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HEALTH QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2010
OF THE CONDITION AND AFFAIRS OF THE

Unison Health Plan of Tennessee, Inc.

NAIC Group Code 0707 (Current) 0707 (Prior) NAIC Company Code 11139 Employer's ID Number 62-1839257

Organized under the Laws of Tennessee, State of Domicile or Port of Entry Tennessee

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [ ] No [X]

Incorporated/Organized 08/09/2000 Commenced Business 07/01/2001

Statutory Home Office 3175 Lenox Park Blvd., Suite 400 (Street and Number), Memphis , TN 38115 (City or Town, State and Zip Code)

Main Administrative Office Unison Plaza, 1001 Brinton Rd. (Street and Number)
Pittsburgh , PA 15221 (City or Town, State and Zip Code), 412-858-4000 (Area Code) (Telephone Number)

Mail Address Unison Plaza, 1001 Brinton Rd. (Street and Number or P.O. Box), Pittsburgh , PA 15221 (City or Town, State and Zip Code)

Primary Location of Books and Records Unison Plaza, 1001 Brinton Rd. (Street and Number)
Pittsburgh , PA 15221 (City or Town, State and Zip Code), 412-858-4000 (Area Code) (Telephone Number)

Internet Web Site Address www.unisonhealthplan.com

Statutory Statement Contact Jeffrey Brian Snelling (Name), 412-501-0428 (Area Code) (Telephone Number)
jeffrey.snelling@unisonhealthplan.com (E-mail Address), 412-457-1344 (FAX Number)

OFFICERS

President	Scott Andrew Bowers #	Treasurer	Robert Worth Oberrender
Secretary	Christina Regina Palme-Krizak	Chief Financial Officer	James Wesley Waters

OTHER

DIRECTORS OR TRUSTEES

Rodney Charles Armstead #	Mark Fred Bjornson #	Michael Paul Radu

State of Tennessee	State of Minnesota	State of Tennessee
County of Williamson	County of Hennepin	County of Williamson

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.

Scott Andrew Bowers	Christina Regina Palme-Krizak	James Wesley Waters
President	Secretary	Chief Financial Officer

Subscribed and sworn to before me this _____ day of _____

Subscribed and sworn to before me this _____ day of _____

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……

JURAT

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Prior Year Net Admitted Assets
1. Bonds	6,346,499		6,346,499	6,458,118
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
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 ($ 7,848,671), cash equivalents ($ .....), and short-term investments ($ 4,903,843)	12,752,514		12,752,514	18,199,769
6. Contract loans (including $ ..... premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets			0	0
9. Receivables for securities	0		0	0
10. Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	19,099,013	0	19,099,013	24,657,887
12. Title plants less $ ..... charged off (for Title insurers only)			0	0
13. Investment income due and accrued	14,143		14,143	79,970
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection	731,281		731,281	2,267,895
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ ..... earned but unbilled premiums)			0	0
14.3 Accrued retrospective premiums	0		0	0
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers	0		0	15,879
15.2 Funds held by or deposited with reinsured companies			0	0
15.3 Other amounts receivable under reinsurance contracts			0	0
16. Amounts receivable relating to uninsured plans	0		0	432,214
17.1 Current federal and foreign income tax recoverable and interest thereon	0		0	0
17.2 Net deferred tax asset	88,287	0	88,287	88,180
18. Guaranty funds receivable or on deposit			0	0
19. Electronic data processing equipment and software			0	0
20. Furniture and equipment, including health care delivery assets ($ .....)			0	0
21. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
22. Receivables from parent, subsidiaries and affiliates	0		0	448,649
23. Health care ($ 206,613) and other amounts receivable	215,510	8,897	206,613	198,993
24. Aggregate write-ins for other than invested assets	108,476	0	108,476	0
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24)	20,256,710	8,897	20,247,813	28,189,667
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
27. Total (Lines 25 and 26)	20,256,710	8,897	20,247,813	28,189,667
DETAILS OF WRITE-INS				
1001.				
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above)	0	0	0	0
2401. State Income Tax Receivable	108,476		108,476	0
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498)(Line 24 above)	108,476	0	108,476	0

