

# Federal Supplementary Medical Insurance Trust Fund

**75X8004**

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# Federal Supplementary Medical Insurance Trust Fund

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## Footnotes

**(1) Summary of Significant Accounting Policies**

***(a) Reporting Entity***

The accompanying Balance Sheet of the Federal Supplementary Medical Insurance Trust Fund (FSMI Trust Fund) and related Income Statement pertain to the aspects of the FSMI Trust Fund that is serviced by the Funds Management Branch (FMB) of the Bureau of the Fiscal Service (Fiscal Service) of the U.S. Department of the Treasury (Treasury). The FSMI Trust Fund was created by legislation enacted by the U.S. Congress.

FMB acts as a service organization which processes receipts, disbursements, and transfers related to the FSMI Trust Fund based upon information received and recorded by FMB from Treasury's Office of Tax Analysis (OTA) and the Internal Revenue Service (IRS), and the program agency responsible for the trust fund activity, Treasury's Bureau of the Fiscal Service (Fiscal Service), and other Treasury bureaus. As part of its functions, Fiscal Service also manages the investments, maintains related accounting records and supporting documentation, and reports financial activity. The financial activity reported in the accompanying Balance Sheet and Income Statement is limited to the activities performed by FMB.

The program agency is responsible for administering, regulating, and monitoring the program activities funded by the trust fund. The program agency makes all decisions regarding dispositions from the trust funds. As such, the Balance Sheet and Income Statement do not include information regarding the ultimate disposition of amounts transferred from the trust fund to the program agency.

The program agency is responsible for reporting on the financial position of the trust fund. As such, the financial position of the trust fund in the program agency's records may differ from what has been illustrated in the accompanying Balance Sheet and Income Statement.

***(b) Basis of Presentation***

The Balance Sheet and Income Statement have been prepared to report the assets and liabilities of the trust funds under the function performed by FMB, and the related activity, in accordance with the measurement and criteria discussed below.

***(c) Basis of Accounting***

The investments on the Balance Sheet and Interest Revenue on Investments are reported using the accrual basis of accounting. All other accounts and activity reported on the Balance Sheet and Income Statement are reported on the cash basis.

***(d) Fund Balance with Treasury***

The Trust Fund does not maintain cash in commercial bank accounts. Treasury processes cash receipts and disbursements. Fund Balance with Treasury represents net revenue, disposition of revenue, and investment activity. Fund balance with Treasury is reported based on the balance reported by the Fiscal Service's Government-wide Accounting and Reporting Modernization Project (GWA) Account Statement and reconciling transactions identified and recorded by FMB.

***(e) Interest Receivables***

Interest receivables are calculated and reported by FMB based on the investment terms received and recorded by FMB from Fiscal Service's Federal Investments Branch (FIB) in the investment confirmations and monthly statements of account.

***(f) Investments***

Pursuant to authorizing legislation, the Secretary of the Treasury shall invest, at the direction of the program agencies, such portion of the trust fund balances as is not, in the judgment of the program agencies, necessary to meet current withdrawals. Such investments shall be in non-marketable par value or non-marketable market-based securities as authorized by legislation. Par value securities are special issue bonds or certificates of indebtedness that bear interest determined by legislation or the Treasury. Market-based securities are Treasury securities that are not traded on any securities exchange, but mirror the prices of marketable securities with similar terms. Both par value and market-based securities are issued and redeemed by FIB.

# Federal Supplementary Medical Insurance Trust Fund

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## Footnotes (Continued)

FMB follows Treasury fiscal investment policy guidelines. FMB determines the term of the securities purchased based on direction provided by the program agency. The securities are acquired and held in the name of the Secretary of the Treasury for the trust fund. The interest on and proceeds from the sale or redemption of any security held for the trust fund is credited to the trust fund. Investments are selected for liquidation based on the following order: earliest maturity date, lowest prevailing interest rate, and first security in first security out.

Investments are calculated and reported at net cost based on the cost and premium/discount amounts reported to FMB in the investment confirmations and monthly statements of account received from FIB.

Link to Fiscal Service's Federal Investments Branch (FIB) Statement of Account:

<https://www.treasurydirect.gov/govt/reports/fip/acctstmt/acctstmt.htm>

**(g) Equity**

Equity is calculated and reported by FMB based on the assets of the trust fund. Equity is calculated as the difference between Total Assets and Total Liabilities.

**(h) Interest Revenue**

Interest revenue is reported based on the amounts received and recorded by FMB from FIB in the monthly statements of account and accrued interest and amortization calculated by FMB. Amortization of any premiums and discounts on investments is calculated and reported by FMB based on the investment terms reported to FMB by FIB using the straight-line method for investments with a term equal to or less than one year and using the level yield method which approximates the interest method for investments with a term of greater than one year.

As stated above in (c) Basis of Accounting, the Investments on the Balance Sheet and Interest Revenue on Investments reported on the Income Statement are reported using the accrual basis of accounting. The following amounts represent cash basis interest earnings for the current month and the current fiscal year to date.

|             | <u>Current Month</u> | <u>Fiscal Year-to-Date</u> |
|-------------|----------------------|----------------------------|
| FSMI        | \$35,983,046.68      | \$2,450,186,797.86         |
| Presc. Drug | \$1,144,660.49       | \$10,352,094.21            |
| Total       | \$37,127,707.17      | \$2,460,538,892.07         |

**(i) Revenues**

Pursuant to authorizing legislation, revenue activity recorded in the trust funds consists primarily of interest, penalties, fines, administrative fees, transfers in from program agencies, tax revenues, tax adjustments, tax refunds, premiums, cost recoveries, and other income, which are transferred from the General Fund of the Treasury or from program agencies to the Trust Funds.

Penalties, fines, administrative fees, transfers in from program agencies, premiums, cost recoveries, and other income are reported based on the amounts received and recorded by FMB from FMS and the program agencies responsible for the respective trust fund activity.

**(j) Transfers to Program Agencies**

Dispositions from the Trust Fund are made in accordance with the authorizing legislation to the program agency, which is responsible for the ultimate disposition of such funds, to cover program administration and related costs as defined by law. Transfers to program agencies are calculated and reported based on the disbursement request amounts received and recorded by FMB from the program agency responsible for the respective trust fund activity and the disbursement amounts returned and recorded by FMB from the program agencies responsible for the respective trust fund activity.

**(k) Reimbursements to Treasury Bureaus (Operating Expenses/Program Costs)**

In the case of the FSMI trust fund, Fiscal Service is authorized by law to receive direct reimbursement from the trust funds for certain administrative expenses (operating expenses/program costs). These reimbursement amounts are determined by Treasury based on its assessment of the estimated cost of the services provided. Reimbursements to Treasury bureaus are reported based on the disbursement request amounts received and recorded by FMB from various Treasury bureaus, including the Fiscal Service.

**(2) Related parties**

FMB, on behalf of the Secretary of the Treasury, compiles amounts deposited into the trust fund, invests receipts in Treasury securities, redeems securities and transfers funds to the program agency, maintains accounting records for receipts and disbursements of the trust fund, and reports trust fund financial activity to the program agencies and other interested parties. The program agency, OTA, IRS, and/or Fiscal Service determine the amounts to be deposited in the trust fund. The program agency determines the disposition of the trust fund balances.

