

III. Health Funds and Communications



The administrator of Health Funds and Communications is responsible for providing advice on executive matters affecting the office's goals and initiatives and directs the office's legislative initiatives, communication activities, and provides advice on technical insurance-related issues. This unit also has administrative responsibilities for the Injured Patients and Families Compensation Fund.

Public Information and Communications

The Public Information and Communications Section has primary responsibility in developing and maintaining the office's consumer publications, providing information and materials on the office's Web site, and provides basic and essential services including records management, forms management, printing and service of process.

The office is required by statute to administer and maintain a Forms Management program. All office forms and brochures, regardless of format or method of delivery, are reviewed for statutory requirements and agency standards. An inventory and history file is kept for each form, brochure, and special report. This material is composed using a variety of specialized tools and is then distributed and made available via digital and paper means. The forms manager is a liaison with office staff, the agency Printing Coordinator, and other state agencies.

The OCI Web sites are managed within Public Information and Communications in accordance with the group's Communication Plan. Web management issues are addressed in a committee with representatives of all agency areas. Industry and constituents readily utilize information and support available via this interface. We frequently reassess the value of the information provided on our site and strive to assure fresh content consistent with current issues. There were 162 new Web pages added in 2008. Another 1,026 pages were updated.

2008 Major Accomplishments

- Published the *Wisconsin Insurance Update*. In an ongoing effort to keep policymakers informed of what's going on at OCI, the agency produced a monthly newsletter to the legislature and other interested parties.
- Published the OCI quarterly newsletter, the *Wisconsin Insurance News* (WIN). The WIN provides information to agents, insurers, regulators and the public about Wisconsin's insurance market and its regulation.
- Staffed several new and existing OCI advisory councils and committees. The expert advice provided the Commissioner through these councils and committees results in more efficient regulation of the insurance industry to the benefit of insurance consumers and insurers.
- Published to OCI's Web site information on OCI's advisory councils and committees including committee members, agendas, minutes and presentation materials.
- Participated in the third annual statewide Money Smart Week WisconsinSM by sponsoring an Insurance and Financial Fair. Money Smart Week WisconsinSM was created by the Governor's Council on Financial Literacy which Governor Jim Doyle formed to improve financial literacy in Wisconsin.
- Continued to extend our consumer education outreach to Spanish-speaking consumers by increasing the number of Spanish publications and consumer alerts available on OCI's Web site.
- Coordinated the office's Latino and urban outreach activities by meeting with leaders in the Latino and urban communities to discuss the consumer services that OCI can provide to the community. Provided consumer publications and fact sheets for community training and informational programs.
- Continued a microfilm to digital format copy project in order to bring company rates and forms previously only available on microfilm into a format which will be made available online via the agency Web site.
- Participated in meetings of the Governor's Council on Financial Literacy, the Governor's Committee for People with Disabilities, the Group Insurance Board, the Health Insurance Risk-Sharing Plan Authority, the Wisconsin State Council on Alcohol and Other Drug Abuse and the Inter-Agency Financial Literacy Committee.

- Participated in NAIC task forces and working groups, including: the Consumer Protection Working Group, the Consumer Liaison Committee, and the Health Insurance (B) Committee.
- Initiated a redesign of the agency Senior Issues Web page.
- Developed more efficient process for issuing press releases and other public documents.
- Redesigned the agency Intranet using Dreamweaver.
- Assisted with the development of on-line forms for insurers and consumers to use when contacting OCI.

Consumer Publications

The following consumer publications are available from OCI. Copies of all brochures are available on-line on OCI's Web site: oci.wi.gov/pub_list.htm.

Auto

- **Consejos para ahorrar en los seguros de automóvil (PI-318)**
- **Consumer's Guide to Auto Insurance (PI-057)**—Explains the types of coverage provided in an auto insurance policy, how to shop for insurance, collision damage waiver coverage for rental cars, and contains premiums for five hypothetical examples.
- **Guía del Consumidor para Seguros de Automóvil (PI-157)**—Explica los tipos de cobertura que se brindan en las pólizas de seguro de automóvil, cómo contratar un seguro, la cobertura por daños en caso de choque para automóviles de alquiler, e incluye las primas para cinco casos hipotéticos.
- **Teenagers and Auto Insurance (PI-200)**—Provides information on buying car insurance, saving money, and how underage drinking affects your insurance premium.
- **Tips for Saving on Auto Insurance (PI-218)**

Health

Long-Term Care

- **Guía para los Cuidados a Largo Plazo (PI-147)**—Explica los diferentes tipos de seguro de cuidado a largo plazo y los tipos de pólizas vendidas en Wisconsin para cubrir gastos decuidado a largo plazo.
- **Guide to Long-Term Care (PI-047)**—Explains different types of long-term care insurance and the types of policies sold in Wisconsin to cover long-term care expenses.
- **Long-Term Care Insurance Policies Approved in Wisconsin (PI-046)**—Lists individual, group and tax-qualified long-term care insurance policies, nursing home policies, and home health care policies including information regarding benefits and sample premiums.