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $ ..... reinsurance ceded)	7,720,290		7,720,290	8,190,970
2.	Accrued medical incentive pool and bonus amounts			0	0
3.	Unpaid claims adjustment expenses	163,669		163,669	167,197
4.	Aggregate health policy reserves	793,857		793,857	768,573
5.	Aggregate life policy reserves			0	0
6.	Property/casualty unearned premium reserve			0	0
7.	Aggregate health claim reserves	202,727		202,727	253,587
8.	Premiums received in advance	0		0	211
9.	General expenses due or accrued	172,897		172,897	915,203
10.1	Current federal and foreign income tax payable and interest thereon (including $ ..... on realized gains (losses))	527,129		527,129	186,966
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			0	0
13.	Remittances and items not allocated	0		0	0
14.	Borrowed money (including $ ..... current) and interest thereon $ ..... (including $ ..... current)			0	0
15.	Amounts due to parent, subsidiaries and affiliates	607,543		607,543	1,833,430
16.	Derivatives			0	0
17.	Payable for securities	0		0	0
18.	Funds held under reinsurance treaties (with $ ..... authorized reinsurers and $ ..... unauthorized reinsurers)			0	0
19.	Reinsurance in unauthorized companies			0	0
20.	Net adjustments in assets and liabilities due to foreign exchange rates	0		0	0
21.	Liability for amounts held under uninsured plans	2,456,950		2,456,950	2,357,613
22.	Aggregate write-ins for other liabilities (including $ ..... current)	0	0	0	0
23.	Total liabilities (Lines 1 to 22)	12,645,062	0	12,645,062	14,673,750
24.	Aggregate write-ins for special surplus funds	XXX	XXX	0	0
25.	Common capital stock	XXX	XXX	100	100
26.	Preferred capital stock	XXX	XXX		
27.	Gross paid in and contributed surplus	XXX	XXX	2,989,400	2,989,400
28.	Surplus notes	XXX	XXX		0
29.	Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
30.	Unassigned funds (surplus)	XXX	XXX	4,613,252	10,526,417
31.	Less treasury stock, at cost:				
	31.1 ..... shares common (value included in Line 25 $ .....)	XXX	XXX		
	31.2 ..... shares preferred (value included in Line 26 $ .....)	XXX	XXX		
32.	Total capital and surplus (Lines 24 to 30 minus Line 31)	XXX	XXX	7,602,752	13,515,917
33.	Total liabilities, capital and surplus (Lines 23 and 32)	XXX	XXX	20,247,813	28,189,667
	DETAILS OF WRITE-INS				
2201.					
2202.					
2203.					
2298.	Summary of remaining write-ins for Line 22 from overflow page	0	0	0	0
2299.	Totals (Lines 2201 through 2203 plus 2298)(Line 22 above)	0	0	0	0
2401.		XXX	XXX		
2402.		XXX	XXX		
2403.		XXX	XXX		
2498.	Summary of remaining write-ins for Line 24 from overflow page	XXX	XXX	0	0
2499.	Totals (Lines 2401 through 2403 plus 2498)(Line 24 above)	XXX	XXX	0	0
2901.		XXX	XXX		
2902.		XXX	XXX		
2903.		XXX	XXX		
2998.	Summary of remaining write-ins for Line 29 from overflow page	XXX	XXX	0	0
2999.	Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	XXX	31,454	41,434	57,782
2.	Net premium income (including $ non-health premium income)	XXX	36,586,018	39,971,068	55,633,406
3.	Change in unearned premium reserves and reserve for rate credits	XXX	(25,306)	(299,317)	(68,778)
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	0	0	0
7.	Aggregate write-ins for other non-health revenues	XXX	0	0	0
8.	Total revenues (Lines 2 to 7)	XXX	36,560,712	39,671,751	55,564,628
	Hospital and Medical:				
9.	Hospital/medical benefits		19,701,654	19,790,241	26,683,446
10.	Other professional services		4,125,977	5,132,758	7,224,036
11.	Outside referrals				0
12.	Emergency room and out-of-area		776,442	615,437	962,862
13.	Prescription drugs		3,122,475	2,749,613	3,515,495
14.	Aggregate write-ins for other hospital and medical	0	0	34,599	(10,213)
15.	Incentive pool, withhold adjustments and bonus amounts				0
16.	Subtotal (Lines 9 to 15)	0	27,726,548	28,322,648	38,375,626
	Less:				
17.	Net reinsurance recoveries		(9,999)	20,510	81,498
18.	Total hospital and medical (Lines 16 minus 17)	0	27,736,548	28,302,138	38,294,128
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including $ 571,049 cost containment expenses		925,459	1,129,592	1,079,636
21.	General administrative expenses		4,032,164	4,013,414	7,317,407
22.	Increase in reserves for life and accident and health contracts (including $ increase in reserves for life only)				0
23.	Total underwriting deductions (Lines 18 through 22)	0	32,694,171	33,445,144	46,691,171
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	3,866,541	6,226,607	8,873,456
25.	Net investment income earned		87,656	145,809	175,794
26.	Net realized capital gains (losses) less capital gains tax of $				(829)
27.	Net investment gains (losses) (Lines 25 plus 26)	0	87,656	145,809	174,965
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $) (amount charged off $)]				
29.	Aggregate write-ins for other income or expenses	0	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	3,954,197	6,372,417	9,048,421
31.	Federal and foreign income taxes incurred	XXX	1,367,162	2,230,346	3,188,137
32.	Net income (loss) (Lines 30 minus 31)	XXX	2,587,035	4,142,071	5,860,284
	DETAILS OF WRITE-INS				
0601.		XXX			
0602.		XXX			
0603.		XXX			
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699.	Totals (Lines 0601 through 0603 plus 0698)(Line 6 above)	XXX	0	0	0
0701.		XXX			
0702.		XXX			
0703.		XXX			
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799.	Totals (Lines 0701 through 0703 plus 0798)(Line 7 above)	XXX	0	0	0
1401.	Miscellaneous Medical Expense			34,599	(10,213)
1402.					
1403					
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499.	Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	0	0	34,599	(10,213)
2901.					
2902.					
2903					
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999.	Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
	CAPITAL AND SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	13,515,917	10,314,877	10,314,877
34.	Net income or (loss) from Line 32	2,587,035	4,142,071	5,860,284
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of $			
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax	107		13,147
39.	Change in nonadmitted assets	(306)	(40,736)	76,609
40	Change in unauthorized reinsurance	0	0	0
41.	Change in treasury stock	0	0	0
42.	Change in surplus notes	0	0	0
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
	44.1 Paid in	0	0	0
	44.2 Transferred from surplus (Stock Dividend)	0	0	0
	44.3 Transferred to surplus			
45.	Surplus adjustments:			
	45.1 Paid in	0	0	0
	45.2 Transferred to capital (Stock Dividend)			
	45.3 Transferred from capital			
46.	Dividends to stockholders	(8,500,000)		(2,749,000)
47.	Aggregate write-ins for gains or (losses) in surplus	0	0	0
48.	Net change in capital & surplus (Lines 34 to 47)	(5,913,165)	4,101,335	3,201,040
49.	Capital and surplus end of reporting period (Line 33 plus 48)	7,602,752	14,416,212	13,515,917
	DETAILS OF WRITE-INS			
4701.				
4702.				
4703.				
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799.	Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0	0

CASH FLOW

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	Cash from Operations			
1.	Premiums collected net of reinsurance	38,122,398	39,512,675	54,121,117
2.	Net investment income	264,778	281,052	289,855
3.	Miscellaneous income	0	0	0
4.	Total (Lines 1 to 3)	38,387,176	39,793,727	54,410,972
5.	Benefit and loss related payments	28,250,136	26,250,875	37,050,245
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	5,280,057	3,754,133	7,630,902
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $ tax on capital gains (losses)	1,026,999	2,660,160	3,082,072
10.	Total (Lines 5 through 9)	34,557,192	32,665,168	47,763,219
11.	Net cash from operations (Line 4 minus Line 10)	3,829,984	7,128,559	6,647,752
	Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	0	3,387,000	4,587,000
	12.2 Stocks	0	0	0
	12.3 Mortgage loans	0	0	0
	12.4 Real estate	0	0	0
	12.5 Other invested assets	0	0	0
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
	12.7 Miscellaneous proceeds	0	0	0
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	3,387,000	4,587,000
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	0	4,372,667	5,661,917
	13.2 Stocks	0	0	0
	13.3 Mortgage loans	0	0	0
	13.4 Real estate	0	0	0
	13.5 Other invested assets	0	0	0
	13.6 Miscellaneous applications	0	0	0
	13.7 Total investments acquired (Lines 13.1 to 13.6)	0	4,372,667	5,661,917
14.	Net increase (or decrease) in contract loans and premium notes	0	0	0
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	0	(985,667)	(1,074,917)
	Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes	0	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	0	0
	16.3 Borrowed funds	0	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
	16.5 Dividends to stockholders	8,500,000	0	2,749,000
	16.6 Other cash provided (applied)	(777,238)	(126,187)	698,690
17.	Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(9,277,238)	(126,187)	(2,050,310)
	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)	(5,447,254)	6,016,705	3,522,525
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	18,199,769	14,677,244	14,677,244
	19.2 End of period (Line 18 plus Line 19.1)	12,752,515	20,693,949	18,199,769