Federal Supplementary Medical Insurance Trust Fund  
75X8004  
Trial Balance - Unaudited  
September 1, 2014 Through September 30, 2014

| Period Name:2014-12 |              | Fund:TFM8004DEXXXXX |                | Program:<All>  |                           |                          |                         |                           |
|---------------------|--------------|---------------------|----------------|--|---------------------------|--------------------------|-------------------------|---------------------------|
| USSGL               | BEA Category | Year of BA          | Cost Center    | USSGL / Cost Center Description                        | Beginning Balance         | Period Net Dr            | Period Net Cr           | Ending Balance            |
| 1010                | -            | -                   | -              | FUND BALANCE WITH TREASURY                             | 241,274,375.25            | 33,079,101,763.63        | 30,229,267,439.85       | 3,091,108,699.03          |
| 1342                | -            | -                   | -              | INTEREST RECEIVABLE - INVESTMENTS                      | 386,388,189.15            | 184,776,169.39           | 37,127,707.17           | 534,036,651.37            |
| 1610                | -            | -                   | -              | INVESTMENTS IN U.S TREASURY SECURITIES ISSUED BY THE B | 70,912,624,000.00         | 22,052,684,000.00        | 24,574,243,000.00       | 68,391,065,000.00         |
| 2150                | -            | -                   | TFMA57650100   | TRANSFERS OUT - BENEFIT PAYMENTS, CMS                  | 0.00                      | 0.00                     | 0.00                    | 0.00                      |
|                     |              |                     | XXXXXXXXXXXX   | DEFAULT CAM1   | 0.00                      | 0.00                     | 0.00                    | 0.00                      |
|                     |              |                     | <b>BA Sum</b>  |  | <b>0.00</b>               | <b>0.00</b>              | <b>0.00</b>             | <b>0.00</b>               |
|                     |              |                     | <b>Sum BEA</b> |  | <b>0.00</b>               | <b>0.00</b>              | <b>0.00</b>             | <b>0.00</b>               |
| <b>Sum</b>          |              |                     |                |  | <b>0.00</b>               | <b>0.00</b>              | <b>0.00</b>             | <b>0.00</b>               |
| 3310                | -            | -                   | -              | CUMULATIVE RESULTS OF OPERATIONS                       | -75,126,139,064.45        | 0.00                     | 0.00                    | -75,126,139,064.45        |
| 4114                | M            | -                   | TFMA53110010   | INTEREST ON INVESTMENTS                                | 2,423,411,184.90          | 37,127,707.17            | 0.00                    | 2,460,538,892.07          |
|                     |              |                     | TFMA56000100   | GIFTS (.042)   | 7,117.42                  | 0.00                     | 0.00                    | 7,117.42                  |
|                     |              |                     | TFMA57500000   | FEDERAL MATCHING (.001) *                              | 169,313,698,323.03        | 15,565,630,266.08        | 370,845,643.42          | 184,508,482,945.69        |
|                     |              |                     | TFMA57501000   | GF TRANSFER, UNION ACTIVITY (.006)*                    | 1,006,902.35              | 388,978.78               | 0.00                    | 1,395,881.13              |
|                     |              |                     | TFMA57503200   | SSA INTERFUND INTEREST RECEIPTS (.02)*                 | 205,234.63                | 0.00                     | 0.00                    | 205,234.63                |
|                     |              |                     | TFMA57503800   | FED. CONTR. FOR ADMIN. COSTS - RX ACCOUNT (.046)*      | 363,978,048.21            | 36,061,378.30            | 20,162.25               | 400,019,264.26            |
|                     |              |                     | TFMA57503900   | FED. CONTR. FOR BENEFIT PAYMENTS - RX ACCOUNT (.047)*  | 48,230,376,355.51         | 4,289,284,456.90         | 0.00                    | 52,519,660,812.41         |
|                     |              |                     | TFMA57506300   | HITECH Receipts  | 6,889,925,100.68          | 32,961,163.70            | 0.00                    | 6,922,886,264.38          |
|                     |              |                     | TFMA58006300   | ANNUAL FEES - BRANDED RX MANUFACTURERS & IMPORTERS     | 2,800,171,502.34          | 3,008,959,505.95         | 0.00                    | 5,809,131,008.29          |
|                     |              |                     | TFMA59000100   | OTHER INCOME (.029)                                    | 1,784,692.94              | 3,313,318.00             | 0.00                    | 5,098,010.94              |
|                     |              |                     | TFMA59000300   | PREMIUMS COLLECTED - AGED (.005)                       | 50,010,886,875.01         | 4,519,628,502.20         | 115,070,480.30          | 54,415,444,896.91         |
|                     |              |                     | TFMA59000400   | PREMIUMS COLLECTED - DISABLED (.007)                   | 9,571,395,934.19          | 886,157,902.97           | 36,425.30               | 10,457,517,411.86         |
|                     |              |                     | TFMA59001200   | PREMIUMS COLLECTED - RX ACCOUNT (.035)                 | 3,258,803,842.00          | 304,787,360.77           | 0.00                    | 3,563,591,202.77          |
|                     |              |                     | TFMA59001400   | PAYMENTS FROM STATES - RX ACCOUNT (.036)               | 8,008,989,963.62          | 717,552,334.69           | 0.00                    | 8,726,542,298.31          |
|                     |              |                     | TFMA59001500   | BASIC PREMIUMS, MEDICARE ADVANTAGE (.040)              | 274,113,334.01            | 26,461,922.09            | 130.62                  | 300,575,125.48            |
|                     |              |                     | TFMA59001600   | ACA MEDICARE SHARED SAVINGS PROGRAM REC                | 1,475,290.78              | 0.00                     | 0.00                    | 1,475,290.78              |
|                     |              |                     | TFMA61001100   | MEDICARE REFUNDS OFFSETTING COLLECTIONS (.045), (.053) | 1,501,683,887.00          | 3,528,655,688.00         | 0.00                    | 5,030,339,575.00          |
|                     |              |                     | <b>BA Sum</b>  |  | <b>302,651,913,588.62</b> | <b>32,956,970,485.60</b> | <b>485,972,841.89</b>   | <b>335,122,911,232.33</b> |
|                     |              |                     | <b>Sum BEA</b> |  | <b>302,651,913,588.62</b> | <b>32,956,970,485.60</b> | <b>485,972,841.89</b>   | <b>335,122,911,232.33</b> |
| <b>Sum</b>          |              |                     |                |  | <b>302,651,913,588.62</b> | <b>32,956,970,485.60</b> | <b>485,972,841.89</b>   | <b>335,122,911,232.33</b> |
| 4129                | D            | -                   | TFMA57653800   | RX ACCOUNT ADMIN EXPENSE-NONSTARTUP                    | -363,978,048.21           | 20,162.25                | 36,061,378.30           | -400,019,264.26           |
|                     | M            | -                   | TFMA57653600   | TRANSFERS OUT - RX ACCOUNT BENEFIT PAYMENTS            | -59,314,956,438.38        | 0.00                     | 5,389,572,838.18        | -64,704,529,276.56        |
| <b>Sum</b>          |              |                     |                |  | <b>-59,678,934,486.59</b> | <b>20,162.25</b>         | <b>5,425,634,216.48</b> | <b>-65,104,548,540.82</b> |
| 4167                | M            | -                   | TFMA57650100   | TRANSFERS OUT - BENEFIT PAYMENTS, CMS                  | -233,616,565,521.72       | 103,722,229.07           | 25,781,505,653.60       | -259,294,348,946.25       |
| 4201                | -            | -                   | -              | PRIOR YEAR DELIVERED ORDERS - OBLIGATIONS-PAID         | -26,759,445,985.92        | 0.00                     | 0.00                    | -26,759,445,985.92        |
|                     |              |                     | -              | TOTAL ACTUAL RESOURCES - COLLECTED                     | 94,175,368,541.37         | 0.00                     | 0.00                    | 94,175,368,541.37         |
|                     |              |                     | <b>BA Sum</b>  |  | <b>67,415,922,555.45</b>  | <b>0.00</b>              | <b>0.00</b>             | <b>67,415,922,555.45</b>  |
|                     |              |                     | <b>Sum BEA</b> |  | <b>67,415,922,555.45</b>  | <b>0.00</b>              | <b>0.00</b>             | <b>67,415,922,555.45</b>  |
| <b>Sum</b>          |              |                     |                |  | <b>67,415,922,555.45</b>  | <b>0.00</b>              | <b>0.00</b>             | <b>67,415,922,555.45</b>  |
| 4397                | M            | -                   | -              | RECEIPTS & APPROPRIATIONS TEMPORARILY PRECLUDED FRC    | -67,363,110,929.81        | 115,617,131.14           | 4,234,679,900.36        | -71,482,173,699.03        |
| 4620                | -            | -                   | TFMA53110010   | INTEREST ON INVESTMENTS                                | -2,423,411,184.90         | 0.00                     | 37,127,707.17           | -2,460,538,892.07         |
|                     |              |                     | TFMA56000100   | GIFTS (.042)   | -7,117.42                 | 0.00                     | 0.00                    | -7,117.42                 |
|                     |              |                     | TFMA57500000   | FEDERAL MATCHING (.001) *                              | -169,313,698,323.03       | 370,845,643.42           | 15,565,630,266.08       | -184,508,482,945.69       |
|                     |              |                     | TFMA57501000   | GF TRANSFER, UNION ACTIVITY (.006)*                    | -1,006,902.35             | 0.00                     | 388,978.78              | -1,395,881.13             |
|                     |              |                     | TFMA57503200   | SSA INTERFUND INTEREST RECEIPTS (.02)*                 | -205,234.63               | 0.00                     | 0.00                    | -205,234.63               |
|                     |              |                     | TFMA57503800   | FED. CONTR. FOR ADMIN. COSTS - RX ACCOUNT (.046)*      | -363,978,048.21           | 20,162.25                | 36,061,378.30           | -400,019,264.26           |
|                     |              |                     | TFMA57503900   | FED. CONTR. FOR BENEFIT PAYMENTS - RX ACCOUNT (.047)*  | -48,230,376,355.51        | 0.00                     | 4,289,284,456.90        | -52,519,660,812.41        |
|                     |              |                     | TFMA57506300   | HITECH Receipts  | -6,889,925,100.68         | 0.00                     | 32,961,163.70           | -6,922,886,264.38         |
|                     |              |                     | TFMA57600100   | TRANSFERS OUT - SSA LAE ANNUAL (33)*                   | 820,033,295.00            | 84,821,378.00            | 19,701.13               | 904,834,971.87            |
|                     |              |                     | TFMA57600200   | TRANSFERS OUT - SSA LAE X YEAR (34)*                   | 949,211.00                | 6,707,238.00             | 0.00                    | 7,656,449.00              |
|                     |              |                     | TFMA57600300   | SALARIES & EXPENSES - CMS (33)*                        | 1,911,640,833.09          | 215,205,165.36           | 17,693,959.99           | 2,109,152,038.46          |
|                     |              |                     | TFMA57600400   | SALARIES & EXPENSES - OFFICE OF THE SECRETARY (16)*    | 33,976,666.43             | 9,519,278.94             | 550,000.00              | 42,945,945.37             |
|                     |              |                     | TFMA57600500   | PAYMENT ASSESSMENT COMMISSION, HHS (48)*               | 4,607,600.00              | 0.00                     | 125,225.59              | 4,482,374.41              |
|                     |              |                     | TFMA57601600   | MEDICAID PART B PREMIUM EXPENSES (33)*                 | 0.00                      | 687,551,723.00           | 0.00                    | 687,551,723.00            |
|                     |              |                     | TFMA57603600   | AOA MIPPA FUNDING                                      | 0.00                      | 5,194,040.07             | 0.00                    | 5,194,040.07              |
|                     |              |                     | TFMA57603800   | CMS PROG MGMT - PATIENT PROTECTION & AFFORDABLE CARE   | 43,473,249.48             | 4,354,274.49             | 0.00                    | 47,827,523.97             |
|                     |              |                     | TFMA57603900   | QUALITY IMPROVEMENT ORGANIZATIONS (QIO) - MANDATORY    | 90,139,811.04             | 10,498,649.22            | 0.00                    | 100,638,460.26            |
|                     |              |                     | TFMA57604100   | HITECH   | 2,626,832,630.57          | 32,961,163.70            | 0.00                    | 2,659,793,794.27          |
|                     |              |                     | TFMA57604200   | TRANSFER TO PCORTF                                     | 57,870,000.00             | 0.00                     | 0.00                    | 57,870,000.00             |
|                     |              |                     | TFMA57650100   | TRANSFERS OUT - BENEFIT PAYMENTS, CMS                  | 233,616,565,521.72        | 25,781,505,653.60        | 103,722,229.07          | 259,294,348,946.25        |
|                     |              |                     | TFMA57653600   | TRANSFERS OUT - RX ACCOUNT BENEFIT PAYMENTS            | 59,314,956,438.38         | 5,389,572,838.18         | 0.00                    | 64,704,529,276.56         |
|                     |              |                     | TFMA57653800   | RX ACCOUNT ADMIN EXPENSE-NONSTARTUP                    | 363,978,048.21            | 36,061,378.30            | 20,162.25               | 400,019,264.26            |
|                     |              |                     | TFMA58006300   | ANNUAL FEES - BRANDED RX MANUFACTURERS & IMPORTERS     | -2,800,171,502.34         | 0.00                     | 3,008,959,505.95        | -5,809,131,008.29         |
|                     |              |                     | TFMA59000100   | OTHER INCOME (.029)                                    | -1,784,692.94             | 0.00                     | 3,313,318.00            | -5,098,010.94             |
|                     |              |                     | TFMA59000300   | PREMIUMS COLLECTED - AGED (.005)                       | -50,010,886,875.01        | 115,070,480.30           | 4,519,628,502.20        | -54,415,444,896.91        |
|                     |              |                     | TFMA59000400   | PREMIUMS COLLECTED - DISABLED (.007)                   | -9,571,395,934.19         | 36,425.30                | 886,157,902.97          | -10,457,517,411.86        |

