



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2010
OF THE CONDITION AND AFFAIRS OF THE
HealthLink HMO, Inc.

NAIC Group Code 0671 0671 NAIC Company Code 96475 Employer's ID Number 43-1616135
(Current) (Prior)

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

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

Incorporated/Organized 07/29/1992 Commenced Business 01/14/1993

Statutory Home Office 1831 Chestnut Street, St. Louis, MO 63103-2275
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 1831 Chestnut Street
(Street and Number)
St. Louis, MO 63103-2275 314-923-4444
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 6775 W. Washington Street, Milwaukee, WI 53214
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 6775 W. Washington Street
(Street and Number)
Milwaukee, WI 53214 414-459-6833
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.healthlink.com

Statutory Statement Contact Brenda J Buss, 414-459-6833
(Name) (Area Code) (Telephone Number)
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(E-mail Address) (FAX Number)

OFFICERS

President Dennis William Casey Treasurer Robert David Kretschmer
Secretary Kathleen Susan Kiefer Assistant Secretary Karen Elizabeth Geiger #

OTHER

DIRECTORS OR TRUSTEES

Wayne Scott DeVeydt Dennis William Casey Catherine Irene Kelaghan

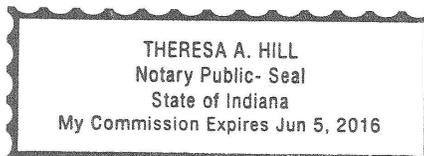
State of Indiana SS:
County of Hendricks

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.

Dennis William Casey Kathleen Susan Kiefer Robert David Kretschmer
President Secretary Treasurer

Subscribed and sworn to before me this 08 day of FEBRUARY 2011
Theresa A Hill

- 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.....



ANNUAL STATEMENT FOR THE YEAR 2010 OF THE HealthLink HMO, Inc.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	24,427,810		24,427,810	23,647,138
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	0
2.2 Common stocks			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 (\$(4,125,102), Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$437,529 , Schedule DA)	(3,687,573)		(3,687,573)	(1,009,100)
6. Contract loans, (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets (Schedule BA)			0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	20,740,237	0	20,740,237	22,638,038
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	9,450		9,450	9,641
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans	32,907	6,402	26,505	24,942
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	153,542	73,454	80,088	109,553
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	1,110,937	402,307	708,630	801,019
24. Health care (\$) and other amounts receivable	0		0	0
25. Aggregate write-ins for other than invested assets	399,699	43,841	355,858	37,799
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	22,446,772	526,004	21,920,768	23,620,992
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	22,446,772	526,004	21,920,768	23,620,992
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Provider Admin Fee Receivable	43,841	43,841	0	0
2502. State Income Tax Current Receivable	355,858	0	355,858	37,799
2503.				
2598. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2599. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	399,699	43,841	355,858	37,799

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$14,380 reinsurance ceded)			0	0
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses.....			0	0
4. Aggregate health policy reserves.....			0	0
5. Aggregate life policy reserves.....			0	0
6. Property/casualty unearned premium reserves.....			0	0
7. Aggregate health claim reserves.....			0	0
8. Premiums received in advance.....	1,002		1,002	11,312
9. General expenses due or accrued.....	2,653		2,653	3,022
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	452,945		452,945	502,293
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	0
13. Remittance and items not allocated.....			0	15,258
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current).....			0	0
15. Amounts due to parent, subsidiaries and affiliates.....	626,952		626,952	100,170
16. Derivatives.....			0	
17. Payable for securities.....			0	0
18. Payable for securities lending			0	
19. Funds held under reinsurance treaties (with \$ authorized reinsurers and \$0 unauthorized reinsurers).....			0	0
20. Reinsurance in unauthorized companies.....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans.....	26,505		26,505	0
23. Aggregate write-ins for other liabilities (including \$0 current).....	19,520	0	19,520	21,407
24. Total liabilities (Lines 1 to 23).....	1,129,577	0	1,129,577	653,462
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX	1,000	1,000
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	2,499,000	2,499,000
29. Surplus notes.....	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	18,291,191	20,467,530
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$).....	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	20,791,191	22,967,530
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	21,920,768	23,620,992
DETAILS OF WRITE-INS				
2301. Escheat	19,520		19,520	21,407
2302.				
2303.				
2308. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2309. Totals (Lines 2301 thru 2303 plus 2308)(Line 23 above)	19,520	0	19,520	21,407
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	252	261
2. Net premium income (including \$ non-health premium income)	XXX	0	75,070
3. Change in unearned premium reserves and reserve for rate credits	XXX	0	0
4. Fee-for-service (net of \$ medical expenses)	XXX	0	0
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	36,602	25,271
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	36,602	100,341
Hospital and Medical:			
9. Hospital/medical benefits	0	282,009	61,624
10. Other professional services		0	0
11. Outside referrals		0	0
12. Emergency room and out-of-area		0	0
13. Prescription drugs	0	(241)	267
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments, and bonus amounts	0	0	0
16. Subtotal (Lines 9 to 15)	0	281,768	61,891
Less:			
17. Net reinsurance recoveries	0	281,768	61,891
18. Total hospital and medical (Lines 16 minus 17)	0	0	0
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 689,910 cost containment expenses	0	694,719	247,709
21. General administrative expenses	0	(16,283,675)	(16,998,629)
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	(15,588,956)	(16,750,920)
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	15,625,558	16,851,261
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	762,394	746,249
26. Net realized capital gains (losses) less capital gains tax of \$543		(543)	
27. Net investment gains (losses) (Lines 25 plus 26)	0	761,851	746,249
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	40,000	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	16,427,409	17,597,510
31. Federal and foreign income taxes incurred	XXX	5,737,752	6,146,430
32. Net income (loss) (Lines 30 minus 31)	XXX	10,689,657	11,451,080
DETAILS OF WRITE-INS			
0601. Provider Admin Fees	XXX	36,602	25,271
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	36,602	25,271
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 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901. Discount on State Transferable Tax Credits		40,000	0
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	40,000	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	22,967,530	24,359,804
34. Net income or (loss) from Line 32.....	10,689,657	11,451,080
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.....	(59,990)	(72,660)
39. Change in nonadmitted assets.....	193,994	229,306
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.....		
44. Capital Changes:		
44.1 Paid in.....	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in.....	0	0
45.2 Transferred to capital (Stock Dividend).....		
45.3 Transferred from capital.....		
46. Dividends to stockholders.....	(13,000,000)	(13,000,000)
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	(2,176,339)	(1,392,274)
49. Capital and surplus end of reporting period (Line 33 plus 48)	20,791,191	22,967,530
DETAILS OF WRITE-INS		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	0

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	(10,310)	81,271
2. Net investment income	766,102	738,837
3. Miscellaneous income	36,602	25,271
4. Total (Lines 1 through 3)	792,394	845,379
5. Benefit and loss related payments	0	0
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	(15,653,748)	(16,680,165)
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$543 tax on capital gains (losses)	5,787,643	7,807,841
10. Total (Lines 5 through 9)	(9,866,105)	(8,872,324)
11. Net cash from operations (Line 4 minus Line 10)	10,658,499	9,717,703
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,882,000	0
12.2 Stocks	0	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	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,882,000	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds	2,666,188	1,451,160
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,666,188	1,451,160
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)	(784,188)	(1,451,160)
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	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	13,000,000	13,000,000
16.6 Other cash provided (applied)	447,216	169,999
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(12,552,784)	(12,830,001)
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)	(2,678,473)	(4,563,458)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(1,009,100)	3,554,358
19.2 End of year (Line 18 plus Line 19.1)	(3,687,573)	(1,009,100)

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

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ANNUAL STATEMENT FOR THE YEAR 2010 OF THE HealthLink HMO, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	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	36,602	0	0	0	0	0	0	0	36,602	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)	36,602	0	0	0	0	0	0	0	36,602	0
8. Hospital/medical benefits	282,009	282,009								XXX
9. Other professional services	0									XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	0									XXX
12. Prescription drugs	(241)								(241)	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0									XXX
15. Subtotal (Lines 8 to 14)	281,768	282,009	0	0	0	0	0	0	(241)	XXX
16. Net reinsurance recoveries	281,768	281,768								XXX
17. Total medical and hospital (Lines 15 minus 16)	0	241	0	0	0	0	0	0	(241)	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 689,910 cost containment expenses	694,719								694,719	
20. General administrative expenses	(16,283,675)	(431)							(16,283,244)	
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)	(15,588,956)	(190)	0	0	0	0	0	0	(15,588,766)	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	15,625,558	190	0	0	0	0	0	0	15,625,368	0
DETAILS OF WRITE-INS										
0501. Provider Admin Fees	36,602								36,602	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 thru 0503 plus 0598) (Line 5 above)	36,602	0	0	0	0	0	0	0	36,602	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 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										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 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	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)	59,916		59,916	0
2. Medicare Supplement				0
3. Dental only				0
4. Vision only				0
5. Federal Employees Health Benefits Plan	0			0
6. Title XVIII - Medicare	0			0
7. Title XIX - Medicaid	0			0
8. Other health				0
9. Health subtotal (Lines 1 through 8)	59,916	0	59,916	0
10. Life	0			0
11. Property/casualty	0			0
12. Totals (Lines 9 to 11)	59,916	0	59,916	0

