HEALTH NET ACCESS, INC. D/B/A

ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN

Uniform Guidance Reports

Year Ended September 30, 2024

(With Independent Auditors’ Reports Thereon)

HEALTH NET ACCESS, INC. D/B/A

ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN

Uniform Guidance Reports

Year ended September 30, 2024

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Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan audited financial statements, as of and for the year ended September 30, 2024, are separately attached hereto.

KPMG LLP
Suite 300
1212 N. 96th Street
Omaha, NE 68114-2274

Suite 1120
1248 O Street
Lincoln, NE 68508-1493

Independent Auditors' 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*

The Board of Directors and Stockholder
Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Health Net Access, Inc. d/b/a Arizona Complete Health - Complete Care Plan (the Company), which comprise the Company's balance sheet as of September 30, 2024, and the related statements of operations, comprehensive income, stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 5, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the Company's financial statements, we considered the Company's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's financial statements are free from 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 financial statements. 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*.

KPMG

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Omaha, Nebraska
May 5, 2025

KPMG LLP
210 Park Avenue, Suite 2650
Oklahoma City, OK 73102-5683

Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Board of Directors and Stockholder
Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan's (the Company) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Company's major federal programs for the year ended September 30, 2024. The Company's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Company complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Company's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Company's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Company's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Company's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Company's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Company's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Company as of and for the year ended September 30, 2024, and have issued our report thereon dated May 5, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

KPMG LLP

Omaha, Nebraska
May 5, 2025

HEALTH NET ACCESS, INC. D/B/A
ARIZONA COMPLETE HEALTH - COMPLETE CARE PLAN

Schedule of Expenditures of Federal Awards

Year ended September 30, 2024

Federal grantor/Program title/Cluster title	Assistance listing number	Contract number	Grant number	Passed-through to subrecipients	Federal expenditures
U.S. Department of Health and Human Services:					
Substance Abuse and Mental Health Services:					
State Opioid Response Grants (SOR)	93.788	YH22-0061R	11356415170214	$ 5,447,290	5,920,967
Total Substance Abuse and Mental Health Services				5,447,290	5,920,967
Arizona Pilot Grant Program for Treatment for Pregnant and Postpartum Women (PPW):					
PPW-PLT	93.243	YH22-0061R	11356415170214	78,800	85,652
Total Arizona Pilot Grant Program for Treatment for Pregnant and Postpartum Women				78,800	85,652
Block Grants for Community Mental Health Services (MHBG):					
MHBG SMI	93.958	YH22-0061R	11356415170214	425,802	493,168
MHBG SED	93.958	YH22-0061R	11356415170214	1,111,243	1,944,181
MHBG FEP	93.958	YH22-0061R	11356415170214	317,606	359,609
COVID-19 MHBG CRRSAA - SMI	93.958	YH22-0061R	11356415170214	677,579	736,498
COVID-19 MHBG CRRSAA - SED	93.958	YH22-0061R	11356415170214	1,905,298	2,070,976
COVID-19 MHBG CRRSAA - FEP	93.958	YH22-0061R	11356415170214	203,270	220,946
COVID-19 MHBG ARPA - FEP	93.958	YH22-0061R	11356415170214	48,543	52,764
COVID-19 MHBG ARPA - SED	93.958	YH22-0061R	11356415170214	753,808	819,356
COVID-19 MHBG ARPA - SED Crisis	93.958	YH22-0061R	11356415170214	77,837	84,606
COVID-19 MHBG ARPA - SMI	93.958	YH22-0061R	11356415170214	332,064	360,939
COVID-19 MHBG ARPA - SMI PSH	93.958	YH22-0061R	11356415170214	297,756	323,648
MHBG TA	93.958	YH22-0061R	11356415170214	880	957
Total Block Grants for Community Mental Health Services				6,151,686	7,467,648
Block Grants for Substance Use Prevention, Treatment, and Recovery Services (SUPTRS):					
SUPTRS - Substance Abuse/General Mental Health	93.959	YH22-0061R	11356415170214	6,521,974	6,621,846
SUPTRS - HIV	93.959	YH22-0061R	11356415170214	253,424	286,938
COVID-19 SUPTRS - CRRSAA	93.959	YH22-0061R	11356415170214	1,091,740	1,186,674
SUPTRS ASAM Continuum	93.959	YH22-0061R	11356415170214	18,792	20,426
COVID-19 SUPTRS ARPA	93.959	YH22-0061R	11356415170214	1,561,952	1,697,774
COVID-19 SUPTRS ARPA PHH	93.959	YH22-0061R	11356415170214	60,007	65,225
Total Block Grants for Substance Use Prevention, Treatment, and Recovery Services				9,507,889	9,878,883
Total U.S. Department of Health and Human Services				21,185,665	23,353,150
Total Expenditures of Federal Awards				$ 21,185,665	23,353,150

See accompanying independent auditors’ report and notes to schedule of expenditures of federal awards.

HEALTH NET ACCESS, INC. D/B/A

ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN

Notes to Schedule of Expenditures of Federal Awards

Year ended September 30, 2024

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan (the Company) under programs of the federal government for the year ended September 30, 2024. The Company is a for-profit company, however, due to requirements under contracts with the state of Arizona, is required to comply with the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The information in the Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the Company, it is not intended and does not present the financial position, changes in stockholder's equity or cash flows of the Company.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Company has not elected to use the ten percent de minimus indirect cost rate allowable under the Uniform Guidance. The Company had no loan or loan guarantee programs in effect.

(1) Summary of Auditors' Results

a. Type of report issued on whether the financial statements were prepared in accordance with generally accepted accounting principles: **Unmodified**

b. Internal control deficiencies over financial reporting disclosed by the audit of the financial statements:

- Material weaknesses: **No**
- Significant deficiencies: **None Reported**

c. Noncompliance material to the financial statements: **No**

d. Internal control deficiencies over major programs disclosed by the audit:

- Material weaknesses: **No**
- Significant deficiencies: **None reported**

e. Type of report issued on compliance for major programs: **Unmodified**

f. Audit findings that are required to be reported in accordance with 2 CFR 200.516(a): **No**

g. Major programs:

- State Opioid Response Grants – ALN 93.788
- Block Grants for Community Mental Health Services – ALN 93.958
- Block Grants for Prevention and Treatment of Substance Abuse – ALN 93.959

h. Dollar threshold used to distinguish between Type A and Type B programs: **$750,000**

i. Auditee qualified as a low-risk auditee: **Yes**

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None

(3) Findings and Questioned Costs Relating to Federal Awards

None

HEALTH NET ACCESS, INC. D/B/A ARIZONA COMPLETE HEALTH – COMPLETE CARE PLAN

Financial Statements and Supplemental Information

September 30, 2024 and 2023

(With Independent Auditors' Report Thereon)

HEALTH NET ACCESS, INC. D/B/A ARIZONA

COMPLETE HEALTH – COMPLETE CARE PLAN

Financial Statements, Additional Information

And Uniform Guidance Supplementary Reports

Years Ended September 30, 2024 and 2023

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KPMG LLP
Suite 300
1212 N. 96th Street
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Independent Auditors' Report

The Board of Directors and Stockholder
Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Health Net Access, Inc. d/b/a Arizona Complete Health – Complete Care Plan (the Company), which comprise the balance sheet as of September 30, 2024 and 2023, and the related statement of operations, comprehensive income, stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2024 and 2023, and the results of its operations and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

U.S. generally accepted accounting principles require that the incurred and paid claims development information, and the historical claims duration information for the years ended September 30, 2023 and 2022 on page 25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Non Title XIX/XXI: Contract Year Income Statement and Schedule A on pages 31 and 32 is presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statement, is required by the Arizona Health Care Cost Containment System who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2025 on our consideration of the Company'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 solely 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 effectiveness of the Company's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

KPMG LLP

Omaha, Nebraska
May 5, 2025

HEALTH NET ACCESS, INC. D/B/A ARIZONA

COMPLETE HEALTH – COMPLETE CARE PLAN

(A Wholly Owned Subsidiary of Centene Corporation)

Balance Sheets

As of September 30, 2024 and 2023

Assets	**2024**	**2023**
Current assets:		
Cash and cash equivalents	3,511,804	130,292,738
Capitation and supplement receivables	24,203,530	25,612,664
Reinsurance receivables	12,109,461	7,705,240
Provider receivables	5,444,856	4,947,129
Pharmacy receivables	816,884	781,970
Short-term investments	26,912,703	2,959,639
Amount due from affiliates	608,788	6,982,586
Prepaid expenses and other current assets	13,205,158	15,947,775
Total current assets	86,813,184	195,229,741
Long-term investments	425,124,550	449,359,058
Net deferred tax asset	19,864,605	27,573,792
Total assets	531,802,339	672,162,591
Liabilities and Stockholder's Equity		
Current liabilities:		
Medical claims liability	182,404,607	179,211,831
Reconciliation payables	105,121,790	22,157,330
Amounts due to affiliates	45,268,567	9,636,560
Payable to providers	9,086,215	2,328,681
Alternative payment model liability	4,598,686	9,025,583
Income taxes payable	511,392	7,888,704
Other current liabilities	11,877,803	19,962,697
Total current liabilities	358,869,060	250,211,386
Long-term liabilities:		
Reconciliation payables	22,134,659	264,184,316
Payable to providers	854,533	6,366,085
Alternative payment model liability	4,171,339	-
Other long-term liabilities	3,953,557	1,542,672
Total long-term liabilities	31,114,088	272,093,073
Total liabilities	389,983,148	522,304,459
Stockholder's equity:		
Common stock, (no par value – 100 shares authorized; issued and outstanding		-
Additional paid-in capital	122,956,731	143,056,731
Retained earnings	20,688,234	30,105,695
Accumulated other comprehensive (loss) income	(1,825,774)	(23,304,294)
Total stockholder's equity	141,819,191	149,858,132
Total liabilities and stockholder's equity	531,802,339	672,162,591

See accompanying notes to financial statements.