Medicare Supplement

- **12 Things to Know Before Signing up for Medicare Part D (PI-222)**—Provides a list of things all seniors should know before signing up for Medicare Part D.
- **Medicare Advantage Plans in Wisconsin (PI-099)**—Explains new options available to Medicare-eligible persons age 65 and over, and some Medicare-eligible

disabled individuals under age 65, who are looking for information about the Medicare Advantage program.

- **Medicare Supplement Insurance Approved Policies (PI-010)**—Lists policies available in Wisconsin including benefits and current premiums.
- **Wisconsin Guide to Health Insurance for People with Medicare (PI-002)**—Explains Medicare and supplemental insurance to cover those expenses not paid by Medicare.

General

- **ANSI Codes (OCI 17-007)**—American National Standards Institute (ANSI) claim disposition codes that must be used by providers and their narrative explanation.
- **A Guide to Health Insurance and Worker's Compensation Insurance for Farm Families (PI-072)**—Provides information about health insurance and limitations for work-related injuries.
- **A Shopper's Guide to Cancer Insurance (PI-001)**—Describes cancer insurance policies and the limitations many of these policies have.
- **Consumer's Guide to Grievances and Complaints (PI-217)**—Provides information on how to resolve disputes with your health plan.
- **Consumer's Guide to Health Insurance Portability and Accountability Act of 1996 (HIPAA) and Wisconsin Insurance Laws (PI-096)**—Provides a general overview of the new federal law as well as the changes made to state health insurance laws.
- **Consumer's Guide to Managed Care Health Plans in Wisconsin (PI-044)**—Provides information on all HMO and Limited Service Health Organization Plans in Wisconsin.
- **Fact Sheet on Continuation and Conversion Rights in Health Insurance Policies (PI-023)**—Describes a consumer's rights under Wisconsin law and the federal COBRA law to continue or convert group health insurance coverage after losing previous eligibility for health insurance coverage.
- **Fact Sheet on the Independent Review Process in Wisconsin (PI-203)**—Describes a consumer's right to appeal a health plan's decision to an independent medical expert.
- **Fact Sheet on Managed Care Consumer Protections in Wisconsin (PI-102)**—Describes consumer protections available to Wisconsin residents enrolled in managed care plans.

- **Fact Sheet on Mandated Benefits in Health Insurance Policies (PI-019)**—Gives a brief description of current mandated benefits.
 - **Fact Sheet on Mandated Benefits for the Treatment of Nervous and Mental Disorders, Alcoholism and Other Drug Abuse (PI-008)**— Summarizes required coverages in group health insurance policies.
 - **Group Health Insurance Index (July PI-081 and January PI-080)**—Survey results listing the monthly premiums for group health insurance policies for four hypothetical groups.
 - **Guía del consumidor para presentar reclamos y quejas (PI-317)**—Se ofrece información acerca de cómo resolver disputas con su plan de salud.
 - **Health Insurance Coverage in Wisconsin (PI-094)**—Survey results listing the number of people covered by an HMO, Preferred Provider Organization, Point-of-Service Plan and traditional health insurance in Wisconsin.
 - **Health Insurance for Small Employers and Their Employees (PI-206)**—Discusses the Small Employer Health Insurance Law and contains monthly premiums for three hypothetical groups.
 - **Insurance Coverage and AIDS (PI-064)**—Summarizes rules regarding health and life insurance underwriting and coverage for AIDS and includes Resources for Persons with a Positive HIV Test/The Implications of Testing Positive for HIV (OCI 17-001).
 - **Mammograms: Mandated Insurance Coverage (PI-056)**—Summarizes required coverage for mammograms under health insurance policies.
 - **Resumen informativo sobre el proceso de revisión independiente en Wisconsin (PI-303)**—Describe los derechos del consumidor a apelar una decisión del plan de salud mediante una revisión de un médico experto independiente.
 - **Resumen informativo sobre los derechos de continuación y conversión de las pólizas de seguros de salud (PI-123)**—Describe los derechos del consumidor según las leyes de Wisconsin y la ley federal COBRA, a seguir o cambiar su cobertura de seguro médico después de perder la elegibilidad previa para la cobertura de seguro médico.
 - **Seguro de Salud para Pequeños Empleadores y sus Empleados (PI-306)**—Analiza la Ley de Seguros de Salud para Pequeños Empleadores y publica primas de tres ejemplos hipotéticos.
- ## Homeowner's
- **A Brief Guide to Renter's Insurance (PI-017)**—Explains the basic coverages included in a renter's insurance policy and gives tips on how to purchase renter's insurance.
 - **Buying a Home and Your Insurance Needs (PI-100)**—Provides information on title, homeowner's, flood and private mortgage insurance and discusses other insurance options to consider when buying a home.
 - **Buying a Home—Insurance Terms to Remember When Buying a Home (PI-221)**
 - **Condominium Insurance (PI-068)**—Explains the basic coverages included in a condominium unit owner's policy.
 - **Consejos para ahorrar en seguros para propietarios de viviendas (PI-319)**
 - **Consumer's Guide to Homeowner's Insurance (PI-015)**—Explains the basic coverages included in homeowner's and tenant's insurance policies, the types of policies, what you should do if you have a loss, the Wisconsin Insurance Plan, and contains premium tables for four hypothetical examples.
 - **Guía del Consumidor para Seguros de Vivienda (PI-115)**—Explica las coberturas básicas incluidas en las pólizas de seguros de propietarios de viviendas e inquilinos, los tipos de pólizas, qué debe hacer en caso de pérdida, el plan de seguros de Wisconsin y contiene tablas de tarifas para cuatro ejemplos hipotéticos.
 - **La compra de una vivienda: términos sobre seguros para recordar al comprar una vivienda (PI-321)**
 - **Mobile Home Insurance (PI-066)**—Explains the basic coverages included in a mobile home insurance policy.
 - **Personal Property Home Inventory (PI-224)**—A personal property home inventory guide to list all the items that you have in your home.
 - **Seguro de condominio (PI-168)**—Explica las coberturas básicas contenidas en una póliza de seguro del condominio.
 - **Seguro de vivienda móvil (PI-166)**—Explica las coberturas básicas contenidas en una póliza de seguro del vivienda móvil.
 - **Settling Property Insurance Claims (PI-084)**—Provides information on what to do after a loss, how to settle an insurance claim, flood insurance, and tips on what to do before a loss.

