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HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2009

OF THE CONDITION AND AFFAIRS OF THE

HUMANA HEALTH PLANS OF PUERTO RICO, INC.

NAIC Group Code 0119 (Current Period), 0119 (Prior Period) NAIC Company Code 95721 Employer's ID Number 66-0406896

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

Country of Domicile United States

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

Incorporated/Organized 12/08/1983 Commenced Business 05/01/1986

Statutory Home Office 383 FD Roosevelt Avenue (Street and Number), San Juan, PR 00918-2131 (City or Town, State and Zip Code)

Main Administrative Office 383 FD Roosevelt Avenue (Street and Number)
San Juan, PR 00918-2131 (City or Town, State and Zip Code) 787-282-7900 (Area Code) (Telephone Number)

Mail Address 383 FD Roosevelt Avenue (Street and Number or P.O. Box), San Juan, PR 00918-2131 (City or Town, State and Zip Code)

Primary Location of Books and Records 383 FD Roosevelt Avenue (Street and Number)
San Juan, PR 00918-2131 (City or Town, State and Zip Code) 787-622-5553 (Area Code) (Telephone Number)

Internet Website Address

Statutory Statement Contact Wilma Rodriguez (Name) 787-622-5553 (Area Code) (Telephone Number) (Extension)
wrodriguez@humana.com (E-mail Address) 866-423-7146 (FAX Number)

OFFICERS

Name	Title	Name	Title
David M. Krebs	President & COO	James H. Bloem	Treasurer
René De León	Secretary		

OTHER OFFICERS

Thomas J. Liston	Senior Vice President - Senior Products	Joan O. Lenahan	Assistant Secretary

DIRECTORS OR TRUSTEES

David M. Krebs	Mayra G. Torres	Bruce D. Perkins	Luis Montaner M.D.
James E. Murray			

State of .....

County of ..... **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.

David M. Krebs	René De León	James H. Bloem
President	Secretary	Treasurer

Subscribed and sworn to before me this
_____ day of _____,

a. Is this an original filing? Yes [X] 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)	68,739,780		68,739,780	57,808,293
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	101,250
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ encumbrances)			0	0
4.2 Properties held for the production of income (less $ encumbrances)			0	0
4.3 Properties held for sale (less $ encumbrances)			0	0
5. Cash ($ (4,292,384) , Schedule E, Part 1), cash equivalents ($ 1,999,903 , Schedule E, Part 2) and short-term investments ($ 47,863,261 , Schedule DA)	45,570,780		45,570,780	90,240,517
6. Contract loans, (including $ premium notes)			0	0
7. Other invested assets (Schedule BA)	0	0	0	0
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	114,310,560	0	114,310,560	148,150,060
11. Title plants less $ charged off (for Title Insurers only)			0	0
12. Investment income due and accrued	607,904		607,904	613,107
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	63,510,566		63,510,566	50,161,930
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ earned but unbilled premium)			0	0
13.3 Accrued retrospective premium			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers			0	0
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	13,076,108		13,076,108	0
16.2 Net deferred tax asset	3,373,297	3,373,297	0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software	302,096		302,096	633,926
19. Furniture and equipment, including health care delivery assets ($)	2,826,735	2,826,735	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates			0	0
22. Health care ($ 843,802) and other amounts receivable	1,186,248	342,446	843,802	7,792,437
23. Aggregate write-ins for other than invested assets	1,530,090	1,530,090	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	200,723,604	8,072,568	192,651,036	207,351,460
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
26. Total (Lines 24 and 25)	200,723,604	8,072,568	192,651,036	207,351,460
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0
2301. Accounts Receivables Premium			0	0
2302. Prepaid Other	1,377,922	1,377,922	0	0
2303. Accounts Receivables Other	18,249	18,249	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	133,919	133,919	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	1,530,090	1,530,090	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less $ ..... reinsurance ceded)	87,343,931		87,343,931	97,742,525
2. Accrued medical incentive pool and bonus amounts	1,921,262		1,921,262	2,408,318
3. Unpaid claims adjustment expenses			0	0
4. Aggregate health policy reserves	5,200,001		5,200,001	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves	1,906,213		1,906,213	15,000,000
8. Premiums received in advance	7,642,355		7,642,355	1,586,153
9. General expenses due or accrued	2,649,132		2,649,132	5,271,614
10.1 Current federal and foreign income tax payable and interest thereon (including $ ..... on realized capital gains (losses))	0		0	14,476,698
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others	5,353,748		5,353,748	5,865,024
13. Remittance and items not allocated			0	0
14. Borrowed money (including $ ..... current) and interest thereon $ ..... (including $ ..... current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	9,900,511		9,900,511	5,235,251
16. Payable for securities			0	0
17. Funds held under reinsurance treaties with ($ ..... authorized reinsurers and $ ..... unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured plans			0	0
21. Aggregate write-ins for other liabilities (including $ ..... current)	9,727,475	0	9,727,475	9,937,160
22 Total liabilities (Lines 1 to 21)	131,644,628	0	131,644,628	157,522,744
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX	142,525	142,525
25 Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX	26,169,379	25,723,732
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	34,694,504	23,962,458
30. Less treasury stock, at cost:				
30.1 ..... shares common (value included in Line 24 $ .....)	XXX	XXX		0
30.2 ..... shares preferred (value included in Line 25 $ .....)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	61,006,408	49,828,715
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	192,651,036	207,351,460
DETAILS OF WRITE-INS				
2101. Unclaimed Funds	1,481,397		1,481,397	3,263,438
2102. Accrued Other	3,235,598		3,235,598	796,431
2103. Outstanding Drafts	5,010,479		5,010,479	5,877,291
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	9,727,475	0	9,727,475	9,937,160
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	XXX	4,436,951	4,499,687
2.	Net premium income (including $ 0 non-health premium income)	XXX	592,120,681	588,522,391
3.	Change in unearned premium reserves and reserve for rate credits	XXX		0
4.	Fee-for-service (net of $ medical expenses)	XXX		0
5.	Risk revenue	XXX		0
6.	Aggregate write-ins for other health care related revenues	XXX	2,646	1,918
7.	Aggregate write-ins for other non-health revenues	XXX	0	0
8.	Total revenues (Lines 2 to 7)	XXX	592,123,327	588,524,308
	Hospital and Medical:			
9.	Hospital/medical benefits		297,217,923	318,468,754
10.	Other professional services		(6,957,546)	3,034,377
11.	Outside referrals		23,181,572	248
12.	Emergency room and out-of-area		81,650,236	72,000,041
13.	Prescription drugs		86,272,653	84,445,564
14.	Aggregate write-ins for other hospital and medical	0	(2,329,377)	(29,045,690)
15.	Incentive pool, withhold adjustments and bonus amounts		55,883,260	46,858,600
16.	Subtotal (Lines 9 to 15)	0	534,918,722	495,761,894
	Less:			
17.	Net reinsurance recoveries			0
18.	Total hospital and medical (Lines 16 minus 17)	0	534,918,722	495,761,894
19.	Non-health claims (net)			0
20.	Claims adjustment expenses, including $ 0 cost containment expenses		0	0
21.	General administrative expenses		50,418,960	45,179,082
22.	Increase in reserves for life and accident and health contracts (including $ increase in reserves for life only)		0	0
23.	Total underwriting deductions (Lines 18 through 22)	0	585,337,682	540,940,976
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	6,785,645	47,583,332
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		2,670,442	4,155,630
26.	Net realized capital gains (losses) less capital gains tax of $		588,221	465,695
27.	Net investment gains (losses) (Lines 25 plus 26)	0	3,258,663	4,621,325
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $) (amount charged off $)]			0
29.	Aggregate write-ins for other income or expenses	0	0	0
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	10,044,308	52,204,657
31.	Federal and foreign income taxes incurred	XXX	3,690,762	13,653,602
32.	Net income (loss) (Lines 30 minus 31)	XXX	6,353,546	38,551,055
	DETAILS OF WRITE-INS			
0601.	Miscellaneous Income	XXX	2,646	1,918
0602.	Pharmacy Rebates	XXX		0
0603.	Management Fee Insurance	XXX		0
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	2,646	1,918
0701.		XXX		
0702.		XXX		
0703.		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.	Change in Reserve HCP	0	(2,329,377)	(29,045,690)
1402.	Premium Deficiency Cost			0
1403.	Extension of Benefits Reserve			0
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	(2,329,377)	(29,045,690)
2901.	Other Investment Income			0
2902.	Gain / Loss Sale Fixed Asset			0
2903.	Other Expenses			0
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (continued)

