

ANNUAL STATEMENT

OF THE

of _____

in the state of _____

TO THE

Insurance Department

OF THE

FOR THE YEAR ENDED

December 31, 2010

HEALTH

2010



95772201020100100

HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2010
OF THE CONDITION AND AFFAIRS OF THE

GOLDEN CROSS HMO HEALTH PLAN CORP.

NAIC Group Code 0000 0000 NAIC Company Code 95772 Employer's ID Number 66-0405216
(Current Period) (Prior Period)

Organized under the Laws of Puerto Rico, State of Domicile or Port of Entry Puerto Rico
Country of Domicile San Juan

Licensed as business type: **Life, Accident & Health** [] **Property/Casualty** [] **Hospital, Medical & Dental Service or Indemnity** []
Dental Service Corporation [] **Vision Service Corporation** [] **Health Maintenance Organization** [X]
Other [] **Is HMO Federally Qualified?** Yes [] No [X]

Incorporated/Organized: September 22, 1983 Commenced Business: September 22, 1983

Statutory Home Office Tabonuco Street B-5 Suite 216, Guaynabo, PUERTO RICO 00968-3029
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office: De Diego Ave. # 150
(Street and Number)
San Juan, PUERTO RICO 00907 787-721-0427
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address: P.O. Box 12330, San Juan, PUERTO RICO 00914-2330
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records: De Diego Ave. # 150, San Juan, PUERTO RICO 00907 787-721-0427
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address N/A

Statutory Statement Contact: Vilma L Rosado 787-721-0427
(Name) (Area Code) (Telephone Number) (Extension)
vrosado@goldencrosshealthplan.com 787-721-5464
(E-Mail Address) (Fax Number)

OFFICERS

	Name	Title
1.	<u>Luis F Hernandez Velez</u>	<u>President</u>
2.	<u>Alvilda Fuster Rivera</u>	<u>Secretary</u>
3.	<u>Alvilda Fuster Rivera</u>	<u>Treasurer</u>

VICE-PRESIDENTS

Name	Title	Name	Title
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

DIRECTORS OR TRUSTEES

<u>Luis F Hernandez Velez</u>	<u>Alvilda Fuster Rivera</u>	<u>Alvilda Fuster Rivera</u>	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

State of Puerto Rico
County of San Juan ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) <u>Luis F Hernandez Velez</u> (Printed Name) 1. President (Title)	_____ (Signature) <u>Alvilda Fuster Rivera</u> (Printed Name) 2. Secretary (Title)	_____ (Signature) <u>Alvilda Fuster Rivera</u> (Printed Name) 3. Treasurer (Title)
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Subscribed and sworn to before me this _____ day of March, 2011

a. Is this an original filing? [X] Yes [] No
b. If no: 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)				
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 126,589, Schedule E - Part 1), cash equivalents (\$ 0, Schedule E - Part 2), and short-term investments (\$ 0, Schedule DA)	126,589		126,589	38,967
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets	770,426		770,426	779,435
12. Subtotals, cash and invested assets (Lines 1 to 11)	897,015		897,015	818,402
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued				
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	67,340		67,340	228,429
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	1,166		1,166	1,912
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	3,533	3,533		
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	969,054	3,533	965,521	1,048,743
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	969,054	3,533	965,521	1,048,743

DETAILS OF WRITE-IN LINES				
1101. Certificates of Deposits - Restricted	600,000		600,000	600,000
1102. Certificates of Deposits - Unrestricted	119,476		119,476	179,435
1103. Deposits	50,950		50,950	
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	770,426		770,426	779,435
2501. Prepaid Expenses	3,533	3,533		
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,533	3,533		

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 0 reinsurance ceded)	74,870		74,870	34,442
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves				
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves				
8. Premiums received in advance				
9. General expenses due or accrued	9,968		9,968	14,945
10.1. Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized gains (losses))				
10.2. Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)				
15. Amounts due to parent, subsidiaries and affiliates				
16. Derivatives				
17. Payable for securities				
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$ 0 authorized reinsurers and \$ 0 unauthorized reinsurers)				
20. Reinsurance in unauthorized companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans				
23. Aggregate write-ins for other liabilities (including \$ 0 current)	669,069		669,069	716,321
24. Total liabilities (Lines 1 to 23)	753,907		753,907	765,708
25. Aggregate write-ins for special surplus funds	X X X	X X X		
26. Common capital stock	X X X	X X X	1,000	1,000
27. Preferred capital stock	X X X	X X X		
28. Gross paid in and contributed surplus	X X X	X X X	95,279	95,279
29. Surplus notes	X X X	X X X		
30. Aggregate write-ins for other than special surplus funds	X X X	X X X		
31. Unassigned funds (surplus)	X X X	X X X	115,335	186,756
32. Less treasury stock, at cost:				
32.1 0 shares common (value included in Line 26 \$ 0)	X X X	X X X		
32.2 0 shares preferred (value included in Line 27 \$ 0)	X X X	X X X		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	211,614	283,035
34. Total liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	965,521	1,048,743

DETAILS OF WRITE-IN LINES				
2301. Statutory Reserve	600,000		600,000	600,000
2302. Demand Notes Payable	67,500		67,500	67,500
2303. Other	949		949	31,401
2398. Summary of remaining write-ins for Line 23 from overflow page	620		620	17,420
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	669,069		669,069	716,321
2501.	X X X	X X X		
2502.	X X X	X X X		
2503.	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		
3001.	X X X	X X X		
3002.	X X X	X X X		
3003.	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	X X X	12	12
2. Net premium income (including \$ 0 non-health premium income)	X X X	1,484,500	2,822,670
3. Change in unearned premium reserves and reserve for rate credits	X X X		
4. Fee-for-service (net of \$ 0 medical expenses)	X X X		
5. Risk revenue	X X X		
6. Aggregate write-ins for other health care related revenues	X X X	21,647	9,537
7. Aggregate write-ins for other non-health revenues	X X X		
8. Total revenues (Lines 2 to 7)	X X X	1,506,147	2,832,207
Hospital and Medical:			
9. Hospital/medical benefits		1,213,003	2,243,714
10. Other professional services			
11. Outside referrals			
12. Emergency room and out-of-area			
13. Prescription drugs			
14. Aggregate write-ins for other hospital and medical	6,885	6,855	33,639
15. Incentive pool, withhold adjustments and bonus amounts			
16. Subtotal (Lines 9 to 15)	6,885	1,219,858	2,277,353
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Lines 16 minus 17)	6,885	1,219,858	2,277,353
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 0 cost containment expenses			
21. General administrative expenses		371,463	549,170
22. Increase in reserves for life and accident and health contracts (including \$ 0 increase in reserves for life only)			
23. Total underwriting deductions (Lines 18 through 22)	6,885	1,591,321	2,826,523
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(85,174)	5,684
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)			
26. Net realized capital gains (losses) less capital gains tax of \$ 0			
27. Net investment gains (losses) (Lines 25 plus 26)			
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ 0) (amount charged off \$ 0)]			
29. Aggregate write-ins for other income or expenses			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	(85,174)	5,684
31. Federal and foreign income taxes incurred	X X X		1,468
32. Net income (loss) (Lines 30 minus 31)	X X X	(85,174)	4,216