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

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	5,461	0	0	0	0	0	0	5,461	0	0
2. First Quarter	3,742							3,742		
3. Second Quarter	3,432							3,432		
4. Third Quarter	3,216							3,216		
5. Current Year	0									
6. Current Year Member Months	31,454							31,454		
Total Member Ambulatory Encounters for Period:										
7 Physician	79,475							79,475		
8. Non-Physician	6,462							6,462		
9. Total	85,937	0	0	0	0	0	0	85,937	0	0
10. Hospital Patient Days Incurred	6,841							6,841		
11. Number of Inpatient Admissions	810							810		
12. Health Premiums Written (a)	36,586,018							36,586,018		
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	36,560,712							36,560,712		
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	28,352,847							28,352,847		
18. Amount Incurred for Provision of Health Care Services	27,726,548							27,926,548	(200,000)	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $ 36,586,018

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
Rx Solutions	288,296					288,296
Doral Dental	25,691					25,691
0199999. Individually listed claims unpaid	313,987	0	0	0	0	313,987
0299999 Aggregate accounts not individually listed-uncovered						0
0399999 Aggregate accounts not individually listed-covered	1,995,181	8,296	0	16	0	2,003,493
0499999 Subtotals	2,309,168	8,296	0	16	0	2,317,480
0599999 Unreported claims and other claim reserves						5,402,810
0699999 Total amounts withheld						
0799999 Total claims unpaid						7,720,290
0899999 Accrued medical incentive pool and bonus amounts						

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 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)					0	0
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare	8,501,469	19,972,130	1,382,985	6,540,031	9,884,454	8,244,557
7 Title XIX - Medicaid					0	200,000
8. Other health					0	0
9. Health subtotal (Lines 1 to 8)	8,501,469	19,972,130	1,382,985	6,540,031	9,884,454	8,444,557
10. Healthcare receivables (a)	2,289	213,222			2,289	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts					0	0
13. Totals	8,499,180	19,758,908	1,382,985	6,540,031	9,882,165	8,444,557

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

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements are prepared in conformity with the NAIC Accounting Practices and Procedures Manual except to the extent that state law differs or where NAIC statutory accounting practices and procedures do not address the accounting for the transaction. There are no prescribed and one permitted practices that are applicable to Unison Health Plan of Tennessee, Inc. (the Company).

(1) In a letter to the Company dated January 4, 2008, the State of Tennessee, Department of Commerce and Insurance, TennCare Division, communicated its position that Health Maintenance Organizations (HMOs) can obtain stop loss policies but, since they are not insurance companies, HMOs cannot enter into reinsurance agreements. This letter also instructed a prescribed practice for the presentation of stop loss premium expenses on the Statement of Revenues and Expenses whereby stop loss type premium expense is reported on Line 17, Net Reinsurance Recoveries. In a letter dated February 26, 2008, the Company received approval for an exception to the prescribed practice noted above which allows the Company to report premium paid for coverage under a stop loss type agreement as a reduction to premium on Line 2, Net Premium Income of the Statement of Revenues and Expenses. The Company's policy is a stop loss policy rather than reinsurance. The Company has reported the stop loss premium expenses in accordance with the exception provided in the February 26, 2008 letter.

A reconciliation of the Company's net income and capital and surplus for the differences between the State of Tennessee basis and NAIC SAP is shown below:

	9/30/2010	12/31/2009
Net Income:		
1. State of Tennessee basis	$2,587,035	$5,860,284
2. State Prescribed Practices None	-	-
3. State Permitted Practices None	-	-
4. NAIC SAP basis	$2,587,035	$5,860,284
Statutory Capital & Surplus		
5. State of Tennessee basis	$7,602,752	$13,515,917
6. State Prescribed Practices None	-	-
7. State Permitted Practices None	-	-
8. NAIC SAP basis	$7,602,752	$13,515,917

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 5 – Investments

A. No significant change.

B. No significant change.

C. No significant change.

D. The Company has no investments in Loan-Backed Securities as of September 30, 2010.

E. No significant change.

F. No significant change.

G. No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

Note 11 - Debt

No significant change.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant change.

Note 13 - Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) – (3) No significant change.

(4) During 2010 and 2009 ordinary dividends were paid to the Company's parent, Three Rivers Holdings, Inc. (Holdings), of $0 and $2,749,000, respectively. On August 11, 2010, the Company paid an extraordinary dividend of $8,500,000 to the Company's parent, Holdings. There were no extraordinary dividends paid in 2009.

(5) – (13) No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. The Company did not have any transfers of receivables reported as sales as of September 30, 2010 or December 31, 2009.

B. The Company did not have any transfer and servicing of financial assets as of September 30, 2010 or December 31, 2009.

C. No transactions involving wash sales of securities with a NAIC designation of 3 or below or unrated securities occurred during the year ended September 30, 2010 or December 31, 2009.

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

No significant change.

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

No significant change.

Note 20 - Other Items

No significant change.

Note 21 - Events Subsequent

No significant change.

Note 22 - Reinsurance

No significant change.

Note 23 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 24 - Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of September 30, 2010 were $7.9 million. As of September 30, 2010, $8.5 million has been paid for incurred losses attributable to insured events of prior years. Reserves remaining for prior years are now $1.4 million as a result of re-estimation of unpaid claims. Therefore there has been a $1.4 million unfavorable prior-year development since December 31, 2009 to September 30, 2010. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are adjusted as additional information becomes known regarding individual claims.

Note 25 - Intercompany Pooling Arrangements

No significant change.

Note 26 - Structured Settlements

No significant change.

Note 27 - Health Care Receivables

No significant change.

Note 28 - Participating Policies

No significant change.

Note 29 - Premium Deficiency Reserves

No significant change.

Note 30 – Anticipated Salvage and Subrogation

No significant change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [X] No [ ]

1.2 If yes, has the report been filed with the domiciliary state? Yes [X] No [ ]

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. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [X] No [ ]
If yes, complete the Schedule Y - Part 1 - organizational chart.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

4.2 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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [X] N/A [ ]
If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 01/25/2010

6.2 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. 06/30/2005

6.3 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). 03/24/2006

6.4 By what department or departments?
Tennessee Department of Commerce and Insurance

6.5 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]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]

7.1 Has this 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]

7.2 If yes, give full information:

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 [X] No [ ]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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
OptumHealth Bank, Inc.	Salt Lake City, Utah	NO	NO	NO	YES	NO

GENERAL INTERROGATORIES

9.1 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.