		1 Current Year	2 Prior Year
	CAPITAL AND SURPLUS ACCOUNT:		
33.	Capital and surplus prior-reporting period	49,828,715	19,064,755
34.	Net income or (loss) from Line 32	6,353,546	38,551,055
35.	Change in valuation basis of aggregate policy and claim reserves		0
36.	Change in net unrealized capital gains (losses) less capital gains tax of $	198,692	(192,281)
37.	Change in net unrealized foreign exchange capital gain or (loss)		0
38.	Change in net deferred income tax		0
39.	Change in nonadmitted assets	4,179,808	(7,967,879)
40.	Change in unauthorized reinsurance	0	0
41.	Change in treasury stock	0	0
42.	Change in surplus notes	0	0
43.	Cumulative effect of changes in accounting principles		0
44.	Capital Changes:		
	44.1 Paid in	0	0
	44.2 Transferred from surplus (Stock Dividend)		0
	44.3 Transferred to surplus		0
45.	Surplus adjustments:		
	45.1 Paid in	445,647	1,091,186
	45.2 Transferred to capital (Stock Dividend)	0	0
	45.3 Transferred from capital		(718,121)
46.	Dividends to stockholders		0
47.	Aggregate write-ins for gains or (losses) in surplus	0	0
48.	Net change in capital & surplus (Lines 34 to 47)	11,177,693	30,763,960
49.	Capital and surplus end of reporting period (Line 33 plus 48)	61,006,408	49,828,715
	DETAILS OF WRITE-INS		
4701.			0
4702.			
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	590,028,249	550,681,694
2. Net investment income	2,904,302	4,244,076
3. Miscellaneous income	2,646	1,918
4. Total (Lines 1 through 3)	592,935,196	554,927,688
5. Benefit and loss related payments	552,254,732	486,937,292
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		0
7. Commissions, expenses paid and aggregate write-ins for deductions	53,041,442	42,677,402
8. Dividends paid to policyholders		0
9. Federal and foreign income taxes paid (recovered) net of $ tax on capital gains (losses)	28,065,538	3,650,000
10. Total (Lines 5 through 9)	633,361,713	533,264,694
11. Net cash from operations (Line 4 minus Line 10)	(40,426,516)	21,662,993
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	54,907,204	94,811,310
12.2 Stocks	80,293	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(497)	0
12.7 Miscellaneous proceeds	5,848	115,883
12.8 Total investment proceeds (Lines 12.1 to 12.7)	54,992,848	94,927,193
13. Cost of investments acquired (long-term only):		
13.1 Bonds	65,258,979	100,824,760
13.2 Stocks	0	125,000
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	5,850	114,916
13.7 Total investments acquired (Lines 13.1 to 13.6)	65,264,829	101,064,676
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(10,271,981)	(6,137,483)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	445,647	373,064
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	5,583,114	(5,150,269)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	6,028,761	(4,777,205)
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)	(44,669,736)	10,748,306
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	90,240,517	79,492,211
19.2 End of year (Line 18 plus Line 19.1)	45,570,780	90,240,517