DETAILS OF WRITE-IN LINES			
0601. Interest Income and Other	X X X	26,434	14,620
0602. Interest and Bank Charges	X X X	(4,787)	(5,083)
0603.	X X X		
0698. Summary of remaining write-ins for Line 06 from overflow page	X X X		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)	X X X	21,647	9,537
0701.	X X X		
0702.	X X X		
0703.	X X X		
0798. Summary of remaining write-ins for Line 07 from overflow page	X X X		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 07 above)	X X X		
1401. Reinsurance cost	6,885	6,855	33,639
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	6,885	6,855	33,639
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)			

NONE

NONE

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	283,035	332,863
34. Net income or (loss) from Line 32	(85,174)	4,216
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	0	
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(851)	8,819
40. Change in unauthorized reinsurance		
41. Change in treasury stock		
42. Change in surplus notes		
43. Cumulative effect of changes in accounting principles		
44. Capital Changes:		
44.1 Paid in		
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in		
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders		
47. Aggregate write-ins for gains or (losses) in surplus	14,634	(62,863)
48. Net change in capital and surplus (Lines 34 to 47)	(71,391)	(49,828)
49. Capital and surplus end of reporting period (Line 33 plus 48)	211,644	283,035

DETAILS OF WRITE-IN LINES		
4701. Decrease in non admitted assets	14,634	
4702. Increase in non admitted Assets		(62,863)
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page		
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	14,634	(62,863)

CASH FLOW

	1	2
Cash from Operations	Current Year	Prior Year
1. Premiums collected net of reinsurance	1,484,500	2,822,670
2. Net investment income	21,647	9,537
3. Miscellaneous income		
4. Total (Lines 1 through 3)	1,506,147	2,832,207
5. Benefit and loss related payments	1,591,351	2,826,523
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	(129,667)	179,737
8. Dividends paid to policyholders		1,468
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)		
10. Total (Lines 5 through 9)	1,461,684	3,007,728
11. Net cash from operations (Line 4 minus Line 10)	44,463	(175,521)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	59,959	212,520
12.8 Total investment proceeds (Lines 12.1 to 12.7)	59,959	212,520
13. Cost of investments acquired (long-term only):		
13.1 Bonds		
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)		
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	59,959	212,520
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(16,800)	(1,706)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	(16,800)	(1,706)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	87,622	35,293
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	38,967	3,674
19.2 End of year (Line 18 plus Line 19.1)	126,589	38,967

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		
20.0002		
20.0003		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	1,484,500	1,484,500								
2. Change in unearned premium reserves and reserve for rate credit										
3. Fee-for-service (net of \$ 0 medical expenses)										XXX
4. Risk revenue										XXX
5. Aggregate write-ins for other health care related revenues	21,647	21,647								XXX
6. Aggregate write-ins for other non-health care related revenues		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Lines 1 to 6)	1,506,147	1,506,147								
8. Hospital/medical benefits	1,213,003	1,213,003								XXX
9. Other professional services										XXX
10. Outside referrals										XXX
11. Emergency room and out-of-area										XXX
12. Prescription drugs										XXX
13. Aggregate write-ins for other hospital and medical	6,885	6,885								XXX
14. Incentive pool, withhold adjustments and bonus amounts										XXX
15. Subtotal (Lines 8 to 14)	1,219,888	1,219,888								XXX
16. Net reinsurance recoveries										XXX
17. Total hospital and medical (Lines 15 minus 16)	1,219,888	1,219,888								XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 0 cost containment expenses										
20. General administrative expenses	371,463	371,463								
21. Increase in reserves for accident and health contracts										XXX
22. Increase in reserves for life contracts		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	1,591,351	1,591,351								
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(85,204)	(85,204)								

DETAILS OF WRITE-IN LINES										
0501. Interest Income and Other	26,434	26,434								XXX
0502. Interest and Bank Charges	(4,787)	(4,787)								XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 05 from overflow page										XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)	21,647	21,647								XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 06 from overflow page		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301. Reinsurance Cost	6,885	6,885								XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page										XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	6,885	6,885								XXX

NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	1,484,500			1,484,500
2. Medicare Supplement				
3. Dental only				
4. Vision only				
5. Federal Employees Health Benefits Plan				
6. Title XVIII – Medicare				
7. Title XIX – Medicaid				
8. Other health				
9. Health subtotal (Lines 1 through 8)	1,484,500			1,484,500
10. Life				
11. Property/casualty				
12. Totals (Lines 9 to 11)	1,484,500			1,484,500

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	1,145,018	1,145,018								
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	1,145,018	1,145,018								
2. Paid medical incentive pools and bonuses										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	74,870	74,870								
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net	74,870	74,870								
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct										
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net										
5. Accrued medical incentive pools and bonuses, current year										
6. Net healthcare receivables (a)										
7. Amounts recoverable from reinsurers December 31, current year										
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct										
8.2 Reinsurance assumed										
8.3 Reinsurance ceded										
8.4 Net										
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct										
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net										
10. Accrued medical incentive pools and bonuses, prior year										
11. Amounts recoverable from reinsurers December 31, prior year										
12. Incurred benefits:										
12.1 Direct	1,219,888	1,219,888								
12.2 Reinsurance assumed										
12.3 Reinsurance ceded										
12.4 Net	1,219,888	1,219,888								
13. Incurred medical incentive pools and bonuses										

(a) Excludes \$ 0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	74,870	74,870								
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	74,870	74,870								
2. Incurred but Unreported:										
2.1 Direct										
2.2 Reinsurance assumed										
2.3 Reinsurance ceded										
2.4 Net										
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS:										
4.1 Direct	74,870	74,870								
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	74,870	74,870								

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B – ANALYSIS OF CLAIMS UNPAID – PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)		1,179,460		74,870		34,442
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII – Medicare						
7. Title XIX – Medicaid						
8. Other health						
9. Health subtotal (Lines 1 through 8)		1,179,460		74,870		34,442
10. Health care receivables (a)						
11. Other non-health						
12. Medical incentive pools and bonus amounts						
13. Totals (Lines 9 - 10 + 11 + 12)		1,179,460		74,870		34,442

(a) Excludes \$ 0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)
Hospital & Medical

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	74

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010							74		74	

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)
Medicare Supplement

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010										

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)
 Dental Only

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010										

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)
 Vision Only

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010										

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)

Federal Employee Health Benefits Plan

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010										

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)
 Title XVIII - Medicare

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010										

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)
 Title XIX - Medicaid

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010										

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)
 Other

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010										

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)
Grand Total

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior					
2. 2006					
3. 2007	XXX				
4. 2008	XXX	XXX			
5. 2009	XXX	XXX	XXX		
6. 2010	XXX	XXX	XXX	XXX	74

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2006										
2. 2007										
3. 2008										
4. 2009										
5. 2010							74		74	

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NONE Underwriting and Investment Exhibit - Part 2D