- **Tips for Saving on Homeowner's Insurance (PI-219)**
- **Una Breve Guía Sobre el Seguro del Arrendatario (PI-117)**—Explica las coberturas básicas contenidas en una póliza de seguro del arrendatario y aconseja cómo contratar un seguro del arrendatario.

Liability

- **Consumer's Guide to Commercial Liability Insurance (PI-045)**—Contains basic information on commercial liability insurance, risk management, legal protections, required coverages, and optional coverages.
- **Consumer's Guide to Day Care Liability Insurance (PI-054)**—Answers questions about liability insurance coverage for day care facilities.
- **Consumer's Guide to Insurance for Small Business Owners (PI-085)**—Provides information about business, worker's compensation, health, and auto insurance.
- **Consumer's Guide to Worker's Compensation Insurance for Employers (PI-065)**—Provides information on worker's compensation insurance requirements and answers frequently asked questions.
- **Fact Sheet on Foster Parent Liability Insurance (PI-048)**—Answers questions about liability insurance coverage for foster children.
- **Guía del Consumidor de Seguros para Propietarios de Negocios Pequeños (PI-185)**—Proporciona información sobre seguros de negocios, de indemnizaciones a los trabajadores, de salud y del automóvil.
- **Information Sheet on Surplus Lines Insurers and Agents (PI-026)**—Answers questions about surplus lines insurance and procedures for placing surplus lines insurance.
- **Warranties (PI-069)**—Discusses the Magnuson-Moss Warranty Act, the federal law that covers warranties, and answers questions about extended warranties.

Life Insurance and Annuities

- **NAIC Life Insurance Buyer's Guide**—A copy of *The NAIC Life Insurance Buyer's Guide* is available by calling 1-800-236-8517 (bulk copies may be obtained by calling the NAIC Office at 816-783-8301).

- **State Life Insurance Fund**—Information about the State Life Insurance Fund that offers life insurance to Wisconsin residents. This also includes a rate table and an application. For more information, call 1-800-562-5558 (Wisconsin residents only).
- **Understanding Annuities (PI-214)**—Explains the different types of annuity contracts, describes the various contractual features and discusses how to shop for an annuity.
- **Wisconsin Buyer's Guide to Annuities (PI-016)**—Describes annuities and provides consumer information.

Other

- **Consejos para comprar seguros por Internet (PI-320)**
- **Consumer's Guide to Insurance (PI-051)**—Provides general information about health, life, auto, homeowner's, and worker's compensation insurance.
- **Documents and Records (PI-223)**—Provides information on whom to contact for a list of documents that will need to be replaced if they have been destroyed.
- **Fact Sheet on Credit Insurance (PI-205)**—Provides information on credit insurance.
- **Fact Sheet on Insurance Terminations, Denials, and Cancellations (PI-024)**—Summarizes the laws dealing with notice requirements when insurance coverage is terminated.
- **Fact Sheet on Standard Health Insurance Forms (PI-083)**—Describes the requirements for billing formats to be used by providers and explanation of benefits and remittance advice forms used by insurers to explain claim payments.
- **Frequently Asked Questions About C.L.U.E. (PI-207)**—Tips to help you understand how claims information obtained from a C.L.U.E. report may affect your insurance premiums.
- **Guía del Consumidor Seguros (PI-151)**—Brinda información general sobre los seguros de salud, de vida, del automóvil, de propietarios de vivienda y de indemnización laboral.
- **Insurance 101, A Guide to Insurance Basics for College Students (PI-215)**—Provides information about the types of insurance college students should consider when going away to school.