9.11 If the response to 9.1 is No, please explain:

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

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

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

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $ 0

13. Amount of real estate and mortgages held in short-term investments: $ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ ] No [X]

14.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21	Bonds	$ 0	$ 0
14.22	Preferred Stock	$ 0	$ 0
14.23	Common Stock	$ 0	$ 0
14.24	Short-Term Investments	$ 0	$ 0
14.25	Mortgage Loans on Real Estate	$ 0	$ 0
14.26	All Other	$ 0	$ 0
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 0	$ 0
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above	$ 0	$ 0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

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

GENERAL INTERROGATORIES

16. 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 [ ]

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

1 Name of Custodian(s)	2 Custodian Address
Bank of New York Mellon	Global Liquidty Services, 1 Wall St, 14th Floor, New York NY 10286

16.2 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)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? ..... Yes [ ] No [X]

16.4 If yes, give full information relating thereto:

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

16.5 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	2 Name(s)	3 Address

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:

1.1 A&H loss percent ..... 77.4 %

1.2 A&H cost containment percent ..... 1.6 %

1.3 A&H expense percent excluding cost containment expenses ..... 12.0 %

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

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

2.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [X]

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

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)

NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

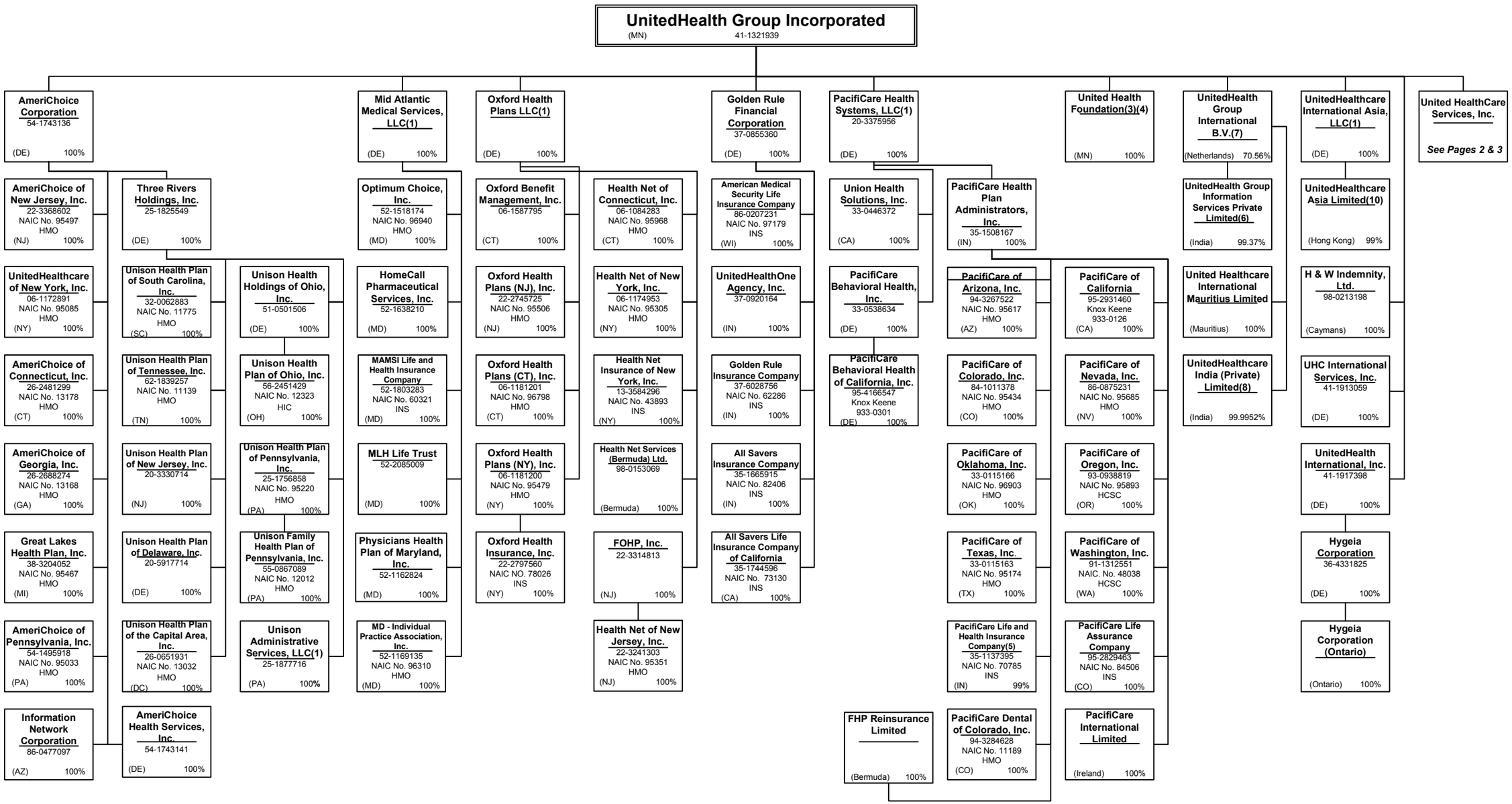
		1	Direct Business Only							
			2	3	4	5	6	7	8	9
	States, etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama AL	N							0	
2.	Alaska AK	N							0	
3.	Arizona AZ	N							0	
4.	Arkansas AR	L		(20,694)					(20,694)	
5.	California CA	N							0	
6.	Colorado CO	N							0	
7.	Connecticut CT	N							0	
8.	Delaware DE	N							0	
9.	District of Columbia DC	N							0	
10.	Florida FL	N							0	
11.	Georgia GA	N							0	
12.	Hawaii HI	N							0	
13.	Idaho ID	N							0	
14.	Illinois IL	N							0	
15.	Indiana IN	N							0	
16.	Iowa IA	N							0	
17.	Kansas KS	N							0	
18.	Kentucky KY	N							0	
19.	Louisiana LA	N							0	
20.	Maine ME	N							0	
21.	Maryland MD	N							0	
22.	Massachusetts MA	N							0	
23.	Michigan MI	N							0	
24.	Minnesota MN	N							0	
25.	Mississippi MS	L		(7,878)					(7,878)	
26.	Missouri MO	N							0	
27.	Montana MT	N							0	
28.	Nebraska NE	N							0	
29.	Nevada NV	N							0	
30.	New Hampshire NH	N							0	
31.	New Jersey NJ	N							0	
32.	New Mexico NM	N							0	
33.	New York NY	N							0	
34.	North Carolina NC	N							0	
35.	North Dakota ND	N							0	
36.	Ohio OH	N							0	
37.	Oklahoma OK	N							0	
38.	Oregon OR	N							0	
39.	Pennsylvania PA	N							0	
40.	Rhode Island RI	N							0	
41.	South Carolina SC	N							0	
42.	South Dakota SD	N							0	
43.	Tennessee TN	L		36,614,590					36,614,590	
44.	Texas TX	N							0	
45.	Utah UT	N							0	
46.	Vermont VT	N							0	
47.	Virginia VA	N							0	
48.	Washington WA	N							0	
49.	West Virginia WV	N							0	
50.	Wisconsin WI	N							0	
51.	Wyoming WY	N							0	
52.	American Samoa AS	N							0	
53.	Guam GU	N							0	
54.	Puerto Rico PR	N							0	
55.	U.S. Virgin Islands VI	N							0	
56.	Nothern Mariana Islands MP	N							0	
57.	Canada CN	N							0	
58.	Aggregate Other Aliens OT	XXX	0	0	0	0	0	0	0	0
59.	Subtotal	XXX	0	36,586,018	0	0	0	0	36,586,018	0
60.	Reporting Entity Contributions for Employee Benefit Plans	XXX							0	
61.	Totals (Direct Business)	(a) 3	0	36,586,018	0	0	0	0	36,586,018	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	0
5899.	Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

