

TRIPLE-S MANAGEMENT CORP
Form 10-Q
August 08, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended June 30, 2011

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the transition period from _____ to _____

COMMISSION FILE NUMBER: 001-33865

Triple-S Management Corporation

Puerto Rico
(State or other jurisdiction of incorporation or
organization)

66-0555678
(I.R.S. Employer Identification No.)

1441 F.D. Roosevelt Avenue
San Juan, Puerto Rico
(Address of principal executive offices)

00920
(Zip code)

(787) 749-4949
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last
report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T

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(§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). " Yes " No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer " Accelerated filer
Non-accelerated filer " Smaller reporting company "

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). " Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Title of each class	Outstanding at June 30, 2011
Common Stock Class A, \$1.00 par value	9,042,809
Common Stock Class B, \$1.00 par value	19,888,614

Triple-S Management Corporation

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For the Quarter Ended June 30, 2011

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Part I – Financial Information

Item 1. Financial Statements

Triple-S Management Corporation

Consolidated Balance Sheets (Unaudited)

(Dollar amounts in thousands, except per share data)

	June 2011	December 31, 2010
Assets		
Investments and cash:		
Equity securities held for trading, at fair value	\$32,818	\$51,099
Securities available for sale, at fair value:		
Fixed maturities	1,015,962	977,586
Equity securities	83,329	56,739
Securities held to maturity, at amortized cost:		
Fixed maturities	13,783	14,615
Policy loans	6,102	5,887
Cash and cash equivalents	57,372	45,021
Total investments and cash	1,209,366	1,150,947
Premiums and other receivables, net	304,087	325,780
Deferred policy acquisition costs and value of business acquired	145,812	146,086
Property and equipment, net	80,309	76,745
Deferred tax asset	24,814	29,445
Other assets	91,417	30,367
Total assets	\$1,855,805	\$1,759,370
Liabilities and Stockholders' Equity		
Claim liabilities		
Liability for future policy benefits	243,402	236,523
Unearned premiums	90,239	98,341
Policyholder deposits	54,882	49,936
Liability to Federal Employees' Health Benefits Program (FEHBP)	14,702	15,018
Accounts payable and accrued liabilities	139,406	136,567
Deferred tax liability	22,482	12,655
Short-term borrowings	58,315	15,575
Long-term borrowings	140,207	166,027
Liability for pension benefits	45,816	51,246
Total liabilities	1,208,159	1,142,098
Stockholders' equity:		
Common stock Class A, \$1 par value. Authorized 100,000,000 shares; issued and outstanding 9,042,809 at June 30, 2011 and December 31, 2010	9,043	9,043
Common stock Class B, \$1 par value. Authorized 100,000,000 shares; issued and outstanding 19,888,614 and 19,772,614 shares at June 30, 2011 and December 31, 2010, respectively	19,889	19,773
Additional paid-in capital	152,486	155,299
Retained earnings	455,149	427,693
Accumulated other comprehensive income	11,079	5,464

Total stockholders' equity	647,646	617,272
Total liabilities and stockholders' equity	\$1,855,805	\$1,759,370

See accompanying notes to unaudited consolidated financial statements.

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Triple-S Management Corporation
 Consolidated Statements of Earnings (Unaudited)
 (Dollar amounts in thousands, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Revenues:				
Premiums earned, net	\$509,843	\$502,761	\$995,114	\$996,938
Administrative service fees	6,962	12,166	13,557	24,664
Net investment income	12,654	12,671	24,452	