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE HealthLink HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	269,927	269,927								
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	269,927	269,927								
1.4 Net	0	0	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	14,380	14,380	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	14,380	14,380	0	0	0	0	0	0	0	0
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0									
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	2,539	2,539	0	0	0	0	0	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	2,539	2,539	0	0	0	0	0	0	0	0
8.4 Net	0	0	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0									
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	0									
11. Amounts recoverable from reinsurers December 31, prior year	0									
12. Incurred Benefits:										
12.1 Direct	281,768	281,768	0	0	0	0	0	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	281,768	281,768	0	0	0	0	0	0	0	0
12.4 Net	0	0	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	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	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	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	14,380	14,380								
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	14,380	14,380								
2.4 Net	0	0	0	0	0	0	0	0	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	14,380	14,380	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	14,380	14,380	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	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 December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)						
2. Medicare Supplement						
3. Dental Only						
4. Vision Only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other health						
9. Health subtotal (Lines 1 to 8)						
10. Healthcare receivables (a)						
11. Other non-health						
12. Medical incentive pools and bonus amounts						
13. Totals (Lines 9 - 10 + 11 + 12)						

NONE

(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 - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2006	2 2007	3 2008	4 2009	5 2010
1.	Prior	6,734	6,734	6,734	6,734	6,734
2.	2006	2,278	2,601	2,261	2,261	2,261
3.	2007	XXX	1,722	1,718	1,718	1,718
4.	2008	XXX	XXX	5	5	5
5.	2009	XXX	XXX	XXX	0	0
6.	2010	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Comprehensive (Hospital & 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 2006	2 2007	3 2008	4 2009	5 2010
1.	Prior	6,806	6,734	6,734	6,734	6,734
2.	2006	2,778	2,261	2,261	2,261	2,261
3.	2007	XXX	1,722	1,718	1,718	1,718
4.	2008	XXX	XXX	5	5	5
5.	2009	XXX	XXX	XXX	0	0
6.	2010	XXX	XXX	XXX	XXX	0

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2006	1,684	2,261	249	11.0	2,510	149.0			2,510	149.0
2. 2007	346	1,718	2	0.1	1,720	497.1			1,720	497.1
3. 2008	106	5	65	1,300.0	70	66.0			70	66.0
4. 2009	75	0	248	0.0	248	330.7			248	330.7
5. 2010	0	0	695	0.0	695	0.0			695	0.0

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 2006	2 2007	3 2008	4 2009	5 2010
1. Prior	6,734	6,734	6,734	6,734	6,734
2. 2006	2,278	2,601	2,261	2,261	2,261
3. 2007	XXX	1,722	1,718	1,718	1,718
4. 2008	XXX	XXX	5	5	5
5. 2009	XXX	XXX	XXX	0	0
6. 2010	XXX	XXX	XXX	XXX	0

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 2006	2 2007	3 2008	4 2009	5 2010
1. Prior	6,806	6,734	6,734	6,734	6,734
2. 2006	2,778	2,261	2,261	2,261	2,261
3. 2007	XXX	1,722	1,718	1,718	1,718
4. 2008	XXX	XXX	5	5	5
5. 2009	XXX	XXX	XXX	0	0
6. 2010	XXX	XXX	XXX	XXX	0

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 Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2006	1,684	2,261	249	11.0	2,510	149.0	0	0	2,510	149.0
2. 2007	346	1,718	2	0.1	1,720	497.1	0	0	1,720	497.1
3. 2008	106	5	65	1,300.0	70	66.0	0	0	70	66.0
4. 2009	75	0	248	0.0	248	330.7	0	0	248	330.7
5. 2010	0	0	695	0.0	695	0.0	0	0	695	0.0

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UNDERWRITING AND INVESTMENT EXHIBIT

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves									
2. Additional policy reserves (a)									
3. Reserve for future contingent benefits									
4. Reserve for rate credits or experience rating refunds (including \$) for investment income									
5. Aggregate write-ins for other policy reserves									
6. Totals (gross)									
7. Reinsurance ceded									
8. Totals (Net)(Page 3, Line 4)									
9. Present value of amounts not yet due on claims									
10. Reserve for future contingent benefits									
11. Aggregate write-ins for other claim reserves									
12. Totals (gross)									
13. Reinsurance ceded									
14. Totals (Net)(Page 3, Line 7)									
NONE									
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page.....									
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)									
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page									
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)									

(a) Includes \$ premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE HealthLink HMO, Inc.
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ for occupancy of own building)	80,554	87	(14,414)	1	66,228
2. Salary, wages and other benefits	521,804	1,115	64,042	(4)	586,957
3. Commissions (less \$ ceded plus \$ assumed)	0	0	0	0	0
4. Legal fees and expenses	0	0	4,963	0	4,963
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services	11,265	190	6,800	0	18,255
7. Traveling expenses	1,748	12	338	0	2,098
8. Marketing and advertising	32	0	(269)	0	(237)
9. Postage, express and telephone	19,788	51	526	0	20,365
10. Printing and office supplies	1,229	5	1,225	0	2,459
11. Occupancy, depreciation and amortization	0	0	0	0	0
12. Equipment	2,851	1	2,504	0	5,356
13. Cost or depreciation of EDP equipment and software	9,510	22	3,579	0	13,111
14. Outsourced services including EDP, claims, and other services	4,947	2,271	4,725	0	11,943
15. Boards, bureaus and association fees	23	0	635	0	658
16. Insurance, except on real estate	0	0	2,122	0	2,122
17. Collection and bank service charges	(2)	0	60	0	58
18. Group service and administration fees	61	986	4,367	0	5,414
19. Reimbursements by uninsured plans	0	0	(17,256,549)	827	(17,255,722)
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	253	0	7,743	0	7,996
22. Real estate taxes	0	0	1,214	0	1,214
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	882,132	(52)	882,080
23.2 State premium taxes	0	0	0	0	0
23.3 Regulatory authority licenses and fees	2	0	33	0	35
23.4 Payroll taxes	35,832	70	5,121	0	41,023
23.5 Other (excluding federal income and real estate taxes)	0	0	734	0	734
24. Investment expenses not included elsewhere				12,760	12,760
25. Aggregate write-ins for expenses	13	(1)	(5,306)	0	(5,294)
26. Total expenses incurred (Lines 1 to 25)	689,910	4,809	(16,283,675)	13,532	(a) (15,575,424)
27. Less expenses unpaid December 31, current year			2,653		2,653
28. Add expenses unpaid December 31, prior year			3,022		3,022
29. Amounts receivable relating to uninsured plans, prior year			31,562		31,562
30. Amounts receivable relating to uninsured plans, current year			32,907		32,907
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	689,910	4,809	(16,281,961)	13,532	(15,573,710)
DETAILS OF WRITE-INS					
2501. Other expenses	7	(1)	(6,694)		(6,688)
2502. Contributions and sponsorships	6	0	732		738
2503. Consulting services	0	0	269		269
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	387	0	387
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	13	(1)	(5,306)	0	(5,294)

(a) Includes management fees of \$(16,490,295) to affiliates and \$0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 747,490	743,716
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 25,713	29,296
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract Loans		
6. Cash, cash equivalents and short-term investments	(e) 2,913	2,913
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	1	1
10. Total gross investment income	776,117	775,926
11. Investment expenses		(g) 13,584
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) (52)
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)		13,532
17. Net investment income (Line 10 minus Line 16)		762,394
DETAILS OF WRITE-INS		
0901. Other income	1	1
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	1	1
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 7,022 accrual of discount less \$ 10,539 amortization of premium and less \$ 9,317 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ 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 \$ 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	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)					
NONE					
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)					

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE HealthLink HMO, Inc.

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued		0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans	6,402	6,621	219
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset	73,454	103,979	30,525
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets			0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivable from parent, subsidiaries and affiliates	402,307	560,409	158,102
24. Health care and other amounts receivable			0
25. Aggregate write-ins for other than invested assets	43,841	48,989	5,148
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	526,004	719,998	193,994
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	526,004	719,998	193,994
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Provider Admin Fee Receivable	43,841	48,989	5,148
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	43,841	48,989	5,148

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	21	21	21	21	21	252
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service						
5. Indemnity Only						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total	21	21	21	21	21	252
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 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies**A. Accounting Practices**

The accompanying financial statements of HealthLink HMO, Inc. (the "Company") have been prepared in conformity with accounting practices prescribed or permitted by the State of Missouri Department of Insurance (the "Department"). The Department has adopted accounting policies found in the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") as a component of prescribed accounting practices. Additionally, the Department has adopted certain prescribed accounting practices that differ from those found in NAIC SAP, which impact the Company, specifically, limitations are placed on intercompany receivable balances. The Department has the right to permit other specific practices that deviate from prescribed practices. The Company has employed no permitted practices in preparing the accompanying statutory basis financial statements.