HEALTH NET ACCESS, INC. D/B/A ARIZONA

COMPLETE HEALTH – COMPLETE CARE PLAN

(A Wholly Owned Subsidiary of Centene Corporation)

Statements of Operations

Years Ended September 30, 2024 and 2023

	2024	2023
Revenues:		
Capitation premiums	$ 2,479,418,163	$ 2,129,461,977
Other revenue	46,795,211	44,031,856
Delivery supplement	46,444,098	47,097,791
Total revenue	2,572,657,472	2,220,591,624
Expenses:		
Health care services	2,325,386,923	1,941,590,244
Less: reinsurance recoveries	(38,601,509)	(34,120,766)
Total health care services, net of reinsurance recoveries	2,286,785,414	1,907,469,478
Premium tax expense	47,839,278	54,522,778
Administrative	193,881,408	199,433,853
Interest	230,123	365,768
Total operating expenses	2,528,736,223	2,161,791,877
Income from operations	43,921,249	58,799,747
Net investment income	28,922,732	29,846,594
Income before federal income taxes	72,843,981	88,646,341
Federal income tax expense	17,261,443	20,655,645
Net income	55,582,538	67,990,696

HEALTH NET ACCESS, INC. D/B/A ARIZONA

COMPLETE HEALTH – COMPLETE CARE PLAN

(A Wholly Owned Subsidiary of Centene Corporation)

Statements of Comprehensive Income

Years Ended September 30, 2024 and 2023

	2024	2023
Net income	55,582,538	67,990,696
Change in unrealized income (loss) arising during the period, net of tax expense (benefit) $6,583,758 and ($1,286,508), respectively	21,478,520	(4,319,699)
Comprehensive income	$ 77,061,059	$ 63,670,997

See accompanying notes to financial statements.

HEALTH NET ACCESS, INC. D/B/A ARIZONA

COMPLETE HEALTH – COMPLETE CARE PLAN

(A Wholly Owned Subsidiary of Centene Corporation)

Statements of Stockholder's Equity

Years Ended September 30, 2024 and 2023

	Common stock	Additional paid-in capital	Accumulated comprehensive (loss) income	Retained earnings	Total stockholder's equity
Balance 09/30/2022	$ —	$ 143,056,731	(18,984,595)	82,114,999	$ 206,187,135
Net income	—	—	—	67,990,696	$ 67,990,696
Change in unrealized income, net of tax	—	—	(4,319,699)	—	$ (4,319,699)
Distribution to parent	—	—	—	(120,000,000)	$ (120,000,000)
Balance 09/30/2023	—	143,056,731	(23,304,294)	30,105,695	149,858,132
Contributed capital	—	(20,100,000)	—	—	$ (20,100,000)
Net income	—	—	—	55,582,538	$ 55,582,538
Change in unrealized income, net of tax	—	—	21,478,520	—	$ 21,478,520
Distribution to parent	—	—	—	(65,000,000)	$ (65,000,000)
Balance 9/30/2024	$ —	$ 122,956,731	$ (1,825,774)	$ 20,688,234	$ 141,819,191

HEALTH NET ACCESS, INC. D/B/A ARIZONA

COMPLETE HEALTH – COMPLETE CARE PLAN

(A Wholly Owned Subsidiary of Centene Corporation)

Statements of Cash Flows

Years Ended September 30, 2024 and 2023

	2024	**2023**
Cash flows from operating activities:		
Net income	55,582,538	67,990,696
Adjustment to reconcile net income to net cash used in operating activities:		
Accretion and amortization	413,804	233,321
Changes in assets and liabilities:		
Capitation and supplement receivables	1,409,134	2,757,788
Reinsurance receivables	(4,404,221)	11,472,068
Reconciliation payables	(159,085,198)	40,866,957
Provider receivables	(497,727)	4,068,015
Pharmacy receivables	(34,914)	51,212
Income taxes receivable from affiliate	331,876	1,046,521
Prepaid expenses and other current assets	2,742,616	(961,401)
Amounts due to (from) affiliates	42,005,806	(848,386)
Medical claims payable	3,192,776	(21,100,065)
Payable to providers	1,245,982	1,521,879
Other current liabilities	(12,257,766)	1,794,614
Alternative payment model liability	(255,558)	(13,699,474)
Net cash (used in) provided by operating activities	(69,610,852)	95,193,745
Cash flows from investing activities:		
Purchases of investments	(1,142,988)	(244,987,908)
Proceeds from investments	29,072,906	96,931,112
Net cash provided by (used in) in investing activities	27,929,918	(148,056,796)
Cash flows from financing activities:		
Contributed capital	(20,100,000)	-
Dividend to stockholders	(65,000,000)	(120,000,000)
Net cash used in financing activities	(85,100,000)	(120,000,000)
Net change in cash, cash equivalents and restricted cash and cash equivalents	(126,780,934)	(172,863,051)
Cash and cash equivalents, beginning of year	130,292,738	303,155,789
Cash and cash equivalents, end of year	3,511,804	130,292,738
Supplemental disclosures of cash flow information:		
Income taxes paid	23,499,433	18,273,109

See accompanying notes to financial statements.

Note 1. Company, Operations, and Significant Accounting Policies

a. Nature of Operations

Health Net Access, Inc. dba Arizona Complete Health – Complete Care Plan (the "Company" or the "Plan") was incorporated in Arizona on April 23, 2013, and commenced operations on October 1, 2013. The Company is a wholly-owned subsidiary of Health Net, Inc. ("HNI" or "Parent"). HNI is a wholly-owned subsidiary of Centene Corporation ("Centene").

The Company is regulated by the Arizona Health Care Cost Containment System ("AHCCCS"), Arizona's Medicaid program. AHCCCS is approved by the Secretary of Health and Human Services and the Centers for Medicare and Medicaid Services, as a Section 1115 of the Social Security Act, Waiver Demonstration Program, which gives Arizona additional flexibility to design and improve its program, while still receiving Federal Medicaid funding.

Effective October 1, 2013, the Company became a contractor for AHCCCS, by entering into a prepaid capitated contract, pursuant to Arizona Revised Statutes Title 36 Chapter 29, and thereby started to administer acute health care services to qualified Medicaid members in Maricopa County, Arizona, in accordance with AHCCCS statute and rules, and federal law and regulations.

In March 2018, the Company was selected to provide physical and behavioral health care services through the AHCCCS Complete Care program in the Central and Southern regions of Arizona. The AHCCCS Complete Care program integrates physical and behavioral health care contracts under managed care plans for the majority of the AHCCCS members. The integrated delivery model offers a more cohesive health care system for members incentivizing quality health care outcomes with value based purchasing, and leverages health information technology for improved care coordination. The Company began administering the AHCCCS Complete Care contract on October 1, 2018. The Company is currently in an extension until September 30, 2025.

As submitted and approved by AHCCCS, Care1st Health Plan Arizona, Inc. was merged with Health Net Access, Inc. dba Arizona Complete Health-Complete Care Plan on October 1, 2024. Immediately following the merger of Health Net Access, Inc. and Care 1st Health Plan Arizona, Inc., Health Net Access, Inc. merged with Bridgeway Health Solutions of Arizona, Inc. dba Arizona Complete Health-Complete Care Plan. At that time, all membership and operations were transitioned to Bridgeway Health Solutions of Arizona, Inc. , as well as the associated revenue and expenses.

The Financial Accounting Standards Board ("FASB") sets generally accepted accounting principles ("GAAP") in the United States of America to ensure consistent reporting. References to GAAP are to the Financial Accounting Standards Codification ("FASB ASC").

2. Basis of Presentation and Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements are prepared on the basis of accounting principles generally accepted in the United States of America ("GAAP").

B. Management's Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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. Material estimates particularly susceptible to change in the near term include revenue recognition (including the reconciliation settlements described below), health care service costs, including the medical claims payable, and income taxes.

C. Cash and Cash Equivalents

Cash includes cash deposits in banks and cash equivalents. Cash equivalents include all highly liquid investments with maturities of three months or less when purchased. Accounts at each institution are insured in limited amounts by the Federal Deposit Insurance Corporation ("FDIC"). On September 30, 2024 and 2023, cash and cash equivalents consisted of cash and money market accounts. Periodically, the balance of certain of the Company's bank accounts exceed the federally-insured limit. The Company has not experienced any losses from maintaining cash balances in excess of such limits.

D. Investments

Short-term investments include securities with maturities greater than three months to 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. To calculate realized gains and losses on the sale of investments, the Company uses the specific amortized cost of each investment sold. Realized gains and losses are recorded in investment and other income.

Unrealized gains and losses on available-for-sale investments are recognized as direct increases or decreases in other comprehensive income. For the years ended September 30, 2024 and 2023, the Company recognized unrealized gains (losses) of $21,478,520 and $(4,319,699), net of tax effect, on available-for-sale investments which have been recorded in the accompanying statements of comprehensive income. Cost of investments sold is recognized using the specific identification method.

Investment securities in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near term could materially affect account balances and the amounts reported in the accompanying financial statements.

The Company evaluates available-for-sale debt securities on a regular basis and records an allowance for credit losses, if necessary. Evidence of a credit related loss may include rating agency actions, adverse conditions specifically related to the security, or failure of the issuer of the security to make scheduled payments. The Company recognizes an allowance when evidence demonstrates that the decline in fair value is credit related.

E. Revenue recognition

Revenue includes the following amounts:

Prospective Capitation – Prospective capitation premiums are based on multi-year contracts with AHCCCS to provide care to Medicaid recipients.

Prior Period Coverage ("PPC") Capitation – PPC capitation premiums cover eligible health care costs of members related to the period prior to their enrollment in the Plan. Such premiums are recognized upon receipt.

Delivery Supplement – Delivery supplement premiums are intended to cover the costs of maternity care for deliveries during the prospective enrollment period. Such premiums are recognized in the period the delivery occurs.

Reconciliation Settlements – AHCCCS has risk sharing programs which include reconciliation settlements, which impact revenue, and are due to, or from, AHCCCS, based on predetermined profit/(loss) thresholds before income tax.

Non-Title XIX/XXI Revenue – Non-Title XIX/XXI revenue is accrued and recognized based on the current AHCCCS Allocation Schedule and as documented by Contractor Expenditure Reports.