Federal Supplementary Medical Insurance Trust Fund  
75X8004  
Trial Balance - Unaudited  
September 1, 2014 Through September 30, 2014

|            |   |                |              |  |                            |                          |                          |                            |
|------------|---|----------------|--------------|--|----------------------------|--------------------------|--------------------------|----------------------------|
|            |   |                | TFMA59001200 | PREMIUMS COLLECTED - RX ACCOUNT (.035)                 | -3,258,803,842.00          | 0.00                     | 304,787,360.77           | -3,563,591,202.77          |
|            |   |                | TFMA59001400 | PAYMENTS FROM STATES - RX ACCOUNT (.036)               | -8,008,989,963.62          | 0.00                     | 717,552,334.69           | -8,726,542,298.31          |
|            |   |                | TFMA59001500 | BASIC PREMIUMS, MEDICARE ADVANTAGE (.040)              | -274,113,334.01            | 130.62                   | 26,461,922.09            | -300,575,125.48            |
|            |   |                | TFMA59001600 | ACA MEDICARE SHARED SAVINGS PROGRAM REC                | -1,475,290.78              | 0.00                     | 0.00                     | -1,475,290.78              |
|            |   |                | TFMA61000200 | TREASURY ADMIN. EXPENSES - BPD (16)*                   | 432,924.25                 | 39,356.75                | 0.00                     | 472,281.00                 |
|            |   |                | TFMA61001100 | MEDICARE REFUNDS OFFSETTING COLLECTIONS (.045), (.053) | -1,501,683,887.00          | 0.00                     | 3,528,655,688.00         | -5,030,339,575.00          |
|            |   |                | TFMA61001800 | RAILROAD RETIREMENT BOARD ADMIN EXPENSES               | 28,481,539.65              | 861,460.35               | 0.00                     | 29,343,000.00              |
|            |   |                | XXXXXXXXXX   | DEFAULT CAM1   | -52,811,625.64             | 4,234,679,900.36         | 115,617,131.14           | 4,066,251,143.58           |
|            |   | <b>BA Sum</b>  |              |  | <b>-3,790,787,445.44</b>   | <b>36,985,506,340.21</b> | <b>33,194,718,894.77</b> | <b>0.00</b>                |
|            |   | <b>Sum BEA</b> |              |  | <b>-3,790,787,445.44</b>   | <b>36,985,506,340.21</b> | <b>33,194,718,894.77</b> | <b>0.00</b>                |
| <b>Sum</b> |   |                |              |  | <b>-3,790,787,445.44</b>   | <b>36,985,506,340.21</b> | <b>33,194,718,894.77</b> | <b>0.00</b>                |
| 4902       | D | B              | TFMA57600100 | TRANSFERS OUT - SSA LAE ANNUAL (33)*                   | -74,974,331.00             | 19,701.13                | 3,671,770.00             | -78,626,399.87             |
|            |   |                | TFMA57600300 | SALARIES & EXPENSES - CMS (33)*                        | -1,201,884,127.51          | 17,693,959.99            | 81,723,925.54            | -1,265,914,093.06          |
|            |   |                | TFMA57600400 | SALARIES & EXPENSES - OFFICE OF THE SECRETARY (16)*    | -11,101,572.26             | 550,000.00               | 19,278.94                | -10,570,851.20             |
|            |   |                | TFMA57600500 | PAYMENT ASSESSMENT COMMISSION, HHS (48)*               | 0.00                       | 125,225.59               | 0.00                     | 125,225.59                 |
|            |   | <b>BA Sum</b>  |              |  | <b>-1,287,960,030.77</b>   | <b>18,388,886.71</b>     | <b>85,414,974.48</b>     | <b>-1,354,966,118.54</b>   |
|            |   | N              | TFMA57600100 | TRANSFERS OUT - SSA LAE ANNUAL (33)*                   | -745,058,964.00            | 0.00                     | 81,149,608.00            | -826,208,572.00            |
|            |   |                | TFMA57600200 | TRANSFERS OUT - SSA LAE X YEAR (34)*                   | -949,211.00                | 0.00                     | 6,707,238.00             | -7,656,449.00              |
|            |   |                | TFMA57600300 | SALARIES & EXPENSES - CMS (33)*                        | -709,756,705.58            | 0.00                     | 133,481,239.82           | -843,237,945.40            |
|            |   |                | TFMA57600400 | SALARIES & EXPENSES - OFFICE OF THE SECRETARY (16)*    | -22,875,094.17             | 0.00                     | 9,500,000.00             | -32,375,094.17             |
|            |   |                | TFMA57600500 | PAYMENT ASSESSMENT COMMISSION, HHS (48)*               | -4,607,600.00              | 0.00                     | 0.00                     | -4,607,600.00              |
|            |   | <b>BA Sum</b>  |              |  | <b>-1,483,247,574.75</b>   | <b>0.00</b>              | <b>230,838,085.82</b>    | <b>-1,714,085,660.57</b>   |
|            |   | <b>Sum BEA</b> |              |  | <b>-2,771,207,605.52</b>   | <b>18,388,886.71</b>     | <b>316,253,060.30</b>    | <b>-3,069,071,779.11</b>   |
|            |   | M              | TFMA57601600 | MEDICAID PART B PREMIUM EXPENSES (33)*                 | 0.00                       | 0.00                     | 188,964,465.00           | -188,964,465.00            |
|            |   |                | TFMA57603600 | AOA MIPPA FUNDING                                      | 0.00                       | 0.00                     | 5,194,040.07             | -5,194,040.07              |
|            |   |                | TFMA57603800 | CMS PROG MGMT - PATIENT PROTECTION & AFFORDABLE CARE   | -43,236,308.36             | 0.00                     | 4,164,825.11             | -47,401,133.47             |
|            |   |                | TFMA57603900 | QUALITY IMPROVEMENT ORGANIZATIONS (QIO) - MANDATORY    | -82,659,183.34             | 0.00                     | 6,781,015.31             | -89,440,198.65             |
|            |   |                | TFMA57604100 | HITECH   | -90,486,558.76             | 0.00                     | 0.00                     | -90,486,558.76             |
|            |   | <b>BA Sum</b>  |              |  | <b>-216,382,050.46</b>     | <b>0.00</b>              | <b>205,104,345.49</b>    | <b>-421,486,395.95</b>     |
|            |   | N              | TFMA57601600 | MEDICAID PART B PREMIUM EXPENSES (33)*                 | 0.00                       | 0.00                     | 498,587,258.00           | -498,587,258.00            |
|            |   |                | TFMA57603800 | CMS PROG MGMT - PATIENT PROTECTION & AFFORDABLE CARE   | -236,941.12                | 0.00                     | 189,449.38               | -426,390.50                |
|            |   |                | TFMA57603900 | QUALITY IMPROVEMENT ORGANIZATIONS (QIO) - MANDATORY    | -7,480,627.70              | 0.00                     | 3,717,633.91             | -11,198,261.61             |