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ 0 for occupancy of own building)					
2. Salaries, wages and other benefits					
3. Commissions (less \$ 0 ceded plus \$ 0 assumed)					
4. Legal fees and expenses					
5. Certifications and accreditation fees					
6. Auditing, actuarial and other consulting services					
7. Traveling expenses					
8. Marketing and advertising					
9. Postage, express and telephone					
10. Printing and office supplies					
11. Occupancy, depreciation and amortization					
12. Equipment					
13. Cost or depreciation of EDP equipment and software					
14. Outsourced services including EDP, claims, and other services					
15. Boards, bureaus and association fees					
16. Insurance, except on real estate					
17. Collection and bank service charges					
18. Group service and administration fees					
19. Reimbursements by uninsured plans					
20. Reimbursements from fiscal intermediaries					
21. Real estate expenses					
22. Real estate taxes					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					
23.2 State premium taxes					
23.3 Regulatory authority licenses and fees					
23.4 Payroll taxes					
23.5 Other (excluding federal income and real estate taxes)					
24. Investment expenses not included elsewhere					
25. Aggregate write-ins for expenses			371,463		371,463
26. Total expenses incurred (Lines 1 to 25)			371,463		(a) 371,463
27. Less expenses unpaid December 31, current year			9,968		9,968
28. Add expenses unpaid December 31, prior year					
29. Amounts receivable relating to uninsured plans, prior year					
30. Amounts receivable relating to uninsured plans, current year					
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)			361,495		361,495

DETAILS OF WRITE-IN LINES					
2501. General and Administratives Expenses			371,463		371,463
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page					
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)			371,463		371,463

(a) Includes management fees of \$ 0 to affiliates and \$ 0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	NONE	
2.21 Common stocks of affiliates		
3. Mortgage loans		(c)
4. Real estate		(d)
5. Contract loans		
6. Cash, cash equivalents and short-term investments		(e)
7. Derivative instruments		(f)
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. Total gross investment income		
11. Investment expenses		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		
17. Net investment income (Line 10 minus Line 16)		

DETAILS OF WRITE-IN LINES			
0901.	NONE		
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 09 above)			
1501.	NONE		
1502.			
1503.			
1598. Summary of remaining write-ins for Line 15 from overflow page			
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)			

- (a) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	NONE				
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)					

DETAILS OF WRITE-IN LINES					
0901.	NONE				
0902.					
0903.					
0998. Summary of remaining write-ins for Line 09 from overflow page					
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 09 above)					

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2), and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	3,533	2,682	(851)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,533	2,682	(851)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	3,533	2,682	(851)

DETAILS OF WRITE-IN LINES			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501. Prepaid Expenses	3,533	2,682	(851)
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,533	2,682	(851)

NONE

EXHIBIT 1 – ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	1,209	252	252	252	252	12
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service						
5. Indemnity Only						
6. Aggregate write-ins for other lines of business						
7. Total	1,209	252	252	252	252	12

DETAILS OF WRITE-IN LINES						
0601.		NONE				
0602.						
0603.						
0698. Summary of remaining write-ins for Line 06 from overflow page						
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)						

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

- A. Reconciliation of the Company's net inc. and capital & surplus between NAIC SAP and the state of ... is shown below.

NET INCOME

	2010	2009	State of Domicile
01. GOLDEN CROSS HMO HEALTH PLAN CORP. state basis (Page 4, Line 32, Colu	\$ (85,204)	4,216	PR

02. State Prescribed Practices that increase/(decrease) NAIC SAP:

	<u>Net Income</u> 2010	<u>Net Income</u> 2009	State of Domicile
e.g. Depreciation of Fixed Assets			
.....	\$		
.....	\$		
.....	\$		
Totals (Lines 01A0201 through 01A0225)	\$		

03. State Permitted Practices that increase/(decrease) NAIC SAP:

	<u>Net Income</u> 2010	<u>Net Income</u> 2009	State of Domicile
e.g. Depreciation of Home Office Property			
.....	\$		
.....	\$		
.....	\$		
Totals (Lines 01A0301 through 01A0325)	\$		

04. NAIC SAP.....(1 - 2 - 3 = 4) \$ (85,204) 4,216 PR

SURPLUS

			State of Domicile
05. GOLDEN CROSS HMO HEALTH PLAN CORP. state basis (Page 3, Line 33, Colu	\$ 211,614	283,035	PUERTO RICO

06. State Prescribed Practices that increase/(decrease) NAIC SAP:

	<u>Surplus</u> 2010	<u>Surplus</u> 2009	State of Domicile
e.g., Goodwill, net, Fixed Assets, net			
.....	\$		
.....	\$		
.....	\$		
Totals (Lines 01A0601 through 01A0625)	\$		

07. State Permitted Practices that increase/(decrease) NAIC SAP:

	<u>Surplus</u> 2010	<u>Surplus</u> 2009	State of Domicile
e.g. Home Office Property			
.....	\$		
.....	\$		
.....	\$		
Totals (Lines 01A0701 through 01A0725)	\$		

08. NAIC SAP.....(5 - 6 - 7 = 8) \$ 211,614 283,035 PR

4. Discontinued Operations

5. Discontinued Operations
The amts related to Discontinued Ops and effect on Balance Sheet

a. Assets Line 5 Cash	\$	
b. Assets Line 28 Totals	\$	
c. Liabilities Line 24 Total Liabilities	\$	
d. Liabilities Line 33 Total Capital and Surplus	\$	
e. Liabilities Line 34 Total	\$	
f. Stmt of Rev and Exp Line 2 Premiums	\$	
g. Stmt of Rev and Exp L 22 Increase in agg reserves for A&H (CY - PY)	\$	
h. Stmt of Rev and Exp Line 31 Federal and foreign income taxes incurred	\$	
i. Stmt of Rev and Exp L 26 Net Realized Capital Gains (Losses)	\$	
j. Stmt of Rev and Exp L 32 Net Income	\$	

5. Investments

- A. 2. Reduced interest rates of mortgages: (Illustration)

	During 2010 Percent	During 2010 Amount	During 2010 Number
Column Not Used			
(No Detail Description Required)			

NOTES TO FINANCIAL STATEMENTS

	During 2010 Percent	During 2010 Amount	During 2010 Number
Column Not Used			
4. As of year end, the Co. held mortgages with interest more than 180 days past due with a recorded investment, excluding accrued interest.....	<u>Current Year</u>	<u>Prior Year</u>	
			\$
a. Total interest due on mortgages w/interest more than 180 days past due.....			\$
5. Taxes, assmnts & any amnts advanced & not includ in mortgage loan total.....			\$
6. Current year impaired loans with a related allowance for credit losses.....			\$
a. Related allowances for credit losses.....			\$
7. Impaired Mortgage loans without an allowance for credit losses.....			\$
8. Average recorded investment in impaired loans.....			\$
9. Interest income recognized during the period the loans were impaired.....			\$
10. Amnt interest income recog cash basis during period loans were impaired.....			\$
a. Balance at beginning of period.....			\$
b. Additions charged to operations.....			\$
c. Direct write-downs charged against the allowances.....			\$
d. Recoveries of amounts previously charged off.....			\$
e. Balance at end of period.....			\$
B. Debt Restructuring	<u>Current Year</u>	<u>Prior Year</u>	
01. Total recorded investment in restructured loans, as of year end.....			\$
02. The realized capital losses related to these loans.....			\$
03. Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructurings.....			\$
C. Reverse Mortgages			
03. At December 31, 2010 the actuarial reserve of \$ _____ reduced the asset value of the group of reverse mortgages			\$
04. The Company recorded an unrealized loss of \$ _____ as a result of the re-estimate of the cash flows.			\$
D. Loan-Backed Securities			
02.	(1)	(2)	(3)
	Amortized Cost Basis Before Other-than- Temporary Impairment	Other-than Temporary Impairment Recognized in Loss	Fair Value 1 - 2
OTTI recognized 1st Quarter			
a. Intent to sell.....	\$		
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.....	\$		
c. Total 1st Quarter.....	\$		
OTTI recognized 2nd Quarter			
d. Intent to sell.....	\$		
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.....	\$		
f. Total 2nd Quarter.....	\$		
OTTI recognized 3rd Quarter			
g. Intent to sell.....	\$		
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.....	\$		
i. Total 3rd Quarter.....	\$		
OTTI recognized 4th Quarter			
j. Intent to sell.....	\$		
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.....	\$		
l. Total 4th Quarter.....	\$		
m. Annual Aggregate Total.....	\$		

NOTES TO FINANCIAL STATEMENTS

03.

