

**MAGELLAN**  
**STATEMENT OF FINANCIAL POSITION**  
AS OF: September 30, 2011

**ASSETS**

**CURRENT ASSETS**

101 Cash (Disclose on Schedule A)	77,698,134
102 Current Investments	64,303,669
103 Accounts Receivable (net) (Disclose on Schedule A)	13,851,614
104 Notes Receivable (current portion)	-
105 Prepaid Expenses	284,752
106 Other Current Assets (Disclose on Schedule A)	2,622,870
107 Total Current Assets	158,761,039

**NON-CURRENT ASSETS**

108 Land	-
109 Building	-
110 Leasehold Improvements	331,577
111 Furniture and Equipment	4,938,227
112 Vehicles	-
113 Total Property and Equipment	5,269,804
114 Less: Accumulated Depreciation	1,893,195
115 Net Property and Equipment	3,376,609
116 Notes Receivable (net of current portion)	-
117 Performance Bond (Disclose on Schedule A)	-
118 Long Term Investments	5,203,025
119 Deposits	-
120 Other Noncurrent Assets (Disclose on Schedule A)	73,813
121 Total Noncurrent Assets	8,653,447
122 TOTAL ASSETS	167,414,486

**LIABILITIES AND NET ASSETS/EQUITY**

**CURRENT LIABILITIES**

201 Incurred But Not Reported Claims (Disclose on Sch. A)	18,512,783
202 Reported But Unpaid Claims	1,307,034
203 Payable to ADHS (Disclose on Schedule A)	21,126,639
204 Payable to Providers	12,482,425
205 Trade Accounts Payable	127,765
206 Accrued Salaries and Benefits	-
207 Long-term Debt (current portion)	-
208 Deferred Revenue (Disclose on Schedule A)	6,630,527
209 Risk Pool Payable	-
210 Other Current Liabilities (Disclose on Schedule A)	38,896,724
211 Total Current Liabilities	99,083,897

**NON-CURRENT LIABILITIES**

212 Long-term debt (net of current portion)	-
213 Loss Contingencies (Disclosed on Schedule A)	-
214 Other Noncurrent Liabilities (Disclose on Schedule A)	907,926
215 Total Noncurrent Liabilities	907,926
216 TOTAL LIABILITIES	99,991,823
217 NET ASSETS/EQUITY	
Unrestricted Net Assets	67,422,663
Restricted Net Assets (Disclose on Schedule A)	-

218 TOTAL LIABILITIES AND NET ASSETS/EQUITY	167,414,486
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**MAGELLAN  
STATEMENT OF FINANCIAL POSITION  
AS OF:  
Schedule A Disclosures**

September 30, 2011

**ASSETS:**

<b>Cash</b>		
Unrestricted		77,698,134
Restricted		-
<b>Total Cash</b>		<b>77,698,134</b>

**Accounts Receivable**

<b>ADHS</b>			
Current Year	<u>Program ID</u>	<u>Category ID</u>	
	CMHS SMI Block Grant	Mental Health Block Grant - Adult	175,576
	NTXIX/XXI Other County	City of Phoenix - LARC Maricopa County IGA	50,000 94,275
	CMHS SED Block Grant	Mental Health Block Grant - Child	121,408
	SAPT Block Grant	Substance Abuse Prevention Tax	2,282,125
	SAPT Block Grant	SAPT - Pregnant Women	334,690
	PASRR/ADOH	PASRR	2,400
	PASRR/ADOH	ADOH	94,274
	Title XXI - Child	Profit/Risk Receivable	95,909
Prior Year	Other Federal	Transformation Transfer Initiative	12,182
	NTXIX/XXI Medications	Prescription Medication	184,041
	NTXIX/XXI Supported Housing	Supported Housing	107,827
	NTXIX/XXI Crisis	NT Crisis	3,385,884

**Non-ADHS &/or Unrelated Business**

Current Year	<u>Program ID</u>	<u>Category ID</u>	
	Interest Receivable on Investments		774,454
	Choices - Post Transition Clinic Expenses		888
	People of Color - Post Transition Clinic Expenses		2,200
	Connections - Post Transition Clinic Expenses		604
	Southwest Network - Post Transition Clinic Expenses		1,789
	Partners In Recovery - Post Transition Clinic Expenses		48
	MHS Claim Advance		5,000,001
	FSL Pathways Provider Advance		375,000
Prior Year	Self Insurance Reserve		500,400
	Interest Receivable on Investments		255,639
<b>Total Accounts Receivable</b>			<b>13,851,614</b>

**Other Current Assets (Detail of Line 106)**

Current Deferred Tax Asset		2,622,870
<b>Total Other Current Assets</b>		<b>2,622,870</b>

**Other Noncurrent Assets (Detail of Line 120)**

Clinic Security Deposits		73,813
<b>Total Other Noncurrent Assets</b>		<b>73,813</b>