|            |   |                | TFMA57604100 | HITECH   | -2,536,346,071.81          | 0.00                     | 32,961,163.70            | -2,569,307,235.51          |
|            |   |                | TFMA57604200 | TRANSFER TO PCORTF                                     | -57,870,000.00             | 0.00                     | 0.00                     | -57,870,000.00             |
|            |   |                | TFMA61000200 | TREASURY ADMIN. EXPENSES - BPD (16)*                   | 432,924.25                 | 0.00                     | 39,356.75                | 472,281.00                 |
|            |   |                | TFMA61001800 | RAILROAD RETIREMENT BOARD ADMIN EXPENSES               | 28,481,539.65              | 0.00                     | 861,460.35               | 29,343,000.00              |
|            |   | <b>BA Sum</b>  |              |  | <b>-2,630,848,104.53</b>   | <b>0.00</b>              | <b>536,356,322.09</b>    | <b>-3,167,204,426.62</b>   |
|            |   | <b>Sum BEA</b> |              |  | <b>-2,847,230,154.99</b>   | <b>0.00</b>              | <b>741,460,667.58</b>    | <b>-3,588,690,822.57</b>   |
| <b>Sum</b> |   |                |              |  | <b>-5,618,437,760.51</b>   | <b>18,388,886.71</b>     | <b>1,057,713,727.88</b>  | <b>-6,657,762,601.68</b>   |
| 5311       | - | -              | TFMA53110010 | INTEREST ON INVESTMENTS                                | -2,253,161,893.92          | 0.00                     | 184,776,169.39           | -2,437,938,063.31          |
| 5600       | M | -              | TFMA56000100 | GIFTS (.042)   | -7,117.42                  | 0.00                     | 0.00                     | -7,117.42                  |
| 5750       | - | -              | TFMA57500000 | FEDERAL MATCHING (.001) *                              | -164,960,119,294.16        | 370,845,643.42           | 15,565,630,266.08        | -180,154,903,916.82        |
|            |   |                | TFMA57501000 | GF TRANSFER, UNION ACTIVITY (.006)*                    | -1,006,902.35              | 0.00                     | 388,978.78               | -1,395,881.13              |
|            |   |                | TFMA57503200 | SSA INTERFUND INTEREST RECEIPTS (.02) *                | -205,234.63                | 0.00                     | 0.00                     | -205,234.63                |
|            |   |                | TFMA57503800 | FED. CONTR. FOR ADMIN. COSTS - RX ACCOUNT (.046)*      | -363,978,048.21            | 20,162.25                | 36,061,378.30            | -400,019,264.26            |
|            |   |                | TFMA57503900 | FED. CONTR. FOR BENEFIT PAYMENTS - RX ACCOUNT (.047)*  | -48,230,376,355.51         | 0.00                     | 4,289,284,456.90         | -52,519,660,812.41         |
|            |   |                | TFMA57506300 | HITECH Receipts  | -6,889,925,100.68          | 0.00                     | 32,961,163.70            | -6,922,866,264.38          |
|            |   | <b>BA Sum</b>  |              |  | <b>-220,445,610,935.54</b> | <b>370,865,805.67</b>    | <b>19,924,326,243.76</b> | <b>-239,999,071,373.63</b> |
|            |   | <b>Sum BEA</b> |              |  | <b>-220,445,610,935.54</b> | <b>370,865,805.67</b>    | <b>19,924,326,243.76</b> | <b>-239,999,071,373.63</b> |
| <b>Sum</b> |   |                |              |  | <b>-220,445,610,935.54</b> | <b>370,865,805.67</b>    | <b>19,924,326,243.76</b> | <b>-239,999,071,373.63</b> |
| 5760       | - | -              | TFMA57600100 | TRANSFERS OUT - SSA LAE ANNUAL (33)*                   | 820,033,295.00             | 84,821,378.00            | 19,701.13                | 904,834,971.87             |
|            |   |                | TFMA57600200 | TRANSFERS OUT - SSA LAE X YEAR (34)*                   | 949,211.00                 | 6,707,238.00             | 0.00                     | 7,656,449.00               |
|            |   |                | TFMA57600300 | SALARIES & EXPENSES - CMS (33)*                        | 1,911,640,833.09           | 215,205,165.36           | 17,693,959.99            | 2,109,152,038.46           |
|            |   |                | TFMA57600400 | SALARIES & EXPENSES - OFFICE OF THE SECRETARY (16)*    | 33,976,666.43              | 9,519,278.94             | 550,000.00               | 42,945,945.37              |
|            |   |                | TFMA57600500 | PAYMENT ASSESSMENT COMMISSION, HHS (48)*               | 4,607,600.00               | 0.00                     | 125,225.59               | 4,822,374.41               |
|            |   |                | TFMA57601600 | MEDICAID PART B PREMIUM EXPENSES (33)*                 | 0.00                       | 687,551,723.00           | 0.00                     | 687,551,723.00             |
|            |   |                | TFMA57603600 | AOA MIPPA FUNDING                                      | 0.00                       | 5,194,040.07             | 0.00                     | 5,194,040.07               |
|            |   |                | TFMA57603800 | CMS PROG MGMT - PATIENT PROTECTION & AFFORDABLE CARE   | 43,473,249.48              | 4,354,274.49             | 0.00                     | 47,827,523.97              |
|            |   |                | TFMA57603900 | QUALITY IMPROVEMENT ORGANIZATIONS (QIO) - MANDATORY    | 90,139,811.04              | 10,498,649.22            | 0.00                     | 100,638,460.26             |
|            |   |                | TFMA57604100 | HITECH   | 2,626,832,630.57           | 32,961,163.70            | 0.00                     | 2,659,793,794.27           |
|            |   |                | TFMA57604200 | TRANSFER TO PCORTF                                     | 57,870,000.00              | 0.00                     | 0.00                     | 57,870,000.00              |
|            |   | <b>BA Sum</b>  |              |  | <b>5,589,523,296.61</b>    | <b>1,056,812,910.78</b>  | <b>18,388,886.71</b>     | <b>6,627,947,320.68</b>    |
|            |   | <b>Sum BEA</b> |              |  | <b>5,589,523,296.61</b>    | <b>1,056,812,910.78</b>  | <b>18,388,886.71</b>     | <b>6,627,947,320.68</b>    |
| <b>Sum</b> |   |                |              |  | <b>5,589,523,296.61</b>    | <b>1,056,812,910.78</b>  | <b>18,388,886.71</b>     | <b>6,627,947,320.68</b>    |
| 5765       | - | -              | TFMA57650100 | TRANSFERS OUT - BENEFIT PAYMENTS, CMS                  | 233,616,565,521.72         | 25,781,505,653.60        | 103,722,229.07           | 259,294,348,946.25         |
|            |   |                | TFMA57653600 | TRANSFERS OUT - RX ACCOUNT BENEFIT PAYMENTS            | 59,314,956,438.38          | 5,389,572,838.18         | 0.00                     | 64,704,529,276.56          |
|            |   |                | TFMA57653800 | RX ACCOUNT ADMIN EXPENSE-NONSTARTUP                    | 363,978,048.21             | 36,061,378.30            | 20,162.25                | 400,019,264.26             |
|            |   | <b>BA Sum</b>  |              |  | <b>293,295,500,008.31</b>  | <b>31,207,139,870.08</b> | <b>103,742,391.32</b>    | <b>324,398,897,487.07</b>  |