No Descriptions

	(1) CUSIP	(2) Book/Adjusted Carrying Value Amortized Cost Before Curent Period OTTI	(3) Present Value of Projected Cash Flows	(4) Recognized Other-than- Temporary Impairment	(5) Amortized Cost After Other- Than-Temporar Impairment	(6) Fair Value at time of OTTI	(7) Date of Financial Statement Where Reported
01.							
02.							
03.							
Total		X X X	X X X		X X X	X X X	X X X

04

a. The aggregate amount of unrealized losses:

(1)

Less than 12 months.....

12 Months or Longer.....

b. The aggregate related fair value of securities with unre

Less than 12 months.....

12 Months or Longer.....

E Repurchase Agreements and/or Securities Lending Tr

3 Collateral Received

a. Aggregate Amount Cash Collateral Received

(1)

Fair Value

1. Repurchase Agreement

Open

30 Days or Less

31 to 60 Days

61 to 90 Days

Greater Than 90 Days

Sub-Total

Securities Received

Total Collateral Received

2. Securities Lending

Open

30 Days or Less

31 to 60 Days

61 to 90 Days

Greater Than 90 Days

Sub-Total

Securities Received

Total Collateral Received

3. Dollar Repurchase Agreement

Open

30 Days or Less

31 to 60 Days

61 to 90 Days

Greater Than 90 Days

Sub-Total

Securities Received

Total Collateral Received

b. The aggregate fair value of all securities acquired from
use of the accepted collateral (reinvested collateral)

NOTES TO FINANCIAL STATEMENTS

5 Collateral Reinvestment

a. Aggregate Amount Cash Collateral Reinvested

	(1)	(2)
	Amortized	Fair
	Cost	Value
1. Repurchase Agreement		
Open
30 Days or Less
31 to 60 Days
61 to 90 Days
91 to 120 Days
121 to 180 Days
181 to 365 Days
1 to 2 Years
2 - 3 Years
Greater Than 3 Years
Sub-Total
Securities Received
Total Collateral Reinvested
2. Securities Lending		
Open
30 Days or Less
31 to 60 Days
61 to 90 Days
91 to 120 Days
121 to 180 Days
181 to 365 Days
1 to 2 Years
2 - 3 Years
Greater Than 3 Years
Sub-Total
Securities Received
Total Collateral Reinvested
3. Dollar Repurchase Agreement		
Open
30 Days or Less
31 to 60 Days
61 to 90 Days
91 to 120 Days
121 to 180 Days
181 to 365 Days
1 to 2 Years
2 - 3 Years
Greater Than 3 Years
Sub-Total
Securities Received
Total Collateral Reinvested

9. A The components of the net deferred tax asset/(liability) at Dec. 31 are as follows:

	12/31/2010			12/31/2009			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			(Col 1 + 2)			(Col 4 + 5)	(Col 1 - 4)	(Col 2 - 5)	(Col 7 + 8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross Deferred Tax Assets.....
b. Statutory Valuation Allowance Adjustment.....
c. Adjusted Gross Deferred Tax Assets (1a - 1b).....
d. Deferred Tax Liabilities.....
e. Subtotal (Net Deferred Tax Assets) (1c - 1d).....
f. Deferred Tax Assets Nonadmitted.....
g. Net Admitted Deferred Tax Assets (1e - 1f).....

NOTES TO FINANCIAL STATEMENTS

	12/31/2010			12/31/2009			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col 1 + 2) Total	Ordinary	Capital	(Col 4 + 5) Total	(Col 1 - 4) Ordinary	(Col 2 - 5) Capital	(Col 7 + 8) Total
4. Admission Calculation Components SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:									
a. SSAP No. 10R, Paragraph 10.a.....									
b. SSAP No. 10R, Paragraph 10.b. (the lesser of paragraph 10.b.i and 10.b.ii. below).....									
c. SSAP No. 10R, Paragraph 10.b.i.....									
d. SSAP No. 10R, Paragraph 10.b.ii.....	X X X	X X X		X X X	X X X		X X X	X X X	
e. SSAP No. 10R, Paragraph 10.c.....									
f. Total (4a + 4b + 4e).....									

Admission Calculation Components
SSAP No. 10R, Paragraph 10.e.:

g. SSAP No. 10R, Paragraph 10.e.i.....								
h. SSAP No. 10R, Paragraph 10.e.ii (the lesser of paragraph 10.e.ii.a. and 10.e.ii.b below).....								
i. SSAP No. 10R, Paragraph 10.e.ii.a.....								
j. SSAP No. 10R, Paragraph 10.e.ii.b.....	X X X	X X X		X X X	X X X		X X X	X X X
k. SSAP No. 10R, Paragraph 10.e.iii.....								
l. Total (4g + 4h + 4k).....								

Used in SSAP No. 10R, Paragraph 10.d.

m. Total Adjusted Capital.....	X X X	X X X		X X X	X X X		X X X	X X X
n. Authorized Control Level.....	X X X	X X X		X X X	X X X		X X X	X X X

	12/31/2010			12/31/2009			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col 1 + 2) Total	Ordinary	Capital	(Col 4 + 5) Total	(Col 1 - 4) Ordinary	(Col 2 - 5) Capital	(Col 7 + 8) Total
5. SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:									
a. Admitted Deferred Tax Assets.....									
b. Admitted Assets.....	X X X	X X X		X X X	X X X		X X X	X X X	
c. Adjusted Statutory Surplus *.....	X X X	X X X		X X X	X X X		X X X	X X X	
d. Total Adjusted Capital from DTAs.....	X X X	X X X		X X X	X X X		X X X	X X X	

Increases due to SSAP No. 10R, Paragraph 10.e.

e. Admitted Deferred Tax Assets.....								
f. Admitted Assets.....								
g. Statutory Surplus.....								

* As reported on the statutory balance sheet for the most recently filed statement with the domiciliary state commissioner adjusted in accordance with SSAP No. 10R. Paragraph 1

C Current income taxes incurred consist of the following major components

(1)	(2)	(3)
12/31/2010	12/31/2009	(Col 1 - 2) Change

1 Current Income Tax			
a. Federal.....			
b. Foreign.....			
c. Subtotal.....			
d. Federal Income Tax on net capital gains.....			
e. Utilization of capital loss carry-forwards.....			
f. Other.....			
g. Federal and foreign income taxes incurred.....			