(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; (N) None of the above - Not allowed to write business in the state.

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

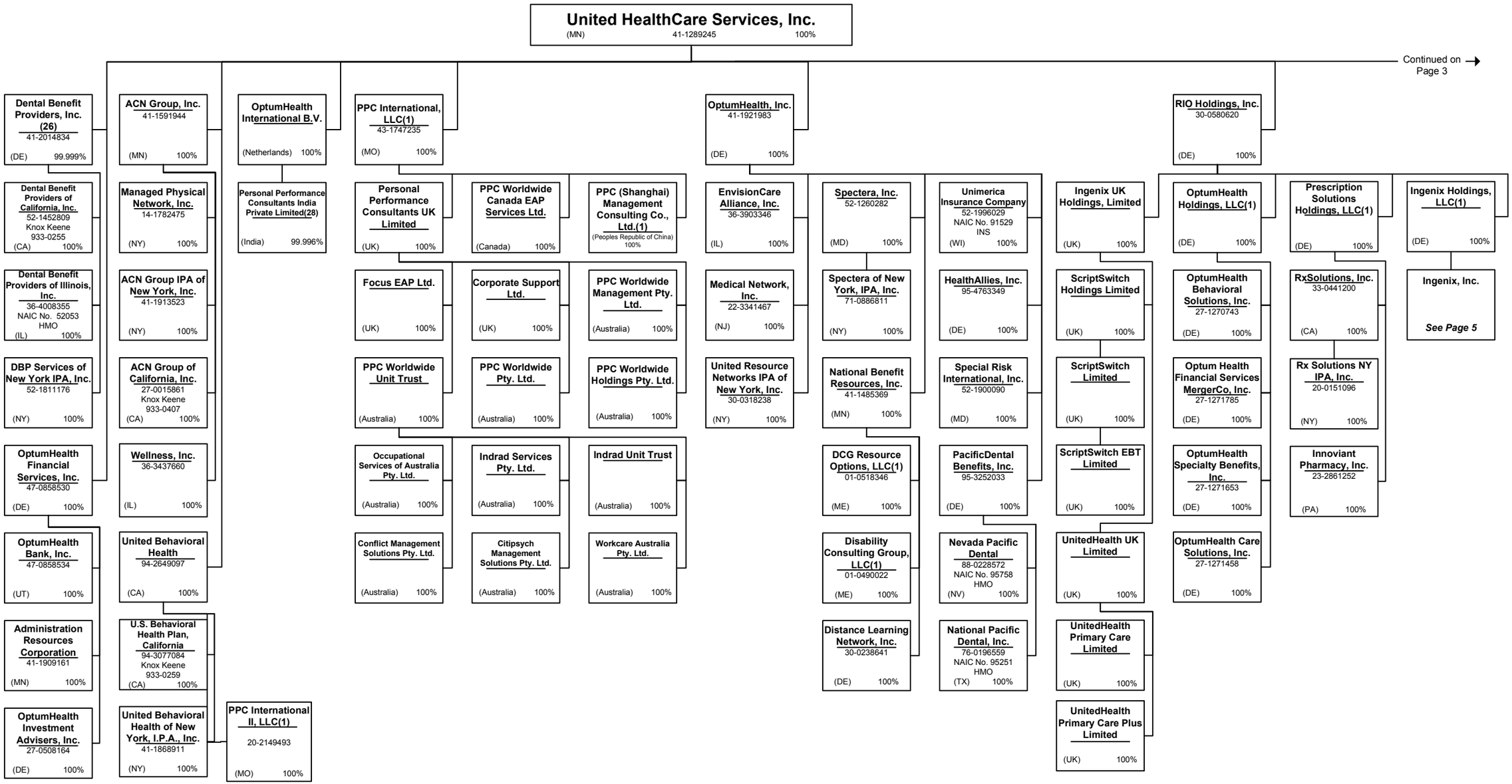
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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