Under the AHCCCS Complete Care-Regional Behavioral Health Agreement ("ACC-RBHA") contract, if the profit is less than or equal to 2% of the prospective capitation revenues, then the Company's share is 100%. If the profit is between 2% and 6%, then the Company's share is 50% of the amount over 2%, for a maximum of 4% of total profits. If the profit is over 6%, then the Company's share of the profits over 6% is 0%, for a maximum share of 4% of total profits. If the losses are in excess of 2%, then the Company's share over 2% of the losses is 0%, for a maximum share of 2% of total losses. Profits in excess of the percentages set forth above will be recouped by AHCCCS and losses in excess of the percentages set forth above will be paid to the Company.

Revenue is recognized in the month in which the related enrollees are entitled to health care services. All of the Company's revenue is earned in Arizona from its Medicaid contracts with AHCCCS.

Capitation and supplement receivables due from AHCCCS are stated at the amount management expects to collect. The Company establishes an allowance for doubtful accounts, if necessary, based upon factors including credit risk, historical trends, and other information. As of September 30, 2024, capitation, and supplement receivables due from AHCCCS are considered by management to be fully collectible and, accordingly, an allowance for doubtful accounts has not been provided.

Estimated reconciliation settlement balances are recorded as a net receivable or payable on the balance sheet by risk population. A summary of the balances as of September 30, 2024 and 2023, for all open contract years is as follows. It is expected that a final settlement with AHCCCS will not be reached until over a year after the end of the specific contract year.

2024	Reconciliation receivable	Reconciliation Payable
Prospective/Prior period coverage	$ —	$ 127,256,449
Total	$ —	$ 127,256,449
Less current portion	$ —	$ (105,121,790)
Non-current portion	$ —	$ 22,134,659

2023	Reconciliation receivable	Reconciliation Payable
Prospective/Prior period coverage	$ —	$ 286,341,646
Total	$ —	$ 286,341,646
Less current portion	$ —	$ (22,157,330)
Non-current portion	$ —	$ 264,184,316

Reconciliation receivables due from AHCCCS are stated at the amount management expects to collect. The Company establishes an allowance for doubtful accounts, if necessary, based upon factors including credit risk, historical trends, and other information. As of September 30, 2024 and 2023, there were $0 of reconciliation receivables due from AHCCCS.

F. Amounts due to/from Affiliates

Amounts due to/from affiliates generally consist of amounts payable or receivable to related parties under various service agreements. See Note 7 for detailed amounts due to/from affiliates.

G. Interest

Interest consists of interest paid on claims. The Company incurred $230,123 and $365,768 for interest in the years ended September 30, 2024 and 2023.

H. Healthcare and Related Receivables, net

Healthcare receivables include pharmacy rebates, provider advances, and claims recoveries. These receivables are reported at the net estimated amount expected to be collected, which is based on historical collection trends and judgment regarding the ability to collect specific amounts.

I. Pharmacy Receivables

Pharmacy receivables include rebates the Company expects to receive from its pharmacy benefit manager, a related party under common control, based on the volume of drugs purchased. The Company records a receivable and a reduction of other medical services expenses for estimated rebates due based on purchase information. Pharmaceutical rebates reported are $2,409,441 and $2,628,178 for the years ended September 30, 2024 and 2023, respectively, which are included as reductions in health care services in the accompanying statements of operations.

Pharmacy rebates receivable totaled $816,884 and $781,970 at September 30, 2024 and 2023, respectively. Additionally, pharmacy receivables include balances due to the Company from the pharmacy benefit manager for routine monthly services provided based on timing and amounts of payments. Such receivables totaled $1,046 and $461,394 on September 30, 2024 and 2023, respectively, which are included as amounts due from affiliates on the balance sheets. As of September 30, 2024 and 2023, management believes the pharmacy receivable balances are fully collectible and accordingly, an allowance has not been established.

J. Provider Receivables

In the normal course of business, provider receivables are created through advances or claims overpayments. Those providers experiencing significant cash flow deficiencies (less than 60 days cash on hand) were able to request up to the entire quarter's expected claims funding. Amounts due from providers are expected to be collected within one year. Provider receivables may be recouped through withholding payment in future periods. Provider receivables are stated at the amount management expected to collect. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to earnings and a credit to provider receivables. As of September 30, 2024, management believes the provider receivable Negative balances of $3,400,515 are fully collectible, and accordingly, an allowance has not been established. Due to the Change HealthCare cyber-attack impacting processing of claims, AHCCCS allowed AZCH-CCP to grant advances to providers in the amount of $398,692; and repayments/recoupments were completed by September 30th, 2024.

The company experienced claims system issues beginning October 1, 2018, that led to provider advances, reprocessing of claims, and provider overpayments. Due to claims system configuration issues, the providers were not receiving cash payments, as a result, the Company made advance payments to providers to ensure continuity of care as it worked through claims system configuration. Provider overpayments occurred when corrective action required provider records to be coded and replaced. The Company incorrectly paid provider fee-for-service (FFS) and block payment for the same services. These were duplicative and therefore incorrect payments. The Company has completed updates to system configuration related to FFS and block duplicative payments. The Company identified potential claim recoveries from certain providers due to claim reviews and alerted AHCCCS of the estimated impacts. AZCH-CCP wrote off $59,000 in advances that were deemed uncollectible through a charge to earnings and a credit to provider receivables. The remaining balance of advances as of September 30, 2024, is $123,682; and is expected to be fully collected by March 31, 2025. In addition, AZCH-CCP executed a settlement agreement in September 2023 with

Community Bridges on the Block Payment claims that paid FFS and underpayment of FFS with a balance of $1,836,541 on September 30, 2024; and is expected to be fully reimbursed by June 30, 2025.

K. Capitation and Supplement Receivables

There were two additional settlements with AHCCCS. During 2024 a Covid-19 vaccine settlement of $655,378 as well as an $1,098,883 ACC fixed administration settlement. These amounts were recorded as a component of capitation and supplement receivables on the Balance Sheet.

L. Premium Deficiency Reserve

Premium deficiency reserves are recognized when expected incurred costs, claim adjustment expenses, and administration costs exceed the premiums to be collected for the remainder of a contract period. No premium deficiency reserve was recorded at September 30, 2024 and 2023, based on the Company's expectation regarding the profitability of contracts in force at September 30, 2024. The Company considered anticipated investment income when calculating its premium deficiency reserves. The adequacy of reserve requirements is continually reviewed by management, with any reductions in the reserve being recorded as a beneficial effect in the statements of operations.

M. Health Care Services/Medical Claims Liability

The cost of health care services is recognized in the period in which services are provided and includes an estimate of the cost of services that have been incurred but not yet reported. Such costs include payments to primary care physicians, specialists, hospitals, outpatient care facilities, pharmaceuticals, and other medical services and the costs associated with managing the extent of such care. The Company's health care costs can also include, from time to time, remediation of certain claims as a result of periodic reviews by various regulatory agencies.

The Company estimates the amount of the provision for health care service costs incurred but not reported and the unpaid loss adjustment expenses using standard actuarial methodologies based upon historical data, including the period between the date services are rendered and the date claims are received and paid, denied claim activity, expected medical cost inflation, seasonality patterns, and changes in membership. The estimates for service costs incurred but not reported are made on an accrual basis and adjusted in future periods as required. Any adjustments to the prior period estimates are included in the current period. Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided. While the ultimate amounts of claims and losses paid are dependent on future developments, management is of the opinion that the recorded medical claims payable is adequate to cover such costs.

Under the ACC-RBHA contract, the Company contracts with various at-risk providers for the provision of a full range of integrated healthcare services to eligible adults and children for Title XIX, Title XXI and Non-Title XIX programs, and physical healthcare services to Seriously Mentally Ill Title XIX eligible adults. Health care 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.

The Company contracts with various providers, including medical groups, to provide professional care to certain of its enrollees on a capitated or fixed fee per member per month basis. Additionally, the Company also contracts with hospitals, physicians, and other providers of health care, pursuant to discounted fee-for-service arrangements, hospital per diem arrangements, and case rate arrangements, under which providers bill the Company for each individual service provided to enrollees. From time to time, the Company amends their provider contracts. The effects of these amendments are recorded in the period in which the amendment was executed.

Amounts incurred related to prior periods represents the change in medical claims payable attributable to the difference between the original estimate of incurred claims for prior periods and the revised estimate. In developing the revised estimate, there have been no changes in the approach used to determine the key actuarial assumptions, which are the completion factor and medical cost trend. Medical claims payable are estimated under actuarial standards of practice and GAAP. The majority of the medical claims payable balance held at each year-end is associated with the most recent months' incurred services because these are the services for which the fewest claims have been paid. The degree of uncertainty in the estimates of incurred claims is greater for the most recent months' incurred services. Revised estimates for prior periods are determined in each month based on the most recent updates of paid claims for prior periods.

N. Hospital Assessment Payable

Hospital assessment payable consists of amounts payable to hospitals, physicians, and ambulance providers to compensate them for serving Medicaid members. These amounts are a component of the premium revenue earned under the Company's at-risk contract with the "the Department" and are made on a pass-through basis. The Company records hospital assessment revenue and expense within premium income and general administrative expenses, respectively. The hospital assessment payable is $1,642,615 and $6,130,852 at September 30, 2024 and 2023, respectively, and is included in other current liabilities in the accompanying balance sheets.

O. Net Investment Income

Investment and other income consists principally of investment income. Investment income is derived from the Company's cash and cash equivalents, restricted deposits, short-term and long-term investments. The Company recognizes investment income when earned.

P. Reinsurance

AHCCCS provides a stop-loss reinsurance program for the Company for partial reimbursement of reinsurable covered medical services incurred for members. The program includes a deductible, which varies based on the Company's enrollment and the eligibility category of the members. AHCCCS reimburses the Company based on a coinsurance amount for reinsurable covered services incurred above the deductible. Coinsurance percentages vary by nature of the claim for Medicaid claims.