NOTES TO FINANCIAL STATEMENTS

2	Deferred Tax Assets:	
	a. Ordinary	
	(1) Discounting of unpaid losses.....	.....
	(2) Unearned premium reserve.....	.....
	(3) Policyholder reserves.....	.....
	(4) Investments.....	.....
	(5) Deferred acquisition costs.....	.....
	(6) Policyholder dividends accrual.....	.....
	(7) Fixed assets.....	.....
	(8) Compensation and benefits accrual.....	.....
	(9) Pension accrual.....	.....
	(10) Receivables - nonadmitted.....	.....
	(11) Net operating loss carry-forward.....	.....
	(12) Tax credit carry-forward.....	.....
	(13) Other (including items <5% of total ordinary tax assets)	.....
	(99) Subtotal.....	.....
	b. Statutory valuation allowance adjustment.....	.....
	c. Nonadmitted.....	.....
	d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	.....
	e. Capital:	
	(1) Investments.....	.....
	(2) Net capital loss carry-forward.....	.....
	(3) Real estate.....	.....
	(4) Other (including items <5% of total capital tax assets)	.....
	(99) Subtotal.....	.....
	f. Statutory valuation allowance adjustment.....	.....
	g. Nonadmitted.....	.....
	h. Admitted capital deferred tax assets (2e99 - 2f - 2g)...	.....
	i. Admitted deferred tax assets (2d + 2h).....	.....
3	Deferred Tax Liabilities:	
	a. Ordinary	
	(1) Investments.....	.....
	(2) Fixed assets.....	.....
	(3) Deferred and uncollected premium.....	.....
	(4) Policyholder reserves.....	.....
	(5) Other (including items <5% of total ordinary tax liabilities)	.....
	(99) Subtotal.....	.....
	b. Capital:	
	(1) Investments.....	.....
	(2) Real Estate.....	.....
	(3) Other (including items <5% of total capital tax liabilities)	.....
	(99) Subtotal.....	.....
	c. Deferred tax liabilities (3a99 + 3b99).....	.....
4	Net deferred tax assets/liabilities (2i - 3c).....	.....

10 Information Concerning Parent, Subsidiaries, Affiliates, and Other Related Parties

E The Company has given ____, an Affiliated real estate development company, a standing commitment until ____, form of loan guarant

NOTES TO FINANCIAL STATEMENTS

11 Debt

B	FHLB (Federal Home Loan Bank) Agreements:	(1)	(2)
		Current Year	Prior Year
02	FHLB stock purchased/owned as part of the agreemen	.....	.....
03	Collateral pledged to the FHLB	.....	.....
04	Borrowing Capacity currently available	.....	.....
05	Agreement assets and liabilities		
	General Account: Assets	.....	.....
	Liabilities	.....	.....
	Separate Account: Assets	.....	.....
	Liabilities	.....	.....

12 Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement B

A	Defined Benefit Plans	<u>Pension Benefits</u>		<u>Other Benefits</u>	
		2010	2009	2010	2009
01	Change in benefit obligation				
	a. Benefit obligation at beginning of year.....	.....	.....	.....	.....
	b. Service cost.....	.....	.....	.....	.....
	c. Interest cost.....	.....	.....	.....	.....
	d. Contribution by plan participants.....	.....	.....	.....	.....
	e. Actuarial gain (loss).....	.....	.....	.....	.....
	f. Foreign currency exchange rate changes.....	.....	.....	.....	.....
	g. Benefits paid.....	.....	.....	.....	.....
	h. Plan amendments.....	.....	.....	.....	.....
	i. Business combinations, etc.....	.....	.....	.....	.....
	j. Benefit obligation at end of year.....	.....	.....	.....	.....
02	Change in plan assets				
	a. Fair value of plan assets beginning of year.....	.....	.....	.....	.....
	b. Actual return on plan assets.....	.....	.....	.....	.....
	c. Foreign currency exchange rate changes.....	.....	.....	.....	.....
	d. Employer contribution.....	.....	.....	.....	.....
	e. Plan participants contributions.....	.....	.....	.....	.....
	f. Benefits paid.....	.....	.....	.....	.....
	g. Business combinations . etc.....	.....	.....	.....	.....
	h. Fair value of plan assets end of year.....	.....	.....	.....	.....
03	Funded status				
	a. Unamortized prior service cost.....	.....	.....	.....	.....
	b. Unrecognized net gain or (loss).....	.....	.....	.....	.....
	c. Remaining net obligations or net asset at initial date	.....	.....	.....	.....
	d. Prepaid assets or accrued liabilities.....	.....	.....	.....	.....
	e. Intangible asset.....	.....	.....	.....	.....
04	Benefit obligation for vested employees.....	.....	.....	.....	.....
05	Benefit obligation for non-vested employees				
	a. Project pension obligation.....	.....	.....	.....	.....
	b. Accumulated benefit obligation.....	.....	.....	.....	.....
06	Components of net periodic benefit cost				
	a. Service cost.....	.....	.....	.....	.....
	b. Interest cost.....	.....	.....	.....	.....
	c. Expected return on plan assets.....	.....	.....	.....	.....
	d. Amortization of unrecognized transition obligation or	.....	.....	.....	.....
	e. Amount of recognized gains and losses.....	.....	.....	.....	.....
	f. Amount of prior service cost recognized.....	.....	.....	.....	.....
	g. Amount of gain or loss recognized due to a settlem	.....	.....	.....	.....
	h. Total net periodic benefit cost.....	.....	.....	.....	.....
08	Weighted-average assumptions used to determine net periodic benefit costs as of Dec 31:				
	a. Weighted average discount rate.....	.....	.....	.....	.....
	b. Expected long-term rate of return on plan assets.....	.....	.....	.....	.....
	c. Rate of compensation increase.....	.....	.....	.....	.....
	Weighted-average assumptions used to determine projected benefit obligations as of Dec 31:				
	d. Weighted average discount rate.....	.....	.....	.....	.....
	e. Rate of compensation increase.....	.....	.....	.....	.....
11	Assumed health care cost trends	1 Percentage Point			
	A one-percent point change would have the following e	Increase	Decrease		
	a. Effect on total of service and interest cost compone	.....	.....	.....	.....
	b. Effect on postretirement benefit obligations.....	.....	.....	.....	.....

NOTES TO FINANCIAL STATEMENTS

12	The defined benefit pension plan asset allocation as of the measurement date and the target asset allocation, presented as a percent	2010	2009	Target Allocation Range Low High	
	a. Debt Securities.....	.....	.....	.....	.....
	b. Equity Securities.....	.....	.....	.....	.....
	c. Real Estate.....	.....	.....	.....	.....
	d. Other.....	.....	.....	.....	.....
	e. Total.....	.....	.....	X X X	X X X

13 The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

2011.....	.....
2012.....	.....
2013.....	.....
2014.....	.....
2015.....	.....
Thereafter Total.....	.....

13. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

10. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses.....