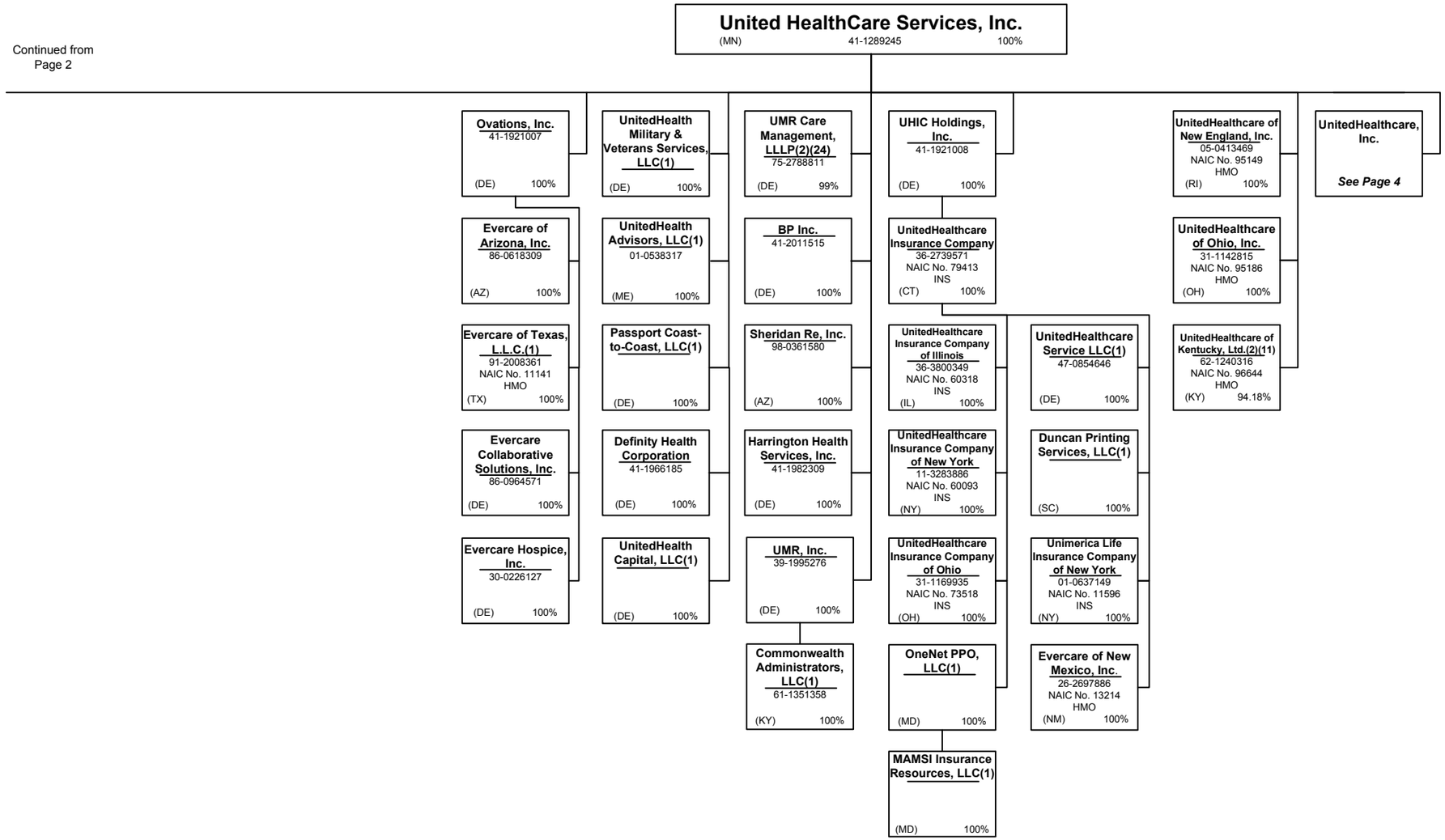
PART 1 - ORGANIZATIONAL CHART



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

PART 1 - ORGANIZATIONAL CHART

Continued from Page 2



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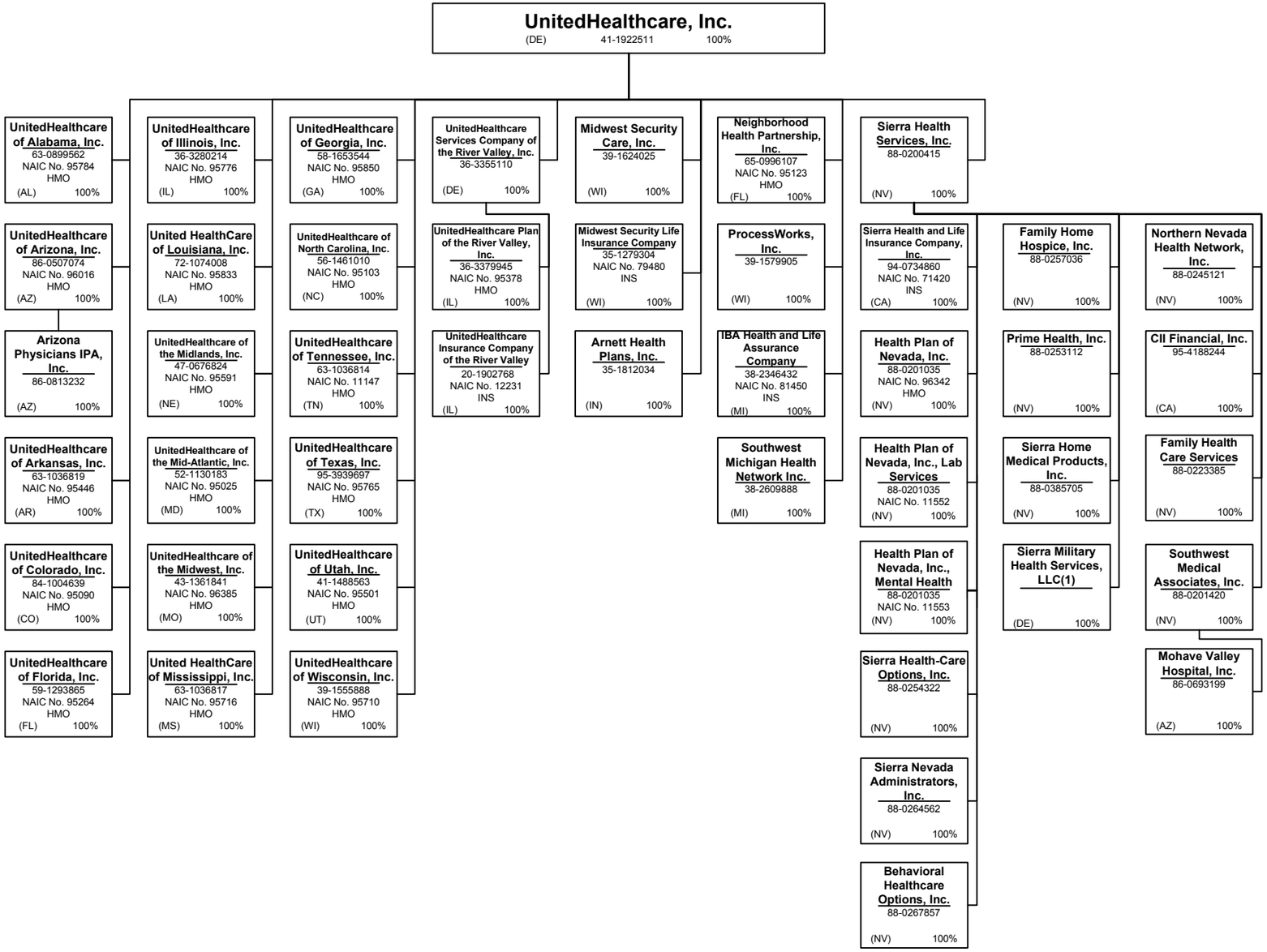
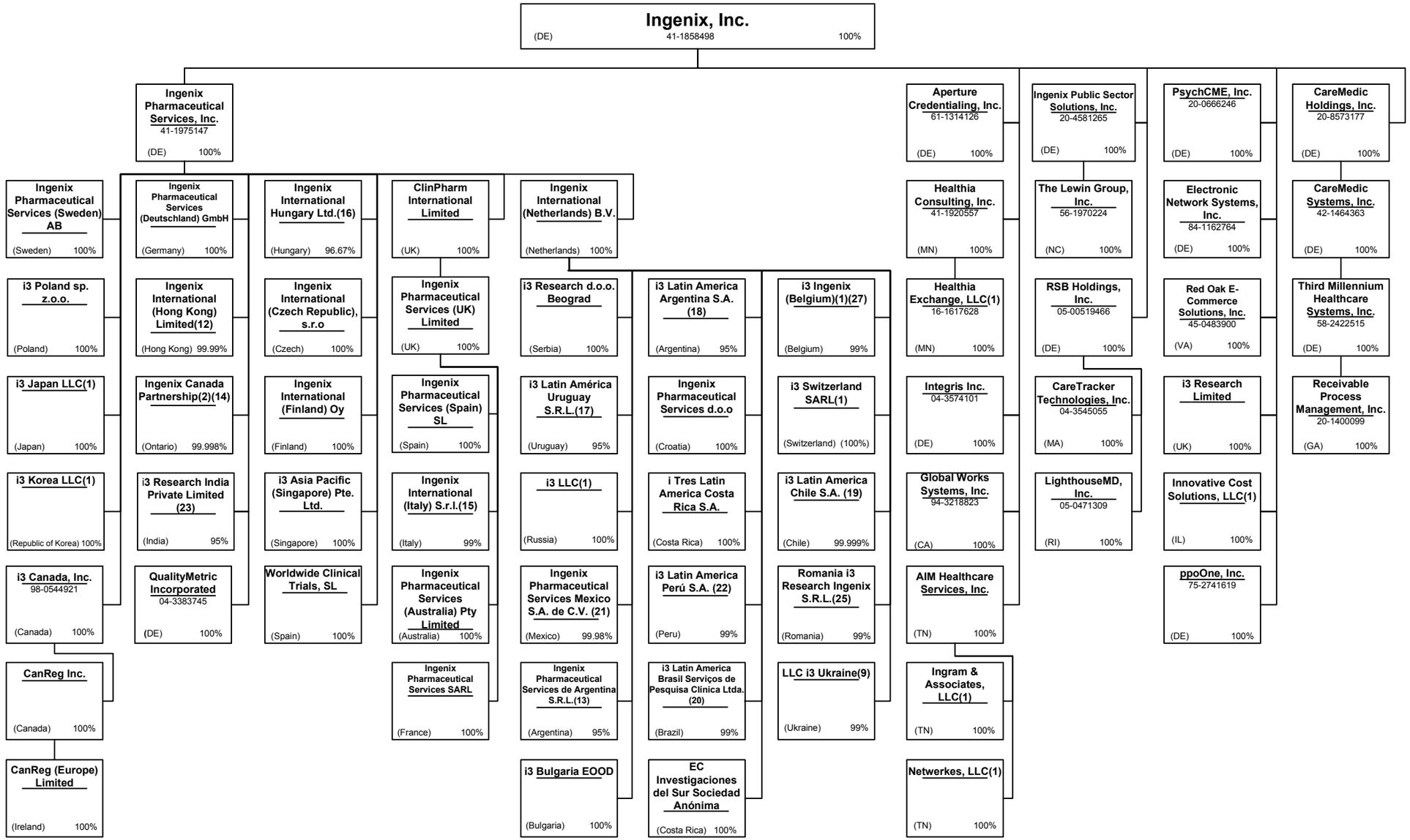
PART 1 - ORGANIZATIONAL CHART



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

PART 1 - ORGANIZATIONAL CHART



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

PART 1 - ORGANIZATIONAL CHART

Notes

All legal entities on the Organization Chart are Corporations unless otherwise indicated.

(1) Entity is a Limited Liability Company

(2) Entity is a Partnership

(3) Entity is a Non-Profit Corporation

(4) Control of the Foundation is based on sole membership, not the ownership of voting securities

(5) PacifiCare Life and Health Insurance Company is 99% owned by PacifiCare Health Plan Administrators, Inc. and 1% owned by PacifiCare Health Systems, LLC

(6) UnitedHealth Group Information Services Private Limited is 99.37% owned by UnitedHealth Group International B.V.. The remaining 0.63% is owned by UnitedHealth International, Inc.

(7) UnitedHealth Group International B.V. is 70.56% owned by UnitedHealth Group Incorporated and 29.44% owned by United HealthCare Services, Inc.