Reinsurance is stated at the actual and estimated amounts due to the Company pursuant to the applicable AHCCCS contract. Reinsurance under the AHCCCS Complete Care contract is subject to a $150,000 deductible for claims effective October 1, 2023. All claims are subject to a 75% coinsurance, except catastrophic and transplant claims which are 75% coinsurance, for the year ended September 30, 2024 and 2023.

To be eligible for reinsurance billing, qualified healthcare expenses must be incurred during the contract year. Reinsurance is recorded based on actual billed reinsurance claims and expected reinsurance for claims not yet paid. Reinsurance is subject to review by AHCCCS, and as a result, there is at least a reasonable possibility that recorded reinsurance will change by a material amount in the near future.

Reinsurance receivables represent the expected payment from AHCCCS to the Company for certain enrollees whose qualifying medical expenses paid by the Company were in excess of specified deductible limits. Reinsurance receivables are stated at the amount management expects to collect. Balances that are still outstanding after management has used reasonable collection efforts are written off. Management considers reinsurance receivables to be fully collectible as of September 30, 2024 and 2023, accordingly, an allowance for doubtful accounts is not considered necessary.

Q. Expense Allocation

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

R. Premium Taxes

The Company is subject to a 2% premium tax on all payments received from AHCCCS for premiums, reinsurance and reconciliations. Total premium tax expense for the years ended September 30, 2024 and 2023, was $47,839,278 and $54,522,778, respectively. As of September 30, 2024 and 2023, premium taxes totaled $0 and $0 payable, respectively, and is included in other current liabilities and prepaid expenses and other current assets, respectively, in the accompanying balance sheets.

S. Reserves for Contingent Liabilities

In the course of the Company’s operations, the Company is involved on a routine basis in various disputes with members, health care providers, and other entities, as well as audits by government agencies and elected officials that relate to the Company’s services and/or business practices that expose the Company to potential losses.

The Company recognizes an estimated loss, which may represent damages, assessment of regulatory fines or penalties, settlement costs, future legal expenses, or a combination of the foregoing, as appropriate, from such loss contingencies when it is both probable that a loss will be incurred and that the amount of the loss can be reasonably estimated. The Company's loss estimates are based in part on an analysis of potential results, the stage of the proceedings, consultation with outside counsel, and any other relevant information available.

T. Payable to Providers

The contracts with certain providers allow for the providers to earn certain value based incentives on performance pursuant to defined contract stipulations which are evaluated regularly by the Company. The estimates calculated by management for the incentives expected to be earned by providers are recorded as a liability in the period of performance of the providers. The contracts with certain providers also require a monthly review of provider performance to estimate amounts due to providers for changes in membership, changes in the blended per member per month rate and any wrap services provided to unassigned members. These estimates are recorded as a liability in the period of performance of the providers. For 2024 and 2023, they total $9,086,216 and $2,328,681, respectively of short-term payables, and $854,532 and $6,366,085, respectively, of long-term payables, and are included on the payable to providers lines on the balance sheets.

U. Alternative Payment Model Liability

AHCCCS subjects 1% of funded gross prospective capitation of AHCCCS Complete Care ("ACC") in Arizona to measurements based on each contractor's performance on selected Quality Management Performance Measures as determined by AHCCCS. The program is an effort to encourage activity for AHCCCS contractors in the area of quality improvement, particularly those initiatives that are conducive to improved health outcomes and cost savings. As of September 30, 2024 and 2023, the Company accrued $8,770,025 and $9,025,583, respectively for the alternative payment model. This represents the portion of the 1% the Company estimates as a potential repayment to AHCCCS based on the results of the performance measures. The change in the accrual is recorded as an offset to capitation premium revenue for the years ended September 30, 2024 and 2023.

V. Medicaid Risk Adjustment

AHCCCS at times performs a review of the Medicaid program rates for its enrollees and assesses the appropriateness of rates applied to services for those enrollees, specific to the ACC contract. This risk adjustment of capitation payments modifies revenue to contractors based on the health status of the contractors' covered population relative to the average health status of the overall population. AHCCCS prospectively applied risk adjustment to monthly ACC capitation rates for the entirety of fiscal year 2024 and 2023. Risk adjustment factors were updated quarterly. Risk adjustment was based on each managed care organization ("MCO")'s utilization compared to the all MCO average, separately for each rate cell and region.

W. Income Taxes

The Company accounts for income taxes using *FASB ASC 740, Income Taxes.* Under *FASB ASC 740*, deferred federal and state income taxes are provided on an asset and liability method whereby deferred income tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred income tax liabilities are recognized for taxable temporary differences. Temporary differences are the difference between the reported amounts of assets and liabilities and their tax bases. Valuation allowances are established when necessary to reduce deferred income tax assets to the extent they are not realizable based on the Company's deductible temporary difference reversals, taxable income in its carryback period, and the existence of taxable temporary differences. Deferred income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

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.

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 carryback periods and tax planning strategies.

For the years ended September 30, 2024 and 2023, the Company filed a consolidated federal income tax return with Centene and its other subsidiaries. In accordance with the group's tax allocation agreement, the subsidiaries reimburse or recover from Centene their portion of the income taxes as calculated on a separate company basis.

The Company's policy is to classify income tax penalties and interest as income tax expense in its financial statements. The total amount of interest and penalties, net of related tax benefits, recognized in the statements of operations for the periods ending September 30, 2024 and 2023, and is $88,153 and $49,350, respectively.

The Company 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.

X. Concentrations of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash equivalents and receivables from AHCCCS, primarily including capitation and supplement receivables, reinsurance receivables and reconciliation receivables. All cash equivalents are managed within established guidelines, which provide diversity among issuers. Concentration of credit risk with respect to the receivables from AHCCCS is high due to the single payer comprising the Company's customer base. However, since the single payer is the state government, the risk is mitigated. The receivables from providers are due from many providers such that a risk of concentration is not considered to be material

Substantially all of the Company's revenue is earned in Arizona from its contracts with AHCCCS. Failure to renew these contracts would have a significant impact on the Company's operations.

Y. Fair value measurements

In the normal course of business, the Company invests in various financial assets and incurs various financial liabilities. The Company determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market.

Z. Contract Performance Bonds

In accordance with the terms of its contracts with AHCCCS, the Company is required to post performance bonds with AHCCCS equal to 100% of the first monthly AHCCCS payment to the Company each contract year based on gross capitation payments, as specified in each contract. The amount of each bond is subject to adjustment as certain conditions change and its method of calculation is specified in the contracts. The actual amount is reset each year upon expiration. The performance bonds must be maintained to guarantee payment of the Company's obligations under the contracts.

In compliance with its contracts, the Company secured a performance bond for the AHCCCS Complete Care and RBHA contracts. The performance bond covers the Company through September 30, 2024. The performance bond requirement for the AHCCCS Complete Care and RBHA contracts were met through the purchase of a surety bond in the amount of $175,000,000. The performance bonds cover the minimum coverage requirements for contracts. The cost of the bond was $437,500. At September 30, 2024, the amounts remaining in prepaid expenses was $517,164.

AA. Recently Issued Accounting Pronouncements

There have been no recently issued accounting pronouncements by the Financial Accounting Standards Board ("FASB") that are expected to have a material impact on the Company's combined financial position, results of operations or cash flows.

Note 3. Investments

Short-term and long-term investments by investment type at September 30, 2024 and 2023, is as follows:

	September 30, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Asset-Backed	$ 32,857,169	$ 168,755	$ (79,454)	$ 32,946,470
Mortgage-backed	76,669,494	400,053	(4,273,950)	$ 72,795,597
Municipal bonds	121,306,941	2,109,891	(1,061,345)	$ 122,355,487
Corporate bonds	217,620,069	3,419,458	(2,955,298)	$ 218,084,229
Equity Investment	5,855,470	—	—	$ 5,855,470
Total	$ 454,309,143	$ 6,098,157	$ (8,370,047)	$ 452,037,253

	September 30, 2023			
		Gross	Gross	

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Asset-Backed	$ 50,727,056	$ 172,759	$ (439,192)	$ 50,460,623
Mortgage-backed	84,512,309	12,513	(10,010,343)	$ 74,514,479
Municipal bonds	123,830,180	—	(7,056,149)	$ 116,774,031
Corporate bonds	218,891,359	54,967	(13,068,723)	$ 205,877,603
Equity Investment	4,691,961	—	—	$ 4,691,961
Total	$ 482,652,865	$ 240,239	$ (30,574,407)	$ 452,318,697

The Company's mortgage-backed securities are primarily issued by the Federal National Mortgage Association, Government National Mortgage Association or Federal Home Loan Mortgage Corporation, which carry implicit or explicit guarantees of the U.S. government.

The Company's investment policies are designed to provide liquidity, preserve capital, and maximize total return on invested assets with the focus on high-credit quality securities. The Company limits the size of investment in any single issuer other than U.S. Treasury securities and obligations of U.S. government corporations and agencies. The Company's residential mortgage-backed securities are issued by the Federal National Mortgage Association, Government National Mortgage Association or Federal Home Loan Mortgage Corporation, which carry implicit or explicit guarantees of the U.S. government.

For each security in an unrealized loss position, the Company assesses whether it intends to sell the security or if it is more likely than not the Company will be required to sell the security before recovery of the amortized cost basis for reasons such as liquidity, contractual, or regulatory purposes. If the security meets this criterion, the decline in fair value is other than temporary and is recorded in earnings. The Company does not intend to sell these securities prior to maturity and it is not likely that the Company will be required to sell these securities prior to maturity; therefore, there is no indication of other-than-temporary impairment for these securities.