**LIABILITIES:**

<b>IBNR Claims Estimate</b>		
Current Year		12,912,347
Prior Year		5,600,436
<b>Total IBNR</b>		<b>18,512,783</b>

**Payable to ADHS (Detail of Line 203)**

Current Year	<u>Program ID</u>	<u>Category ID</u>	
	TXIX SMI County	Profit/Risk Corridor Profit/Risk Corridor	5,738,519 1,952,863
Prior Year	TXIX CMDP TXIX SMI TXIX DD Adult TXXI Child	Profit/Risk Corridor Profit/Risk Corridor Profit/Risk Corridor Profit/Risk Corridor	3,081,801 9,879,283 468,575 5,598
<b>Total Payable to ADHS</b>			<b>21,126,639</b>

**Deferred Revenue from: (Detail of Line 208)**

ADHS	<u>Program ID</u>	<u>Category ID</u>	
Prior Year	County	Deferred Rev - Excess Profit	6,630,527
<b>Non-ADHS &amp;/or Unrelated Business</b>			
Current Year			
Prior Year			
<b>Total Deferred Revenue</b>			<b>6,630,527</b>

**Other Current Liabilities (Detail of Line 210)**

Consulting Expenses	4,314
Deferred Rent Current	36,289
Telephone Expenses	54,000
Self Insurance Retention	2,131,242
Unclaimed Property	87,737
Sublease Security Deposits - ST	61,035
Housing Accrual	1,003,126
PASRR Accrual	2,400
Deferred Tax Assets - audit adjustment	(226,601)
Housing Bridge Subsidy Funding	380,247
PNO Prepaid Rents	47,372
Other Misc Liabilities	24,207
Community Reinvestment - FY12	591,919
Community Reinvestment - FY11	3,057,224
Community Reinvestment - FY10	3,058,621
Community Reinvestment - FY09	419,241
Intercompany Magellan Health Services	6,816,567
Tax Benefit Payable - FY12	5,664,542
Tax Benefit Payable - Prior	15,683,242
<b>Total Other Current Liabilities</b>	<b>38,896,724</b>

**PERFORMANCE BOND:**

Type of Security & Amount -		
Safeco Insurance Company of America	Bond	36,000,000
Fidelity & Deposit Company of Maryland	Bond	17,164,250

**Loss Contingencies (Detail of Line 213)**

Identify Loss Contingencies

-

**Total Loss Contingencies**

-

**Other Noncurrent Liabilities (Detail of Line 214)****Adjustments:**

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

Noncurrent Deferred Tax Liability  
Sublease Security Deposits - LT

879,007  
28,919

**Total Other Noncurrent Liabilities****907,926****Payables to ADHS - Other\* Category**

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

**Restricted Net Assets (Detail of Line 217)**

Identify Restricted Net Assets

-

**Total Restricted Net Assets**

-

**Explain ≥10% fluctuation in account from prior period**

Describe fluctuation in each account greater than 10%

<b>Cash</b>	Cash increased due to changes in the following accounts: Accounts Receivable - Net (\$70M), Payable to ADHS (\$7M), maturity of Investments (\$25M) and Net Income (\$8.7M). Cash decreased due to change in Due to Affiliates (\$7M), Accounts payable and Other Accrued Liabilities (\$15M), purchase of Investments (\$5M) and Dividends Paid (\$20M).
<b>Current Investments</b>	Investments increased due to a transfer from LT (\$4M) and decreased due to maturity of investments of (\$25M).
<b>Accounts Receivable</b>	Overall, the ADHS receivable decreased (\$70M) due to decreases for TXIX SMI (\$29M), SAPT Crisis Service (\$2.9M), TXIX Child (\$10M), TXIX CMDP Child (\$4.5M), SAPT Block Grant (\$4.4M), TXIX GMH/SA (\$11.7M), TXIX DD Child (\$7M) and 2010 Incentive Accrual (\$6.8M). There was an increase in the MIHS Ciam advance of (\$2.8M) and a decrease in Block Funding receivable due to contract changes (\$2.4M).
<b>Prepaid Expense</b>	Change in prepaid insurance due to monthly amortization
<b>Long Term Investments</b>	Increase of LT Investment is due to purchase of investments (\$5M) and decrease in balance due to transfer to ST (\$4M).
<b>Other Noncurrent Assets</b>	Decrease of other Noncurrent Assets due to decrease to Clinic Security deposits account (\$35k).
<b>Reported but Unpaid Claims</b>	The RBUC's decreased in September as the number of claims decreased by 2.6k from June.
<b>Payable to ADHS</b>	FY12 Profit/Risk Corridor increased for the following: TXIX SMI (\$5.7M) and NT County (\$2M).
<b>Other Amts. Payable to Providers</b>	There was a net increase in the Block Payment Accrual of (\$1.4M). The block accrual increased for the following providers: Banner (\$2M), QCN (\$6M) and Southwest Network (\$6M). There was also an increase for a (\$6.9M) MMA Rx Expense Accrual.
<b>Deferred Revenue</b>	The balance decreased for the SFY11 Excess Profit Deferred Revenue recognition (\$1.3M).
<b>Other Current Liabilities</b>	Other Current Liabilities decreased primarily due change in Tax Benefit Payable account due to tax settlement of (\$36M) and increase in FY12 Tax Payable of (\$6M). Community Reinvestment increased for FY12 (\$6M) and Intercompany Payable decreased (\$2M).
<b>Unrestricted Net Assets</b>	Change in equity increased for Net Income of (\$9M) and decreased for Dividends Paid (\$20M).