(8) United Healthcare India (Private) Limited is 99.9952% owned by UnitedHealth Group International B.V. and 0.0048% owned by UnitedHealth International, Inc.

(9) LLC i3 Ukraine is 99% owned by Ingenix International (Netherlands) B.V. and 1% owned by Ingenix Pharmaceutical Services, Inc.

(10) UnitedHealthcare Asia Limited is 99% owned by UnitedHealthcare International Asia, LLC and 1% owned by UnitedHealth International, Inc.

(11) General partnership interests are held by United HealthCare Services, Inc. (89.77%) and by UnitedHealthcare, Inc. (10.23%). United HealthCare Services, Inc. also holds 100% of the limited partnership interests. When combining general and limited partner interests, United HealthCare Services, Inc. owns 94.18% and UnitedHealthcare, Inc. owns 5.83%.

(12) Ingenix International (Hong Kong) Limited is 99.99% owned by Ingenix Pharmaceutical Services, Inc. and 0.01% owned by Ingenix, Inc.

(13) Ingenix Pharmaceutical Services de Argentina S.R.L is 95% owned by Ingenix International (Netherlands) B.V. and 5% owned by Ingenix, Inc.

(14) Ingenix Canada Partnership is 99.998% owned by Ingenix Pharmaceutical Services, Inc. and 0.002% owned by Ingenix, Inc.