The fair value of available-for-sale investments with gross unrealized losses by investment type and length of time that individual securities have been in a continuous unrealized loss position at September 30, 2024 and 2023, is as follows:

	September 30, 2024					
	Decline for less than 12 months			Decline for greater than 12 months		
	Amortized cost	Fair Value	Difference	Amortized cost	Fair Value	Difference
Asset-Backed	$ — `	$ —	$ —	$ 3,466,021	$ 3,386,567	$ 79,454
Mortgage-backed	—	—	—	68,675,506	64,401,556	4,273,950
Municipal bonds	22,567,361	22,450,268	117,093	25,072,797	24,128,545	944,252
Corporate bonds	23,460,849	23,427,517	33,332	56,240,342	53,318,376	2,921,966
Total	$ 46,028,210	$ 45,877,785	$ 150,425	$ 153,454,666	$ 145,235,044	$ 8,219,622

	September 30, 2023					
	Decline for less than 12 months			Decline for greater than 12 months		
	Amortized cost	Fair Value	Difference	Amortized cost	Fair Value	Difference
Asset-Backed	$ 7,617,824	$ 7,401,160	$ 216,664	$ 10,722,138	10,499,611	$ 222,527
Mortgage-backed	8,335,351	8,038,274	297,077	75,865,243	66,151,977	9,713,266
Municipal bonds	92,677,305	88,618,145	4,059,160	31,072,875	28,075,886	2,996,989
Corporate bonds	114,319,164	110,564,051	3,755,113	102,689,929	93,376,318	9,313,611
Total	$ 222,949,644	$ 214,621,630	$ 8,328,014	$ 220,350,185	$ 198,103,792	$ 22,246,393

The contractual maturities of available-for-sale investments at September 30, 2024, are as follows. Actual maturities may differ from contractual maturities due to call or prepayment options. Private equity investments are excluded from the table below because they do not have a contractual maturity.

	At September 30, 2024		At September 30, 2023	
	Amortized cost	Estimated fair value	Amortized cost	Estimated fair value
Due in one year or less	14,959,457	14,948,157	$ 2,396,270	$ 2,335,239
Due after one year through five years	123,236,596	122,816,826	112,240,691	106,483,706
Due after five years through ten years	204,078,912	206,351,083	229,657,299	216,518,489
Due after ten years	106,178,707	102,065,715	133,666,644	122,289,302
Total	$ 448,453,672	$ 446,181,782	$ 477,960,904	$ 447,626,736

Proceeds from investments sold, matured, or repaid during 2024 and 2023, were $29,072,906 and $96,931,112, respectively. The net realized losses on the sale of investments for the years ended September 30, 2024 and 2023, were $57,116 and $343,337, respectively.

Net investment income for the years ended September 30, 2024 and 2023, was as follows:

	2024	2023
Investment income:		
Cash and cash equivalents	3,579,139	$ 4,815,470
Investments	25,343,593	25,031,124
Investment Expenses	—	—
Net investment income	28,922,732	$29,846,594

Note 4. Fair Value Measurements

Assets and liabilities recorded at fair value in the balance sheets are categorized based upon the extent to which the fair value estimates are based upon observable or unobservable inputs. Level inputs are as follows:

Level input	**Input definition**
Level I	Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
Level II	Inputs other than quoted prices included in Level I that are observable for the asset or liability through corroboration with market data at the measurement date.
Level III	Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The following table summarizes fair value measurements by level at September 30, 2024 and 2023 for assets measured at fair value:

	2024			
	Level I	**Level II**	**Level III**	**Total**
Cash and cash equivalents	$ 3,511,804	$ —	$ —	$ 3,511,804
Investments available for sale:				
Short-term investments				
Asset backed	—	405,940	—	405,940
Corporate	—	18,964,862	—	18,964,862
Mortgaged backed	—	4,435,469	—	4,435,469
Municipal Bonds	—	3,106,432	—	3,106,432
Long-term investments				
Asset backed	—	32,540,529	—	32,540,529
Corporate	—	199,119,367	—	199,119,367
Mortgaged backed	—	68,360,129	—	68,360,129
Municipal Bonds	—	119,249,055	—	119,249,055
Total assets at fair value	$ 3,511,804	$ 446,181,783	$ —	$ 449,693,586

	2023			
	Level I	**Level II**	**Level III**	**Total**
Cash and cash equivalents	$ 130,292,738	$ —	$ —	$ 130,292,738
Investments available for sale:				
Short-term investments				
Asset backed	—	—	—	—
Corporate	—	2,337,693	—	2,337,693
Mortgaged backed	—	—	—	—
Municipal Bonds	—	621,946	—	621,946
Long-term investments				
Asset backed	—	50,460,623	—	50,460,623
Corporate	—	203,539,910	—	203,539,910
Mortgaged backed	—	74,514,478	—	74,514,478
Municipal Bonds	—	116,152,086	—	116,152,086
Total assets at fair value	$ 130,292,738	$ 447,626,736	$ —	$ 577,919,474

The fair value of the above investments are measured using quoted market prices multiplied by the quantity held when quoted market prices are observable. If quoted market prices are not available, fair value is determined using one, or a combination, of the following methods (1) matrix pricing for similar instruments, (2) quoted prices for recent trading activity of assets with similar characteristics, or (3) using an income approach valuation technique that considers, among other things, rates currently observed in publicly traded debt markets for debt of similar terms to companies with comparable credit risk and a credit value adjustment to consider the likelihood of counterparty nonperformance, after consideration of the impact of collateralization and netting agreements, if applicable. In addition, the aggregate carrying amount of the Company's private equity investments accounted for on an equity method basis was $5,855,470 and $4,691,961, at September 30, 2024 and 2023, respectively, and are not included in the tables above.

The Company has no other assets or liabilities subject to recurring fair value measurement at September 30, 2024 and 2023.

Note 5. Income Taxes

The income tax provision consisted of the following components for the years ended September 30, 2024 and 2023:

Current Provision	**2024**	**2023**
Federal	$12,985,802	$16,954,186
State	3,150,211	2,442,254
Total Current Provision	$16,136,013	$19,396,440
Deferred Provision		
Deferred Provision	$ 1,125,430	$ 1,259,205
Total Deferred Provision	$ 1,125,430	$ 1,259,205
Total Provision	$17,261,443	$20,655,645

The reconciliation of the tax provision at the U.S. Federal Statutory Rate to the provision for income taxes includes state income taxes, tax exempt interest, and other items.

The tax effects of temporary differences that give rise to deferred tax assets and liabilities include investments, loss reserves, unearned premiums, intangibles, and other items for the years ended September 30, 2024 and 2023. Gross deferred tax assets totaled $20,056,308 and $27,808,784 at September 30, 2024 and 2023, respectively, and gross deferred tax liabilities totaled $191,703 and $234,992 at September 30, 2024 and 2023, respectively.

As of September 30, 2024 and 2023, the Company had no operating loss or tax credit carryforwards available for tax purposes.

The valuation allowance adjustment to gross deferred tax assets as of September 30, 2024 and 2023 was $0. The realization of the deferred tax asset is dependent upon the Company's ability to generate sufficient taxable income in future periods. Based on historical results and the prospects for current operations, management anticipates that it is more likely than not that future taxable income will be sufficient for the realization of the remaining deferred tax assets.

The Company maintains a reserve for uncertain tax positions that may be challenged by a tax authority. The Company's reserve for uncertain tax positions totaled $1,336,771 and $1,863,923 at September 30, 2024 and 2023, respectively. The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date. Related interest and penalties are treated as income tax expense under the Company's accounting policy. The total amount of interest and penalties, net of related tax benefits recognized in the statements of operations for the years ended September 30, 2024 and 2023, is $88,153 and $49,350, respectively. The total amount of interest and penalties, net of related tax benefits, recognized in the balance sheets as of September 30, 2024 and 2023, is $219,792 and $131,639, respectively.

As of September 30, 2024, Centene's 2021 through 2023 tax returns remain open for federal examination and the 2024 return has not yet been filed.

The Company's federal income tax return is consolidated with Centene and its affiliates.

The method of allocation among companies is subject to a written agreement whereby allocation is made primarily on a separate company basis using the percentage method pursuant to provisions of IRC Sections §1502 and §1552 and Treasury Regulations §1.1502 and §1.1552. This percentage method allocates a tax asset (i.e., intercompany receivable) for any benefit derived by the consolidated group for the member's losses or credits that offset consolidated taxable income. In accordance with the tax sharing agreement, each member shall pay to Parent or receive from the Parent the amount of tax liability or benefit reported on each member's proforma federal income tax return within 30 days of the date Parent files its consolidated federal income tax return.

Note 6. Medical Claims Liability

The following table summarizes the change in medical claims liability:

	2024	2023
Balance at October 1	$ 179,211,831	$ 200,311,896
Incurred related to current year	2,327,418,554	1,975,332,492
Incurred related to prior year	(40,633,140)	(67,863,014)
Total incurred	2,286,785,414	1,907,469,478
Paid related to current year	2,149,982,486	1,793,706,706
Paid related to prior year	133,610,152	134,862,837
Total paid	2,283,592,638	1,928,569,543
Balance at September 30	$ 182,404,607	$ 179,211,831

The incurred amounts related to prior year represent the variation between the Company's estimated expense for prior year claims and the actual amounts required to satisfy such claims. During 2024 and 2023, the Company experienced $40,633,140 and $67,863,014 of favorable development, respectively. The favorable development recognized during 2024 and 2023, was primarily driven by the hospital directed payment program, which included offsetting favorable development recorded within premium revenue.

Changes in estimates of incurred claims for prior years are primarily attributable to reserving under moderately adverse conditions. Changes in medical utilization and cost trends and the effect of medical management initiatives may also contribute to changes in medical claim liability estimates. Management believes that the amount of medical claims liability is reasonable and adequate to cover the Company's liability for unpaid claims as of September 30, 2024 and 2023.

Incurred claims and allocated claim adjustment expenses, total IBNR plus expected development on reported claims and cumulative claims data as of September 30, 2024, are included in the following table. For claims frequency information summarized below, a claim is defined as the financial settlement of a single medical event in which remuneration was paid to the servicing provider. Total IBNR plus the expected development on reported claims represents estimates for claims incurred but not reported, development on reported claims, and estimates for the costs necessary to process unpaid claims at the end of each period. The Company estimates its liability using actuarial methods that are commonly used by health insurance actuaries and meet Actuarial Standards of Practice. These actuarial methods consider factors such as historical data for payment patterns, cost trends, product mix, seasonality, utilization of healthcare services and other relevant factors.