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefit Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1.	Net premium income	592,120,681	31,990,528	0	0	0	0	85,576,031	474,554,122	0	0
2.	Change in unearned premium reserves and reserve for rate credit	0									
3.	Fee-for-service (net of $ ..... medical expenses)	0									XXX
4.	Risk revenue	0									XXX
5.	Aggregate write-ins for other health care related revenues	2,646	2,646	0	0	0	0	0	0	0	XXX
6.	Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7.	Total revenues (Lines 1 to 6)	592,123,327	31,993,174	0	0	0	0	85,576,031	474,554,122	0	0
8.	Hospital/medical/ benefits	297,217,923	11,443,841					38,363,580	247,410,502		XXX
9.	Other professional services	(6,957,546)	154,802					(1,149,755)	(5,962,592)		XXX
10.	Outside referrals	23,181,572						5,540,714	17,640,858		XXX
11.	Emergency room and out-of-area	81,650,236	2,701,416					11,264,678	67,684,142		XXX
12.	Prescription Drugs	86,272,653	7,710,118					14,935,677	63,626,858		XXX
13.	Aggregate write-ins for other hospital and medical	(2,329,377)	(544,896)	0	0	0	0	1,251,564	(3,036,045)	0	XXX
14.	Incentive pool, withhold adjustments and bonus amounts	55,883,260	3,649,464					7,017,053	45,216,743		XXX
15.	Subtotal (Lines 8 to 14)	534,918,722	25,114,745	0	0	0	0	77,223,511	432,580,466	0	XXX
16.	Net reinsurance recoveries	0									XXX
17.	Total hospital and medical (Lines 15 minus 16)	534,918,722	25,114,745	0	0	0	0	77,223,511	432,580,466	0	XXX
18.	Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19.	Claims adjustment expenses including $ 0 cost containment expenses	0									
20.	General administrative expenses	50,418,961	9,189,942					14,135,854	27,093,165		
21.	Increase in reserves for accident and health contracts	0									XXX
22.	Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23.	Total underwriting deductions (Lines 17 to 22)	585,337,683	34,304,687	0	0	0	0	91,359,365	459,673,631	0	0
24.	Net underwriting gain or (loss) (Line 7 minus Line 23)	6,785,644	(2,311,513)	0	0	0	0	(5,783,334)	14,880,491	0	0
	DETAILS OF WRITE-INS										
0501.	Miscellaneous Income	2,646	2,646								XXX
0502.											XXX
0503.											XXX
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	2,646	2,646	0	0	0	0	0	0	0	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 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699.	Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	Change in Reserve	(2,329,377)	(544,896)					1,251,564	(3,036,045)		XXX
1302.											XXX
1303.											XXX
1398.	Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399.	Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	(2,329,377)	(544,896)	0	0	0	0	1,251,564	(3,036,045)	0	XXX

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)	31,990,528			31,990,528
2. Medicare Supplement				0
3. Dental Only				0
4. Vision Only				0
5. Federal Employees Health Benefits Plan				0
6. Title XVIII - Medicare	85,576,031			85,576,031
7. Title XIX - Medicaid	474,554,122			474,554,122
8. Other health				0
9. Health subtotal (Lines 1 through 8)	592,120,681	0	0	592,120,681
10. Life				0
11. Property/casualty				0
12. Totals (Lines 9 to 11)	592,120,681	0	0	592,120,681

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	502,527,842	22,036,627					70,985,430	409,505,785		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	502,527,842	22,036,627	0	0	0	0	70,985,430	409,505,785	0	0
2. Paid medical incentive pools and bonuses	56,370,316	3,835,124					7,240,751	45,294,440		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	87,343,931	2,007,991	0	0	0	0	16,204,461	69,131,479	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	87,343,931	2,007,991	0	0	0	0	16,204,461	69,131,479	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	1,906,213	12,213						1,894,000		
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	
4.4 Net	1,906,213	12,213	0	0	0	0	0	1,894,000	0	0
5. Accrued medical incentive pools and bonuses, current year	1,921,262	909,171					601,254	410,838		
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	97,742,525	2,591,551	0	0	0	0	16,983,433	78,167,541	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	97,742,525	2,591,551	0	0	0	0	16,983,433	78,167,541	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	15,000,000	0	0	0	0	0	0	15,000,000	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	15,000,000	0	0	0	0	0	0	15,000,000	0	0
10. Accrued medical incentive pools and bonuses, prior year	2,408,317	1,094,831	0	0	0	0	824,952	488,534	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred Benefits:										
12.1 Direct	479,035,461	21,465,280	0	0	0	0	70,206,458	387,363,723	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	479,035,461	21,465,280	0	0	0	0	70,206,458	387,363,723	0	0
13. Incurred medical incentive pools and bonuses	55,883,261	3,649,464	0	0	0	0	7,017,053	45,216,744	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan Premium	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in Process of Adjustment:										
1.1. Direct	0									
1.2. Reinsurance assumed	0									
1.3. Reinsurance ceded	0									
1.4. Net	0	0	0	0	0	0	0	0	0	0
2. Incurred but Unreported:										
2.1. Direct	87,343,931	2,007,991					16,204,461	69,131,479		
2.2. Reinsurance assumed	0									
2.3. Reinsurance ceded	0									
2.4. Net	87,343,931	2,007,991	0	0	0	0	16,204,461	69,131,479	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct	0									
3.2. Reinsurance assumed	0									
3.3. Reinsurance ceded	0									
3.4. Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1. Direct	87,343,931	2,007,991	0	0	0	0	16,204,461	69,131,479	0	0
4.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4. Net	87,343,931	2,007,991	0	0	0	0	16,204,461	69,131,479	0	0