Federal Supplementary Medical Insurance Trust Fund  
75X8004  
Trial Balance - Unaudited  
September 1, 2014 Through September 30, 2014

|              |                |                |              |  |                           |                           |                           |                           |
|--------------|----------------|----------------|--------------|--|---------------------------|---------------------------|---------------------------|---------------------------|
|              |                |                |              |  | 293,295,500,008.31        | 31,207,139,870.08         | 103,742,391.32            | 324,398,897,487.07        |
| <b>Sum</b>   | <b>Sum BEA</b> |                |              |  | <b>293,295,500,008.31</b> | <b>31,207,139,870.08</b>  | <b>103,742,391.32</b>     | <b>324,398,897,487.07</b> |
| 5800         | -              | -              | TFMA59006300 | ANNUAL FEES - BRANDED RX MANUFACTURERS & IMPORTERS     | -171,502.34               | 0.00                      | 3,008,959,505.95          | -3,009,131,008.29         |
| 5900         | -              | -              | TFMA59000100 | OTHER INCOME (.029)                                    | -1,784,692.94             | 0.00                      | 3,313,318.00              | -5,098,010.94             |
|              |                |                | TFMA59000300 | PREMIUMS COLLECTED - AGED (.005)                       | -50,010,886.875.01        | 115,070,480.30            | 4,519,628,502.20          | -54,415,444,896.91        |
|              |                |                | TFMA59000400 | PREMIUMS COLLECTED - DISABLED (.007)                   | -9,571,395,934.19         | 36,425.30                 | 886,157,902.97            | -10,457,517,411.86        |
|              |                |                | TFMA59001200 | PREMIUMS COLLECTED - RX ACCOUNT (.035)                 | -3,258,803,842.00         | 0.00                      | 304,787,360.77            | -3,563,591,202.77         |
|              |                |                | TFMA59001400 | PAYMENTS FROM STATES - RX ACCOUNT (.036)               | -8,008,989,963.62         | 0.00                      | 717,552,334.69            | -8,726,542,298.31         |
|              |                |                | TFMA59001500 | BASIC PREMIUMS, MEDICARE ADVANTAGE (.040)              | -274,113,334.01           | 130.62                    | 26,461,922.09             | -300,575,125.48           |
|              |                |                | TFMA59001600 | ACA MEDICARE SHARED SAVINGS PROGRAM REC                | -1,475,290.78             | 0.00                      | 0.00                      | -1,475,290.78             |
|              |                | <b>BA Sum</b>  |              |  | <b>-71,127,449,932.55</b> | <b>115,107,036.22</b>     | <b>6,457,901,340.72</b>   | <b>-77,470,244,237.05</b> |
|              |                | <b>Sum BEA</b> |              |  | <b>-71,127,449,932.55</b> | <b>115,107,036.22</b>     | <b>6,457,901,340.72</b>   | <b>-77,470,244,237.05</b> |
| <b>Sum</b>   |                |                |              |  | <b>-71,127,449,932.55</b> | <b>115,107,036.22</b>     | <b>6,457,901,340.72</b>   | <b>-77,470,244,237.05</b> |
| 6100         | -              | -              | TFMA61000200 | TREASURY ADMIN. EXPENSES - BPD (16)*                   | 432,924.25                | 39,356.75                 | 0.00                      | 472,281.00                |
|              |                |                | TFMA61001100 | MEDICARE REFUNDS OFFSETTING COLLECTIONS (.045), (.053) | -1,501,683,887.00         | 0.00                      | 3,528,655,688.00          | -5,030,339,575.00         |
|              |                |                | TFMA61001800 | RAILROAD RETIREMENT BOARD ADMIN EXPENSES               | 28,481,539.65             | 861,460.35                | 0.00                      | 29,343,000.00             |
|              |                | <b>BA Sum</b>  |              |  | <b>-1,472,769,423.10</b>  | <b>900,817.10</b>         | <b>3,528,655,688.00</b>   | <b>-5,000,524,294.00</b>  |
|              |                | <b>Sum BEA</b> |              |  | <b>-1,472,769,423.10</b>  | <b>900,817.10</b>         | <b>3,528,655,688.00</b>   | <b>-5,000,524,294.00</b>  |
| <b>Sum</b>   |                |                |              |  | <b>-1,472,769,423.10</b>  | <b>900,817.10</b>         | <b>3,528,655,688.00</b>   | <b>-5,000,524,294.00</b>  |
| <b>TOTAL</b> |                |                |              |  | <b>0.00</b>               | <b>158,247,613,607.85</b> | <b>158,247,613,607.85</b> | <b>0.00</b>               |