Incurred and paid claims development as of September 30, 2024, is as follows, net of reinsurance:

Cumulative incurred claims for the years ended September 30	**2022 (unaudited)**	**2023 (unaudited)**	**2024**
Claim year:			
2022	$ 1,406,352,561	$ 1,338,489,547	$ 1,336,494,047
2023		1,975,332,492	1,936,694,852
2024			2,327,418,554
Total incurred claims			$ 5,600,607,453

Cumulative paid claims for the years ended September 30	**2022 (unaudited)**	**2023 (unaudited)**	**2024**
Claim year:			
2022	$ 1,203,559,330	$ 1,340,903,502	$ 1,338,601,554
2023		1,793,706,706	1,929,618,806
2024			2,149,982,486
Total paid claims			$ 5,418,202,846
Medical claims liability			$ 182,404,607

Incurred claims and allocated claim adjustment expenses, total IBNR plus expected development on reported claims and cumulative claims data at September 30, 2024 are included in the following table. For claims frequency information summarized below, a claim is defined as the financial settlement of a single medical event in which remuneration was paid to the servicing provider. Total IBNR plus the expected development on reported claims represents estimates for claims incurred but not reported, development on reported claims, and estimates for the costs necessary to process unpaid claims at the end of each period. The Company estimates its liability using actuarial methods that are commonly used by health insurance actuaries and meet Actuarial Standards of Practice. These actuarial methods consider factors such as historical data for payment patterns, cost trends, product mix, seasonality, utilization of healthcare services and other relevant factors. Information is summarized as follows:

	September 30, 2024		
	Incurred claims and allocated claim adjustment expenses	**Total IBNR plus expected development on reported claims**	**Cumulative paid claims**
Claim year:			
2022	$ 1,336,494,047	$ (2,107,509)	7,409,507
2023	1,936,694,852	7,076,047	7,468,887
2024	2,327,418,554	177,436,068	6,503,924

Note 7. Related-Party Transactions

The Company relies on affiliate services to conduct its business in order to achieve cost savings. The Company does nevertheless exercise ultimate control over its assets and operations and retains the ultimate authority and responsibility regarding its powers, duties, and responsibilities. The Company’s transactions, amounts due (to), and amounts due from related parties in exchange for services provided for the years ended September 30, 2024 and 2023, are as follows:

Affiliate	Amounts due (to) from 2024	Amounts due (to) from 2023
Bankers Reserve	$ —	$ 69,316
Bridgeway ALTCS	$ 550,000	$ —
Bridgeway Medicare	$ 58,788	$ 17,369
Care1st Healthplan	$ (904)	$ —
CBH AZ	$ (6,929)	$ —
Centene Management Company LLC	$ (28,158,955)	$ 6,850,680
Cenpatico Intergrated Care	$ —	$ 45,221
Envolve Dental, Inc.	$ (1,629,551)	$ (1,010,977)
Envolve People Care (EPC)	$ —	$ (106,906)
Centene Pharmacy Services (CPS) previously Envolve Pharmacy Solutions (EPS)	$ (13,215,670)	$ (5,265,591)
Envolve Vision, Inc.	$ (412,707)	$ (333,868)
Health Net Inc.	$ —	$ (2,780,432)
Health Net of Arizona Inc	$ (1,843,852)	$ (138,786)
	$ (44,659,779)	$ (2,653,974)

On April 1, 2016, the Company and Centene Management Company ("CMC") entered into a management agreement whereby CMC agrees to manage the general and administrative function of the Company inclusive of payroll, facilities, and other administrative expenses. The management fee is based on the variable degree of management services required to support the differing categories of membership covered by the Company and the size of the Company's operations. The fee can be modified each month to account for net revenue earned in excess or below the specified percentages and to comply with the AHCCCS financial viability standards (see Note 10). The management agreement is in effect for one year with automatic one year extensions unless the agreement is terminated as elected by either party or for matters of default as defined in the management agreement. The Company recorded management fees per the management agreement of $149,305,734 and $158,088,247 for the years ended September 30, 2024 and 2023. This amount is included in administrative expenses in the accompanying statements of operations.

The Company is a party to a Claims Administration Service Agreement with Centene Pharmacy Services ("CPS"). CPS receives an administration fee from the Company for administering pharmacy claims processing. For the years ended September 30, 2024 and 2023, these administration fees totaled $9,302,478 and $9,523,996, respectively, and are included in administrative expenses in the accompanying statements of operations.

Envolve Vision, Inc., an affiliated company wholly-owned by Envolve Holdings, Inc. which is wholly-owned by Centene, provides a vision network and manages the vision benefits for eligible enrollees pursuant to an agreement with the Company that was established on July 1, 2016. The Company incurred expense to Envolve Vision, Inc. of $4,374,477 and $4,428,073 for these services during the years ended September 30, 2024 and 2023, respectively. These amounts are included in health care services in the accompanying statements of operations.

Envolve Dental, Inc., an affiliated company wholly-owned by Envolve Holdings, Inc. which is wholly-owned by Centene, provides dental services for eligible enrollees pursuant to an agreement with the Company that was established on October 1, 2016. The Company incurred expense to Envolve Dental, Inc. of $52,473,553 and $50,387,897 for these services during the years ended September 30, 2024 and 2023, respectively. These amounts are included in health care services in the accompanying statements of operations.

Envolve PeopleCare, Inc., an affiliated company wholly-owned by Envolve Holdings, Inc. which is wholly-owned by Centene, provides disease management, nurse triage, and call center services to eligible enrollees through a contract with HNI that was established July 1, 2016. The Company incurred expense to HNI related to the services provided by Envolve PeopleCare, Inc. of $0 during the years ended September 30, 2024 and 2023.

Note 8. Commitments and Contingencies

From time to time, the Company may be involved in litigation arising in the ordinary course of operations. While the results of litigation cannot be predicted with certainty, management is of the opinion, after reviewing these matters with legal counsel, that the final outcome of such litigation, if any, will not have a material adverse effect on the Company's financial position.

a. Liability Insurance

The Company, through Centene, maintains professional and general liability insurance. The professional liability coverage is written on a claims made basis and insures losses up to $10,000,000 with a self-insured retention of $25,000,000. The general liability insurance is written on an occurrence basis and insures losses up to $2,000,000 per claim and $4,000,000 in the aggregate. Claims reported endorsement (tail coverage) is available if the professional policy is not renewed to cover claims incurred but not reported. The Company anticipates that renewal coverage will be available at the expiration of the current policy. The Company participates in the above policy with its affiliates. Per claim and aggregate limits are applicable to all covered entities as a group.

b. Litigation

Periodically, the Company may be involved in litigation and claims arising in the normal course of operations. In the opinion of management based on consultation with legal counsel, losses, if any, from these matters are covered by insurance or are immaterial.

c. 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. Management believes that the Company 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.

Health reform legislation at both the federal and state levels continues to evolve. Changes continue to impact existing and future laws and rules. Such changes may impact the way the Company does business, restrict revenue and enrollment growth in certain products and market segments, restrict premium growth rates for certain products and market segments, increase medical, administration and capital costs, and expose the Company to increased risk of loss or further liabilities. The Company's operating results, financial position and cash flows could be adversely impacted by such changes.

d. Community Reinvestment Program

Effective October 1, 2018, the Company approved a Community Reinvestment program, as described in their contract with AHCCCS. Under the program, the Company will place a minimum of 6% of its after tax profits into the program. For the year ended September 30, 2024 and 2023, the Company had met or exceeded that amount. The program funds community projects that enhance the lives of people in the communities in the Company's geographic service areas.

During the years ended September 30, 2024 and 2023 the Company reported liabilities of $4,732,189 and $6,060,747, respectively. The recorded liabilities are to be spent on various community projects and are included in other current liabilities in the accompanying balance sheets. During the years ended September 30, 2024 and 2023, the Company spent $3,605,828 and $3,312,740, respectively, of the appropriated funds

Note 9. Risks and Uncertainties

The Company's profitability depends in large part on accurately predicting and effectively managing medical service costs. The Company continually reviews its premium and benefit structure to reflect its underlying claims experience and revised actuarial data; however, several factors could adversely affect the medical service costs. Certain of these factors, which include changes in healthcare practices, inflation, new technologies, major epidemics, natural disasters, and malpractice litigation, are beyond any health plan's control and could adversely affect the Company's ability to accurately predict and effectively control healthcare costs. Costs in excess of those anticipated could have a material adverse effect on the Company's results of operations.

Note 10. Contract Requirements

In accordance with its contracts with AHCCCS, the Company is required to maintain certain minimum financial reporting and viability measures. The Company must meet a minimum capitalization requirement based on the number of members enrolled as well as various quarterly financial viability standards and performance guidelines. As of September 30, 2024, the Company was in compliance with the requirements for both the AHCCCS Complete Care contract and the RBHA contract.

The ACC-RBHA contract is limited by the terms of its contract with AHCCCS to profit that can be earned under the various programs, generally up to 4%. The Company 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. For the years ended September 30, 2024 and 2023, the Company recorded a profit corridor payable of $127,256,449 and $284,008,484, respectively.

The Company is required to meet quarterly and contract year end minimum encounter submission percentages, or be subject to sanction by AHCCCS. Typically, the Company has up to eight months after fiscal year end to submit encounters related to the fiscal year. As of September 30, 2024, the Company anticipates meeting the required encounter threshold for the year ended September 30, 2024.

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

Note 11. Subsequent events

The Company has evaluated subsequent events for potential recognition and/or disclosure through May 5, 2025, the date the combined financial statements are available to be issued.