A reconciliation of the Company's capital and surplus as of December 31, 2010 and 2009, respectively, between NAIC SAP and practices prescribed by the Department is shown below:

	<u>2010</u>	<u>2009</u>
Statutory capital and surplus,		
Department basis	\$ 20,791,191	\$ 22,967,530
State prescribed practices:		
Nonadmittance of amounts due from affiliates pursuant to 382.195 of the Missouri Revised Statutes effective August 28, 2005	<u>402,307</u>	<u>560,409</u>
Statutory capital and surplus, NAIC SAP	<u>\$ 21,193,498</u>	<u>\$ 23,527,939</u>

For the years ended December 31, 2010 and 2009, there were no differences between the Company's net income under NAIC SAP and practices permitted or prescribed by the Department.

B. Use of Estimates in the Preparation of the Financial Statements

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policies

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written, and are computed by pro rata methods for direct business. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates for certain lines of business are subject to approval by the Department. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, such as premium taxes and other underwriting expenses, are charged to operations as incurred.

NOTES TO FINANCIAL STATEMENTS

In addition, the Company uses the following accounting policies:

1. Short-term investments include investments with maturities of less than one year at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
2. Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
3. The Company has no investments in common stocks of unaffiliated companies.
4. The Company has no investments in preferred stocks.
5. Mortgage loans on real estate– Not applicable.
6. Loan-backed securities– Not applicable.
7. The Company has no investments in subsidiaries, controlled and affiliated companies.
8. The Company has no investments in joint ventures, partnerships and limited liability companies.
9. The Company has no derivative instruments.
10. The Company does not anticipate investment income as a factor in premium deficiency reserve calculations.
11. Unpaid claims and claims adjustment expenses include management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
12. The Company has not modified its capitalization policy from the prior period.
13. Pharmacy rebate receivables are recorded when earned based upon actual rebate receivables billed and an estimate of receivables based upon current utilization of specific pharmaceuticals and provider contract terms.
14. Service fees earned from providing administrative services to self-insured customers are deducted from operating expenses, and related claim payments and subsequent reimbursements of those claim payments are excluded from net income.

2. Accounting Changes and Corrections of Errors

A. Correction of Errors

There were no corrections of errors during the years ended December 31, 2010 and 2009.

3. Business Combinations and Goodwill

A. Statutory Purchase Method	Not applicable.
B. Statutory Merger	Not applicable.
C. Assumption Reinsurance	Not applicable.
D. Impairment Loss	Not applicable.

NOTES TO FINANCIAL STATEMENTS

4. Discontinued Operations

The Company had no operations that were discontinued during 2010 or 2009.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2010 or 2009.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2010 or 2009.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2010 or 2009.

D. Loan-Backed Securities

The Company did not have loan-backed securities at December 31, 2010 or 2009.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company did not enter into repurchase agreements or securities lending transactions at December 31, 2010 or 2009.

F. Real Estate

The Company did not own investment real estate at December 31, 2010 or 2009.

G. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2010 or 2009.

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company did not have investments in joint ventures, partnerships or limited liability companies at December 31, 2010 or 2009.

B. Not applicable.

7. Investment Income

A. All investment income due and accrued with amounts that are over 90 days past due is non-admitted.

B. At December 31, 2010 and 2009 there was no non-admitted accrued investment interest income.

8. Derivative Instruments

The Company has no derivative instruments.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of net deferred tax asset (liability)

1. The components of net deferred tax asset (liability) at December 31, 2010 are as follows:

	Ordinary	Capital	Total
Gross deferred tax assets	\$ 159,284	\$ -	\$ 159,284
Statutory valuation allowance	-	-	-
Adjusted gross deferred tax assets	159,284	-	159,284
Gross deferred tax liabilities	-	(5,742)	(5,742)
Net deferred tax asset before admissibility test	<u>\$ 159,284</u>	<u>\$ (5,742)</u>	<u>\$ 153,542</u>

The amount of admitted adjusted gross deferred tax assets under each component of Statement of Statutory Accounting Principles (“SSAP”) No. 10 – Revised, *Income Taxes – A Temporary Replacement of SSAP No. 10* (“SSAP 10R”) as of December 31, 2010 is:

	Ordinary	Capital	Total
Admitted pursuant to Paragraph 10.a	\$ 80,088	\$ -	\$ 80,088
Admitted pursuant to Paragraph 10.b	-	-	-
Admitted pursuant to Paragraph 10.c	5,742	-	5,742
Admitted deferred tax asset	85,830	-	85,830
Deferred tax liability	-	(5,742)	(5,742)
Net admitted deferred tax asset	<u>85,830</u>	<u>(5,742)</u>	<u>80,088</u>
Nonadmitted deferred tax asset	<u>\$ 73,454</u>	<u>\$ -</u>	<u>\$ 73,454</u>

The components of net deferred tax asset (liability) at December 31, 2009 are as follows:

	Ordinary	Capital	Total
Gross deferred tax assets	\$ 217,356	\$ -	\$ 217,356
Statutory valuation allowance	-	-	-
Adjusted gross deferred tax assets	217,356	-	217,356
Gross deferred tax liabilities	-	(3,824)	(3,824)
Net deferred tax asset before admissibility test	<u>\$ 217,356</u>	<u>\$ (3,824)</u>	<u>\$ 213,532</u>

The amount of admitted adjusted gross deferred tax assets under each component of SSAP 10R as of December 31, 2009 is:

	Ordinary	Capital	Total
Admitted pursuant to Paragraph 10.a	\$ 109,553	\$ -	\$ 109,553
Admitted pursuant to Paragraph 10.b	-	-	-
Admitted pursuant to Paragraph 10.c	3,824	-	3,824
Admitted deferred tax asset	113,377	-	113,377
Deferred tax liability	-	(3,824)	(3,824)
Net admitted deferred tax asset	<u>113,377</u>	<u>(3,824)</u>	<u>109,553</u>
Nonadmitted deferred tax asset	<u>\$ 103,979</u>	<u>\$ -</u>	<u>\$ 103,979</u>

NOTES TO FINANCIAL STATEMENTS

2. The company has not elected to admit deferred tax assets pursuant to paragraph 10.e, in either 2010 or 2009.
3. The change in the amount of admitted adjusted gross deferred tax assets under each component of SSAP 10R during 2010 is:

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
Admitted pursuant to paragraph 10.a	\$ (29,465)	\$ -	\$ (29,465)
Admitted pursuant to paragraph 10.b	-	-	-
Admitted pursuant to paragraph 10.c	1,918	-	1,918
Admitted deferred tax asset	(27,547)	-	(27,547)
Deferred tax liability	-	(1,918)	(1,918)
Net admitted deferred tax asset	<u>\$ (27,547)</u>	<u>\$ (1,918)</u>	<u>\$ (29,465)</u>
Nonadmitted deferred tax asset	<u>\$ (30,525)</u>	<u>\$ -</u>	<u>\$ (30,525)</u>

There is no impact of tax planning strategies.

- B.** The Company has no unrecognized deferred tax liabilities at December 31, 2010 and 2009.
- C.** Current income taxes incurred (benefit) consist of the following major components:

	<u>2010</u>	<u>2009</u>	<u>Change</u>
Federal income tax on operations	\$ 5,737,752	\$ 6,146,430	\$ (408,678)
Federal income tax expense on net capital gains	543	-	543
Federal income taxes incurred	<u>\$ 5,738,295</u>	<u>\$ 6,146,430</u>	<u>\$ (408,135)</u>

The components of deferred income taxes at December 31 are as follows:

	<u>2010</u>	<u>2009</u>	<u>Change</u>
Deferred tax assets:			
Ordinary:			
Accrued future expenses	\$ 822	\$ 958	\$ (136)
Accounts receivable	158,392	215,606	(57,214)
Unearned premium reserve	70	792	(722)
Subtotal	<u>159,284</u>	<u>217,356</u>	<u>(58,072)</u>
Nonadmitted deferred tax assets	<u>(73,454)</u>	<u>(103,979)</u>	<u>30,525</u>
Admitted ordinary deferred tax assets	<u>85,830</u>	<u>113,377</u>	<u>(27,547)</u>
Capital:			
Investments in securities	<u>(5,742)</u>	<u>(3,824)</u>	<u>(1,918)</u>
Subtotal	<u>(5,742)</u>	<u>(3,824)</u>	<u>(1,918)</u>
Deferred tax liabilities	<u>(5,742)</u>	<u>(3,824)</u>	<u>(1,918)</u>
Net admitted deferred tax assets	<u>\$ 80,088</u>	<u>\$ 109,553</u>	<u>\$ (29,465)</u>

NOTES TO FINANCIAL STATEMENTS

The changes in deferred tax assets and deferred tax liabilities at December 31 are as follows:

	<u>2010</u>	<u>2009</u>	<u>Change</u>
Total deferred tax assets	\$ 159,284	\$ 217,356	\$ (58,072)
Total deferred tax liabilities	(5,742)	(3,824)	(1,918)
Net deferred tax asset	<u>\$ 153,542</u>	<u>\$ 213,532</u>	(59,990)
Tax effect of unrealized gains (losses)			-
Change in deferred income tax			<u>\$ (59,990)</u>

- D. The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory income tax rate of 35% for the year ended December 31 as follows:

	<u>2010</u>	<u>2009</u>
Tax expense computed using federal statutory rate	\$ 5,749,784	\$ 6,159,129
Change in nonadmitted assets	57,214	67,086
Tax exempt income and dividend received net of proration	(8,711)	(5,902)
Prior year true-ups and adjustments	-	(1,223)
Other	(2)	-
Total	<u>\$ 5,798,285</u>	<u>\$ 6,219,090</u>
Federal income taxes incurred	\$ 5,737,752	\$ 6,146,430
Tax on capital gain (loss)	543	-
Change in net deferred income taxes	59,990	72,660
Total statutory income taxes	<u>\$ 5,798,285</u>	<u>\$ 6,219,090</u>

E. Operating loss carryforwards:

- The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2010.
- The following are income taxes incurred in the current and prior year(s) that will be available for recoupment in the event of future net losses:

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
2010	\$ 5,737,754	\$ 543	\$ 5,738,297
2009	6,146,543	-	6,146,543

- The Company has no protective tax deposits as admitted assets under Section 6603 of the Internal Revenue Code December 31, 2010 and 2009.