**MAGELLAN****STATEMENT OF CHANGES IN NET ASSETS / EQUITY**AS OF : **September 30, 2011**

			Net Assets / Retained Earnings	Unrealized Gains (Losses) on Securities	Total	
		Initial Capital	Additional Capital			
Beginning Balance:	July 1, 2011	-	100	78,824,038	78,824,138	
* Net Surplus / Net Earning for the period ended:	<b>September 30, 2011</b>	-	-	8,665,186	8,665,186	
Other Comprehensive Income:						
Unrealized Gains (Losses) on Securities				(66,661)	(66,661)	
Dividends Declared			-	(20,000,000)	(20,000,000)	
** Prior Period Adjustments		-	-		-	
Ending Balance:	<b>September 30, 2011</b>			-	-	
		-	100	67,489,224	(66,661)	67,422,663

\* Net of Dividends Declared

\*\* Disclosure of Prior Period Adjustments

**MAGELLAN**  
**STATEMENT OF ACTIVITIES**  
**YEAR TO DATE AS OF:**

September 30, 2011

\*DISCLOSE ON SCHEDULE A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	TXIX SMI	TXIX DD ADULT	TXIX GMH/SA	TXIX CHILD	TXIX ADULT	NTXIX/XXI CRISIS	NTXIX/XXI MEDICATIONS	NTXIX/XXI SUPPORTED HOUSING	NTXIX/XXI OTHER	CMHS SED BLOCK GRANT	CMHS SMI BLOCK GRANT	SAPT BLOCK GRANT	OTHER FEDERAL	COUNTY	PASRR/ADOH	PATH	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
<b>REVENUES</b>																						
401 Revenue Under ADHS Contract																						
a ADHS Revenue	31,948,173	12,457,684	2,224,450	79,966,633	1,511,127	33,286,068	679,632	20,486	2,443,035	5,940,579	555,202	50,000	585,828	675,818	4,834,762	-	10,918,822	16,500	-	188,114,798	-	188,114,798
b ADHS Revenue - Qualifying Incentive Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	94,274	-	-	-	94,274
402 Specialty & Other Grants*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
403 Client Fees (Co-pays)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
404 Third Party Recoveries																						
a Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
405 Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
406 Other Behavioral Health Funding Sources - Non ADHS*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24	-	24	937,296	937,320
407 Unrelated Business Revenue*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
408 <b>TOTAL REVENUE</b>	<b>31,948,173</b>	<b>12,457,684</b>	<b>2,224,450</b>	<b>79,966,633</b>	<b>1,511,127</b>	<b>33,286,068</b>	<b>679,632</b>	<b>20,486</b>	<b>2,443,035</b>	<b>5,940,579</b>	<b>555,202</b>	<b>50,000</b>	<b>585,828</b>	<b>675,818</b>	<b>4,834,762</b>	<b>-</b>	<b>10,918,822</b>	<b>110,799</b>	<b>-</b>	<b>188,209,096</b>	<b>937,296</b>	<b>189,146,392</b>
<b>EXPENSES</b>																						
<b>Service Expenses:</b>																						
501 <b>Treatment Services</b>																						
a Counseling																						
1 Counseling, Individual	1,083,911	454,495	40,809	1,241,579	41,103	1,458,333	24,073	(0)	-	-	-	-	58,489	3,043	70,196	-	3,845	-	-	4,479,876	-	4,479,876
2 Counseling, Family	1,286,694	259,692	82,376	88,993	4,529	78,289	30,127	(0)	54	-	-	-	91,213	-	36,367	-	189	-	-	1,959,525	-	1,959,525
3 Counseling, Group	323,444	77,857	7,896	542,006	1,938	2,044,318	7,801	(0)	-	-	-	-	27,252	-	311,497	-	1,038	-	-	3,344,836	-	3,344,836
b Assessment, Evaluation and Screening	2,098,638	374,582	128,185	994,256	23,541	2,348,666	31,454	38	59,568	-	-	-	82,460	13,079	111,339	-	262,607	-	-	6,527,873	-	6,527,873
c Other Professional	183,674	20,090	1,115	1,946	-	13,902	4,749	-	-	-	-	-	23,843	115,272	52,410	-	1,081	-	-	418,080	-	418,080
d <b>Total Treatment Services</b>	<b>4,976,361</b>	<b>1,186,717</b>	<b>260,370</b>	<b>2,868,780</b>	<b>71,111</b>	<b>5,943,507</b>	<b>98,004</b>	<b>37</b>	<b>59,622</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>283,257</b>	<b>131,393</b>	<b>581,810</b>	<b>-</b>	<b>268,219</b>	<b>-</b>	<b>-</b>	<b>16,729,190</b>	<b>-</b>	<b>16,729,190</b>
502 <b>Rehabilitation Services</b>																						
a Living Skills Training	3,666,290	935,508	443,969	2,808,891	50,226	230,004	77,648	(1)	-	-	-	-	97,406	4,229	15,007	-	4,632	-	-	8,333,809	-	8,333,809
b Cognitive Rehabilitation	102,544	19,387	6,604	660,008	2,714	40,447	3,197	(0)	-	-	-	-	5,198	340	3,926	-	2,473	-	-	23	-	23
c Health Promotion	23,891	14,164	2,015	3,189,203	72,254	213,664	1,136	(1)	-	-	-	-	-	-	5,674	-	98	-	-	3,522,097	-	3,522,097