Federal Supplementary Medical Insurance Trust Fund - Prescription Drug Account

75X80041

Trial Balance - Unaudited

September 1, 2014 Through September 30, 2014

Period Name:2014-12 Fund:TFM8004DEXXXXXX Program:TFMA80041

| USSGL        | BEA Category   | Year of BA | Cost Center   | USSGL / Cost Center Description                 | Beginning Balance         | Period Net Dr            | Period Net Cr            | Ending Balance            |
|--------------|----------------|------------|---------------|---|---------------------------|--------------------------|--------------------------|---------------------------|
| 1010         | -              | -          | -             | FUND BALANCE WITH TREASURY                      | 65,417,814.52             | 5,348,850,353.40         | 5,394,510,378.73         | 19,757,789.19             |
| 1342         | -              | -          | -             | INTEREST RECEIVABLE - INVESTMENTS               | 1,025,333.51              | 929,006.74               | 1,144,660.49             | 809,679.76                |
| 1610         | -              | -          | -             | INVESTMENTS IN U.S. TREASURY SECURITIES ISSUE   | 1,099,121,000.00          | 1,067,999,000.00         | 1,099,143,000.00         | 1,067,977,000.00          |
| 3310         | -              | -          | -             | CUMULATIVE RESULTS OF OPERATIONS                | -972,814,670.26           | 0.00                     | 0.00                     | -972,814,670.26           |
| 4114         | M              | -          | TFMA53110010  | INTEREST ON INVESTMENTS                         | 9,207,433.72              | 1,144,660.49             | 0.00                     | 10,352,094.21             |
|              |                |            | TFMA57503800  | FED. CONTR. FOR ADMIN. COSTS - RX ACCOUNT (.04) | 363,978,048.21            | 36,061,378.30            | 20,162.25                | 400,019,264.26            |
|              |                |            | TFMA57503900  | FED. CONTR. FOR BENEFIT PAYMENTS - RX ACCOUN    | 48,230,376,355.51         | 4,289,284,456.90         | 0.00                     | 52,519,660,812.41         |
|              |                |            | TFMA59001200  | PREMIUMS COLLECTED - RX ACCOUNT (.035)          | 3,258,803,842.00          | 304,787,360.77           | 0.00                     | 3,563,591,202.77          |
|              |                |            | TFMA59001400  | PAYMENTS FROM STATES - RX ACCOUNT (.036)        | 8,008,989,963.62          | 717,552,334.69           | 0.00                     | 8,726,542,298.31          |
|              |                |            | <b>BA Sum</b> |   | <b>59,871,355,643.06</b>  | <b>5,348,830,191.15</b>  | <b>20,162.25</b>         | <b>65,220,165,671.96</b>  |
|              | <b>Sum BEA</b> |            |               |   | <b>59,871,355,643.06</b>  | <b>5,348,830,191.15</b>  | <b>20,162.25</b>         | <b>65,220,165,671.96</b>  |
| <b>Sum</b>   |                |            |               |   | <b>59,871,355,643.06</b>  | <b>5,348,830,191.15</b>  | <b>20,162.25</b>         | <b>65,220,165,671.96</b>  |
| 4129         | D              | -          | TFMA57653800  | RX ACCOUNT ADMIN EXPENSE-NONSTARTUP             | -363,978,048.21           | 20,162.25                | 36,061,378.30            | -400,019,264.26           |
|              | M              | -          | TFMA57653600  | TRANSFERS OUT - RX ACCOUNT BENEFIT PAYMENTS     | -59,314,956,438.38        | 0.00                     | 5,389,572,838.18         | -64,704,529,276.56        |
| <b>Sum</b>   |                |            |               |   | <b>-59,678,934,486.59</b> | <b>20,162.25</b>         | <b>5,425,634,216.48</b>  | <b>-65,104,548,540.82</b> |
| 4201         | -              | -          | -             | PRIOR YEAR DELIVERED ORDERS - OBLIGATIONS-PA    | -117,417,189.00           | 0.00                     | 0.00                     | -117,417,189.00           |
|              |                |            | -             | TOTAL ACTUAL RESOURCES - COLLECTED              | 1,089,534,847.05          | 0.00                     | 0.00                     | 1,089,534,847.05          |
|              |                |            | <b>BA Sum</b> |   | <b>972,117,658.05</b>     | <b>0.00</b>              | <b>0.00</b>              | <b>972,117,658.05</b>     |
| <b>Sum</b>   |                |            |               |   | <b>972,117,658.05</b>     | <b>0.00</b>              | <b>0.00</b>              | <b>972,117,658.05</b>     |
| 4397         | M              | -          | -             | RECEIPTS & APPROPRIATIONS TEMPORARILY PREC      | -972,117,658.05           | 0.00                     | 115,617,131.14           | -1,087,734,789.19         |
| 4620         | -              | -          | TFMA53110010  | INTEREST ON INVESTMENTS                         | -9,207,433.72             | 0.00                     | 1,144,660.49             | -10,352,094.21            |
|              |                |            | TFMA57503800  | FED. CONTR. FOR ADMIN. COSTS - RX ACCOUNT (.04) | -363,978,048.21           | 20,162.25                | 36,061,378.30            | -400,019,264.26           |
|              |                |            | TFMA57503900  | FED. CONTR. FOR BENEFIT PAYMENTS - RX ACCOUN    | -48,230,376,355.51        | 0.00                     | 4,289,284,456.90         | -52,519,660,812.41        |
|              |                |            | TFMA57653600  | TRANSFERS OUT - RX ACCOUNT BENEFIT PAYMENTS     | 59,314,956,438.38         | 5,389,572,838.18         | 0.00                     | 64,704,529,276.56         |
|              |                |            | TFMA57653800  | RX ACCOUNT ADMIN EXPENSE-NONSTARTUP             | 363,978,048.21            | 36,061,378.30            | 20,162.25                | 400,019,264.26            |
|              |                |            | TFMA59001200  | PREMIUMS COLLECTED - RX ACCOUNT (.035)          | -3,258,803,842.00         | 0.00                     | 304,787,360.77           | -3,563,591,202.77         |
|              |                |            | TFMA59001400  | PAYMENTS FROM STATES - RX ACCOUNT (.036)        | -8,008,989,963.62         | 0.00                     | 717,552,334.69           | -8,726,542,298.31         |
|              |                |            | XXXXXXXXXXXX  | DEFAULT CAM1                                    | 0.00                      | 115,617,131.14           | 0.00                     | 115,617,131.14            |
|              |                |            | <b>BA Sum</b> |   | <b>-192,421,156.47</b>    | <b>5,541,271,509.87</b>  | <b>5,348,850,353.40</b>  | <b>0.00</b>               |
| <b>Sum</b>   |                |            |               |   | <b>-192,421,156.47</b>    | <b>5,541,271,509.87</b>  | <b>5,348,850,353.40</b>  | <b>0.00</b>               |
| 5311         | -              | -          | TFMA53110010  | INTEREST ON INVESTMENTS                         | -9,535,755.02             | 0.00                     | 929,006.74               | -10,464,761.76            |
| 5750         | -              | -          | TFMA57503800  | FED. CONTR. FOR ADMIN. COSTS - RX ACCOUNT (.04) | -363,978,048.21           | 20,162.25                | 36,061,378.30            | -400,019,264.26           |
|              |                |            | TFMA57503900  | FED. CONTR. FOR BENEFIT PAYMENTS - RX ACCOUN    | -48,230,376,355.51        | 0.00                     | 4,289,284,456.90         | -52,519,660,812.41        |
|              |                |            | <b>BA Sum</b> |   | <b>-48,594,354,403.72</b> | <b>20,162.25</b>         | <b>4,325,345,835.20</b>  | <b>-52,919,680,076.67</b> |
| <b>Sum</b>   |                |            |               |   | <b>-48,594,354,403.72</b> | <b>20,162.25</b>         | <b>4,325,345,835.20</b>  | <b>-52,919,680,076.67</b> |
| 5765         | -              | -          | TFMA57653600  | TRANSFERS OUT - RX ACCOUNT BENEFIT PAYMENTS     | 59,314,956,438.38         | 5,389,572,838.18         | 0.00                     | 64,704,529,276.56         |
|              |                |            | TFMA57653800  | RX ACCOUNT ADMIN EXPENSE-NONSTARTUP             | 363,978,048.21            | 36,061,378.30            | 20,162.25                | 400,019,264.26            |
|              |                |            | <b>BA Sum</b> |   | <b>59,678,934,486.59</b>  | <b>5,425,634,216.48</b>  | <b>20,162.25</b>         | <b>65,104,548,540.82</b>  |
| <b>Sum</b>   |                |            |               |   | <b>59,678,934,486.59</b>  | <b>5,425,634,216.48</b>  | <b>20,162.25</b>         | <b>65,104,548,540.82</b>  |
| 5900         | -              | -          | TFMA59001200  | PREMIUMS COLLECTED - RX ACCOUNT (.035)          | -3,258,803,842.00         | 0.00                     | 304,787,360.77           | -3,563,591,202.77         |
|              |                |            | TFMA59001400  | PAYMENTS FROM STATES - RX ACCOUNT (.036)        | -8,008,989,963.62         | 0.00                     | 717,552,334.69           | -8,726,542,298.31         |
|              |                |            | <b>BA Sum</b> |   | <b>-11,267,793,805.62</b> | <b>0.00</b>              | <b>1,022,339,695.46</b>  | <b>-12,290,133,501.08</b> |
| <b>Sum</b>   |                |            |               |   | <b>-11,267,793,805.62</b> | <b>0.00</b>              | <b>1,022,339,695.46</b>  | <b>-12,290,133,501.08</b> |
| <b>TOTAL</b> |                |            |               |   | <b>0.00</b>               | <b>22,733,554,602.14</b> | <b>22,733,554,602.14</b> | <b>0.00</b>               |