- F. The Company and the following entities participate in a tax sharing agreement with WellPoint, Inc. and its subsidiaries. Allocation of federal income taxes is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

NOTES TO FINANCIAL STATEMENTS

Affiliated Healthcare, Inc.	Healthkeepers, Inc.
AHI Healthcare Corporation	HealthLink HMO, Inc.
American Imaging Management, Inc.	HealthLink, Inc.
American Managing Company	HealthReach Services, Inc.
Anthem Blue Cross Life and Health Insurance Company	Healthy Alliance Life Insurance Company
Anthem Credentialing Services, Inc.	HMO Colorado, Inc.
Anthem Financial, Inc.	HMO Missouri, Inc.
Anthem Health Insurance Company of Nevada	Imaging Management Holdings, LLC
Anthem Health Plans of Kentucky, Inc.	Imaging Providers of Texas
Anthem Health Plans of Maine, Inc.	Insurance4 Agency, Inc.
Anthem Health Plans of New Hampshire, Inc.	Lease Partners, Inc.
Anthem Health Plans of Virginia, Inc.	Matthew Thornton Health Plan, Inc.
Anthem Health Plans, Inc.	Monticello Service Agency, Inc.
Anthem HMO of Nevada	National Capital Preferred Provider Organization, Inc.
Anthem Holding Corp.	National Government Services, Inc.
Anthem Insurance Companies, Inc.	OneNation Benefit Administrators, Inc.
Anthem Southeast, Inc.	OneNation Insurance Company
Anthem UM Services, Inc.	Park Square Holdings
Arcus Enterprises, Inc.	Park Square I
Arcus Bank	Park Square II
Arcus Financial Holding Corp.	Peninsula Health Care, Inc.
Arcus Financial Services, Inc.	Priority Healthcare, Inc.
Arcus Healthyliving Services, Inc.	Priority, Inc.
Associated Group, Inc.	R & P Realty, Inc.
Behavioral Health Network, Inc.	Resolution Health, Inc.
Blue Cross and Blue Shield of Georgia, Inc.	RightCHOICE Insurance Company
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.	RightCHOICE Managed Care, Inc.
Blue Cross Blue Shield of Wisconsin	Rocky Mountain Hospital and Medical Service, Inc.
Blue Cross of California	SellCore, Inc.
Blue Cross of California Partnership Plan, Inc.	Southeast Services, Inc.
Cerulean Companies, Inc.	The WellPoint Companies, Inc.
Claim Management Services, Inc.	TrustSolutions, LLC
CommunityConnect Health Plan of Pennsylvania, Inc.	UNICARE Health Insurance Company of Texas
Community Insurance Company	UNICARE Health Insurance Company of the Midwest, Inc.
CompCare Health Services Insurance Corporation	UNICARE Health Plan of West Virginia, Inc.
Crossroads Acquisition Corp.	UNICARE Health Plan of Kansas, Inc.
DeCare Analytics, LLC	UNICARE Health Plans of Texas, Inc.
DeCare Dental Health International, LLC	UNICARE Health Plans of the Midwest, Inc.
DeCare Dental Networks, LLC	UNICARE Illinois Services, Inc.
DeCare Dental, LLC	UNICARE Life & Health Insurance Company
Dental Claims Administrative Services, Inc.	UNICARE National Services, Inc.
Designated Agent Company, Inc.	UNICARE of Texas Health Plans, Inc.
EHC Benefits Agency, Inc.	UNICARE Specialty Services, Inc.
Empire HealthChoice Assurance, Inc.	United Government Services, LLC
Empire HealthChoice HMO, Inc.	UtiliMed IPA, Inc.
Forty-Four Forty-Four Forest Park Redevelopment Corporation	WellPoint Behavioral Health, Inc.
Golden West Health Plan, Inc.	WellPoint California Services, Inc.
Government Health Services, LLC	WellPoint Dental Services, Inc.
Health Core, Inc.	WellPoint Holding Corp
Health Management Corporation	WellPoint Insurance Services, Inc.

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

A. Nature of the Relationship

The Company is a Missouri domiciled stock insurance company and is a wholly-owned subsidiary of HealthLink, Inc. which is a wholly-owned indirect subsidiary of WellPoint, Inc. (“WellPoint”), a publicly traded company.

B. Significant Transactions for Each Period

The following significant transactions took place between the Company and its affiliates:

NOTES TO FINANCIAL STATEMENTS

The Board of Directors of the Company declared an extraordinary dividend in the amount of \$13,000,000 on July 9, 2010. The Department approved this dividend on August 9, 2010 and a payment was made to its parent, HealthLink, Inc., on August 26, 2010.

The Board of Directors of the Company declared an extraordinary dividend in the amount of \$13,000,000 on October 23, 2009. The Department approved this dividend on November 23, 2009 and a payment was made to its parent, HealthLink, Inc., on December 1, 2009.

C. Intercompany Management and Service Arrangements

There were no changes to intercompany management and service arrangements, and there were no additional arrangements entered into during 2010 or 2009. The amounts of transactions under such agreements are included in Schedule Y, Part 2.

D. Amounts Due To or From Related Parties

At December 31, 2010 and 2009, the Company reported \$1,110,937 and \$1,361,428 due from affiliates and \$626,952 and \$100,170 due to affiliates, respectively. The receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

E. Guarantees or Contingencies for Related Parties

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

F. Management and Service Agreements and Cost Sharing Arrangements

The Company has entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Direct costs include expenses such as salaries, employee benefits, communications, advertising, consulting services, maintenance, rent, utilities, and supplies which are directly attributable to the Company's operations. Allocated costs include expenses such as salaries, benefit claims and enrollment processing, billing, accounting, underwriting, product development and budgeting, which support the Company's operations. These costs are allocated based on various utilization statistics.

G. Nature of Control Relationships that Could Affect Operations or Financial Position

HealthLink, Inc. owns all outstanding shares of the Company. The Company's ultimate parent is WellPoint.

H. Amount Deducted for Investment in Upstream Company

The Company and its subsidiaries do not own shares of upstream intermediate entities or WellPoint.

NOTES TO FINANCIAL STATEMENTS

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

At December 31, 2010 and 2009, the Company did not have investments in affiliates.

J. Write-down for Impairments of Investments in Subsidiaries, Controlled or Affiliated Companies

Not applicable.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

L. Investment in Downstream Non-insurance Holding Companies

Not applicable.

11. Debt

A. Capital Notes

The Company had no capital notes outstanding at December 31, 2010 and 2009.

B. All Other Debt

The Company had no other debt outstanding at December 31, 2010 and 2009.

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

A. Defined Benefit Plan

Not applicable – See Note 12D.

B. Defined Contribution Plan

Not applicable – See Note 12D.

C. Multiemployer Plan

The Company does not participate in a multiemployer plan.

D. Consolidated/Holding Company Plans

The Company participates in the WellPoint Cash Balance Pension Plan (the “Plan”) sponsored by ATH Holding Company, LLC (“ATH Holding”), a frozen non-contributory defined benefit pension plan covering most employee of WellPoint, Inc. and its subsidiaries. ATH Holding allocates a share of the total accumulated costs of the Plan to the Company based on the number of allocated employees. During 2010 and 2009, these costs totaled (\$242) and (\$1,975), respectively. The Company has no legal obligation for benefits under the Plan.

The Company participates in a postretirement medical benefit plan, sponsored by ATH Holding providing certain health, life, vision and dental benefits to eligible retirees. ATH Holding allocates a share of the total accumulated costs of this benefit plan to the Company based on the number of allocated employees. During 2010 and 2009, these costs totaled \$5,426 and \$2,326, respectively. The Company has no legal obligation for the benefits under this plan.