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 Dec. 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	1,897,319	20,139,309	133,060	1,887,144	2,030,379	2,591,550
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan Premiums					0	0
6. Title XVIII - Medicare	11,917,974	59,067,456	1,276,619	14,927,842	13,194,593	16,983,433
7. Title XIX - Medicaid	54,576,531	354,929,254	8,906,349	62,119,130	63,482,880	93,167,542
8. Other health					0	0
9. Health subtotal (Lines 1 to 8)	68,391,824	434,136,019	10,316,028	78,934,116	78,707,852	112,742,525
10. Healthcare receivables (a)					0	
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts		56,370,316		1,921,262	0	2,408,318
13. Totals (Lines 9 - 10 + 11 + 12)	68,391,824	490,506,335	10,316,028	80,855,378	78,707,852	115,150,843

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	19,040	19,058	19,056	19,056	19,056
2. 2005	19,876	21,484	21,553	21,556	21,556
3. 2006	XXX	23,146	24,977	25,059	25,089
4. 2007	XXX	XXX	24,121	26,144	26,268
5. 2008	XXX	XXX	XXX	23,020	24,764
6. 2009	XXX	XXX	XXX	XXX	23,974

Section B – Incurred Health Claims - Hospital and Medical

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 2005	2 2006	3 2007	4 2008	5 2009
1. Prior			19,056	19,056	19,056
2. 2005			21,574	21,556	21,556
3. 2006	XXX		25,176	25,068	25,089
4. 2007	XXX	XXX	25,579	26,229	26,286
5. 2008	XXX	XXX	XXX	26,383	24,879
6. 2009	XXX	XXX	XXX	XXX	26,770

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

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. 2005	29,738	21,556		0.0	21,556	72.5			21,556	72.5
2. 2006	31,678	25,089		0.0	25,089	79.2			25,089	79.2
3. 2007	34,947	26,268		0.0	26,268	75.2	18		26,286	75.2
4. 2008	32,381	24,764		0.0	24,764	76.5	115		24,879	76.8
5. 2009	31,991	23,974		0.0	23,974	74.9	2,796		26,770	83.7

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	0	0	0	0	0
2. 2005	3,781	6,235	6,445	6,445	6,445
3. 2006	XXX	75,248	91,617	92,777	92,777
4. 2007	XXX	XXX	132,985	144,873	146,676
5. 2008	XXX	XXX	XXX	62,746	72,861
6. 2009	XXX	XXX	XXX	XXX	66,308

Section B - Incurred Health Claims - Medicare

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 2005	2 2006	3 2007	4 2008	5 2009
1. Prior					
2. 2005			6,445	6,445	6,445
3. 2006	XXX		93,731	92,948	92,777
4. 2007	XXX	XXX	159,134	146,651	146,892
5. 2008	XXX	XXX	XXX	78,605	73,922
6. 2009	XXX	XXX	XXX	XXX	81,837

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

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. 2005	10,225	6,445		0.0	6,445	63.0			6,445	63.0
2. 2006	119,799	92,777		0.0	92,777	77.4			92,777	77.4
3. 2007	161,520	146,676	0	0.0	146,676	90.8	216		146,892	90.9
4. 2008	103,560	72,861		0.0	72,861	70.4	1,061		73,922	71.4
5. 2009	85,576	66,308		0.0	66,308	77.5	15,529		81,837	95.6

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	339,967	341,956	341,933	341,943	341,943
2. 2005	319,499	357,459	361,069	360,898	360,890
3. 2006	XXX	326,417	366,517	374,745	375,882
4. 2007	XXX	XXX	356,119	419,082	423,333
5. 2008	XXX	XXX	XXX	314,086	363,283
6. 2009	XXX	XXX	XXX	XXX	400,224

Section B – Incurred Health Claims - Title XIX Medicaid

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 2005	2 2006	3 2007	4 2008	5 2009
1. Prior			341,933	341,943	341,943
2. 2005			361,497	360,898	360,890
3. 2006	XXX		374,988	375,708	375,882
4. 2007	XXX	XXX	420,476	424,889	424,506
5. 2008	XXX	XXX	XXX	400,972	371,016
6. 2009	XXX	XXX	XXX	XXX	462,754

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Title XIX Medicaid

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. 2005	400,446	360,890		0.0	360,890	90.1			360,890	90.1
2. 2006	390,859	375,882		0.0	375,882	96.2			375,882	96.2
3. 2007	428,206	423,333		0.0	423,333	98.9	1,173		424,506	99.1
4. 2008	454,108	363,283		0.0	363,283	80.0	7,734		371,017	81.7
5. 2009	474,554	400,224		0.0	400,224	84.3	62,530		462,754	97.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	359,007	361,014	360,989	360,999	360,999
2. 2005	343,156	385,178	389,067	388,899	388,891
3. 2006	XXX	424,811	483,111	492,581	493,748
4. 2007	XXX	XXX	513,225	590,099	596,277
5. 2008	XXX	XXX	XXX	399,852	460,908
6. 2009	XXX	XXX	XXX	XXX	490,506