Paragraph 3.05: NTXIX/XXI: Contract Year Income Statement

Contractor Name: Arizona Complete Health
As of: 9/30/2024

	Member Months	NTXIX/XXI Crisis	NTXIX/XXI SMI Services	NTXIX/XXI Other	Housing Trust Fund	MHBG SED	MHBG SMI	MHBG FEP/ESMI	SUPTRS	Other Federal	County	PASRR	Total NTXIX/XXI	Mgmt & Gen	Grand Total
00999	**Total Member Months**														
	REVENUE														
40205-01	Non-Title XIX/XXI Revenue*	4,474,158	11,769,136	2,237,751	0	1,944,181	493,168	359,609	6,908,784	13,647,409	2,974,936	12,000	44.821.131	0	44.821.131
40210-01	Specialty and Other Grants*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40215-01	Non-Title XIX/XXI Profit Limit	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40305-01	Investment Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40310-01	Other Income*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49999	**TOTAL REVENUE**	4,474,158	11,769,136	2,237,751	0	1,944,181	493,168	359,609	6,908,784	13,647,409	2,974,936	12,000	44,821,131	0	44,821,131
	EXPENSES														
	Behavioral Health (BH) Medical Expenses:														
	Treatment Services														
60105-01	Counseling	0	1,576,463	658,904	0	322,512	73,249	7,261	715,298	0	0	0	3.353.687	0	3.353.687
60105-05	Assessment, Evaluation and Screening	0	790.235	159.986	0	144.055	71.883	2.228	587.690	0	525.000	0	2.281.076	0	2.281.076
60105-10	Other Professional	0	74,706	0	0	10,995	0	0	637,998	0	0	0	723,699	0	723,699
60199	**Total Treatment Services**	0	2,441,404	818,889	0	477,562	145,132	9,489	1,940,985	0	525,000	0	6,358,462	0	6,358,462
	Rehabilitation Services														
60205-01	Living Skills Training	0	130,149	22,465	0	15,382	20,260	0	30,966	0	0	0	219.223	0	219.223
60205-05	Cognitive Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60205-10	Health Promotion	0	34,382	0	0	1,083	108	13	10,109	0	0	0	45.695	0	45.695
60205-15	Supported Employment Services	0	101,384	907	0	1,088	768	0	24,470	0	0	0	128,617	0	128,617
60299	**Total Rehabilitation Services**	0	265,916	23,372	0	17,553	21,136	13	65,545	0	0	0	393,536	0	393,536
	Medical Services														
60305-01	Medication Services	0	86,283	48,981	0	1,218	2,389	12	557,903	0	0	0	696.785	0	696.785
60305-05	Medical Management	0	511,829	373,300	0	58,695	14,583	(78)	(80,021)	0	0	0	878.309	0	878.309
60305-10	Laboratory, Radiology and Medical Imaging	0	35.950	117	0	5.520	1.344	0	67.301	0	0	0	110.231	0	110.231
60305-15	Electro-Convulsive Therapy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60399	**Total Medical Services**	0	634,062	422,397	0	65,433	18,316	(66)	545,183	0	0	0	1,685,326	0	1,685,326
	Support Services														
60405-01	Case Management	0	1,764,278	320,433	0	246,866	27,181	2,457	672,412	0	0	0	3.033.628	0	3.033.628
60405-05	Personal Care Services	0	9,693	0	0	0	(568)	0	7,281	0	0	0	16.406	0	16.406
60405-10	Family Support	0	10,876	20,697	0	(3,474)	165	116	3,896	0	0	0	32.277	0	32.277
60405-15	Peer Support	0	469,146	5,950	0	23,823	42,054	21	73,109	0	0	0	614.103	0	614.103
60405-20	Therapeutic Foster Care	0	0	0	0	1,358	0	0	0	0	0	0	1.358	0	1.358
60405-21	Adult Behavioral Health Therapeutic Home	0	21,692	0	0	0	0	0	0	0	0	0	21.692	0	21.692
60405-25	Unskilled Respite Care	0	22,672	0	0	24,456	(343)	0	5,488	0	0	0	52.273	0	52.273
60405-30	Supported Housing*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60405-40	Transportation	0	383,130	39	0	119,872	24,016	0	241,526	0	0	0	768,583	0	768,583
60499	**Total Support Services**	0	2,681,487	347,120	0	412,902	92,506	2,595	1,003,712	0	0	0	4,540,321	0	4,540,321
	Crisis Intervention Services														
60505-01	Crisis Intervention - Mobile	1,593,468	519,356	144,934	0	0	0	0	363,935	0	0	0	2.621.694	0	2.621.694
60505-05	Crisis Intervention - Stabilization	1,925,503	1,070,490	66,947	0	0	0	0	536,790	0	1,882,463	0	5.482.194	0	5.482.194
60505-10	Crisis Intervention - Telephone	633,389	468,717	204,000	0	0	0	0	250,004	0	220,000	0	1,776,110	0	1,776,110
60599	**Total Crisis Intervention Services**	4,152,361	2,058,564	415,881	0	0	0	0	1,150,729	0	2,102,463	0	9,879,998	0	9,879,998
	Inpatient Services														
60605-01	Hospital	0	(0)	0	0	0	0	0	0	0	0	0	(0)	0	(0)
60605-05	Sub acute Facility	0	348,173	0	0	0	121,935	0	74,270	0	0	0	544,378	0	544,378
60605-10	Residential Treatment Center (RTC)	0	798	0	0	0	0	0	14,736	0	0	0	15,533	0	15,533
60605-15	Inpatient Services, Professional	0	(103,146)	0	0	0	(18,846)	0	(140,480)	0	0	0	(262,472)	0	(262,472)
60699	**Total Inpatient Services**	0	245,825	0	0	0	103,089	0	(51,475)	0	0	0	297,439	0	297,439
	Residential Services														
60705-01	Behavioral Health Residential Facilities	0	605.784	0	0	12,194	(5.020)	0	651.450	0	0	0	1.264.408	0	1.264.408
60705-10	Room and Board	0	204,701	0	0	79,424	132	0	630,449	0	0	0	914,705	0	914,705
60799	**Total Residential Services**	0	810,485	0	0	91,617	(4,888)	0	1,281,899	0	0	0	2,179,113	0	2,179,113
	Behavioral Health Day Program														
60805-01	Supervised Day Program	0	9,938	0	0	0	0	0	0	0	0	0	9.938	0	9.938
60805-05	Therapeutic Day Program	0	80,800	0	0	10,517	20,316	0	34,053	0	0	0	145.686	0	145.686
60805-10	Medical Day Program	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60899	**Total Behavioral Health Day Program**	0	90,738	0	0	10,517	20,316	0	34,053	0	0	0	155,624	0	155,624
	HIV Services														
60905-05	HIV	0	0	0	0	0	0	0	253,424	0	0	0	253,424	0	253,424
60999	**Total HIV Services**	0	0	0	0	0	0	0	253,424	0	0	0	253,424	0	253,424
	BH Pharmacy Expenses														
61005-01	BH Pharmacy Expense	0	2,188,897	40,744	0	69,117	0	0	290,896	0	0	0	2,589,654	0	2,589,654
61099	**Total Pharmacy Expense**	0	2,188,897	40,744	0	69,117	0	0	290,896	0	0	0	2,589,654	0	2,589,654
61100-01	PPC BH Title XIX	0	0	0	0	0	0	0	0	0	0	0	0	0	0
61105-01	Other BH Service Expenses Not Reported Above*	9,500	371,920	0	0	163,901	39,962	305,575	597,662	12,555,616	0	12,000	14.056.134	0	14.056.134
61205-01	BH FQHC/RHC Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
61299	**Subtotal BH Medical Expenses**	4,161,861	11,789,297	2,068,404	0	1,308,603	435,568	317,606	7,112,612	12,555,616	2,627,463	12,000	42,389,030	0	42,389,030
61305-01	Specialty and Other Grant Expenses*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
69998	**Total BH Medical Expenses**	4.161.861	11.789.297	2.068.404	0	1.308.603	435.568	317.606	7.112.612	12.555.616	2.627.463	12.000	42.389.030	0	42.389.030
	Less:														
70105-01	Reinsurance Recoveries	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70205-02	Third Party Liability	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70305-01	Claims Overpayment Recoveries	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70310-05	Pharmacy Rebates	0	(486)	0	0	0	0	0	(9,039)	0	0	0	(9.525)	0	(9.525)
70310-10	Pharmacy Performance Guarantees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
85999	**Total Net Medical Expense**	4,161,861	11,788,811	2,068,404	0	1,308,603	435,568	317,606	7,103,573	12,555,616	2,627,463	12,000	42,379,505	0	42,379,505
	Administrative Expenses:														
80105-01	Compensation	140,821	363,664	67,085	0	63,192	15,864	16,728	192,451	631,428	138,401	0	1.629.634	0	1.629.634
80205-01	Occupancy	4,282	11,001	2,102	0	1,928	469	510	5,908	19,068	4,214	0	49.483	0	49.483
80305-01	Depreciation	23,445	60,580	11,133	0	10,517	2,649	2,784	32,009	105,204	23,039	0	271.361	0	271.361
80405-01	Care Management/Care Coordination	23,900	66,881	12,966	0	11,565	1,978	0	44,827	0	0	0	162.117	0	162.117
80505-01	Professional and Outside Services	68,016	177,413	32,166	0	30,316	7,844	7,356	98,701	282,318	61,345	0	765.474	0	765.474
80605-01	Office Supplies and Equipment	6,215	16,424	2,666	0	2,634	755	703	8,583	27,497	5,825	0	71.303	0	71.303
80705-01	Travel	1,455	3,792	656	0	649	172	172	1,955	6,604	1,427	0	16.883	0	16.883
80805-01	Repair and Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
80905-01	Bank Service Charge	1,028	2,653	491	0	461	116	122	1,405	4,606	1,010	0	11.893	0	11.893
81005-01	Insurance	1,330	3,521	673	0	519	139	119	2,259	4,575	419	0	13.555	0	13.555
81105-01	Marketing	(129)	(480)	0	0	0	0	0	0	0	0	0	(609)	0	(609)
81205-01	Interest Expense	607	1,520	344	0	255	63	0	1,004	0	0	0	3.793	0	3.793
81305-01	Pharmacy Benefit Manager Expenses	5,639	14,528	3,231	0	2,916	577	0	9,664	0	0	0	36.555	0	36.555
81405-01	Fraud Reduction Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
81505-01	Third Party Activities	3,054	8,381	0	0	1,128	357	0	5,978	0	0	0	18.899	0	18.899
81605-01	Sub Capitation Block Administration	6,986	17,023	0	0	4,432	770	0	11,864	0	0	0	41.075	0	41.075
81705-01	Health Care Quality Improvement	68,055	186,079	33,182	0	23,557	7,396	0	130,620	0	0	0	448.887	0	448.887
81810-01	Program Integrity Fraud, Waste and Abuse Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0	0
82505-01	Interpretation/Translation Services	1,384	3,642	732	0	598	153	101	2,505	3,945	868	0	13.929	0	13.929
83005-01	Other Administrative Expenses*	1,843	4,907	1,017	0	867	152	174	2,970	6,547	1,445	0	19,922	0	19,922
83999	**Subtotal Administrative Expenses**	357,933	941,531	168,444	0	155,534	39,453	28,769	552,703	1,091,793	237,995	0	3,574,154	0	3,574,154
83105-01	Non-Title XIX/XXI Encounter Valuation Sanctions*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
83205-01	Admin Expenses from Specialty and Other Grants*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
84999	**Total Administrative Expense**	357.933	941.531	168.444	0	155.534	39.453	28.769	552.703	1.091.793	237.995	0	3.574.154	0	3.574.154
86999	**Total Expenses**	4,519,793	12,730,342	2,236,848	0	1,464,137	475,021	346,375	7,656,276	13,647,409	2,865,458	12,000	45,953,660	0	45,953,660
87999	**Profit (Loss) from Operations**	(45.635)	(961.206)	903	0	480.044	18.146	13.234	(747.492)	(0)	109.478	0	(1.132.529)	0	(1.132.529)
88999-01	Non-Operations - Investment Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
88999-02	Non-Operations - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
88999	**Profit (Loss) from Non-Operations**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
89999	**Profit/(Loss) Before Taxes**	(45.635)	(961.206)	903	0	480.044	18.146	13.234	(747.492)	(0)	109.478	0	(1.132.529)	0	(1.132.529)
90105-01	Income Taxes	0	0	2,428	0	74,102	7,171	2,020	267,150	0	12,300	0	365.172	0	365.172
90205-01	Premium Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
99999	**Net Profit/(Loss)**	(45,635)	(961,206)	(1,525)	0	405,941	10,975	11,214	(1,014,642)	(0)	97,178	0	(1,497,701)	0	(1,497,701)
990105-01	Community Reinvestment													0	0
990205-01	Non-Covered Services													0	0
990305-01	Unreimbursed Performance Based Payments													0	0
990405-01	Value-Added Services													0	0
999999	**Net Profit/(Loss) After 990xxx-xx Accounts**													0	(1,497,701)