- **Insurance Complaints and Administrative Actions (PI-030)**—An annual report listing companies with an above-average number of complaints in individual and group health, life and annuities, automobile, and homeowner's and tenant's insurance.
- **Learning about the Office of the Commissioner of Insurance on the World Wide Web (PI-095)**—Provides a list of the information that is available on OCI's Web site.
- **OCI (Oficina del Comisionado de Seguros) en Internet — En Español (PI-211)**—Brinda información sobre lo disponible en el sitio de Internet en español de la Oficina del Comisionado de Seguros.
- **Other Sources of Help (OCI 51-051)**—Provides information on Small Claims Court.
- **Otras fuentes de ayuda (OCI 51-251)**—Brinda información sobre los juzgados de reclamos de menor cuantía.
- **Quejas de seguros y acciones administrativas (PI-130)**—Informe anual que enumera las compañías con un número de reclamaciones superiores a la media en los seguros del automóvil, de propietario de vivienda e inquilino, accidentes y salud individual y colectivo y seguros de vida y de renta.
- **Tips for Buying Insurance on the Internet (PI-220)**
- **Understanding How Insurance Companies Use Credit Information (PI-204)**—Tips to help you understand how your credit information may be used and how it may affect your insurance premiums.
- **The Wisconsin Office of the Commissioner of Insurance — An Overview (PI-059)**—Summarizes OCI's main functions, discusses employment opportunities, the civil service system, and pay and employee benefits.

Managed Care Specialist

The OCI managed care specialist, who serves as an ombudsman for consumers who have questions or problems with their managed care plans, is assigned to the Health Funds and Communications unit. The managed care specialist investigates complex managed care complaints received by OCI and educates consumers on their rights under managed care plans. Administering the state's independent review program is the responsibility of the managed care specialist.

adverse determination or an experimental treatment determination by an insurer. These reviews are carried out by Independent Review Organizations (IROs) registered with OCI. Every year, IROs certified to do reviews in Wisconsin are required to submit to OCI a report for the prior calendar year's experience. The independent review process allows a consumer to appeal some health insurance claims denials to an independent third party. The results from the reports for calendar year 2008 are summarized below.

Independent Review Process

According to state insurance law, health insurance claimants have a right to an independent review of an

For more information on the independent review process, see the consumer brochure "Fact Sheet on the Independent Review Process in Wisconsin" available on OCI's Web site at oci.wi.gov/pub_list/pi-203.htm.

IRO	Total Received	Total Declined*	Number Adverse Determinations	Number Experimental Treatment Determinations	Number Both Adverse Experimental Treatment	Number (%) Reversed	Number (%) Partially Reversed	Number (%) Upheld
IPRO	35	1	17	13	4	13 (38%)	5 (15%)	16 (47%)
Maximus	11	2	8	1	0	5 (56%)	2 (22%)	2 (22%)
MCMC	11	0	9	2	0	4 (36%)	0	7 (64%)
Med Rev Institute of America	21	1	15	4	1	1 (5%)	0	19 (95%)
Permedion	27	1	18	5	3	6 (23%)	0	20 (77%)
Prest & Assoc.	5	5	0	0	0	0	0	0
TOTALS	110	10	67	25	8	29 (29%)	7 (7%)	64 (64%)

* An IRO may decline a case if it determines that the dispute is not eligible for an independent review, the request was received directly from the consumer, or the IRO has a potential conflict of interest.

The independent review program began in 2002. The chart below summarizes the total percent of insurers' decisions that were upheld and the total reversed in whole or in part by the IROs.

	Upheld	Reversed
2002	57.8%	42.2%
2003	65.3	34.7
2004	61.5	38.5
2005	66.9	33.1
2006	73.4	26.6
2007	66.7	33.3
2008	64.0	36.0

In order to be certified, an IRO must demonstrate that it is unbiased and that its clinical peer reviewers are qualified and independent. IROs must be recertified by OCI biennially.