Section B - Incurred Health Claims - Grand Total

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 2005	2 2006	3 2007	4 2008	5 2009
1. Prior	0	0	360,989	360,999	360,999
2. 2005	0	0	389,516	388,899	388,891
3. 2006	XXX	0	493,895	493,724	493,748
4. 2007	XXX	XXX	605,189	597,769	597,684
5. 2008	XXX	XXX	XXX	505,960	469,817
6. 2009	XXX	XXX	XXX	XXX	571,361

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

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. 2005	440,409	388,891	0	0.0	388,891	88.3	0	0	388,891	88.3
2. 2006	542,336	493,748	0	0.0	493,748	91.0	0	0	493,748	91.0
3. 2007	624,673	596,277	0	0.0	596,277	95.5	1,407	0	597,684	95.7
4. 2008	590,049	460,908	0	0.0	460,908	78.1	8,910	0	469,818	79.6
5. 2009	592,121	490,506	0	0.0	490,506	82.8	80,855	0	571,361	96.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefit Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	0								
2. Additional policy reserves (a)	0								
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $ ..... for investment income)	5,200,001						5,200,001		
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (Gross)	5,200,001	0	0	0	0	0	5,200,001	0	0
7. Reinsurance ceded	0								
8. Totals (Net) (Page 3, Line 4)	5,200,001	0	0	0	0	0	5,200,001	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	1,906,213	12,213						1,894,000	
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (Gross)	1,906,213	12,213	0	0	0	0	0	1,894,000	0
13. Reinsurance ceded	0								
14. Totals (Net) (Page 3, Line 7)	1,906,213	12,213	0	0	0	0	0	1,894,000	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101. RESERVE	0								
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $ ..... premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($ ..... for occupancy of own building)			4,480,487		4,480,487
2. Salaries, wages and other benefits			27,157,558		27,157,558
3. Commissions (less $ ..... ceded plus					
$ ..... assumed			2,372,626		2,372,626
4. Legal fees and expenses			624,760		624,760
5. Certifications and accreditation fees					0
6. Auditing, actuarial and other consulting services			151,240		151,240
7. Traveling expenses			452,943		452,943
8. Marketing and advertising			3,030,067		3,030,067
9. Postage, express and telephone			2,175,342		2,175,342
10. Printing and office supplies			837,973		837,973
11. Occupancy, depreciation and amortization			640,263		640,263
12. Equipment			495,703		495,703
13. Cost or depreciation of EDP equipment and software			832,468		832,468
14. Outsourced services including EDP, claims, and other services			4,261,319		4,261,319
15. Boards, bureaus and association fees			0		0
16. Insurance, except on real estate			488,500		488,500
17. Collection and bank service charges					0
18. Group service and administration fees			(568,017)		(568,017)
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses					0
22. Real estate taxes					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					0
23.2 State premium taxes					0
23.3 Regulatory authority licenses and fees			1,098,498		1,098,498
23.4 Payroll taxes			1,887,230		1,887,230
23.5 Other (excluding federal income and real estate taxes)			0		0
24. Investment expenses not included elsewhere					0
25. Aggregate write-ins for expenses	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25)	0	0	50,418,960	0	(a) 50,418,960
27. Less expenses unpaid December 31, current year			2,649,132		2,649,132
28. Add expenses unpaid December 31, prior year	0	0	5,271,614	0	5,271,614
29. Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	0	53,041,442	0	53,041,442
DETAIL OF WRITE-INS					
2501.					0
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Line 2501 through 2503 plus 2598)(Line 25 above)	0	0	0	0	0

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

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 352,538	225,935
1.1	Bonds exempt from U.S. tax	(a) 767,335	741,067
1.2	Other bonds (unaffiliated)	(a) 1,387,922	1,539,390
1.3	Bonds of affiliates	(a) 0	
2.1	Preferred stocks (unaffiliated)	(b) 5,125	5,125
2.11	Preferred stocks of affiliates	(b) 0	
2.2	Common stocks (unaffiliated)	0	
2.21	Common stocks of affiliates	0	
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 162,725	158,925
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	2,675,645	2,670,442
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		0
16.	Total deductions (Lines 11 through 15)		0
17.	Net investment income (Line 10 minus Line 16)		2,670,442
	DETAILS OF WRITE-INS		
0901.	OTHER INVESTMENT INCOME		
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes $ 28,072 accrual of discount less $ 256,729 amortization of premium and less $ 69,022 paid for accrued interest on purchases.
(b) Includes $ accrual of discount less $ 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 $ paid for accrued interest on purchases.
(d) Includes $ for company's occupancy of its own buildings; and excludes $ interest on encumbrances.
(e) Includes $ 28,971 accrual of discount less $ amortization of premium and less $ paid for accrued interest on purchases.
(f) Includes $ accrual of discount less $ amortization of premium.
(g) Includes $ investment expenses and $ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $ interest on surplus notes and $ interest on capital notes.
(i) Includes $ depreciation on real estate and $ 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	89,222		89,222		
1.1	Bonds exempt from U.S. tax	463,363	0	463,363	25,414	
1.2	Other bonds (unaffiliated)	86,691	(5,850)	80,841	149,529	
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	(44,707)	0	(44,707)	23,750	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments	(497)	0	(497)	0	0
7.	Derivative instruments	0		0		
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	594,072	(5,850)	588,222	198,693	0
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule-E Part 1), cash equivalents (Schedule-E Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	0	0
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	0	0	0
11. Title plants (for Title insurers only)	0	0	0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
13.3 Accrued retrospective premiums	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset	3,373,297	6,551,327	3,178,030
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software	0	0	0
19. Furniture and equipment, including health care delivery assets	2,826,735	3,545,860	719,125
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable	342,446	37,238	(305,208)
23. Aggregate write-ins for other than invested assets	1,530,090	2,117,950	587,860
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	8,072,568	12,252,376	4,179,808
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
26. Total (Lines 24 and 25)	8,072,568	12,252,376	4,179,808
DETAILS OF WRITE-INS			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	0	0	0
2301. Accounts Receivables Premium	0	0	0
2302. Prepaid Other	1,377,922	1,346,533	(31,389)
2303. Accounts Receivables Other	18,249	634,149	615,900
2398. Summary of remaining write-ins for Line 23 from overflow page	133,919	137,268	3,349
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	1,530,090	2,117,950	587,860