d <b>Total Rehabilitation Services</b>	<b>3,792,725</b>	<b>969,059</b>	<b>452,588</b>	<b>6,658,125</b>	<b>125,194</b>	<b>484,115</b>	<b>81,981</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102,604</b>	<b>4,569</b>	<b>24,607</b>	<b>-</b>	<b>7,202</b>	<b>-</b>	<b>-</b>	<b>12,702,768</b>	<b>-</b>	<b>12,702,768</b>
503 <b>Medical Services</b>																						
a Medication Services	-	-	-	132,721	679	887,546	-	(0)	-	25,535	-	-	-	-	224,880	-	6	-	-	1,271,367	-	1,271,367
b Medical Management	859,324	97,880	99,785	1,940,341	40,366	984,885	22,509	(0)	3,011	3,447,752	-	-	24,310	2,006	40,570	-	4,572	-	-	7,567,310	-	7,567,310
c Laboratory, Radiology & Medical Imaging	39,164	7,730	-	281,921	2,863	135,298	2,855	63	-	74,260	-	-	-	-	18,749	-	-	-	-	566,296	-	566,296
d Electro-Convulsive Therapy	-	-	-	65,942	-	42,144	-	-	-	-	-	-	-	-	-	-	-	-	-	108,086	-	108,086
e <b>Total Medical Services</b>	<b>898,488</b>	<b>105,610</b>	<b>103,178</b>	<b>2,420,925</b>	<b>43,907</b>	<b>2,049,872</b>	<b>25,364</b>	<b>63</b>	<b>3,011</b>	<b>3,547,548</b>	<b>-</b>	<b>-</b>	<b>24,310</b>	<b>2,006</b>	<b>284,200</b>	<b>-</b>	<b>4,577</b>	<b>-</b>	<b>-</b>	<b>9,513,059</b>	<b>-</b>	<b>9,513,059</b>
504 <b>Support Services</b>																						
a Case Management	6,685,082	2,398,481	560,467	14,753,611	229,293	2,523,229	117,423	70	105,067	-	-	-	389,674	43,840	258,400	-	905,683	-	-	28,968,320	-	28,968,320
b Personal Care Services	134,606	26,086	56,196	6,924,629	12,387	61,087	3,496	-	-	-	-	-	127	14,048	1,02	-	14,426	-	-	7,247,190	-	7,247,190
c Family Support	1,306,864	202,040	151,682	16,902	142	10,328	15,223	(0)	-	-	-	-	40,735	-	316	-	-	-	-	1,744,231	-	1,744,231
d Peer Support	50,375	11,559	1,969	1,690,247	20,859	178,315	869	(0)	-	-	-	-	3,028	-	12,307	-	2,079	-	-	1,971,606	-	1,971,606
e Home Care Training to Home Care Client	356,134	1,164,061	91,852	156,537	-	-	23,643	-	-	-	-	-	-	-	-	-	9,532	-	-	1,801,759	-	1,801,759
f Unskilled Respite Care	549,568	69,232	10,433	10,559	-	21,569	4,890	-	-	-	-	-	9,715	-	-	-	675,967	-	-	675,967	-	675,967
g Supported Housing*	-	-	-	-	-	-	-	-	-	-	513,561	-	-	-	-	-	1,776,880	-	-	2,290,442	-	2,290,442
h Flex Fund Services	-	-	-	-	-	-	-	-	-	-	-	-	114,625	78,262	-	-	274	-	-	193,161	-	193,161
i Transportation	855,892	164,513	32,615	3,976,885	44,322	1,523,890	16,944	155	40	-	-	-	35,849	25,921	32,048	-	500,556	-	-	7,209,628	-	7,209,628
j <b>Total Support Services</b>	<b>9,938,521</b>	<b>4,033,971</b>	<b>905,214</b>	<b>27,529,370</b>	<b>307,003</b>	<b>4,318,417</b>	<b>182,488</b>	<b>225</b>	<b>105,107</b>	<b>-</b>	<b>513,561</b>	<b>-</b>	<b>593,753</b>	<b>162,071</b>	<b>303,173</b>	<b>-</b>	<b>3,209,430</b>	<b>-</b>	<b>-</b>	<b>52,102,304</b>	<b>-</b>	<b>52,102,304</b>
505 <b>Crisis Intervention Services</b>																						
a Crisis Intervention - Mobile	297,231	267,306	21,418	1,992,431	74,819	601,623	10,389	-	972,763	-	-	-	-	-	10,356	-	1,355,461	-	-	5,603,795	-	5,603,795
b Crisis Intervention - Stabilization	148,860	22,579	7,329	3,116,444	39,504	2,177,248	4,415	-	46,250	-	-	-	-	-	2,003,281	-	1,088,317	-	-	9,378,753	-	9,378,753
c Crisis Intervention - Telephone	127,001	82,530	8,184	419,058	9,377	301,283	4,406	-	-	-	-	-	-	-	-	-	372,954	-	-	1,592,448	-	1,592,448
d <b>Total Crisis Intervention Services</b>	<b>573,092</b>	<b>372,415</b>	<b>36,931</b>	<b>5,527,932</b>	<b>123,700</b>	<b>3,080,154</b>	<b>19,210</b>	<b>-</b>	<b>1,964,945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,013,636</b>	<b>-</b>	<b>2,816,732</b>	<b>-</b>	<b>-</b>	<b>16,574,996</b>	<b>-</b>	<b>16,574,996</b>
506 <b>Inpatient Services</b>																						
a Hospital																						
1 Psychiatric (Provider Types 02 & 71)	1,292,320	224,742	115,505	7,397,820	132,969	6,352,954	37,644	769	-	-	-	-	-	-	-	-	1,034,071	-	-	16,588,795	-	16,588,795
2 Detoxification (Provider Types 02 & 71)	25,081	1,370	-	25,008	-	142,158	-	-	-	-	-	-	-	-	-	-	1,315	-	-	194,931	-	194,931
b Sub acute Facility																						
1 Psychiatric (Provider Types B5 & B6)	-	-	-	500,582	3,253	239,114	-	-	126,446	-	-	-	-	-	-	-	188,336	-	-	1,057,731	-	1,057,731
2 Detoxification (Provider Types B5 & B6)	-	-	-	14,310	-	247,317	-	(0)	-	-	-	-	-	-	-	-	406,071	-	-	406,071	-	406,071
c Residential Treatment Center (RTC)																						
Psychiatric - Secure & Non-Secure Provider Types 78.B1,B2,B3)	472,098	681,609	-																			