IROs Newly Certified	IROs Recertified
None	MAXIMUS
	MCMC, LLC
	Medical Review Institute of Am.
	Permedion

Injured Patients and Families Compensation Fund (Fund)

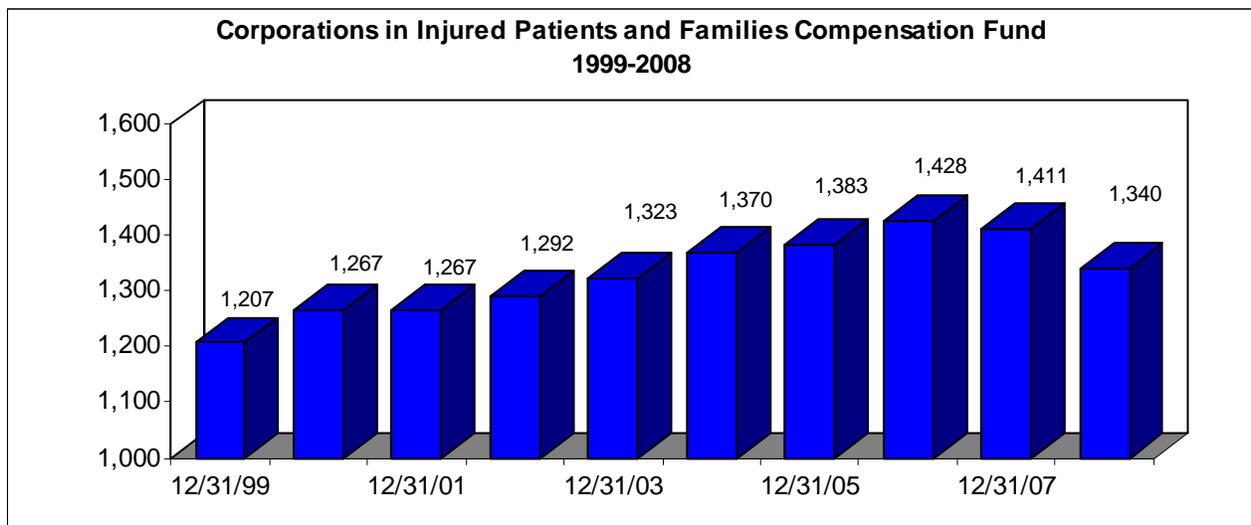
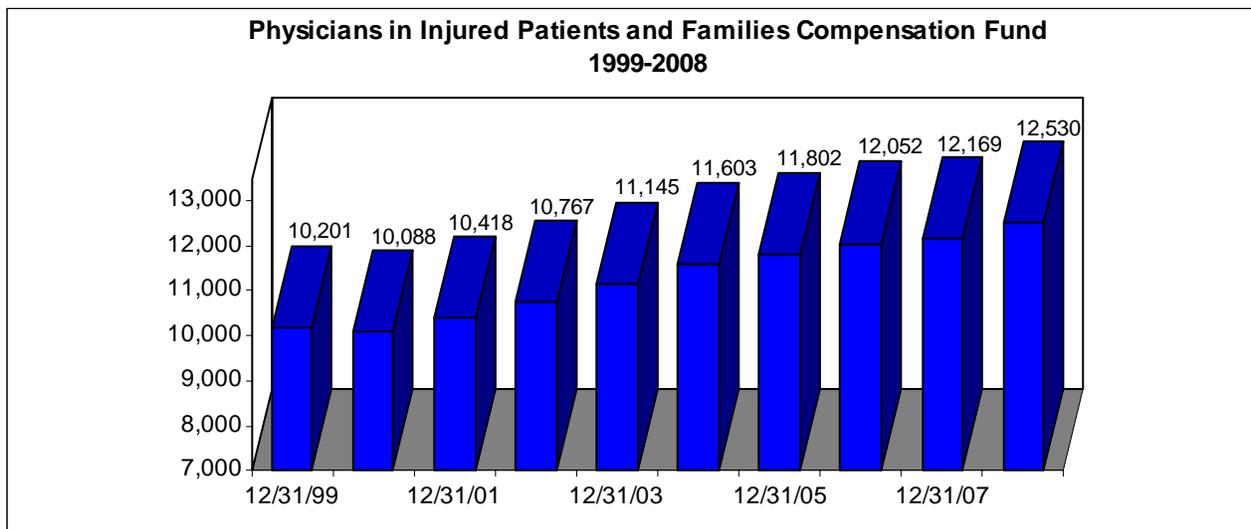
The Fund was created in 1975 to provide excess medical malpractice insurance for Wisconsin health care providers. The Fund is governed by a 13-member Board of Governors (Board) that pursuant to Wisconsin Statutes consists of 3 insurance industry representatives, a member named by the Wisconsin Association for Justice, a member named by the State Bar of Wisconsin, 2 members named by the Wisconsin Medical Society, a member named by the Wisconsin Hospital Association, 4 public members appointed by the Governor, and the Commissioner of Insurance who serves as the chair. The Fund's administrative staff is provided by OCI.