11. The Company issued the following surplus debentures or similar obligations

	Details of Surplus Debentures or similar obligation Page 3, Line 29		Carrying Value of		Principal and/o Interest Paid Current Year	Total Princ and/or Intere Paid	Unapproved Principal and/or Inter	Date of Maturity
	Date Issued	Interest Rate	Par Value (Face Amount of Notes)	Note * The Total sho Agree w/Pg 3				
01.	No Detail Description Required		.....	.....	.....	.....	.....	.....
02.	.....		.....	.....	.....	.....	.....	.....
03.	.....		.....	.....	.....	.....	.....	.....
	Totals (Lines 1311001 through 1311025)		XXX	XXX	.....	.....	.....	XXX

*Total should agree with Page 3, Line 29 of Annual Statement

12. The impact of any restatement due to prior quasi-reorganizations is as follows:

	Years	Change in Gross	
		Change in Surplus	Gross Paid-in and Contributed Surplus
01.	\$
02.	\$
03.	\$

14. Contingencies

A.

01. (1) Total Contingent Liabilities:..... \$

D. Claims related extra contractual obligations and bad faith losses stemming from la

Claims related ECO and bad faith losses paid during the reporting period \$

Number of claims where amounts were paid to settle claims related extra contractu
claims resulting from lawsuits during the reporting period: (a) 0-25 claims (b) 26-5
(d) 101-500 claims (e) More than 500 claims

Answer (A, B, C, D, or E):..... A

Indicate whether claim count information is disclosed (f) per claim or (g) per claima
Answer (F or G):..... F

15. Leases

A.

02.

a. At January 1, 2010, the minimum aggregate rental commitments are as follows: (Dollars in thousands)

	Operating Leases
Year Ending December 31	
2011 (as seen in Notes text)	\$
2012 (as seen in Notes text)	\$
2013 (as seen in Notes text)	\$
2014 (as seen in Notes text)	\$
2015 (as seen in Notes text)	\$
Total	\$

NOTES TO FINANCIAL STATEMENTS

B.

01.

c. Lessor Leases

Future minimum lease payment receivables under noncancelable leasing arrangements as of December 31, 2010 are as follows:

Operating Leases

Year Ending December 31

2011 (as seen in Notes text)	\$	
2012 (as seen in Notes text)	\$	
2013 (as seen in Notes text)	\$	
2014 (as seen in Notes text)	\$	
2015 (as seen in Notes text)	\$	
Total	\$	

02. Leveraged Leases

b. The Company's investment in leveraged leases relates to equipment...
Dec. 31, 2010 were as shown below: (In thousands)

2010 2009

(years as seen in Not

1. Income from leveraged leases before income tax including invest tax credit.....	\$	
2. Less current income tax.....	\$	
3. Net income from leverage leases.....	\$	

c. The components of the investment in leveraged leases at
Dec. 31, 2010 and Dec. 31, 2009 were as shown below: (In thousands)

2010 2009

(years as seen in Not

1. Lease contracts receivable (net principal & interest non-recourse financing).....	\$	
2. Estimated residual value of leased assets.....	\$	
3. Unearned and deferred income.....	\$	
4. Investment in leveraged leases.....	\$	
5. Deferred income taxes related to leveraged leases.....	\$	
6. Net investment in leveraged leases.....	\$	

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

01. The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk.

	ASSETS		LIABILITIES	
	2010	2009	2010	2009

(years as seen in Not

(years as seen in Not

a. Swaps.....	\$	
b. Futures.....	\$	
c. Options.....	\$	
d. Totals.....	\$	

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

C. Wash Sales:

02. Details by NAIC designation 3 or below of securities sold during the first quarter ended March 31, 2010 and reacquired within 30 days of the sale date are:

	Number of Transactions	Book Value of Securities Sold	Cost of Securities Repurchased	Gain/(Loss)
--	---------------------------	-------------------------------------	--------------------------------------	-------------

Bonds:

a. NAIC 3.....	:			
b. NAIC 4.....	:			
c. NAIC 5.....	:			
d. NAIC 6.....	:			
Preferred Stocks:				
e. NAIC P/RP3.....	:			
f. NAIC P/RP4.....	:			
g. NAIC P/RP5.....	:			
h. NAIC P/RP6.....	:			

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. ASO Plans

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2010: (years as seen in Notes text)

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
--	---------------------------	--	--------------

a. Net reimburs for admin Exp (includ admin fees) in excess of actual exp.....	\$	
b. Total net other income or exp (includ interest paid to or rec from plans).....	\$	
c. Net gain or (loss) from operations (a + b).....	\$	
d. Total claim payment volume.....	\$	

NOTES TO FINANCIAL STATEMENTS

B. ASC Plans

The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2010: (years as seen in Notes text)

<u>ASC</u>	<u>Uninsured Portion</u>	<u>Total</u>
<u>Uninsured</u>	<u>of Partially Insured</u>	<u>ASC</u>
<u>Plans</u>	<u>Plans</u>	

a. Gross reimbursement for medical cost incurred.....	\$	
b. Gross administrative fees accrued.....	\$	
c. Other income or expenses (include interest paid to or received from plans).....	\$	
d. Gross expenses incurred (claims and administrative).....	\$	
e. Total net gain or loss from operations (a + b + c - d).....	\$	

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premiums Written/Produced By
01. Name and Address of Managing General Agent or Third Party Administrator					
02.					
03.					
Totals Lines 1900001 through 1900025					

20. Fair Value Measurements

A.

1. Fair Value Measurements at Reporting Date

	(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at fair Value					
01.					
02.					
03.					
Total assets at fair value					
b. Liabilities at fair value					
01.					
02.					
03.					
Total liabilities at fair value					

2. Fair Value Measurements in (Level 3) of the Fair Value

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Balance at 01/01/2010	Transfers in Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases, issuances, and settlements	Balance at 12/31/2010
01.							
02.							
03.							
Total							

B.

1. Assets Measured at Fair Value on a Nonrecurring Basis

	(2)	(3)	(4)	(5)	(6)
Description	Total 12/31/2010	Assets (Level 1)	Inputs (Level 2)	Inputs (Level 3)	Total Gains (Losses)
01.	\$				
02.	\$				
03.	\$				
Totals					

NOTES TO FINANCIAL STATEMENTS

a.	Losses incurred.....	\$	.....
b.	Loss adjustment expenses incurred.....	\$	.....
c.	Premiums earned .....	\$	.....
d.	Other.....	\$	.....
e.			

	<u>Company</u>		<u>Amount</u>
01.	\$
02.	\$
03.	\$

C. COMMUTATION OF CEDED REINSURANCE

The company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

01.	Losses Incurred.....	\$	.....
02.	Losses adjustment expenses incurred.....	\$	.....
03.	Premiums Earned.....	\$	.....
04.	Other.....	\$	.....
05.			

	<u>Company</u>		<u>Amount</u>
01.	\$
02.	\$
03.	\$

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

	<u>Quarter</u>	<u>Estimated</u>		<u>Actual Rebates</u>	<u>Actual Rebates</u>
		<u>Pharmacy</u>	<u>Pharmacy</u>			Actual Rebates	Actual Rebates
		<u>Rebates as</u>	<u>Rebates as</u>	<u>Received</u>	<u>Received More</u>
		<u>Reported on</u>	<u>Billed or</u>	<u>Within 90 Days</u>	<u>Than 180 Days</u>
		<u>Financial</u>	<u>Otherwise</u>	<u>of Billing</u>	<u>After</u>
		<u>Statements</u>	<u>Confirmed</u>	<u>180 Days of</u>	<u>Billing</u>
				<u>Billing</u>	<u>Billing</u>
01.				
02.				
03.				