MAGELLAN  
STATEMENT OF ACTIVITIES  
YEAR TO DATE AS OF:

September 30, 2011

\*DISCLOSE ON SCHEDULE A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	TXIX SMI	TXIX DD ADULT	TXIX GMH/SA	TXIX CHILD	TXIX ADULT	NTXIX/XXI CRISIS	NTXIX/XXI MEDICATIONS	NTXIX/XXI SUPPORTED HOUSING	NTXIX/XXI OTHER	CMHS SED BLOCK GRANT	CMHS SMI BLOCK GRANT	SAPT BLOCK GRANT	OTHER FEDERAL	COUNTY	PASRR/ADOH	PATH	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
<b>Administrative Expenses:</b>																						
601 Salaries	768,461	258,537	76,015	1,814,630	28,609	913,717	19,162	522	62,732	121,155	14,257	1,284	28,310	8,330	140,637	-	244,274	-	-	4,500,632	-	4,500,632
602 Employee Benefits	255,654	86,011	25,289	603,697	9,518	303,978	6,375	174	20,870	40,306	4,743	427	9,418	2,771	46,788	-	81,266	-	-	1,497,285	-	1,497,285
603 Professional & Outside Services	32,992	11,100	3,263	77,906	1,228	39,228	823	22	2,693	5,201	612	55	1,215	358	6,038	-	10,487	-	-	193,221	-	193,221
604 Travel	10,574	3,557	1,046	24,969	394	12,572	264	7	863	1,667	196	18	390	115	1,935	-	3,361	-	-	61,927	-	61,927
605 Occupancy	62,974	21,187	6,229	148,706	2,344	74,878	1,570	43	5,141	9,928	1,168	105	2,320	683	11,625	-	20,018	-	-	368,819	-	368,819
606 Depreciation	33,319	11,210	3,296	78,680	1,240	39,617	831	23	2,720	5,253	618	56	1,227	361	6,098	-	10,591	-	-	195,141	-	195,141
607 All Other Operating*	882,896	297,038	87,335	2,084,856	32,870	1,049,784	22,015	599	72,074	139,197	16,380	1,475	32,526	9,570	161,580	-	280,850	-	-	5,170,845	-	5,170,845
608 <b>Subtotal ADHS Administrative Expenses</b>	2,046,870	688,639	202,473	4,833,443	76,204	2,433,775	51,040	1,389	167,094	322,709	37,974	3,420	75,406	22,187	374,600	-	650,647	-	-	11,987,870	-	11,987,870
620 Interpretive Services	1,084,411	22,929	60,435	235,392	927	327,295	40,082	262	660	15,260	-	-	12,049	28	24,900	-	5,847	-	-	1,830,475	-	1,830,475
651 Non ADHS and/or Unrelated Admin. Expense*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
652 <b>Subtotal Administrative Expense</b>	3,131,281	711,568	262,908	5,068,835	77,131	2,761,070	91,122	1,651	167,754	337,969	37,974	3,420	87,455	22,215	399,500	-	656,494	-	-	13,818,345	-	13,818,345
701 Unrelated Business Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	591,919	591,919
790 <b>Income Tax Provisions</b>																						
a ADHS Income Tax Provision	770,141	1,069,900	(275,233)	3,858,967	160,915	(815,309)	(24,381)	121	6,378	495,506	1,449	130	(201,360)	139,764	(239,550)	-	580,579	-	-	5,528,019	-	5,528,019
b Non ADHS Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5)	-	(5)	136,528	136,528
799 <b>Subtotal Income Tax Provision</b>	770,141	1,069,900	(275,233)	3,858,967	160,915	(815,309)	(24,381)	121	6,378	495,506	1,449	130	(201,360)	139,764	(239,550)	-	580,579	(5)	-	5,528,014	136,528	5,664,542
<b>800 TOTAL EXPENSES</b>	<b>30,770,068</b>	<b>10,821,031</b>	<b>2,645,481</b>	<b>74,063,478</b>	<b>1,264,970</b>	<b>34,533,267</b>	<b>716,928</b>	<b>20,301</b>	<b>2,433,280</b>	<b>5,182,591</b>	<b>552,984</b>	<b>49,800</b>	<b>893,853</b>	<b>462,018</b>	<b>5,201,207</b>	<b>-</b>	<b>10,030,697</b>	<b>110,805</b>	<b>-</b>	<b>179,752,759</b>	<b>728,447</b>	<b>180,481,206</b>
<b>801 INC/(DEC) IN NET ASSETS/EQUITY</b>	<b>1,178,105</b>	<b>1,636,653</b>	<b>(421,031)</b>	<b>5,903,155</b>	<b>246,157</b>	<b>(1,247,199)</b>	<b>(37,296)</b>	<b>185</b>	<b>9,755</b>	<b>757,988</b>	<b>2,218</b>	<b>200</b>	<b>(308,025)</b>	<b>213,800</b>	<b>(366,445)</b>	<b>-</b>	<b>888,125</b>	<b>(6)</b>	<b>-</b>	<b>8,456,337</b>	<b>208,849</b>	<b>8,665,186</b>