NOTES TO FINANCIAL STATEMENTS

The Company participates in various deferred compensation plans sponsored by WellPoint, Inc. which covers certain employees. The deferred amounts are payable according to the terms and subject to the conditions of said deferred compensation agreements. WellPoint allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees participating in the plan. During 2010 and 2009, these costs totaled \$484 and \$322, respectively. The Company has no legal obligation for benefits under this plan.

The Company participates in the WellPoint 401(K) Retirement Savings Plan, sponsored by ATH Holding and covering substantially all employees. Voluntary employee contributions are matched by ATH Holding subject to certain limitations. ATH Holding allocates a share of the total accumulated costs of the plans to the Company based on the number of allocated employees. During 2010 and 2009, these costs totaled \$18,545 and \$7,309, respectively. The Company has no legal obligation for benefits under this plan.

E. Post Employment Benefits and Compensated Absences

Liabilities for earned not yet taken vacation and severance benefits have been accrued as of December 31, 2010 and 2009.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable.

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

(1) Outstanding Shares

As of December 31, 2010, the Company has 300 shares of \$100 par value common stock authorized. The number of shares issued and outstanding is 10.

(2) Preferred Stock

The Company has no preferred stock outstanding.

(3) Dividend Restrictions

Under Missouri law, there are certain restrictions on the payment of dividends by insurers in a holding company structure. It shall not be lawful for the directors, trustees or managers of any insurance company to make any dividend, except from the surplus profits arising from their business, nor for any company to solicit or do new business, when its assets are less than three-fourths of its liabilities. If the aggregate amount of the payments and other distributions made to shareholders and declared as dividends during a calendar year exceeds one-half percent of the policyowners' surplus, then all of the payments and distributions are fully subject to the rule, including amounts that would otherwise be exempt. In addition the distribution of an extraordinary dividend and payment of a dividend from other than earned surplus requires approval of the Director of the Department.

An extraordinary dividend is defined as one that exceeds the lesser of 10 percent of the insurer's surplus as regards policyholders as of the 31st day of December next preceding, or the net investment income for the twelve month period ending the 31st day of December next preceding, but shall not include pro rata distributions of any class of the insurer's own securities.

NOTES TO FINANCIAL STATEMENTS

(4) Dividends Paid

See Footnote 10B.

(5) Maximum Ordinary Dividend During 2011

Within the limitations of (3) above, the Company may pay \$762,394 in dividends during 2011 without prior approval.

(6) Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2010.

(7) Mutual Surplus Advances

Not applicable.

(8) Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2010.

(9) Changes in Special Surplus Funds

There are no special surplus funds at December 31, 2010.

(10) Changes in Unassigned Funds

Unassigned funds were not impacted by cumulative unrealized gains and losses at December 31, 2010.

(11) Surplus Notes

The Company has not issued any surplus notes or debentures or similar obligations.

(12) Restatement due to Prior Quasi-reorganizations

The Company had no restatements due to prior quasi-reorganizations.

(13) Quasi-reorganizations over Prior 10 Years

The Company has not been involved in a quasi-reorganization during the past 10 years.

14. Contingencies

A. Contingent Commitments

The Company has no contingent commitments at December 31, 2010.

B. Assessments

Not applicable.

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2010.

NOTES TO FINANCIAL STATEMENTS

D. Claims-Related Extra Contractual Obligation and Bad Faith Losses Stemming From Lawsuits

Not applicable.

E. All Other Contingencies

The Company is involved in other pending and threatened litigation of the character incidental to the business transacted, arising out of its operations and is from time to time involved as a party in various governmental and administrative proceedings. These investigations, audits and reviews include routine and special investigations by state insurance departments, state attorneys general, the U.S. Attorney General and Federal Agencies. Such investigations could result in the imposition of civil or criminal fines, penalties and other sanctions. The Company believes that any liability that may result from any one of these actions is unlikely to have a material adverse effect on the Company's financial position or results of operations. In addition, the Company maintains direct professional liability coverage.

15. Leases

The Company does not have any leasing arrangements.

16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

The Company has no significant financial instruments with off-balance sheet risk.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the board of directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2010, there were no significant concentrations.

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

A. Transfers of Receivables Reported as Sales

Not applicable at December 31, 2010 and 2009.

B. Transfer and Servicing of Financial Assets

Not applicable at December 31, 2010 and 2009.

C. Wash Sales

1. In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.
2. At December 31, 2010 and 2009, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

NOTES TO FINANCIAL STATEMENTS

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**A. Administrative Services Only (“ASO”) Plans**

The gain/loss from operations from ASO uninsured plans and the uninsured portion of partially insured ASO plans during 2010 was:

	ASO Uninsured Plans
	<u> </u>
a) Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ 15,588,526
b) Total net other income or expenses (including interest paid to or received from plans)	-
c) Net gains from operations	<u>\$ 15,588,526</u>
d) Total claim payment volume	<u><u>\$ 17,235,519</u></u>

B. Administrative Services Contract Plans

Not applicable at December 31, 2010 and 2009.

C. Medicare or Other Similarly Structured Cost-Based Reimbursement Contract

Not applicable at December 31, 2010 and 2009.

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

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2010 and 2009.

20. Fair Value Measurements

There are no assets or liabilities measured at fair value.

21. Other Items**A. Extraordinary Items**

Not applicable at December 31, 2010 and 2009.

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2010 and 2009.

C. Other Disclosures

Assets in the amount of \$1,274,263 and \$1,220,634 at December 31, 2010 and 2009, respectively, were on deposit with government authorities or trustees as required by law.

NOTES TO FINANCIAL STATEMENTS

D. Uncollectible Premium Receivables

At December 31, 2010 and 2009, the Company reported admitted assets of \$26,505 and \$24,942, respectively in premium receivables due from policyholders and agents and in receivables due from uninsured plans. Based upon Company experience, any uncollectible premium receivables are not expected to exceed the \$6,402 that was non-admitted at December 31, 2010; therefore no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

E. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2010 and 2009.

F. State Transferable Tax Credits

The Company did not have state transferable tax credits at December 31, 2010 and 2009.

G. Subprime Mortgage-Related Risk Exposure

- a. The Company consults with its external investment managers to assess its subprime mortgage-related risk exposure. The general categories of information considered in determining exposure are collateral and the structure of the security. Other categories considered in determining the exposure include loan purpose, loan documentation, occupancy, geographical location, loan size and loan type. Subprime mortgage borrowers typically have lower credit scores, lower loan balances and higher loan-to-values than other conforming loans.
- b. At December 31, 2010, the Company did not carry investments in subprime mortgage loans in its portfolio.
- c. At December 31, 2010, the Company's investment portfolio did not contain investments with subprime mortgage-related risk exposure.
- d. The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2010.

H. Retained Assets

The Company did not have any retained assets at December 31, 2010 and 2009.

22. Events Subsequent

There were no events occurring subsequent to December 31, 2010 requiring disclosure. Subsequent events have been considered through February 24, 2011 for the statutory statement issued on February 24, 2011.

NOTES TO FINANCIAL STATEMENTS

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1. Are any of the reinsurers that are listed in Schedule S as non-affiliated owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the Company?

Yes () No (X)

2. Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U. S. Branches of such companies) that is owned in excess of 10% or controlled, directly or indirectly, by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

1. Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

2. Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

\$14,380

2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes () No (X)

NOTES TO FINANCIAL STATEMENTS

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2010 and 2009.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2010 and 2009.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company has no retrospectively rated contracts.

25. Change in Incurred Claims and Claim Adjustment Expenses

Not applicable.

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2010 and 2009.

27. Structured Settlements

Not applicable at December 31, 2010 and 2009.

28. Health Care Receivables**A. Pharmaceutical Rebate Receivables**

	Quarter	Estimated Pharmacy Rebates	Billed Pharmacy Rebates	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
2010	4Q10	-	-	-	-	-
	3Q10	-	-	-	-	-
	2Q10	-	-	-	-	-
	1Q10	-	-	-	-	-
2009	4Q09	371	24,131	5,825	-	1,581
	3Q09	450	29,333	4,762	24,571	-
	2Q09	-	32,348	28,050	826	3,472
	1Q09	291	30,464	25,609	2,728	2,126
2008	4Q08	254	21,438	17,540	2,166	1,733
	3Q08	259	18,118	13,176	3,601	1,275
	2Q08	288	18,409	14,404	3,637	902
	1Q08	258	21,529	13,587	4,829	925

B. Risk Sharing Receivables

Not applicable at December 31, 2010 and 2009.

29. Participating Policies

Not applicable at December 31, 2010 and 2009.

NOTES TO FINANCIAL STATEMENTS

30. Premium Deficiency Reserves

The Company did not record premium deficiency reserves at December 31, 2010 and 2009.

31. Anticipated Subrogation and Other Recoveries

Not applicable at December 31, 2010 and 2009.