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health Maintenance Organizations	370,448	360,025	369,002	376,142	378,730	4,436,951
2. Provider Service Organizations	0					
3. Preferred Provider Organizations	0					
4. Point of Service	0					
5. Indemnity Only	0					
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	370,448	360,025	369,002	376,142	378,730	4,436,951
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

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 [ ] NA [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. 12/31/1999

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. 12/31/1999

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). 12/31/1999

3.4 By what department or departments? Insurance Commissioner of Puerto Rico - DOI .....

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 [X] No [ ] NA [ ]

3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]

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]

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

GENERAL INTERROGATORIES

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?

PricewaterhouseCoopers PO Box 363566 San Juan PR 00939-3566

10. 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? .....

P. Anthony Hammond - Officer 383 Ave Roosevelt Ave San Juan PR 00918

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

11.11 Name of real estate holding company .....

11.12 Number of parcels involved .....

11.13 Total book/adjusted carrying value ..... $.....

11.2 If yes, provide explanation

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

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

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

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

12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] NA [X]

13.1 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? ..... Yes [X] No [ ]

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.

13.11 If the response to 13.1 is No, please explain:

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

13.21 If the response to 13.2 is Yes, provide information related to amendment(s).

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

13.31 If the response to 13.3 is Yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. 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 [X] No [ ]

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

16. 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 [X] No [ ]

GENERAL INTERROGATORIES

FINANCIAL

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

18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 18.11 To directors or other officers .. $ 0
- 18.12 To stockholders not officers ... $ 0
- 18.13 Trustees, supreme or grand (Fraternal only) ..... $ 0

18.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 18.21 To directors or other officers ... $ 0
- 18.22 To stockholders not officers .... $ 0
- 18.23 Trustees, supreme or grand (Fraternal only) ..... $ 0

19.1 Were any assets reported in the 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]

19.2 If yes, state the amount thereof at December 31 of the current year:
- 19.21 Rented from others ..... $
- 19.22 Borrowed from others ..... $
- 19.23 Leased from others ..... $
- 19.24 Other ..... $

20.1 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]

20.2 If answer is yes:
- 20.21 Amount paid as losses or risk adjustment ..... $
- 20.22 Amount paid as expenses ..... $
- 20.23 Other amounts paid ..... $

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

21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... $

INVESTMENT

22.1 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 22.3) ..... Yes [X] No [ ]

22.2 If no, give full and complete information relating thereto:

22.3 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 16 where this information is also provide)

22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? ..... Yes [ ] No [ ] NA [X]

22.5 If answer to 22.4 is YES, report amount of collateral ..... $

22.6 If answer to 22.4 is NO, report amount of collateral ..... $

23.1 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 19.1 and 22.3) ..... Yes [X] No [ ]

23.2 If yes, state the amount thereof at December 31 of the current year:
- 23.21 Subject to repurchase agreements ..... $
- 23.22 Subject to reverse repurchase agreements ..... $
- 23.23 Subject to dollar repurchase agreements ..... $
- 23.24 Subject to reverse dollar repurchase agreements ..... $
- 23.25 Pledged as collateral ..... $
- 23.26 Placed under option agreements ..... $
- 23.27 Letter stock or securities restricted as to sale ..... $
- 23.28 On deposit with state or other regulatory body ..... $ 602,000
- 23.29 Other ..... $

23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? ..... Yes [ ] No [X]

24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ ] No [ ] NA [X]
If no, attach a description with this statement.

25.1 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 [X]

25.2 If yes, state the amount thereof at December 31 of the current year. ..... $

GENERAL INTERROGATORIES

26. 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 3, III Conducting Examinations, F - Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [X] No [ ]

26.01 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
Citibank NA	PO Box 70301 San Juan PR 00936-70301

26.02 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)

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? ..... Yes [ ] No [X]

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

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

26.05 Identify all investment advisors, brokers/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	3 Address
117105	BlackRock	40 East 52nd St New York NY 10022

27.1 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]

27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
27.2999 TOTAL		0

27.3 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

28. 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 (+)
28.1 Bonds	118,602,945	119,671,911	1,068,966
28.2 Preferred stocks	0		0
28.3 Totals	118,602,945	119,671,911	1,068,966

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

29.1 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]

29.2 If 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 [ ]

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

NAIC SVO Fair values (and RMBS methodology) are used where available.