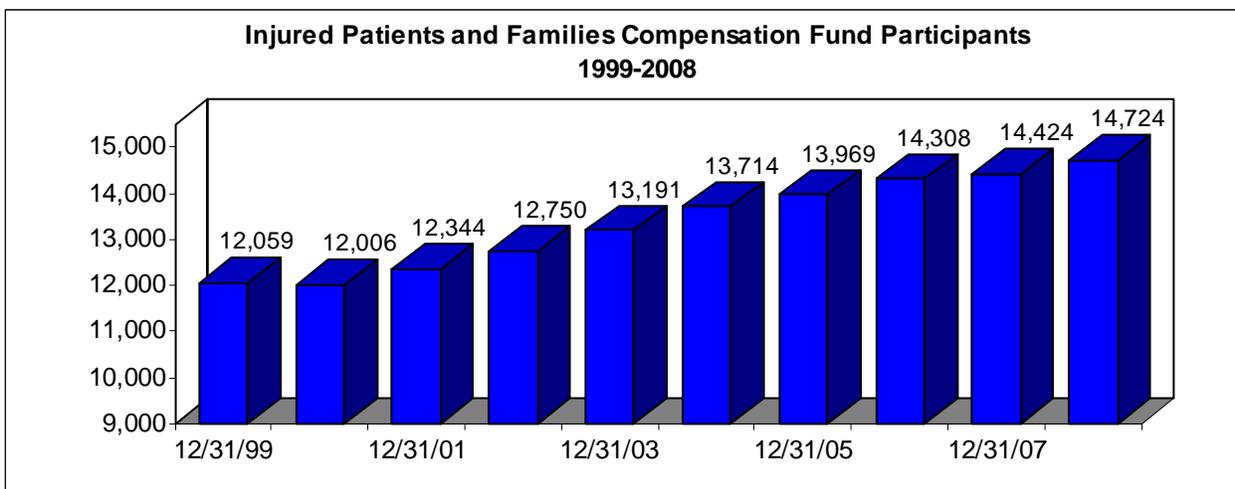
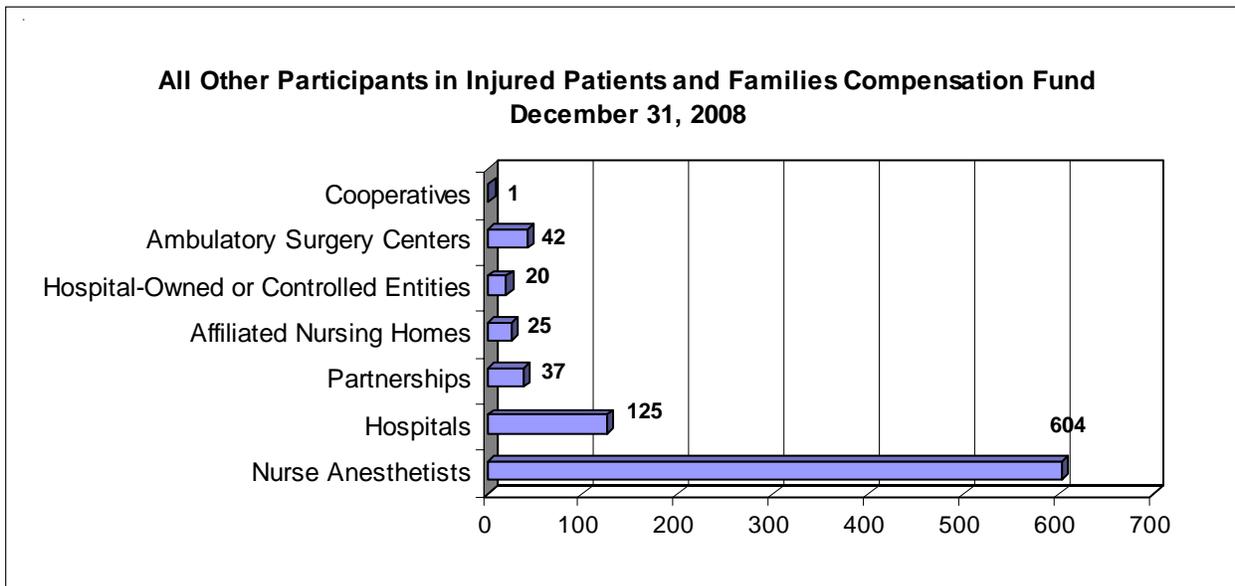
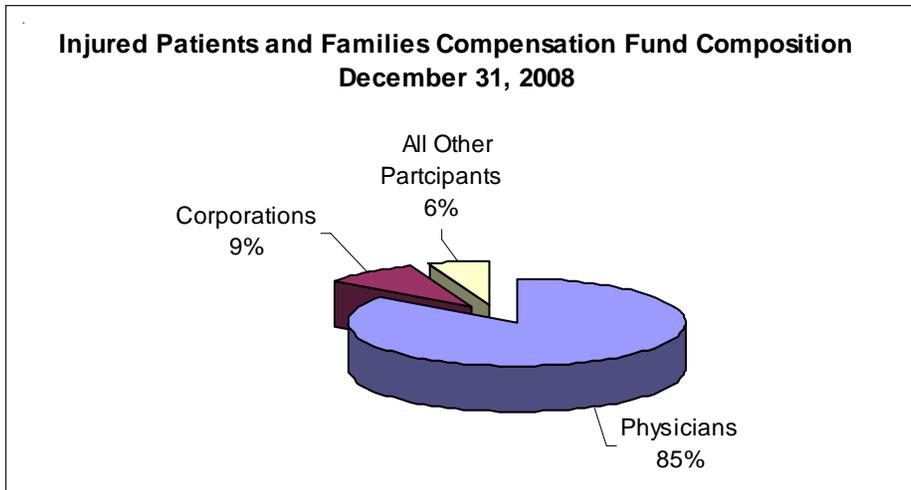
The Board is assisted by an Underwriting and Actuarial Committee, a Legal Committee, a Claims Committee, an Investment/Finance and Audit Committee, a Special Advisory Committee, and a Risk Management