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 [X] No []
- 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 [X] No [] N/A []
- 1.3 State Regulating? Missouri
- 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. 12/31/2007
- 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. 12/31/2007
- 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). 03/21/2009
- 3.4 By what department or departments?
Missouri Department of Insurance
- 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 [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 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 or 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?
Ernst & Young, LLP
111 Monument Circle, Suite 2600 Indianapolis, IN 46204
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions to the audit committee requirements as allowed in Section 14H of the Annual Financial Reporting Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.6 If the response to 10.5 is yes, provide information related to this exemption:
.....
- 10.7 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.8 If the response to 10.7 is no or n/a, please explain
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Cheryl Allari, FSA, MAAA, VP and Valuation Actuary for WellPoint, Inc. officer/employee 4361 Irwin Simpson Road Mason, OH 45040
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value \$
- 12.2 If, yes provide explanation:
.....
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? 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.
- 14.11 If the response to 14.1 is No, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

GENERAL INTERROGATORIES

BOARD OF DIRECTORS

15. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes No
16. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes No
17. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes No

FINANCIAL

18. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes No
- 19.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | | |
|--|--|----------|---|
| | 19.11 To directors or other officers..... | \$ | 0 |
| | 19.12 To stockholders not officers..... | \$ | 0 |
| | 19.13 Trustees, supreme or grand
(Fraternal Only) | \$ | 0 |
- 19.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | | |
|--|--|----------|---|
| | 19.21 To directors or other officers..... | \$ | 0 |
| | 19.22 To stockholders not officers..... | \$ | 0 |
| | 19.23 Trustees, supreme or grand
(Fraternal Only) | \$ | 0 |
- 20.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes No
- 20.2 If yes, state the amount thereof at December 31 of the current year:
- | | | | |
|--|---------------------------------|----------|--|
| | 20.21 Rented from others..... | \$ | |
| | 20.22 Borrowed from others..... | \$ | |
| | 20.23 Leased from others..... | \$ | |
| | 20.24 Other | \$ | |
- 21.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes No
- 21.2 If answer is yes:
- | | | | |
|--|---|----------|--|
| | 21.21 Amount paid as losses or risk adjustment \$ | | |
| | 21.22 Amount paid as expenses | \$ | |
| | 21.23 Other amounts paid | \$ | |
- 22.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 22.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 760,244

INVESTMENT

- 23.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 23.3)..... Yes No
- 23.2 If no, give full and complete information relating thereto
The Company has securities on deposit with various State Department of Insurance Offices.
- 23.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
.....
- 23.4 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes No N/A
- 23.5 If answer to 23.4 is yes, report amount of collateral for conforming programs. \$
- 23.6 If answer to 23.4 is no, report amount of collateral for other programs. \$
- 23.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A
- 23.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A
- 23.9 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes No N/A

GENERAL INTERROGATORIES

24.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 20.1 and 23.3). Yes No

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

	24.21 Subject to repurchase agreements	\$
	24.22 Subject to reverse repurchase agreements	\$
	24.23 Subject to dollar repurchase agreements	\$
	24.24 Subject to reverse dollar repurchase agreements	\$
	24.25 Pledged as collateral	\$
	24.26 Placed under option agreements	\$
	24.27 Letter stock or other securities restricted as to sale	\$
	24.28 On deposit with state or other regulatory body	\$ 1,274,263
	24.29 Other	\$

24.3 For category (24.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

25.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No

25.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
If no, attach a description with this statement.

26.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes No

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

27. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes No

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

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon Corporation	New York, NY

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

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

27.03 Have there been any changes, including name changes, in the custodian(s) identified in 27.01 during the current year? Yes No

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

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

27.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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
113878	McDonnell Investment Management, LLC	Oak Brook, IL

GENERAL INTERROGATORIES

- 28.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [] No [X]
- 28.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
28.2999 - Total		0

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
29.1 Bonds	24,865,339	26,291,703	1,426,364
29.2 Preferred stocks	0		0
29.3 Totals	24,865,339	26,291,703	1,426,364

- 29.4 Describe the sources or methods utilized in determining the fair values:
 Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized.

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

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

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

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

- 31.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

32.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$0

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

1 Name	2 Amount Paid

33.1 Amount of payments for legal expenses, if any?\$5,162

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

1 Name	2 Amount Paid

34.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$3

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

1 Name	2 Amount Paid

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE HealthLink HMO, Inc.

34.2

Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State as well as the cost of external contractors who provided lobbying services to the Company. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2010 Annual Statement.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]

1.2 If yes, indicate premium earned on U.S. business only. \$ _____

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ _____

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above \$ _____

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ _____ 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	2	
		Current Year	Prior Year	
2.1	Premium Numerator	0	75,070	
2.2	Premium Denominator	0	75,070	
2.3	Premium Ratio (2.1/2.2)	0.000	1.000	
2.4	Reserve Numerator	0	0	
2.5	Reserve Denominator	0	0	
2.6	Reserve Ratio (2.4/2.5)	0.000	0.000	

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]

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

5.2 If no, explain:
HealthLink HMO ceded the risk to the contracted Payor, who may carry stop loss reinsurance.

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical \$ _____

5.32 Medical Only \$ _____

5.33 Medicare Supplement \$ _____

5.34 Dental & 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:
All HealthLink HMO provider agreements include Hold Harmless provisions that prohibit pursuit of collection activities against HMO members for HMO covered services.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? 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 24,646

8.2 Number of providers at end of reporting year 26,303

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

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [] No [X]
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses.....\$
- 10.22 Amount actually paid for year bonuses.....\$
- 10.23 Maximum amount payable withholds.....\$
- 10.24 Amount actually paid for year withholds.....\$
- 11.1 Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model, Yes [] No [X]
- 11.13 An Individual Practice Association (IPA), or, . Yes [] No [X]
- 11.14 A Mixed Model (combination of above)? Yes [] No [X]
- 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. Missouri
- 11.4 If yes, show the amount required. \$ 300,000
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]
- 11.6 If the amount is calculated, show the calculation

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

1 Name of Service Area
BENTON, AR; CARROLL, AR; CRAIGHEAD, AR; CRAWFORD, AR; GARLAND, AR; INDEPENDENCE, AR;
JACKSON, AR; LOGAN, AR; PULASKI, AR; RANDOLPH, AR; SALINE, AR; SEBASTIAN, AR;
SHARP, AR; WASHINGTON, AR; WHITE, AR; ALEXANDER, IL; BOND, IL; CALHOUN, IL;
CASS, IL; CHRISTIAN, IL; CLAY, IL; CLINTON, IL; DE WITT, IL; FAYETTE, IL;
FRANKLIN, IL; FULTON, IL; GALLATIN, IL; GREENE, IL; HAMILTON, IL; HARDIN, IL;
JACKSON, IL; JEFFERSON, IL; JERSEY, IL; JOHNSON, IL; KNOX, IL; LOGAN, IL;
MACON, IL; MACOUPIN, IL; MADISON, IL; MARION, IL; MARSHALL, IL; MASON, IL;
MASSAC, IL; MENARD, IL; MONROE, IL; MONTGOMERY, IL; MORGAN, IL; MOULTRIE, IL;
PEORIA, IL; PERRY, IL; PIATT, IL; POPE, IL; PULASKI, IL; PUTNAM, IL;
RANDOLPH, IL; SALINE, IL; SANGAMON, IL; SCOTT, IL; ST. CLAIR, IL; STARK, IL;
TAZEWELL, IL; UNION, IL; WASHINGTON, IL; WAYNE, IL; WILLIAMSON, IL; WOODFORD, IL;
ADAIR, MO; AUDRAIN, MO; BARRY, MO; BOONE, MO; CALLAWAY, MO; CAMDEN, MO;
CHARITON, MO; CHRISTIAN, MO; CLARK, MO; COLE, MO; COOPER, MO; CRAWFORD, MO;
DADE, MO; DALLAS, MO; DOUGLAS, MO; DUNKLIN, MO; FRANKLIN, MO; GASCONADE, MO;
GREENE, MO; HOWARD, MO; IRON, MO; JASPER, MO; JEFFERSON, MO; KNOX, MO;
LACLEDE, MO; LAWRENCE, MO; LEWIS, MO; LINCOLN, MO; LINN, MO; MACON, MO;
MADISON, MO; MARIES, MO; MCDONALD, MO; MILLER, MO; MONITEAU, MO; MONROE, MO;
MONTGOMERY, MO; MORGAN, MO; NEW MADRID, MO; NEWTON, MO; OSAGE, MO; PEMISCOT, MO;
PERRY, MO; PETTIS, MO; PIKE, MO; PUTNAM, MO; RANDOLPH, MO; SALINE, MO;
SCHUYLER, MO; SCOTLAND, MO; ST. CHARLES, MO; ST. FRANCOIS, MO; ST. LOUIS, MO; ST. LOUIS CITY, MO;
STE. GENEVIEVE, MO; STONE, MO; SULLIVAN, MO; WARREN, MO; WASHINGTON, MO; WEBSTER, MO;
WRIGHT, MO;

- 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 funds administered as of the reporting date. \$

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE HealthLink HMO, Inc.