(15) Ingenix International (Italy) S.r.l. is 99% owned by Ingenix Pharmaceutical Services (UK) Limited and 1% owned by Ingenix Pharmaceutical Services, Inc.

(16) Ingenix International Hungary Ltd. is 96.67% owned by Ingenix Pharmaceutical Services, Inc. and 3.33% owned by Ingenix, Inc.

(17) i3 Latin América Uruguay S.R.L. is 95% owned by Ingenix International (Netherlands) B.V. and 5% owned by Ingenix Pharmaceutical Services, Inc.

(18) i3 Latin America Argentina S.A. is 95% owned by Ingenix International (Netherlands) B.V. and 5% owned by Ingenix Pharmaceutical Services, Inc.

(19) i3 Latin America Chile S.A. is 99.9999% owned by Ingenix International (Netherlands) B.V. and 0.0001% owned by Ingenix Pharmaceutical Services, Inc.

(20) i3 Latin America Brasil Serviços de Pesquisa Clínica Ltda. Is 99% owned by Ingenix International (Netherlands) B.V. and 1% owned by Ingenix Pharmaceutical Services, Inc.

(21) Ingenix Pharmaceutical Services Mexico S.A. de C.V. is 99.98% owned by Ingenix International (Netherlands) B.V. The remaining 0.02% is owned by i3 Latin America Argentina S.A..

(22) i3 Latin America Perú S.A. is 99% owned by Ingenix International (Netherlands) B.V. and 1% owned by i3 Latin America Argentina S.A.

(23) i3 Research India Private Limited is 95% owned by Ingenix Pharmaceutical Services, Inc. and 5% owned by Ingenix, Inc.

(24) Limited partnership interest is held by United HealthCare Services, Inc. (99%). General partnership interest is held by UMR, Inc. (1%)

(25) Romania i3 Research Ingenix S.R.L. is 99% owned by Ingenix International (Netherlands) B.V. and 1% owned by Ingenix Pharmaceutical Services (UK) Limited

(26) Dental Benefit Providers, Inc. is 99.999% owned by United HealthCare Services, Inc. and 0.001% owned by PacificDental Benefits, Inc.

(27) i3 Ingenix (Belgium) is 99% owned by Ingenix International (Netherlands) B.V. and 1% owned by Ingenix Pharmaceutical Services, Inc.

(28) Personal Performance Consultants India Private Limited is 99.996% owned by OptumHealth International B.V. and 0.004 % owned by United Behavioral Health.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

		Response
1.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

1.

Bar Code:

1. Medicare Part D Coverage Supplement [Document Identifier 365]

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

		1 Year to Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other than temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

		1 Year to Date	2 Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest points and commitment fees		
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1 Year to Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1 Year to Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	6,458,118	5,499,047
2.	Cost of bonds and stocks acquired	0	5,661,917
3.	Accrual of discount	541	4,211
4.	Unrealized valuation increase (decrease)	0	0
5.	Total gain (loss) on disposals	0	0
6.	Deduct consideration for bonds and stocks disposed of	0	4,587,000
7.	Deduct amortization of premium	112,161	120,057
8.	Total foreign exchange change in book/adjusted carrying value	0	0
9.	Deduct current year's other than temporary impairment recognized	0	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	6,346,498	6,458,118
11.	Deduct total nonadmitted amounts	0	0
12.	Statement value at end of current period (Line 10 minus Line 11)	6,346,498	6,458,118

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	14,397,075	1,901	3,111,000	(37,634)	17,454,924	14,397,075	11,250,342	16,475,892
2. Class 2 (a)	0	0	0	0	0	0	0	0
3. Class 3 (a)	0	0	0	0	0	0	0	0
4. Class 4 (a)	0	0	0	0	0	0	0	0
5. Class 5 (a)	0	0	0	0	0	0	0	0
6. Class 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	14,397,075	1,901	3,111,000	(37,634)	17,454,924	14,397,075	11,250,342	16,475,892
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	14,397,075	1,901	3,111,000	(37,634)	17,454,924	14,397,075	11,250,342	16,475,892

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 $ 0 ; NAIC 2 $ 0 ; NAIC 3 $ 0 ; NAIC 4 $ 0 ; NAIC 5 $ 0 ; NAIC 6 $ 0

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year-to-Date	5 Paid for Accrued Interest Year-to-Date
9199999 Totals	4,903,843	XXX	4,903,843	2,295	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	10,017,774	15,120,062
2.	Cost of short-term investments acquired	40,674,119	62,270,425
3.	Accrual of discount	0	0
4.	Unrealized valuation increase (decrease)	0	0
5.	Total gain (loss) on disposals	0	0
6.	Deduct consideration received on disposals	45,788,050	67,372,713
7.	Deduct amortization of premium	0	0
8.	Total foreign exchange change in book/adjusted carrying value	0	0
9.	Deduct current year's other than temporary impairment recognized	0	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	4,903,843	10,017,774
11.	Deduct total nonadmitted amounts	0	0
12.	Statement value at end of current period (Line 10 minus Line 11)	4,903,843	10,017,774

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

N O N E

Schedule DB - Part C - Section 2 - Reconciliation of Replication (Synthetic Asset) Transactions Open

N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of Derivatives

N O N E

Schedule E - Verification - Cash Equivalents

N O N E

Schedule A - Part 2 - Real Estate Acquired and Additions Made

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

Schedule B - Part 2 - Mortgage Loans Acquired

N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired

N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

N O N E

Schedule D - Part 3 - Long-Term Bonds and Stocks Acquired

N O N E

Schedule D - Part 4 - Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed Of

N O N E

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open

N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

N O N E

Schedule DB - Part D - Counterparty Exposure for Derivative Instruments Open

N O N E

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
PNC Bank - Operating Account . Pittsburgh, PA					8,744,027	(89,138)	1,062,141	XXX
PNC Bank - ASO Account Pittsburgh, PA					282,848	297,048	297,048	XXX
First Tennessee Bank - Checking Account Memphis, TN					6,365,695	6,399,992	6,489,482	XXX
0199998. Deposits in ... 0 depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX						XXX
0199999. Totals - Open Depositories	XXX	XXX	0	0	15,392,570	6,607,902	7,848,671	XXX
0299998. Deposits in ... 0 depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX						XXX
0299999. Totals - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	15,392,570	6,607,902	7,848,671	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999. Total - Cash	XXX	XXX	0	0	15,392,570	6,607,902	7,848,671	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due and Accrued	8 Amount Received During Year
8699999 - Total Cash Equivalents							

NONE