**MAGELLAN  
STATEMENT OF ACTIVITIES  
YEAR TO DATE AS OF:  
Schedule A Disclosure**

September 30, 2011

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	TXIX SMI	TXIX DD ADULT	TXIX GMH/SA	TXIX CHILD	TXIX ADULT	NTXIX/XXI CRISIS	NTXIX/XXI MEDICATIONS	NTXIX/XXI SUPPORTED HOUSING	NTXIX/XXI OTHER	CMHS SED BLOCK GRANT	CMHS SMI BLOCK GRANT	SAPT BLOCK GRANT	OTHER FEDERAL	COUNTY	PASRR/ADOH	PATH	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
<b>DISCLOSURE OF NTXIX/XXI OTHER and OTHER FEDERAL ADHS REVENUE</b>																						
City of Phoenix - LARC												50,000								50,000		50,000
<b>Total NTXIX/XXI Other - OTHER FEDERAL Column</b>												50,000								50,000		50,000
<b>DISCLOSURE OF OTHER GRANTS REPORTED ON LINE 402</b>																						
ADOH SMI Housing																		94,274		94,274		94,274
<b>Total Other Grants</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	94,274	0	94,274	0	94,274
<b>DISCLOSURE OF OTHER BEHAVIORAL HEALTH FUNDING SOURCES - NON ADHS REPORTED ON LINE 406</b> Itemization of Items Reported on Line 406																						
<b>Total Other Behavioral Health Sources - Non ADHS</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>UNRELATED BUSINESS REVENUE REPORTED ON LINE 407</b> Itemization of Items Reported on Line 407																						
<b>Total Unrelated Business Revenue</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>DISCLOSURE OF SUPPORTED HOUSING ON LINE 504g:</b>																						
Eviction/Prevention Efforts																						
Move-in/Start-up Kits																						
Assistance with Deposits																						
Other ADHS Approved Housing Expenses:																						
Rent											194,076						671,486		865,562		865,562	
Management Fees											44,585						154,262		198,847		198,847	
Utilities											33,990						117,603		151,592		151,592	
Repairs & Maintenance											32,512						112,488		145,000		145,000	
Housing Block Funding- for Rent & Utility Subsidies paid to:																						
Ebony House											7,007						24,244		31,251		31,251	
Lifewell											30,083						104,084		134,166		134,166	
Marc Center											13,180						45,602		58,782		58,782	
National Council											2,242						7,757		9,999		9,999	
Native American Connections											841						2,909		3,750		3,750	
PSA Behavioral Health											28,028						96,973		125,001		125,001	
Recovery Innovations of AZ											15,508						53,658		69,166		69,166	
Southwest Behavioral Hlth											48,342						167,259		215,601		215,601	
Terras											1,223						4,232		5,455		5,455	
New Arizona Family											47,918						165,794		213,712		213,712	
Choices Ntwk											1,682						5,818		7,500		7,500	
Partners in Recovery											841						2,909		3,750		3,750	
People of Color											841						2,909		3,750		3,750	
Southwest Network											1,682						5,818		7,500		7,500	
FFS IBNR Accrual											8,982						31,075		40,057		40,057	
<b>Total Supported Housing</b>	0	0	0	0	0	0	0	0	0	0	513,561	0	0	0	0	0	1,776,881	0	0	2,290,442	0	2,290,442
<b>DISCLOSURE OF ALL OTHER BEHAVIORAL HEALTH SERVICES ON LINE 511</b>																						