B. Risk Sharing Receivables

	<u>Calendar year</u>	<u>Evaluation</u>	<u>Risk Sharing</u>		<u>Risk Sharing</u>	<u>Risk Sharing</u>	<u>Actual Risk</u>	<u>Actual Risk</u>	<u>Actual Risk</u>	
			<u>Period Year</u>	<u>as Estimated</u>						<u>as Estimated</u>
		<u>Ending</u>	<u>in the Prior</u>	<u>in the</u>	<u>Receivable</u>	<u>Not yet</u>	<u>Received in</u>	<u>First Year</u>	<u>Second Ye</u>	<u>All</u>
			<u>Year</u>	<u>Current Year</u>	<u>Billed</u>	<u>Billed</u>	<u>Year Billed</u>	<u>Subsequent</u>	<u>Subsequent</u>	<u>Other</u>
01	0	0								
02	0	0								
03	0	0								

30. Premium Deficiency Reserves

		(1)
01.	Liability carried for premium deficiency reserves.....	\$
02.	Date of the most recent evaluation of this liability.....	.....
03.	Was anticipated investment income utilized in the calculation?	Yes [] No [X]

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No [X]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] N/A [X]
- 1.3 State Regulating? _____
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. _____
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. _____
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). _____
- 3.4 By what department or departments?

- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

GENERAL INTERROGATORIES

6.2 If yes, give full information:

.....

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]

7.2 If yes,

7.21 State the percentage of foreign control.

_____ %

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....
.....

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

.....

8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Padilla, Medina & Asociados

.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]

10.2 If response to 10.1 is "yes," provide information related to this exemption:

.....

10.3 Has the insurer been granted any exemptions to the audit committee requirements as allowed in Section 14H of the Annual Financial Reporting Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]

10.4 If response to 10.3 is "yes," provide information related to this exemption:

.....

GENERAL INTERROGATORIES

10.5 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.6 If response to 10.5 is "yes," provide information related to this exemption:

10.7 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance law? Yes [X] No [] N/A []

10.8 If the response to 10.7 is no or n/a, please explain:
 N/A

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 GLADYS CARRION

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company	
12.12 Number of parcels involved	
12.13 Total book/adjusted carrying value	\$

12.2 If yes, provide explanation:

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [X]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [X]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules, and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.

Yes [X] No []

14.11 If the response to 14.1 is no, please explain:

GENERAL INTERROGATORIES

14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

.....

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

.....

BOARD OF DIRECTORS

15. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [] No [X]

16. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [] No [X]

17. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [] No [X]

FINANCIAL

18. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]

19.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

19.11 To directors or other officers	\$ _____
19.12 To stockholders not officers	\$ _____
19.13 Trustees, supreme or grand (Fraternal only)	\$ _____

19.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

19.21 To directors or other officers	\$ _____
19.22 To stockholders not officers	\$ _____
19.23 Trustees, supreme or grand (Fraternal only)	\$ _____

20.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]

20.2 If yes, state the amount thereof at December 31 of the current year:

20.21 Rented from others	\$ _____
20.22 Borrowed from others	\$ _____
20.23 Leased from others	\$ _____
20.24 Other	\$ _____

21.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]

21.2 If answer is yes:

21.21 Amount paid as losses or risk adjustment	\$ _____
21.22 Amount paid as expenses	\$ _____
21.23 Other amounts paid	\$ _____

22.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]

22.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ _____

GENERAL INTERROGATORIES

INVESTMENT

- 23.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 23.3) Yes No
- 23.2 If no, give full and complete information relating thereto:

- 23.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

- 23.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes No N/A
- 23.5 If answer to 23.4 is yes, report amount of collateral for conforming programs. \$ _____
- 23.6 If answer to 23.4 is no, report amount of collateral for other programs. \$ _____
- 23.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A
- 23.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A
- 23.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MLSA) to conduct securities lending? Yes No N/A
- 24.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 20.1 and 23.3) Yes No
- 24.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|--|--|----------|
| | 24.21 Subject to repurchase agreements | \$ _____ |
| | 24.22 Subject to reverse repurchase agreements | \$ _____ |
| | 24.23 Subject to dollar repurchase agreements | \$ _____ |
| | 24.24 Subject to reverse dollar repurchase agreements | \$ _____ |
| | 24.25 Pledged as collateral | \$ _____ |
| | 24.26 Placed under option agreements | \$ _____ |
| | 24.27 Letter stock or securities restricted as to sale | \$ _____ |
| | 24.28 On deposit with state or other regulatory body | \$ _____ |
| | 24.29 Other | \$ _____ |
- 24.3 For category (24.27) provide the following:
- | 1
Nature of Restriction | 2
Description | 3
Amount |
|----------------------------|------------------|-------------|
| | | |
| | | |
- 25.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No
- 25.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement. Yes No N/A
- 26.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes No
- 26.2 If yes, state the amount thereof at December 31 of the current year. \$ _____

GENERAL INTERROGATORIES

27. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [] No [X]

27.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
.....
.....

27.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....

27.03 Have there been any changes, including name changes, in the custodian(s) identified in 27.01 during the current year?

Yes [] No [X]

27.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....
.....

27.05 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name(s)	3 Address
.....
.....

28.1 Does the reporting entity have any diversified mutual funds reported in Schedule D – Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes [] No [X]

28.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
28.2999 TOTAL		

28.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....
.....

GENERAL INTERROGATORIES

29. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
29.1 Bonds			
29.2 Preferred stocks			
29.3 Totals			

29.4 Describe the sources or methods utilized in determining the fair values:

DIRECT BUSINESS BY SUSCRIBERS

30.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No [X]

30.2 If the answer to 30.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No [X]

30.3 If the answer to 30.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

31.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []

31.2 If no, list exceptions:

OTHER

32.1 Amount of payments to Trade associations, service organizations and statistical or Rating Bureaus, if any? \$ _____

32.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

33.1 Amount of payments for legal expenses, if any? \$ _____

33.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

34.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ _____

GENERAL INTERROGATORIES

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only. \$ _____
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ _____
- 1.31 Reason for excluding
-
-
-
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ _____
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ _____
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$ _____
- 1.62 Total incurred claims \$ _____
- 1.63 Number of covered lives _____
- All years prior to most current three years:
- 1.64 Total premium earned \$ _____
- 1.65 Total incurred claims \$ _____
- 1.66 Number of covered lives _____
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$ _____
- 1.72 Total incurred claims \$ _____
- 1.73 Number of covered lives _____
- All years prior to most current three years:
- 1.74 Total premium earned \$ _____
- 1.75 Total incurred claims \$ _____
- 1.76 Number of covered lives _____

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	\$ _____	\$ _____
2.2 Premium Denominator	\$ 1,484,500	\$ 2,822,670
2.3 Premium Ratio (2.1 / 2.2)	_____	_____
2.4 Reserve Numerator	\$ _____	\$ _____
2.5 Reserve Denominator	\$ 74,870	\$ 34,442
2.6 Reserve Ratio (2.4 / 2.5)	_____	_____

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]
- 3.2 If yes, give particulars:
-
-
-
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [X] No []
- 5.2 If no, explain:
-
-
-
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$ 50,000
- 5.32 Medical Only \$ _____
- 5.33 Medicare Supplement \$ _____
- 5.34 Dental and vision \$ _____
- 5.35 Other Limited Benefit Plan \$ _____
- 5.36 Other \$ _____

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

STATUTORY RESERVE

.....

