

TRIPLE-S MANAGEMENT CORP
Form 10-Q
May 03, 2013

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 March 31, 2013

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 March 31, 2013
Common Stock Class A, \$1.00 par value	9,042,809
Common Stock Class B, \$1.00 par value	19,398,839

Triple-S Management Corporation

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For the Quarter Ended March 31, 2013

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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)

	March 31, 2013	December 31, 2012
Assets		
Investments and cash:		
Securities available for sale, at fair value:		
Fixed maturities	\$1,040,241	\$ 1,059,761
Equity securities	289,675	209,722
Securities held to maturity, at amortized cost:		
Fixed maturities	5,000	5,000
Policy loans	6,258	6,161
Cash and cash equivalents	62,595	89,564
Total investments and cash	1,403,769	1,370,208
Premiums and other receivables, net	292,003	292,197
Deferred policy acquisition costs and value of business acquired	167,783	168,657
Property and equipment, net	94,781	92,423
Deferred tax asset	31,613	33,548
Goodwill	27,766	27,766
Other assets	70,615	74,545
Total assets	\$2,088,330	\$ 2,059,344
Liabilities and Stockholders' Equity		
Claim liabilities	\$414,124	\$ 416,918
Liability for future policy benefits	281,498	276,570
Unearned premiums	86,322	95,860
Policyholder deposits	114,335	111,692
Liability to Federal Employees' Health Benefits Program (FEHBP)	19,631	21,353
Accounts payable and accrued liabilities	159,152	128,580
Deferred tax liability	32,778	32,934
Short-term borrowings	8,500	30,000
Long-term borrowings	100,778	101,271
Liability for pension benefits	83,392	82,019
Total liabilities	1,300,510	1,297,197
Stockholders' equity:		
Triple-S Management Corporation stockholders' equity		
Common stock Class A, \$1 par value. Authorized 100,000,000 shares; issued and outstanding 9,042,809 at March 31, 2013 and December 31, 2012	9,043	9,043
Common stock Class B, \$1 par value. Authorized 100,000,000 shares; issued and outstanding 19,398,839 and 19,321,944 shares at March 31, 2013 and December 31, 2012, respectively	19,399	19,322
Additional paid-in capital	145,278	144,677
Retained earnings	556,999	539,761
Accumulated other comprehensive income	56,916	49,104

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Total Triple-S Management Corporation stockholders' equity	787,635	761,907
Non-controlling interest in consolidated subsidiary	185	240
Total stockholders' equity	787,820	762,147
Total liabilities and stockholders' equity	\$2,088,330	\$ 2,059,344

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	
	March 31,	
	2013	2012
Revenues:		
Premiums earned, net	\$549,961	\$547,304
Administrative service fees	27,110	27,524
Net investment income	11,367	11,192
Other operating revenues	1,187	1,047
Total operating revenues	589,625	