and Patient Safety Committee, and a Peer Review Council. The Board and its committees meet quarterly.

The Fund operates on a fiscal year basis—July 1 through June 30. Administrative costs, operating costs, and claim payments are funded through assessments on participating health care providers.

As of December 31, 2008, the vast majority of Fund participants were physicians at 85% with corporations comprising another 9% and the remaining 6% comprised of various other participant types, as illustrated in the charts below. At year-end 2008, Fund participants totaled 14,724 comprised of 12,530 physicians, 1,340 corporations, 604 nurse anesthetists, 125 hospitals with 25 affiliated nursing homes, 37 partnerships, 42 ambulatory surgery centers, 20 hospital-owned or controlled entities, and one cooperative.





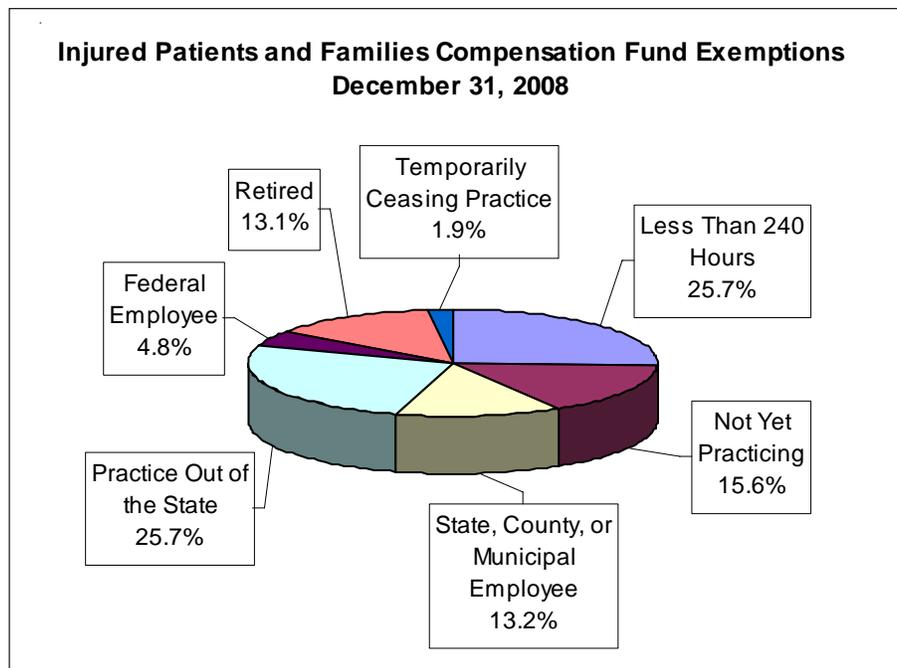
From July 1, 1975, through December 31, 2008, 5,549 claims had been filed in which the Fund was named. During this period, the Fund's total number of paid claims was 655, totaling \$731,930,683. Of the total number of claims in which the Fund has been named, 4,708 claims have been closed with no indemnity payment.

2008 Major Activities

- The Fund is currently in the process of developing a replacement automated operating system. The Fund is a unique operation in that there are no other patient compensation funds like the Wisconsin Fund; therefore, no off-the-shelf application software was available. The development process was nearly complete by December 31, 2008, and it is expected that the new system will be in production by spring of 2009.
- Fund administration closely monitors the use of outside counsel. Pursuant to a court decision in 2000, the Fund hires separate defense counsel on each claim. Fund staff monitors the claims and the use of

this outside counsel to ensure that, while the Fund receives the necessary representation, legal fees are controlled.