*Disclose on Schedule A

Paragraph 3.05: NTXIX/XXI: Contract Year Income Statement - Schedule A Disclosure

Contractor Name: Arizona Complete Health
As of: 9/30/2024

	NTXIX/XXI Crisis	NTXIX/XXI SMI Services	NTXIX/XXI Other	Housing Trust Fund	MHBG SED	MHBG SMI	MHBG FEP/EMSI	SUPTRS	Other Federal	County	PASRR	Total NTXIX/XXI	Mgmt & Gen	Grand Total
Disclosure of NTXIX/XXI Other, Other Federal and Mgmt & Gen AHCCCS Revenue reported on line 40205-01														
Liquor Fees		73,750										$ 73,750		$ 73,750
SUDS		665,434										$ 665,434		$ 665,434
Children's Behavioral Health Services Fund (CBHSF)		1,119,290										$ 1,119,290		$ 1,119,290
SLFRF		379,276										$ 379,276		$ 379,276
PPW-PLT Yr 3									85,652			$ 85,652		$ 85,652
SOR III Year 1									(1,797)			$ (1,797)		$ (1,797)
SOR III Year 2									5,922,764			$ 5,922,764		$ 5,922,764
SUPTRS CRRSAA General Services									1,186,674			$ 1,186,674		$ 1,186,674
SUPTRS Admin									20,426			$ 20,426		$ 20,426
SUPTRS ARPA									1,697,774			$ 1,697,774		$ 1,697,774
SUPTRS ARPA PHH									65,225			$ 65,225		$ 65,225
MHBG SED-CRRSAA									2,070,976			$ 2,070,976		$ 2,070,976
MHBG SMI-CRRSAA									736,498			$ 736,498		$ 736,498
MHBG SMI-FEP-CRRSAA									220,946			$ 220,946		$ 220,946
MHBG ARPA FEP									52,764			$ 52,764		$ 52,764
MHBG ARPA SED									819,356			$ 819,356		$ 819,356
MHBG ARPA SED Crisis									84,606			$ 84,606		$ 84,606
MHBG ARPA SMI									360,939			$ 360,939		$ 360,939
MHBG ARPA SMI PPH									323,648			$ 323,648		$ 323,648
MHBG TA									957	0		$ 957		$ 957
Total NTXIX/XXI Other and Other Federal Column	$ 0	$ 2,237,751	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 13,647,409	$ 0	$ 0	$ 15,885,159	$0	$ 15,885,159
Disclosure of Specialty and Other Grants Reported on line 40210-01														
												$ 0		$ 0
												$ 0		$ 0
												$ 0		$ 0
Total Specialty and Other Grants	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$0	$ 0
Disclosure of Other Income Reported on line 40310-01														
												$ 0		$ 0
												$ 0		$ 0
												$ 0		$ 0
Total Other Income	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	0	$ 0
Disclosure of Supported Housing Reported on line 60405-30														
Rental Subsidy												$ 0		$ 0
Management Fees												$ 0		$ 0
Utility Payments												$ 0		$ 0
Repair & Maintenance												$ 0		$ 0
Damages												$ 0		$ 0
Deposits												$ 0		$ 0
Start UP												$ 0		$ 0
Eviction Prevention												$ 0		$ 0
												$ 0		$ 0
Housing Trust Fund - Construction/Improvements												$ 0		$ 0
												$ 0		$ 0
Total Supported Housing	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$0	$ 0
Disclosure of Non-Title XIX/XXI Other Services Reported on line 61105-01														
Crisis Mobile Team Incentives	9,500	1,900										$ 11,400		$ 11,400
MHBG-FEP							305,575					$ 305,575		$ 305,575
SUPTRS CRRSAA General Services									1,091,740			$ 1,091,740		$ 1,091,740
SUPTRS Admin								(9,720)	18,792			$ 9,072		$ 9,072
SUPTRS ARPA PHH									60,007			$ 60,007		$ 60,007
SUPTRS ARPA									1,561,952			$ 1,561,952		$ 1,561,952
RBHA MHBG SED-CRRSAA									1,905,298			$ 1,905,298		$ 1,905,298
RBHA MHBG SMI-CRRSAA									677,579			$ 677,579		$ 677,579
RBHA MHBG SMI-ARPA PSH									297,756			$ 297,756		$ 297,756
RBHA MHBG FEP-CRRSAA									203,270			$ 203,270		$ 203,270
RBHA MHBG ARPA SMI									332,064			$ 332,064		$ 332,064
RBHA MHBG ARPA SED Crisis									77,837			$ 77,837		$ 77,837
RBHA MHBG ARPA SED									753,808			$ 753,808		$ 753,808
MHBG SMI ARPA FEP									48,543			$ 48,543		$ 48,543
PASRR screening services											12,000	$ 12,000		$ 12,000
SOR III Year 1									736,387			$ 736,387		$ 736,387
SOR III Year 2									4,710,903			$ 4,710,903		$ 4,710,903
PPW-PLT Yr 3									78,800			$ 78,800		$ 78,800
MHBG TA									880			$ 880		$ 880
Jail Liaisons		137,345						(10,767)				$ 126,578		$ 126,578
COT Administration		232,675										$ 232,675		$ 232,675
YES Program					163,901							$ 163,901		$ 163,901
FPO Program												$ 0		$ 0
PRN Program						25,368						$ 25,368		$ 25,368
Outreach						14,594		289,977				$ 304,570		$ 304,570
Oxford House								328,172				$ 328,172		$ 328,172
Total Other Services	$ 9,500	$ 371,920	$ 0	$ 0	$ 163,901	$ 39,962	$ 305,575	$ 597,662	$ 12,555,616	$ 0	$ 12,000	$ 14,056,134	$0	$ 14,056,134
Disclosure of Specialty and Other Grants Reported on line 61305-01														
												$ 0		$ 0
												$ 0		$ 0
												$ 0		$ 0
Total Specialty and Other Grants Expenses	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$0	$ 0
Disclosure of Non-Title XIX/XXI Other Admin Expenses Reported on line 83005-01														
Data processing	494	1,342	268	0	246	36	53	757	1,991	443	0	$ 5,631		$ 5,631
EE meetings, training, seminars	206	559	112	0	102	15	22	315	830	185	0	$ 2,345		$ 2,345
EOP / EOB processing fees	154	420	84	0	76	11	17	237	622	139	0	$ 1,759		$ 1,759
Printing	532	1,487	219	0	90	63	42	1,054	1,719	346	0	$ 5,552		$ 5,552
Physician credentialing	427	1,029	312	0	333	25	38	564	1,284	308	0	$ 4,321		$ 4,321
Sanction	30	70	22	0	19	2	3	43	100	25	0	$ 314		$ 314
Total Non-Title XIX/XXI Other Admin Expenses	$ 1,843	$ 4,907	$ 1,017	$ 0	$ 867	$ 152	$ 174	$ 2,970	$ 6,547	$ 1,445	$ 0	$ 19,922	$0	$ 19,922
Disclosure of Non-Title XIX/XXI Encounter Valuation Reported on line 83105-01														
												$ 0		$ 0
												$ 0		$ 0
												$ 0		$ 0
Total Non-Title XIX/XXI Encounter Valuation Sanctions	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$0	$ 0
Disclosure of Administrative Expenses from Specialty and Other Grants Reported on line 83205-01														
												$ 0		$ 0
												$ 0		$ 0
												$ 0		$ 0
Total Adm Expenses from Specialty and Other Grants Expenses	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$0	$ 0