FIVE-YEAR HISTORICAL DATA

	1 2010	2 2009	3 2008	4 2007	5 2006
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	21,920,768	23,620,992	26,700,640	25,662,691	27,963,991
2. Total liabilities (Page 3, Line 24)	1,129,577	653,462	2,340,837	699,107	3,377,434
3. Statutory surplus	300,000	300,000	300,000	300,000	150,000
4. Total capital and surplus (Page 3, Line 33)	20,791,191	22,967,530	24,359,804	24,963,584	24,586,557
Income Statement (Page 4)					
5. Total revenues (Line 8)	36,602	100,341	143,914	18,807,293	19,297,995
6. Total medical and hospital expenses (Line 18)	0	0	5,181	1,144,446	2,762,641
7. Claims adjustment expenses (Line 20)	694,719	247,709	64,874	2,173	248,632
8. Total administrative expenses (Line 21)	(16,283,675)	(16,998,629)	(17,363,183)	1,074,332	1,522,828
9. Net underwriting gain (loss) (Line 24)	15,625,558	16,851,261	17,437,042	16,586,342	14,763,894
10. Net investment gain (loss) (Line 27)	761,851	746,249	1,002,964	1,454,215	873,507
11. Total other income (Lines 28 plus 29)	40,000	0	0	0	0
12. Net income or (loss) (Line 32)	10,689,657	11,451,080	11,981,844	11,929,371	10,004,042
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	10,658,499	9,717,703	13,690,060	12,505,664	9,654,603
Risk-Based Capital Analysis					
14. Total adjusted capital	20,791,191	22,967,530	24,359,804	24,963,584	24,586,557
15. Authorized control level risk-based capital	774,310	775,418	757,242	757,692	868,864
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	21	21	22	1,147	3,020
17. Total members months (Column 6, Line 7)	252	261	264	23,363	84,739
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	0.0	0.0	4.9	331.1	164.1
20. Cost containment expenses	0.0	327.6	56.4	0.4	14.8
21. Other claims adjustment expenses	0.0	2.3	4.8	0.3	0.0
22. Total underwriting deductions (Line 23)	0.0	(22,313.7)	(16,311.7)	642.6	269.2
23. Total underwriting gain (loss) (Line 24)	0.0	22,447.4	16,447.4	4,799.0	876.7
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)		0	5,181	(16,961)	132,893
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]		0	0	572,225	132,893
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
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)			0	0	0
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
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 Benefits 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	
2. Alaska	AK	N							0	
3. Arizona	AZ	N							0	
4. Arkansas	AR	L							0	
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	L							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	N							0	
26. Missouri	MO	L	59,916						59,916	
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	N							0	
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. Northern Mariana Islands	MP	N							0	
57. Canada	CN	N							0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	59,916	0	0	0	0	0	59,916	0	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	(a) 3	59,916	0	0	0	0	0	59,916	0	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	0
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)	XXX	0	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.

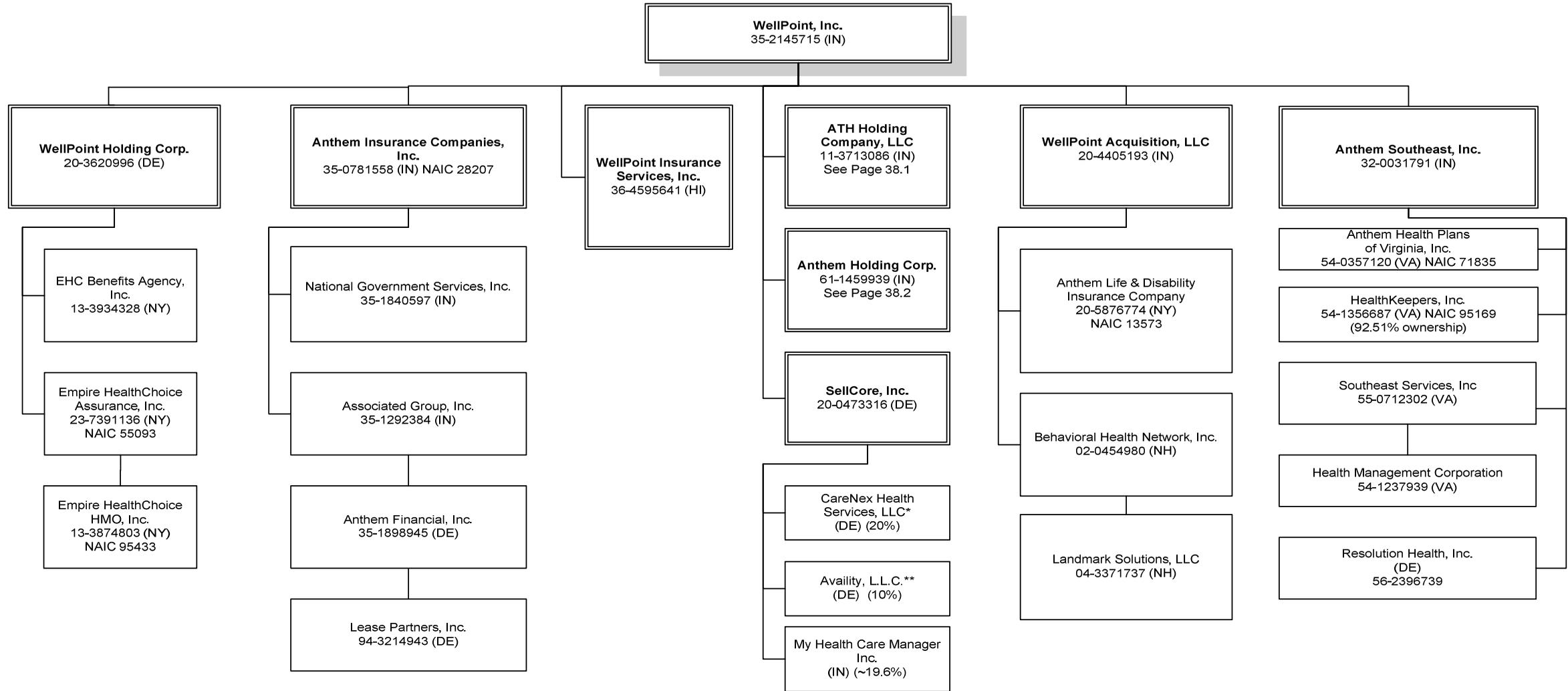
Explanation of basis of allocation by states, premiums by state, etc.

Premium amounts are allocated based on residence of insured.

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

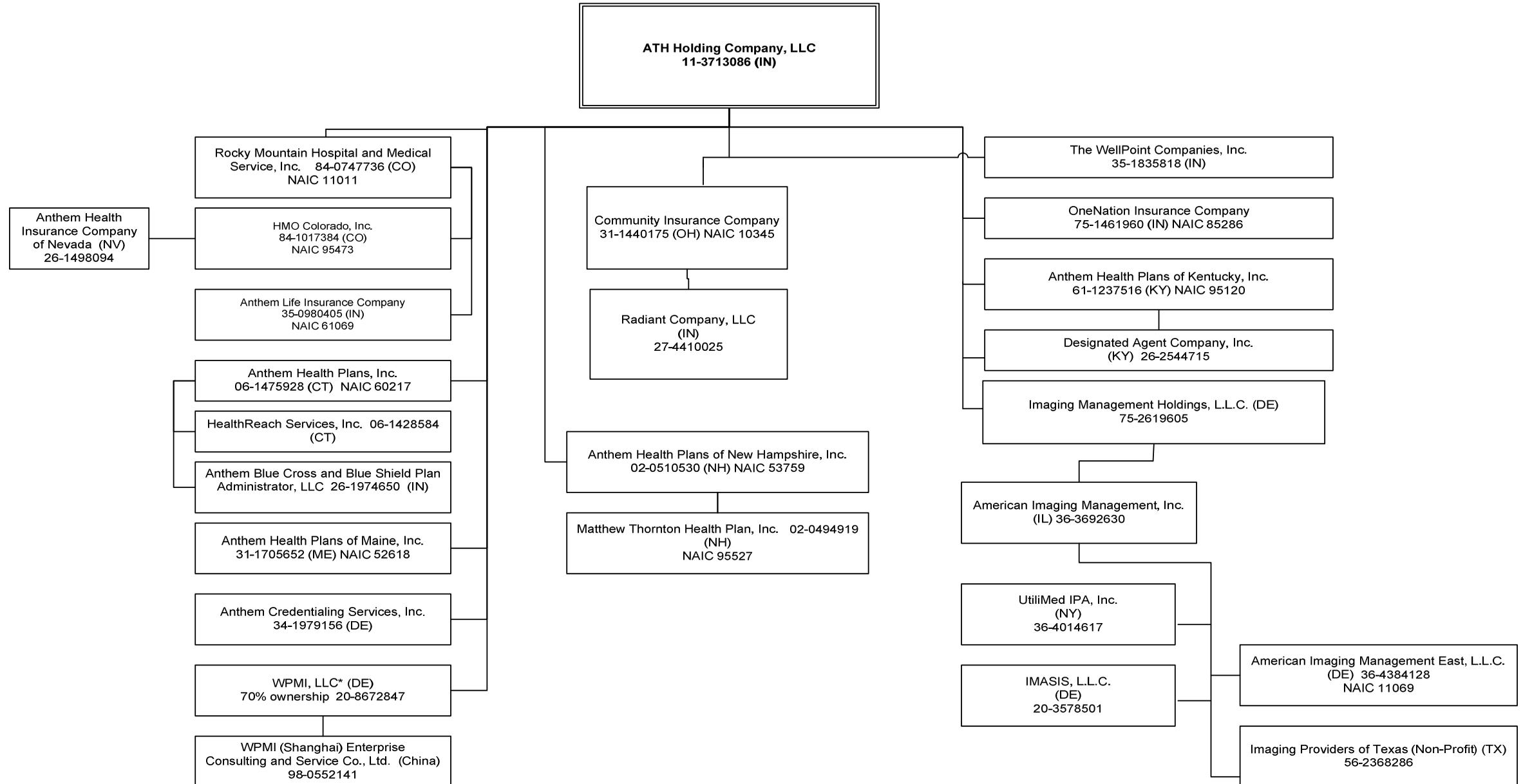
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



*CareNex Health Services, LLC is owned 20% by SellCore, Inc. and 80% by unaffiliated investors
 **Availity, L.L.C. is owned 10% by SellCore, Inc. and 90% by unaffiliated investors.