PASRR Expenses																		16,500		16,500		16,500
<b>Total All Other Behavioral Health Services</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16,500	0	16,500	0	16,500
<b>DISCLOSURE OF SERVICES EXPENSES FROM NON ADHS SOURCES ON LINE 520</b>																						
ADOH SMI Housing																		94,310		94,310		94,310
<b>Total Service Expenses Non ADHS Sources</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	94,310	0	94,310	0	94,310

MAGELLAN  
STATEMENT OF ACTIVITIES  
YEAR TO DATE AS OF:  
Schedule A Disclosure

September 30, 2011

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	TXIX SMI	TXIX DD ADULT	TXIX GMH/SA	TXIX CHILD	TXIX ADULT	NTXIX/XXI CRISIS	NTXIX/XXI MEDICATIONS	NTXIX/XXI SUPPORTED HOUSING	NTXIX/XXI OTHER	CMHS SED BLOCK GRANT	CMHS SMI BLOCK GRANT	SAPT BLOCK GRANT	OTHER FEDERAL	COUNTY	PASRR/ADOH	PATH	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
<b>DISCLOSURE OF ALL OTHER OPERATING ON LINE 607</b>																						
Telephone	(7,114)	(2,394)	(704)	(16,800)	(265)	(8,459)	(177)	(5)	(581)	(1,122)	(132)	(12)	(262)	(77)	(1,302)	-	(2,261)	-	-	(41,667)	-	(41,667)
Training	1,402	472	139	3,312	52	1,668	35	1	114	221	26	2	52	15	257	-	446	-	-	8,214	-	8,214
Supplies	4,748	1,597	470	11,212	177	5,645	118	3	388	749	88	8	175	51	869	-	1,509	-	-	27,807	-	27,807
Repairs & Maint	4,058	1,365	401	9,583	151	4,826	101	3	331	640	75	7	150	44	743	-	1,290	-	-	23,769	-	23,769
Postage	2,055	691	203	4,852	76	2,443	51	1	168	324	38	3	76	22	376	-	653	-	-	12,034	-	12,034
Office Moving Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Promotional	9,629	3,240	953	22,739	358	11,450	240	7	786	1,518	179	16	355	104	1,762	-	3,061	-	-	56,396	-	56,396
Licenses & Reg Fees	4,887	1,644	483	11,541	182	5,811	122	3	399	771	91	8	180	53	894	-	1,554	-	-	28,624	-	28,624
Translation Services	2,287	770	226	5,401	85	2,720	57	2	187	361	42	4	84	25	419	-	727	-	-	13,396	-	13,396
Ins & Bank Charges	18,180	6,116	1,798	42,930	677	21,616	453	12	1,484	2,866	337	30	670	197	3,327	-	5,779	-	-	106,474	-	106,474
Int. Exp/LOC Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium/Discount Amort/Accretion	129,763	43,657	12,836	306,420	4,831	154,291	3,236	88	10,593	20,458	2,407	217	4,780	1,407	23,748	-	41,248	-	-	759,980	-	759,980
Perf Sanction - Imposed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Perf Sanction Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Other Exp (sum)	2,966	998	293	7,005	110	3,527	74	2	242	468	55	5	109	32	543	-	943	-	-	17,373	-	17,373
SBU Allocation	30,912	10,400	3,058	72,994	1,151	36,755	771	21	2,523	4,874	573	52	1,139	335	5,657	-	9,826	-	-	181,040	-	181,040
Corp Alloc (sum)	679,122	228,461	67,178	1,603,667	25,283	807,492	16,934	461	55,439	107,070	12,599	1,135	25,019	7,361	124,287	-	215,676	-	-	3,977,404	-	3,977,404
<b>Total All Other Operating</b>	<b>882,896</b>	<b>297,037</b>	<b>87,335</b>	<b>2,084,856</b>	<b>32,870</b>	<b>1,049,784</b>	<b>22,015</b>	<b>599</b>	<b>72,074</b>	<b>139,197</b>	<b>16,380</b>	<b>1,475</b>	<b>32,526</b>	<b>9,570</b>	<b>161,580</b>	<b>0</b>	<b>280,650</b>	<b>0</b>	<b>0</b>	<b>5,170,845</b>	<b>0</b>	<b>5,170,845</b>