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

30.2 If no, list exceptions:

OTHER

31.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? ..... $ 50,398

31.2 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

32.1 Amount of payments for legal expenses, if any? ..... $ 674,874

32.2 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
Pietrantoni Méndez & Alvarez	369,977
Schuster Usera & Aguiló LLP	186,311

33.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? ..... $ 0

33.2 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 ..... $ 0

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. ..... $ 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. ..... $ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned ..... $ 0

1.62 Total incurred claims ..... $ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned ..... $ 0

1.65 Total incurred claims ..... $ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned ..... $ 0

1.72 Total incurred claims ..... $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned ..... $ 0

1.75 Total incurred claims ..... $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 592,120,681	$ 588,522,391
2.2	Premium Denominator	$ 592,120,681	$ 588,522,391
2.3	Premium Ratio (2.1/2.2)	1.000	1.000
2.4	Reserve Numerator	$	$ 114,920,722
2.5	Reserve Denominator	$ 96,371,407	$ 115,150,843
2.6	Reserve Ratio (2.4/2.5)	0.000	0.998

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 [ ]

5.1 Does the reporting entity have stop-loss reinsurance? ..... Yes [ ] No [X]

5.2 If no, explain:

Self insured

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical ..... $

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:

None

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

7.2 If no, give details:

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 11,741

8.2 Number of providers at end of reporting year 12,939

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 .....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

10.2 If yes:

10.21 Maximum amount payable bonuses	$	
10.22 Amount actually paid for year bonuses	$	56,370,316
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,	Yes [ ] No [ ]
11.13 An Individual Practice Association (IPA), or,	Yes [ ] No [ ]
11.14 A Mixed Model (combination of above) ?	Yes [ ] No [ ]

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

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

DOI - PR

11.4 If yes, show the amount required. ..... $ 600,000

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

11.6 If the amount is calculated, show the calculation.

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

1 Name of Service Area

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 2009	2 2008	3 2007	4 2006	5 2005
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 26)	192,651,036	207,351,460	167,692,983	141,665,869	136,226,207
2. Total liabilities (Page 3, Line 22)	131,644,628	157,522,744	148,628,229	117,393,752	71,652,565
3. Statutory surplus	600,000	0	0	0	0
4. Total capital and surplus (Page 3, Line 31)	61,006,408	49,828,715	19,064,754	24,272,117	64,573,641
Income Statement (Page 4)					
5. Total revenues (Line 8)	592,123,327	588,524,308	624,675,494	542,342,386	440,412,797
6. Total medical and hospital expenses (Line 18)	534,918,722	495,761,894	586,565,563	506,523,544	393,712,023
7. Claims adjustment expenses (Line 20)	0	0	0	0	0
8. Total administrative expenses (Line 21)	50,418,960	45,179,082	51,215,640	52,897,656	38,172,771
9. Net underwriting gain (loss) (Line 24)	6,785,645	47,583,332	(13,105,709)	(17,078,814)	8,528,003
10. Net investment gain (loss) (Line 27)	3,258,663	4,621,325	6,142,561	5,672,848	3,893,090
11. Total other income (Lines 28 plus 29)	0	0	0	0	0
12. Net income (loss) (Line 32)	6,353,546	38,551,055	(7,628,531)	(11,354,610)	8,844,107
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(40,426,516)	21,662,993	9,791,750	13,197,412	0
Risk - Based Capital Analysis					
14. Total adjusted capital	61,006,408	49,828,715	19,064,754	24,272,117	64,573,641
15. Authorized control level risk-based capital	23,380,124	21,759,993	28,822,314	21,780,019	16,838,023
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	378,730	370,448	381,992	564,993	426,139
17. Total member months (Column 6, Line 7)	4,436,951	4,499,687	4,599,590	5,115,170	5,042,434
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 19)	90.3	84.2	93.9	93.4	89.4
20. Cost containment expenses	0.0	0.0	0.0	0.0	XXX
21. Other claims adjustment expenses	0.0	0.0	0.0	0.0	0.0
22. Total underwriting deductions (Line 23)	98.9	91.9	102.1	103.2	98.1
23. Total underwriting gain (loss) (Line 24)	1.1	8.1	(2.1)	(3.1)	1.9
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	78,707,852	94,999,430	73,414,798	47,309,684	45,471,199
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	115,150,843	105,197,444	91,039,257	53,538,185	47,125,174
Investments In Parent, Subsidiaries And Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 7)	0	0	0	0	0
30. Affiliated mortgage loans on real estate		0	0	0	0
31. All other affiliated		0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0

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 [ ]