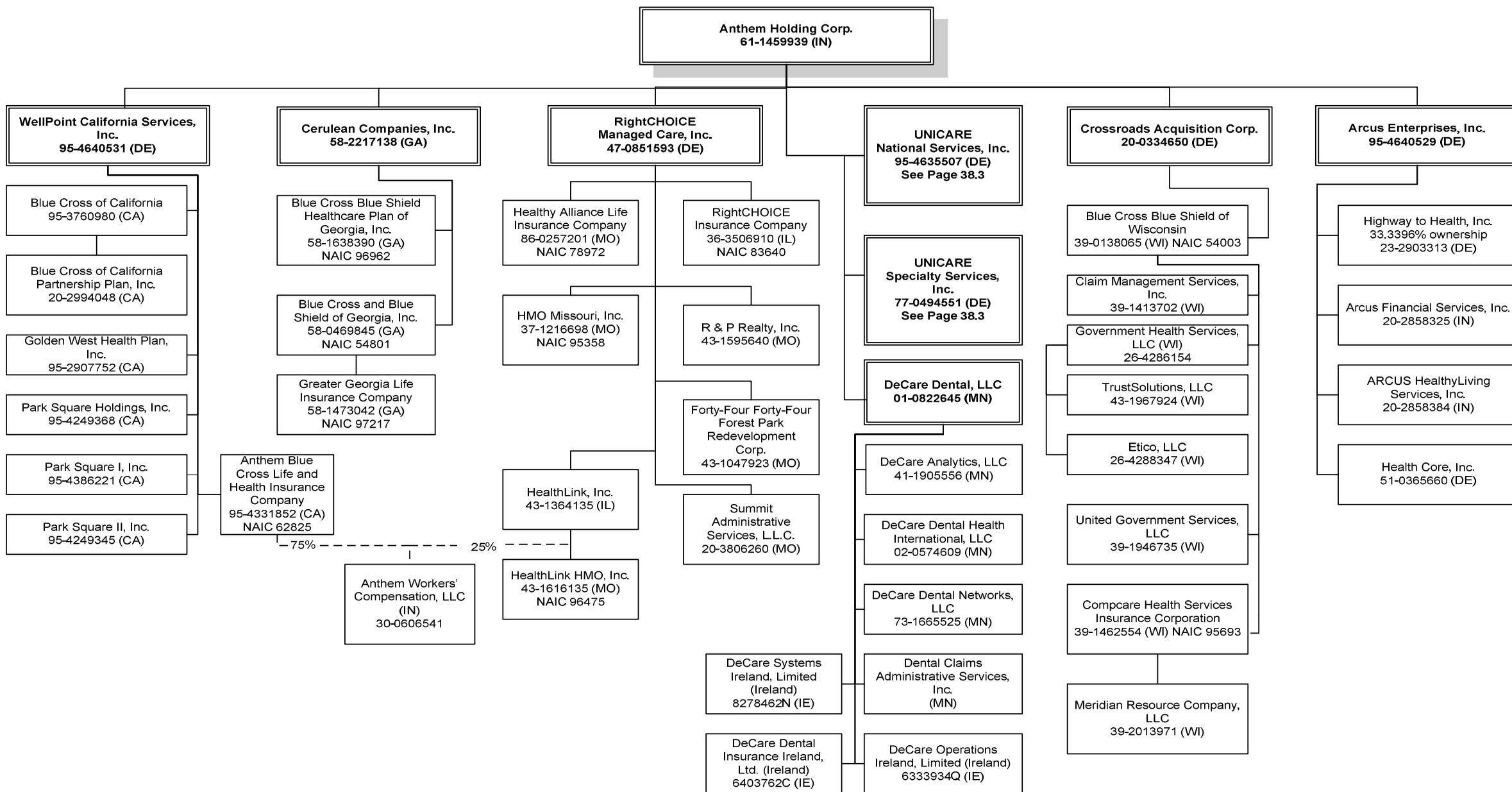
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



38.1

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

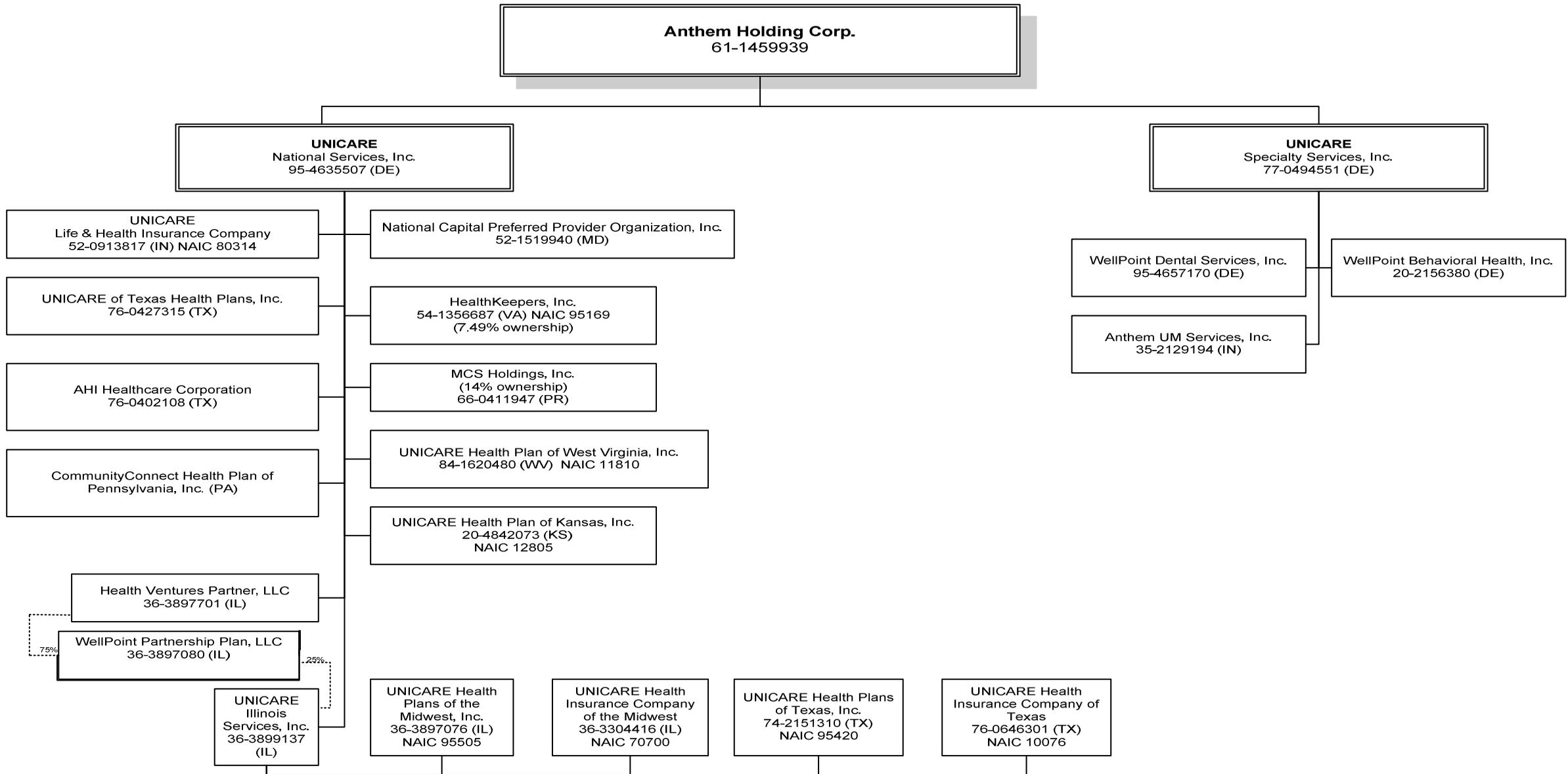
PART 1 - ORGANIZATIONAL CHART



38.2

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

PART 1 - ORGANIZATIONAL CHART



38.3

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 25

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
2504. State health assessments	0	0	387		387
2597. Summary of remaining write-ins for Line 25 from overflow page	0	0	387	0	387

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