**DISCLOSURE OF NON ADHS AND/OR UNRELATED ADMINISTRATIVE EXPENSES ON LINE 651**  
Itemization of Items Reported on Line 651

<b>Total Non ADHS and/or Unrelated Adm Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**DISCLOSURE OF UNRELATED BUSINESS EXPENSES LINE 701**

Community Reinvestment																					591,919	591,919	
<b>Total Unrelated Business Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>591,919</b>	<b>591,919</b>

**NOTES:**

**EXPENSES LINE 501C** Expenses for TXIX Child, TXIX CMDP & DD Child reported on this line were not for traditional healing or Auricular Acupuncture.

<b>MENTAL HEALTH 1ST AID TRAINING ("IN-KIND")</b>	Travel Reimbursement for T. Issador & Diadre Calcoate paid to Family Involvement Center	\$1,352
	Travel Reimbursement paid to Diane Anderson-Wormly	463
	Travel Reimbursement for B. Boldizar	460
	Travel Reimbursement for R. Gilbert	245
	Mental Health Assoc - Manuals	15,260
		<b>\$17,780</b>

<b>SAPT Children's Expenses SFYTD</b>	<b>\$ 272,500</b>
<b>SAPT MAT Expenses SFYTD</b>	<b>50,000</b>

**MAGELLAN  
STATEMENT OF CASH FLOWS  
YEAR TO DATE FOR PERIOD ENDED:**

September 30, 2011

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Changes in Net Assets	8,665,186
Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	195,141
Deferred Income Tax Benefit	-
Loss on Disposal of Assets	-

**(Increases)/Decreases in Assets:**

Accounts Receivable	70,005,139
Prepaid Assets	(55,446)
Other Assets	35,041

**Increases/(Decreases) in Liabilities:**

IBNR	902,134
RBUC	(1,147,935)
Accounts Payable to ADHS	7,529,154
Deferred Revenue	(1,324,548)
Accounts Payable and Other Accrued Liabilities	(15,220,198)
Due to Affiliates, Net	(7,155,810)
Other Liabilities	784,774

**NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** 63,212,632

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from Sale of Property & Equipment	(1,459)
Purchases of Property & Equipment	(121,787)
Maturity of Investments	24,972,000
Purchase of Investments	(5,234,450)

**NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES** 19,614,304

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Contributions from Parent	-
Dividends Paid	(20,000,000)
Issuance of Common Stock	-
Payment of Other Debts (Describe on Schedule A)	-

**NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES** (20,000,000)

<b>NET INCREASE/(DECREASE) IN CASH</b>	62,826,936
<b>BEGINNING CASH</b>	<u>14,871,199</u>
<b>ENDING CASH BALANCE *</b>	<u><u>77,698,134</u></u>

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

**MAGELLAN**

**STATEMENT OF CASH FLOWS**

**YEAR TO DATE FOR PERIOD ENDED:**

September 30, 2011

**Schedule A Disclosure**

**Describe:**

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

2. Underlying transactions for acquisition of debt.

(Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)

-

3. Underlying transactions for retirement of debt.

(Debtor, amount paid off.)

4. Cash Flows From Financing Activities - Payment of Other Debt

Dividends Paid

20,000,000

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