



First Quarter 2015 Dissolution Progress Report

1Q 2015 Financial Highlights (Unaudited)

Pool Cash on Hand as of March 31, 2015:	\$ 4,884,088
Medical Claims Paid:	\$ 259,232
Pharmacy Claims Paid (credits exceeded claims):	\$ (19,330)
Subrogation Recoveries:	\$ 36,710
Open Subrogation Cases as of March 31, 2015:	\$ 1,263,882
Prompt Pay Penalties Collected:	\$13,403,527
Prompt Pay Penalties Transferred to TDI:	\$19,751,451
Prompt Pay Penalty Funds Held for TDI as of March 31, 2015:	\$ 4,823,166

1Q 2015 Operational Highlights

Number of Medical Claims Processed by TPA ¹ :	1,494
Number of Pharmacy Claims Processed by PBM ² :	0
Number of Phone Calls Handled by Pool's TPA and PBM:	±1,595
Number of Appeals Received by EDO ³ :	8
Number of Appeals Processed by EDO:	6
Number of Open Appeals as of March 31, 2015:	3

¹ Third Party Administrator

² Pharmacy Benefit Manager

³ Pool Executive Director's Office

TEXAS HEALTH INSURANCE POOL
First Quarter 2015 Activities Summary

Pool Staffing: EDO staffing during the quarter remained at one full-time employee (the Executive Director) and one part-time Accountant.

TDI Reporting: The 4Q 2014 dissolution progress report was submitted to the Commissioner on January 30, 2015. The Pool's 2014 financial statement was filed on February 27, 2015.

Assessments: In January, the Pool mailed assessment data call notices to 495 insurers and HMOs. A reminder notice was mailed to 56 of these companies after the March 2, 2015 reporting deadline.

Prompt Pay Penalty Program: The EDO conducted an audit of the penalties reported and paid to the Pool since January 2010, when state law was amended to redirect a share of prompt pay penalties to the Pool. During the quarter, the EDO collected ±\$2.2 million in back penalties directly associated with those audit efforts.

PBM Updates: In January, the Pool received payment of \$15,497 from Express Scripts (ESI), the Pool's PBM, associated with contractual guarantees for pharmacy drug rebates from scripts processed during 2Q 2014.

Unclaimed Money Fund: In November, the EDO identified and filed a \$4,082 claim for Pool funds escheated to the Texas State Comptroller. In February, the Comptroller remitted these funds to the Pool.

Miscellaneous Administrative Activities:

During this quarter, the EDO received one new request for records related to litigation between a former Pool member and a third party.

In January, the EDO filed a claim for a share of the proposed Doryx class action drug case settlement. The Pool's settlement amount and the timing of the distribution are unknown at this time. In January, the Pool received a \$464 settlement check associated with a 2014 claim filed in the DDAVP drug class action case.

The Pool's outside financial audit firm commenced Y2014 audit activities on January 31, 2015.