

Clear Choice Health Plans, Inc.
Condensed Consolidated Income Statement

(Dollars in thousands)
(unaudited)

	Quarter Ended		Year to Date	
	12/31/2008	12/31/2007	12/31/2008	12/31/2007
Premium Revenue	\$ 53,135	\$ 41,162	\$ 216,445	\$ 180,279
Other Revenues	(72)	131	311	546
Total Revenue	53,063	41,293	216,756	180,825
Medical Expenses	(44,909)	(41,723)	(188,560)	(164,946)
<i>Medical Loss Ratio</i>	<i>(84.6%)</i>	<i>(101.0%)</i>	<i>(87.0%)</i>	<i>(91.2%)</i>
Administration Expense	(4,091)	(5,447)	(23,041)	(19,839)
<i>Administrative Expense Ratio</i>	<i>(7.7%)</i>	<i>(13.2%)</i>	<i>(10.6%)</i>	<i>(11.0%)</i>
Income from Operations	4,063	(5,877)	5,154	(3,961)
Investment Income	(1,357)	1,860	1,157	6,864
Interest Expense	(415)		(429)	
Earnings Before Taxes	2,291	(4,018)	5,883	2,904
Income Taxes	(788)	1,803	(2,617)	(750)
Net Income	\$ 1,503	\$ (2,215)	\$ 3,266	\$ 2,154
Basic Earnings per Share	\$ 0.88	(\$ 1.19)	\$ 1.83	\$ 1.17
Weighted Average Shares Outstanding Basic	1,704,648	1,854,338	1,787,798	1,848,522

Clear Choice Health Plans, Inc.
Condensed Consolidated Balance Sheet

(Dollars in thousands)
(unaudited)

	<u>12/31/08</u>	<u>12/31/07</u>
ASSETS		
Current assets:		
Cash & cash equivalents	\$ 8,569	\$ 6,184
Trust funds	1,988	
Investments - current	5,661	2,583
Accounts and other receivables	23,077	12,051
Deferred income taxes, net	998	503
Other assets	405	317
Total current assets	<u>40,698</u>	<u>21,638</u>
Investments, net of current portion	35,577	52,019
Property, plant and equipment, net	19,196	14,101
Goodwill & Intangible assets, net	7,889	0
Restricted security	4,210	3,517
Total assets	<u>\$ 107,570</u>	<u>\$ 91,275</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Claims and withhold payable	\$ 32,037	\$ 28,454
Accounts payable and accrued liabilities	5,796	3,037
Premiums received in advance	1,319	483
Collections for other and reserves	1,988	0
Current debt	1,749	6,125
Total current liabilities	<u>42,889</u>	<u>38,099</u>
Long term debt and liabilities	14,859	1,131
Deferred tax liability, net	543	624
Total liabilities	<u>58,291</u>	<u>39,854</u>
Stockholders' equity:		
Stock	10,584	12,251
Retained earnings and accumulated other	38,695	39,170
Total stockholders' equity	<u>49,279</u>	<u>51,421</u>
Total liabilities and stockholders' equity	<u>\$ 107,570</u>	<u>\$ 91,275</u>