- Fund administration is monitoring the lawsuit filed by the Wisconsin Medical Society challenging the constitutionality of the provision in 2007 Wisconsin Act 20 which transferred monies from the Fund to the Medicaid Trust Account. The circuit court ruled in December 2007 in the state's favor and dismissed the Medical Society's claim.
- Extensive work continued during 2008 to verify and process up-to-date exemption status for providers that held a license to practice in Wisconsin but for which a current exemption or certificate was not on file with the Fund. Providers that remain in noncompliance are referred to their respective licensing boards for appropriate enforcement action by that board. As of December 31, 2008, 10,731 providers claimed an exemption from the Fund. The various bases for the exemptions are illustrated in the chart below:



Wisconsin Insurance Report Business of 2008
Health Funds and Communications, Injured Patients and Families Compensation Fund

Following are financial statements—statement of net assets and statement of revenues, expenses and changes in Fund equity—for the Fund for the fiscal year ending June 30, 2008. The figures reported are on an unaudited basis.

Injured Patients and Families Compensation Fund
Statement of Net Equity
June 30, 2008, Unaudited

Assets		Liabilities	
Current Assets		Current Liabilities	
Cash	\$ 253	Future Benefits and Loss Liabilities -	
State Investment Fund Shares (market value)	0	Short-term	\$108,676,661
Short-term Investments (market value)	74,473,775	Unearned Assessments Levied	3,591
Bond Investment Income Receivable	9,778,279	Provider Refunds Payable	227,436
State Shares Interest Receivable	(212)	Medical Mediation Panels Payable	4,128
Securities Lending Receivable	14,722	General & Administrative Expense Payable	470,344
Assessments Receivable	82,615	Interfund Payables	35,338,194
Less: Allowance for Uncollectible Accounts	(170)	Compensated Absences	<u>9,876</u>
Prepaid Items	6,759	Total Current Liabilities	<u>144,730,229</u>
Office Supplies	1,267	Noncurrent Liabilities	
Other Receivables	<u>29,465</u>	Loss Liabilities:	
Total Current Assets	<u>84,386,753</u>	Liability for IBNR	738,591,094
Noncurrent Assets		Liability for Reported Losses	49,633,822
Long-term Investments (market value)	686,685,486	Liability for LAE	<u>164,922,511</u>
Capital Assets, Net of Accumulated		Estimated Loss Liabilities	953,147,427
Depreciation	<u>0</u>	Less: Amount Representing Interest	<u>181,098,011</u>
Total Noncurrent Assets	<u>686,685,486</u>	Discounted Loss Liabilities	772,049,416
Total Assets	<u>\$771,072,238</u>	Liabilities for Future Medical Expenses	23,415,191
		Contributions Being Held	<u>1,000,000</u>
		Total Loss Liabilities	796,464,607
		Less: Short-term Future Benefits &	
		Loss Liabilities	<u>108,676,661</u>
		Noncurrent Loss Liabilities	687,787,946
		Premium Deficiency Reserve	0
		Compensated Absences - Long-term	30,167
		Other Post-employment Benefits	<u>13,556</u>
		Total Noncurrent Liabilities	<u>687,831,669</u>
		Total Liabilities	<u>832,561,898</u>
		Net Equity	
		Invested in Capital Assets, Net of	
		Related Debt	0
		Restricted for Injured Patients and Families	<u>(61,489,660)</u>
		Total Net Equity	(61,489,660)
		Total Liabilities and Net Equity	<u>\$771,072,238</u>

Injured Patients and Families Compensation Fund
Statement of Revenues, Expenses
and Changes in Fund Net Equity for the
Fiscal Year Ended June 30, 2008, Unaudited

Operating Revenues:

Assessment Interest Income (Charges for Goods and Services)	\$ 204,748
Assessment Administrative Fee (Charges for Goods and Services)	43,119
Assessment (Charges for Goods and Services)	<u>25,442,565</u>
Total Operating Revenues	<u>25,690,431</u>

Operating Expenses:

Underwriting Expenses:	
Net Losses Paid	39,749,385
Risk Management Expenses	85,911
Medical Expenses Paid	426,543
Change in Liability for IBNR	24,627,870
Change in Liability for Premium Deficiency Reserve	0
Change in Liability for Reported Losses	514,671
Change in Liability for Loss Adjustment Expense	8,133,612
Change in Amount Representing Interest	45,701,637
Change in Liability for Future Med Exp	<u>16,488,121</u>
Total Underwriting Expenses	<u>135,727,751</u>
General and Administrative Expenses	<u>1,189,940</u>
Total Operating Expenses	<u>136,917,690</u>

Operating Income (Loss) (111,227,259)

Nonoperating Revenues (Expenses):

Investment Income	27,667,671
Miscellaneous Revenue	0
Interest Expense	<u>826,331</u>
Total Nonoperating Revenues (Expenses)	<u>26,841,340</u>

Net Income (Loss) (84,385,919)
Transfers Out - Impending 0
Transfers Out (71,512,266)

Net Change in Fund Equity (155,898,185)

Net Assets

Net Assets - Beginning of Period 94,408,525
Net Assets - End of Period \$ (61,489,660)