**Federal Supplementary Medical Insurance Trust Fund**  
**75X8004**  
**Balance Sheet - Unaudited**  
**September 30, 2014**

|                            |                             |                            |
|----------------------------|-----------------------------|----------------------------|
| <b>Period Name:2014-12</b> | <b>Fund:TFM8004DEXXXXXX</b> | <b>Program:&lt;All&gt;</b> |
|----------------------------|-----------------------------|----------------------------|

| <b>Account Type</b> | <b>Account Description</b>  | <b>Ending Balance</b>            |
|---------------------|---|----------------------------------|
| <b>ASSETS</b>       | FUND BALANCE WITH TREASURY  | 3,091,108,699.03                 |
|                     | INTEREST RECEIVABLE - INVESTMENTS   | 534,036,651.37                   |
|                     | INVESTMENTS IN U.S TREASURY SECURITIES ISSUED BY THE BUREAU OF THE FISCAL SERVICE | 68,391,065,000.00                |
|                     |   | <b>72,016,210,350.40</b>         |
|                     |   | <b>Total: 72,016,210,350.40</b>  |
| <b>EQUITY</b>       | CUMULATIVE RESULTS OF OPERATIONS  | -75,126,139,064.45               |
|                     | NET INCOME  | 3,109,928,714.05                 |
|                     |   | <b>-72,016,210,350.40</b>        |
|                     |   | <b>Total: -72,016,210,350.40</b> |



**Federal Supplementary Medical Insurance Trust Fund - Prescription Drug Account**  
**75X80041**  
**Balance Sheet - Unaudited**  
**September 30, 2014**

| Period Name:2014-12 |   | Fund:TFM8004DEXXXXXX            | Program:TFMA80041 |
|---------------------|---|---------------------------------|-------------------|
| Account Type        | Account Description   | Ending Balance                  |                   |
| <b>ASSETS</b>       | FUND BALANCE WITH TREASURY  | 19,757,789.19                   |                   |
|                     | INTEREST RECEIVABLE - INVESTMENTS   | 809,679.76                      |                   |
|                     | INVESTMENTS IN U.S TREASURY SECURITIES ISSUED BY THE BUREAU OF THE FISCAL SERVI | 1,067,977,000.00                |                   |
|                     |   | <b>1,088,544,468.95</b>         |                   |
|                     |   | <b>Total: 1,088,544,468.95</b>  |                   |
| <b>EQUITY</b>       | CUMULATIVE RESULTS OF OPERATIONS  | -972,814,670.26                 |                   |
|                     | NET INCOME  | -115,729,798.69                 |                   |
|                     |   | <b>-1,088,544,468.95</b>        |                   |
|                     |   | <b>Total: -1,088,544,468.95</b> |                   |

Federal Supplementary Medical Insurance Trust Fund  
75X8004  
Income Statement - Unaudited  
October 1, 2013 Through September 30, 2014