.....

.....

GENERAL INTERROGATORIES PART 2 - HEALTH INTERROGATORIES

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [] No [X]

7.2 If no, give details

.....

.....

.....

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year

8.2 Number of providers at end of reporting year

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

9.22 Business with rate guarantees over 36 months

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [] No [X]

10.2 If yes:

10.21 Maximum amount payable bonuses

10.22 Amount actually paid for year bonuses

10.23 Maximum amount payable withholds

10.24 Amount actually paid for year withholds

\$ _____

\$ _____

\$ _____

\$ _____

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

11.13 An Individual Practice Association (IPA), or,

11.14 A Mixed Model (combination of above)?

Yes [] No [X]

Yes [] No [X]

Yes [] No [X]

11.2 Is the reporting entity subject to Minimum Net Worth Requirements? Yes [] No [X]

11.3 If yes, show the name of the state requiring such net worth.

.....

.....

.....

11.4 If yes, show the amount required. \$ 216,614

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]

11.6 If the amount is calculated, show the calculation

.....

.....

.....

12. List service areas in which reporting entity is licensed to operate:

1		
Name of Service Area		
Puerto Rico		
.....

13.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date.

\$ _____

13.3 Do you act as an administrator for health savings accounts?

Yes [] No [X]

13.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$ _____

FIVE – YEAR HISTORICAL DATA

	1	2	3	4	5
	2010	2009	2008	2007	2006
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	965,521	1,048,743	1,241,222	1,325,878	1,315,395
2. Total liabilities (Page 3, Line 24)	753,907	765,708	908,359	973,136	987,772
3. Statutory surplus	211,614	283,035	332,863	352,742	327,623
4. Total capital and surplus (Page 3, Line 33)	211,614	283,035	332,863	352,743	327,623
Income Statement (Page 4)					
5. Total revenues (Line 8)	1,506,147	2,832,207	1,974,535	2,159,946	2,344,162
6. Total medical and hospital expenses (Line 18)	1,219,888	2,277,353	1,532,322	1,670,753	1,872,377
7. Claims adjustment expenses (Line 20)					
8. Total administrative expenses (Line 21)	371,463	549,170	435,773	463,301	442,560
9. Net underwriting gain (loss) (Line 24)	(85,204)	5,624	6,440	25,888	29,225
10. Net investment gain (loss) (Line 27)					
11. Total other income (Lines 28 plus 29)					
12. Net income or (loss) (Line 32)	(85,204)	4,216	5,366	20,779	21,391
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	44,463	(175,521)	(35,121)	5,551	42,150
Risk-Based Capital Analysis					
14. Total adjusted capital	211,614	283,035	332,863	352,742	327,623
15. Authorized control level risk-based capital	56,555	106,178	118,564	150,569	123,915
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	252	1,209	988	871	988
17. Total members months (Column 6, Line 7)	12	12	12	12	12
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	82.2	81.0	80.0	79.0	80.7
20. Cost containment expenses					
21. Other claims adjustment expenses					
22. Total underwriting deductions (Line 23)	107.2	100.0	103.0	100.8	99.8
23. Total underwriting gain (loss) (Line 24)	(6.0)	0.2	0.3	1.2	1.0
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)					
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	34,442	184,805	171,156	205,655	226,540
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Lines 26 to 31					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No [X]

If no, please explain:

.....
.....
.....
.....

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts	
1. Alabama	AL	N								
2. Alaska	AK	N								
3. Arizona	AZ	N								
4. Arkansas	AR	N								
5. California	CA	N								
6. Colorado	CO	N								
7. Connecticut	CT	N								
8. Delaware	DE	N								
9. District of Columbia	DC	N								
10. Florida	FL	N								
11. Georgia	GA	N								
12. Hawaii	HI	N								
13. Idaho	ID	N								
14. Illinois	IL	N								
15. Indiana	IN	N								
16. Iowa	IA	N								
17. Kansas	KS	N								
18. Kentucky	KY	N								
19. Louisiana	LA	N								
20. Maine	ME	N								
21. Maryland	MD	N								
22. Massachusetts	MA	N								
23. Michigan	MI	N								
24. Minnesota	MN	N								
25. Mississippi	MS	N								
26. Missouri	MO	N								
27. Montana	MT	N								
28. Nebraska	NE	N								
29. Nevada	NV	N								
30. New Hampshire	NH	N								
31. New Jersey	NJ	N								
32. New Mexico	NM	N								
33. New York	NY	N								
34. North Carolina	NC	N								
35. North Dakota	ND	N								
36. Ohio	OH	N								
37. Oklahoma	OK	N								
38. Oregon	OR	N								
39. Pennsylvania	PA	N								
40. Rhode Island	RI	N								
41. South Carolina	SC	N								
42. South Dakota	SD	N								
43. Tennessee	TN	N								
44. Texas	TX	N								
45. Utah	UT	N								
46. Vermont	VT	N								
47. Virginia	VA	N								
48. Washington	WA	N								
49. West Virginia	WV	N								
50. Wisconsin	WI	N								
51. Wyoming	WY	N								
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	N	1,484,500					1,484,500		
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CN	N								
58. Aggregate other alien	OT	X X X								
59. Subtotal		X X X	1,484,500					1,484,500		
60. Reporting entity contributions for Employee Benefit Plans		X X X								
61. Totals (Direct Business)	(a)		1,484,500					1,484,500		

DETAILS OF WRITE-INS									
5801.		X X X							
5802.		X X X							
5803.		X X X							
5898. Summary of remaining write-ins for Line 58 from overflow page		X X X							
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		X X X							

NONE

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.

DIRECT ALLOCATION

.....

.....

.....

(a) Insert the number of L responses except for Canada and Other Alien.

NONE Schedule Y - Part 1

OVERFLOW PAGE FOR WRITE-INS

Page 3 - Continuation

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
WRITE-INS AGGREGATED AT LINE 23 FOR OTHER LIABILITIES				
2304. Related Parties	620		620	620
2305. Current Portion of Long Term Debt				16,800
2397. Totals (Lines 2304 through 2396) (Page 3, Line 23)	620		620	17,420

ALPHABETICAL INDEX TO HEALTH ANNUAL STATEMENT

Exhibit of Nonadmitted Assets	16	Schedule DA – Verification Between Years	SI11
Analysis of Operations By Lines of Business	7	Schedule DB – Part A – Section 1	E18
Assets	2	Schedule DB – Part A – Section 2	E18
Cash Flow	6	Schedule DB – Part A – Section 3	E19
Exhibit 1 – Enrollment By Product Type for Health Business Only	17	Schedule DB – Part A – Verification Between Years	SI12
Exhibit 2 – Accident and Health Premiums Due and Unpaid	18	Schedule DB – Part B – Section 1	E19
Exhibit 3 – Health Care Receivables	19	Schedule DB – Part B – Section 2	E20
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