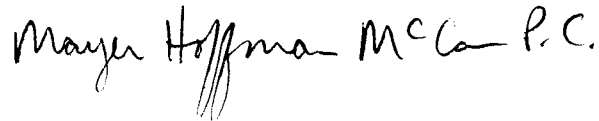
Compliance and Other Matters

As part of obtaining reasonable assurance about whether ***Cenpatico Behavioral Health of Arizona, LLC's*** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with

which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, specific legislative and regulatory bodies and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Phoenix, Arizona
October 14, 2009

A handwritten signature in black ink that reads "Mayer Hoffman McCa P.C." The signature is written in a cursive, flowing style.



Mayer Hoffman McCann P.C.

An Independent CPA Firm

3101 North Central Avenue, Suite 300
Phoenix, Arizona 85012
602-264-6835 ph
602-265-7631 fx
www.mhm-pc.com

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors of

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

Compliance

We have audited the compliance of **Cenpatico Behavioral Health of Arizona, LLC** with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. **Cenpatico Behavioral Health of Arizona, LLC's** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of **Cenpatico Behavioral Health of Arizona, LLC's** management. Our responsibility is to express an opinion on **Cenpatico Behavioral Health of Arizona, LLC's** compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Cenpatico Behavioral Health of Arizona, LLC's** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of **Cenpatico Behavioral Health of Arizona, LLC's** compliance with those requirements.

In our opinion, **Cenpatico Behavioral Health of Arizona, LLC** complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of **Cenpatico Behavioral Health of Arizona, LLC** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered **Cenpatico Behavioral Health of Arizona, LLC's** internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to

determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Cenpatico Behavioral Health of Arizona, LLC's** internal control over compliance.

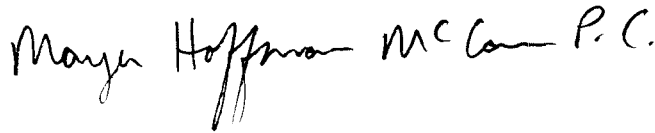
A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, specific legislative and regulatory bodies, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Phoenix, Arizona
October 14, 2009

Handwritten signature of Mayer Hoffman McCann P.C. in black ink.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2009

I. SUMMARY OF INDEPENDENT AUDITORS' RESULTS

A. Type of Auditors' Report Issued on the Financial Statements:

The Independent Auditors' Report on the basic financial statements of **Cenpatico Behavioral Health of Arizona, LLC** at and for the year ended June 30, 2009 was an unqualified opinion.

B. Significant Deficiencies in Internal Control Disclosed by the Audit of the Financial Statements:

The audit of the basic financial statements of **Cenpatico Behavioral Health of Arizona, LLC** at and for the year ended June 30, 2009 disclosed no matters involving the internal control over financial reporting and its operations that are considered to be significant deficiencies.

C. Noncompliance Material to the Financial Statements:

The audit disclosed no instances of noncompliance material to the basic financial statements of **Cenpatico Behavioral Health of Arizona, LLC** at and for the year ended June 30, 2009.

D. Significant Deficiencies in Internal Control over Major Programs:

The audit of compliance of **Cenpatico Behavioral Health of Arizona, LLC** at and for the year ended June 30, 2009 disclosed no matters involving internal control over major programs that are considered to be significant deficiencies.

E. Type of Auditors' Report Issued on Compliance for Major Programs:

The Independent Auditors' Report on compliance with requirements applicable to each major Federal program for the year ended June 30, 2009 was an unqualified opinion.

F. Findings Relating to Major Programs:

As indicated in Section III, the audit disclosed no findings related to major programs for the year ended June 30, 2009.

G. Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>	<u>Amount Expended</u>
93.778	Centers for Medicare and Medicaid Services (CMS) Medical Assistance Program	\$ <u>72,429,062</u>
93.778	Children and SMI – Title XIX	\$ <u>1,624,349</u>
93.959	Substance Abuse Block Grant	\$ <u>2,531,483</u>

H. Threshold for Distinguishing Between Type A and Type B Programs:

The threshold for distinguishing between Type A and Type B programs was \$2,371,155 for the year ended June 30, 2009.

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2009

I. SUMMARY OF INDEPENDENT AUDITORS' RESULTS (CONTINUED)

I. Qualifications of Auditee as a Low-Risk Auditee:

Cenpatico Behavioral Health of Arizona, LLC qualified as a low-risk auditee under applicable provisions of OMB Circular A-133 for the year ended June 30, 2009.

II. FINANCIAL STATEMENT AUDIT FINDINGS

None

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

IV. STATUS OF PRIOR AUDIT FINDINGS

None