| Period Name: 2014-12 |          | Fund: TFM8004DEXXXXX                      |  | Program: <All>   |                                       |                     |
|----------------------|----------|---|--|--|---------------------------------------|---------------------|
| Revenue Type         | USSGL    | Ussgl Description                         | Cost Center                              | Cost Center Description                                | Activity                              | Ending Balance      |
| INCOME               | 5800     | TAX REVENUE COLLECTED - NOT OTHERWISE CL  | TFMA58006300                             | ANNUAL FEES - BRANDED RX MANUFACTURERS & IMPORTERS     | -3,008,959,505.95                     | -3,009,131,008.29   |
|                      | 5750     | EXPENDITURE FINANCING SOURCES - TRANSFER  | TFMA57503800                             | FED. CONTR. FOR ADMIN. COSTS - RX ACCOUNT (.046)*      | -36,041,216.05                        | -400,019,264.26     |
|                      |          |   | TFMA57503900                             | FED. CONTR. FOR BENEFIT PAYMENTS - RX ACCOUNT (.047)*  | -4,289,284,456.90                     | -52,519,660,812.41  |
|                      |          |   | TFMA57500000                             | FEDERAL MATCHING (.001) *                              | -15,194,784,622.66                    | -180,154,903,916.82 |
|                      |          |   | TFMA57501000                             | GF TRANSFER, UNION ACTIVITY (.006)*                    | -388,978.78                           | -1,395,881.13       |
|                      |          |   | TFMA57503200                             | SSA INTERFUND INTEREST RECEIPTS (.02)*                 | 0.00                                  | -205,234.63         |
|                      |          |   | TFMA57506300                             | HITECH Receipts  | -32,961,163.70                        | -6,922,886,264.38   |
|                      |          | Sum                                       |  |  | -19,553,460,438.09                    | -239,999,071,373.63 |
|                      | 5311     | INTEREST REVENUE - INVESTMENTS - NON EXCH | TFMA53110010                             | INTEREST ON INVESTMENTS                                | -184,776,169.39                       | -2,437,938,063.31   |
|                      | 5900     | OTHER REVENUE - EXCHANGE                  | TFMA59001200                             | PREMIUMS COLLECTED - RX ACCOUNT (.035)                 | -304,787,360.77                       | -3,563,591,202.77   |
|                      |          |   | TFMA59000400                             | PREMIUMS COLLECTED - DISABLED (.007)                   | -886,121,477.67                       | -10,457,517,411.86  |
|                      |          |   | TFMA59000300                             | PREMIUMS COLLECTED - AGED (.005)                       | -4,404,558,021.90                     | -54,415,444,896.91  |
|                      |          |   | TFMA59001400                             | PAYMENTS FROM STATES - RX ACCOUNT (.036)               | -717,552,334.69                       | -8,726,542,298.31   |
|                      |          |   | TFMA59000100                             | OTHER INCOME (.029)                                    | -3,313,318.00                         | -5,098,010.94       |
|                      |          |   | TFMA59001500                             | BASIC PREMIUMS, MEDICARE ADVANTAGE (.040)              | -26,461,791.47                        | -300,575,125.48     |
|                      |          |   | TFMA59001600                             | ACA MEDICARE SHARED SAVINGS PROGRAM REC                | 0.00                                  | -1,475,290.78       |
|                      |          | Sum                                       |  |  | -6,342,794,304.50                     | -77,470,244,237.05  |
|                      | 5600     | DONATED REVENUE - FINANCIAL RESOURCES     | TFMA56000100                             | GIFTS (.042)   | 0.00                                  | -7,117.42           |
|                      |          | Sum                                       |  |  | -29,089,990,417.93                    | -322,916,391,799.70 |
|                      | EXPENSES | 5765                                      | NONEXPENDITURE FINANCING SOURCES - TRANS | TFMA57650100   | TRANSFERS OUT - BENEFIT PAYMENTS, CMS | 25,677,783,424.53   |
|                      |          |   | TFMA57653600                             | TRANSFERS OUT - RX ACCOUNT BENEFIT PAYMENTS            | 5,389,572,838.18                      | 64,704,529,276.56   |
|                      |          |   | TFMA57653800                             | RX ACCOUNT ADMIN EXPENSE-NONSTARTUP                    | 36,041,216.05                         | 400,019,264.26      |
|                      |          | Sum                                       |  |  | 31,103,397,478.76                     | 324,398,897,487.07  |
| 5760                 |          | EXPENDITURE FINANCING SOURCES - TRANSFER  | TFMA57604200                             | TRANSFER TO PCORTF                                     | 0.00                                  | 57,870,000.00       |
|                      |          |   | TFMA57600100                             | TRANSFERS OUT - SSA LAE ANNUAL (33)*                   | 84,801,676.87                         | 904,834,971.87      |
|                      |          |   | TFMA57600200                             | TRANSFERS OUT - SSA LAE X YEAR (34)*                   | 6,707,238.00                          | 7,656,449.00        |
|                      |          |   | TFMA57600400                             | SALARIES & EXPENSES - OFFICE OF THE SECRETARY (16)*    | 8,969,278.94                          | 42,945,945.37       |
|                      |          |   | TFMA57600300                             | SALARIES & EXPENSES - CMS (33)*                        | 197,511,205.37                        | 2,109,152,038.46    |
|                      |          |   | TFMA57603900                             | QUALITY IMPROVEMENT ORGANIZATIONS (QIO) - MANDATORY    | 10,498,649.22                         | 100,638,460.26      |
|                      |          |   | TFMA57600500                             | PAYMENT ASSESSMENT COMMISSION, HHS (48)*               | -125,225.59                           | 4,482,374.41        |
|                      |          |   | TFMA57601600                             | MEDICAID PART B PREMIUM EXPENSES (33)*                 | 687,551,723.00                        | 687,551,723.00      |
|                      |          |   | TFMA57604100                             | HITECH   | 32,961,163.70                         | 2,659,793,794.27    |
|                      |          |   | TFMA57603800                             | CMS PROG MGMT - PATIENT PROTECTION & AFFORDABLE CARE   | 4,354,274.49                          | 47,827,523.97       |
|                      |          |   | TFMA57603600                             | AOA MIPPA FUNDING                                      | 5,194,040.07                          | 5,194,040.07        |
|                      |          | Sum                                       |  |  | 1,038,424,024.07                      | 6,627,947,320.68    |
| 6100                 |          | OPERATING EXPENSES/PROGRAM COSTS          | TFMA61001800                             | RAILROAD RETIREMENT BOARD ADMIN EXPENSES               | 861,460.35                            | 29,343,000.00       |
|                      |          |   | TFMA61001100                             | MEDICARE REFUNDS OFFSETTING COLLECTIONS (.045), (.053) | -3,528,655,688.00                     | -5,030,339,575.00   |
|                      |          |   | TFMA61000200                             | TREASURY ADMIN. EXPENSES - BPD (16)*                   | 39,356.75                             | 472,281.00          |
|                      |          | Sum                                       |  |  | -3,527,754,870.90                     | -5,000,524,294.00   |
|                      | Sum      |   |  | 28,614,066,631.93                                      | 326,026,320,513.75                    |                     |
|                      | TOTAL    |   |  | -475,923,786.00  | 3,109,928,714.05                      |                     |

**Federal Supplementary Medical Insurance Trust Fund - Prescription Drug Account**  
**75X80041**  
**Income Statement - Unaudited**  
**October 1, 2013 Through September 30, 2014**

Period Name:2014-12      Fund:TFM8004DEXXXXX      Program:TFMA80041

| Revenue Type | USSGL      | Ussgl Description                       | Cost Center  | Cost Center Description                               | Activity                 | Ending Balance            |
|--------------|------------|---|--------------|---|--------------------------|---------------------------|
| INCOME       | 5750       | EXPENDITURE FINANCING SOURCES - TRANS   | TFMA57503800 | FED. CONTR. FOR ADMIN. COSTS - RX ACCOUNT (.046)*     | -36,041,216.05           | -400,019,264.26           |
|              |            |   | TFMA57503900 | FED. CONTR. FOR BENEFIT PAYMENTS - RX ACCOUNT (.047)* | -4,289,284,456.90        | -52,519,660,812.41        |
|              | <b>Sum</b> |   |              |   | <b>-4,325,325,672.95</b> | <b>-52,919,680,076.67</b> |
|              | 5311       | INTEREST REVENUE - INVESTMENTS - NON EX | TFMA53110010 | INTEREST ON INVESTMENTS                               | -929,006.74              | -10,464,761.76            |
|              | 5900       | OTHER REVENUE - EXCHANGE                | TFMA59001400 | PAYMENTS FROM STATES - RX ACCOUNT (.036)              | -717,552,334.69          | -8,726,542,298.31         |
|              |            |   | TFMA59001200 | PREMIUMS COLLECTED - RX ACCOUNT (.035)                | -304,787,360.77          | -3,563,591,202.77         |
| <b>Sum</b>   |            |   |              |   | <b>-1,022,339,695.46</b> | <b>-12,290,133,501.08</b> |
| <b>Sum</b>   |            |   |              |   | <b>-5,348,594,375.15</b> | <b>-65,220,278,339.51</b> |
| EXPENSES     | 5765       | NONEXPENDITURE FINANCING SOURCES - TR   | TFMA57653800 | RX ACCOUNT ADMIN EXPENSE-NONSTARTUP                   | 36,041,216.05            | 400,019,264.26            |
|              |            |   | TFMA57653600 | TRANSFERS OUT - RX ACCOUNT BENEFIT PAYMENTS           | 5,389,572,838.18         | 64,704,529,276.56         |
|              | <b>Sum</b> |   |              |   | <b>5,425,614,054.23</b>  | <b>65,104,548,540.82</b>  |
| <b>Sum</b>   |            |   |              |   | <b>5,425,614,054.23</b>  | <b>65,104,548,540.82</b>  |
| <b>TOTAL</b> |            |   |              |   | <b>77,019,679.08</b>     | <b>-115,729,798.69</b>    |