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

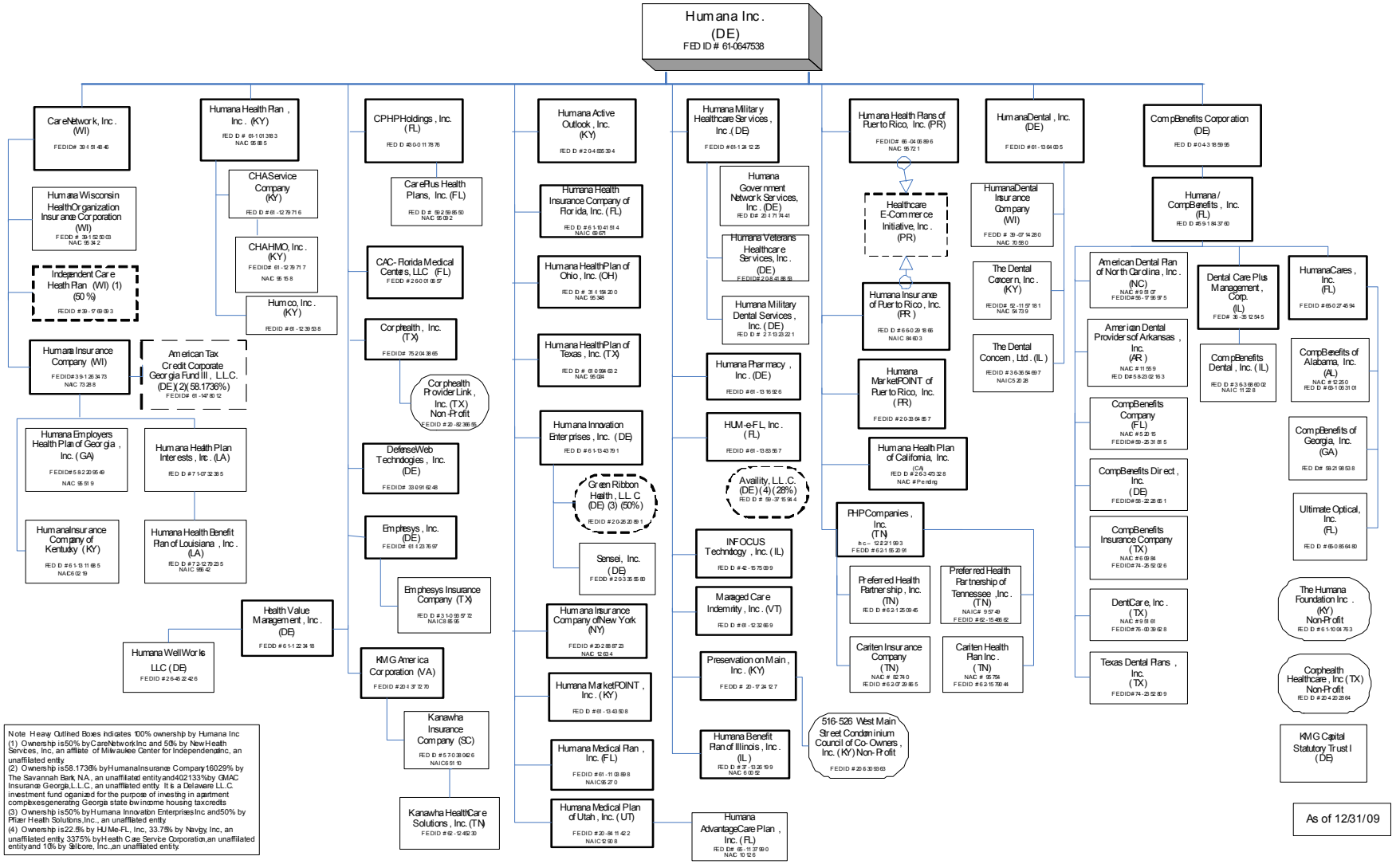
States, Etc.	1 Active Status	Direct Business Only 2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefit Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1. Alabama AL	N							0	0
2. Alaska AK	N							0	0
3. Arizona AZ	N							0	0
4. Arkansas AR	N							0	0
5. California CA	N							0	0
6. Colorado CO	N							0	0
7. Connecticut CT	N							0	0
8. Delaware DE	N							0	0
9. District of Columbia DC	N							0	0
10. Florida FL	N							0	0
11. Georgia GA	N							0	0
12. Hawaii HI	N							0	0
13. Idaho ID	N							0	0
14. Illinois IL	N							0	0
15. Indiana IN	N							0	0
16. Iowa IA	N							0	0
17. Kansas KS	N							0	0
18. Kentucky KY	N							0	0
19. Louisiana LA	N							0	0
20. Maine ME	N							0	0
21. Maryland MD	N							0	0
22. Massachusetts MA	N							0	0
23. Michigan MI	N							0	0
24. Minnesota MN	N							0	0
25. Mississippi MS	N							0	0
26. Missouri MO	N							0	0
27. Montana MT	N							0	0
28. Nebraska NE	N							0	0
29. Nevada NV	N							0	0
30. New Hampshire NH	N							0	0
31. New Jersey NJ	N							0	0
32. New Mexico NM	N							0	0
33. New York NY	N							0	0
34. North Carolina NC	N							0	0
35. North Dakota ND	N							0	0
36. Ohio OH	N							0	0
37. Oklahoma OK	N							0	0
38. Oregon OR	N							0	0
39. Pennsylvania PA	N							0	0
40. Rhode Island RI	N							0	0
41. South Carolina SC	N							0	0
42. South Dakota SD	N							0	0
43. Tennessee TN	N							0	0
44. Texas TX	N							0	0
45. Utah UT	N							0	0
46. Vermont VT	N							0	0
47. Virginia VA	N							0	0
48. Washington WA	N							0	0
49. West Virginia WV	N							0	0
50. Wisconsin WI	N							0	0
51. Wyoming WY	N							0	0
52. American Samoa AS	N							0	0
53. Guam GU	N							0	0
54. Puerto Rico PR	L	31,990,528	85,576,031	474,554,122				592,120,681	0
55. U.S. Virgin Islands VI	N							0	0
56. Northern Mariana Islands MP	N							0	0
57. Canada CN	N							0	0
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	31,990,528	85,576,031	474,554,122	0	0	0	592,120,681	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 1	31,990,528	85,576,031	474,554,122	0	0	0	592,120,681	0
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	

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

(a) Insert the number of yes responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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