



HEALTH QUARTERLY STATEMENT
AS OF MARCH 31, 2010
OF THE CONDITION AND AFFAIRS OF THE
Unison Health Plan of Tennessee, Inc.

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

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

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

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

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

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

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

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

Internet Web Site Address www.unisonhealthplan.com

Statutory Statement Contact Jeffrey Brian Snelling (Name) 412-349-4751 (Area Code) (Telephone Number) jeffrey.snelling@unisonhealthplan.com (E-mail Address) 412-457-1344 (FAX Number)

OFFICERS

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

OTHER

DIRECTORS OR TRUSTEES

Rita Faye Johnson-Mills Michael Paul Radu Christopher Allan Scherer

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

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

Scott Andrew Bowers
President

Christina Regina Palme-Krizak
Secretary

James Wesley Waters
Chief Financial Officer

Subscribed and sworn to before me this
day of

Subscribed and sworn to before me this
day of

Subscribed and sworn to before me this
day of

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

STATEMENT AS OF MARCH 31, 2010 OF THE Unison Health Plan of Tennessee, Inc.

ASSETS

| | Current Statement Date | | | 4 Prior Year Net Admitted Assets |
|---|------------------------|-------------------------|---|--|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 6,421,417 | | 6,421,417 | 6,458,118 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | 0 | 0 |
| 2.2 Common stocks | | | 0 | 0 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | 0 | 0 |
| 3.2 Other than first liens..... | | | 0 | 0 |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | | | 0 | 0 |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | 0 | 0 |
| 4.3 Properties held for sale (less \$ encumbrances) | | | 0 | 0 |
| 5. Cash (\$7,213,860), cash equivalents (\$), and short-term investments (\$11,033,507) | 18,247,367 | | 18,247,367 | 18,199,769 |
| 6. Contract loans (including \$ premium notes) | | | 0 | 0 |
| 7. Derivatives | | | 0 | |
| 8. Other invested assets | | | 0 | 0 |
| 9. Receivables for securities | | | 0 | 0 |
| 10. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 11. Subtotals, cash and invested assets (Lines 1 to 10) | 24,668,784 | 0 | 24,668,784 | 24,657,887 |
| 12. Title plants less \$ charged off (for Title insurers only) | | | 0 | 0 |
| 13. Investment income due and accrued | 14,211 | | 14,211 | 79,970 |
| 14. Premiums and considerations: | | | | |
| 14.1 Uncollected premiums and agents' balances in the course of collection | 2,603,674 | | 2,603,674 | 2,267,895 |
| 14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | | | 0 | 0 |
| 14.3 Accrued retrospective premiums | | | 0 | 0 |
| 15. Reinsurance: | | | | |
| 15.1 Amounts recoverable from reinsurers | 52,092 | | 52,092 | 15,879 |
| 15.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| 15.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 16. Amounts receivable relating to uninsured plans | 59,892 | | 59,892 | 432,214 |
| 17.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 | 0 |
| 17.2 Net deferred tax asset | 86,864 | | 86,864 | 88,180 |
| 18. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 19. Electronic data processing equipment and software | | | 0 | 0 |
| 20. Furniture and equipment, including health care delivery assets (\$) | | | 0 | 0 |
| 21. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 22. Receivables from parent, subsidiaries and affiliates | | | 0 | 448,649 |
| 23. Health care (\$194,045) and other amounts receivable | 198,877 | 4,832 | 194,045 | 198,993 |
| 24. Aggregate write-ins for other than invested assets | 208,409 | 0 | 208,409 | 0 |
| 25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24) | 27,892,802 | 4,832 | 27,887,970 | 28,189,667 |
| 26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | 0 |
| 27. Total (Lines 25 and 26) | 27,892,802 | 4,832 | 27,887,970 | 28,189,667 |
| DETAILS OF WRITE-INS | | | | |
| 1001. | | | | |
| 1002. | | | | |
| 1003. | | | | |
| 1098. Summary of remaining write-ins for Line 10 from overflow page | 0 | 0 | 0 | 0 |
| 1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above) | 0 | 0 | 0 | 0 |
| 2401. State Tax Receivable | 208,409 | | 208,409 | |
| 2402. | | | | |
| 2403. | | | | |
| 2498. Summary of remaining write-ins for Line 24 from overflow page | 0 | 0 | 0 | 0 |
| 2499. Totals (Lines 2401 through 2403 plus 2498)(Line 24 above) | 208,409 | 0 | 208,409 | 0 |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|---|----------------|----------------|------------|------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$0 reinsurance ceded) | 7,222,428 | | 7,222,428 | 8,190,970 |
| 2. Accrued medical incentive pool and bonus amounts | | | 0 | 0 |
| 3. Unpaid claims adjustment expenses | 146,692 | | 146,692 | 167,197 |
| 4. Aggregate health policy reserves | 786,102 | | 786,102 | 768,573 |
| 5. Aggregate life policy reserves | | | 0 | 0 |
| 6. Property/casualty unearned premium reserve | | | 0 | 0 |
| 7. Aggregate health claim reserves | 243,272 | | 243,272 | 253,587 |
| 8. Premiums received in advance | 0 | | 0 | 211 |
| 9. General expenses due or accrued | 258,751 | | 258,751 | 915,203 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses)) | 505,123 | | 505,123 | 186,966 |
| 10.2 Net deferred tax liability | | | 0 | 0 |
| 11. Ceded reinsurance premiums payable | | | 0 | 0 |
| 12. Amounts withheld or retained for the account of others | | | 0 | 0 |
| 13. Remittances and items not allocated | | | 0 | 0 |
| 14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current) | | | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates | 796,138 | | 796,138 | 1,833,430 |
| 16. Derivatives | | | 0 | 0 |
| 17. Payable for securities | | | 0 | 0 |
| 18. Funds held under reinsurance treaties (with \$ authorized reinsurers and \$ unauthorized reinsurers) | | | 0 | 0 |
| 19. Reinsurance in unauthorized companies | | | 0 | 0 |
| 20. Net adjustments in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 21. Liability for amounts held under uninsured plans | 2,826,801 | | 2,826,801 | 2,357,613 |
| 22. Aggregate write-ins for other liabilities (including \$ current) | | 0 | 0 | 0 |
| 23. Total liabilities (Lines 1 to 22) | 12,785,307 | 0 | 12,785,307 | 14,673,750 |
| 24. Aggregate write-ins for special surplus funds | XXX | XXX | 0 | 0 |
| 25. Common capital stock | XXX | XXX | 100 | 100 |
| 26. Preferred capital stock | XXX | XXX | | |
| 27. Gross paid in and contributed surplus | XXX | XXX | 2,989,400 | 2,989,400 |
| 28. Surplus notes | XXX | XXX | | 0 |
| 29. Aggregate write-ins for other than special surplus funds | XXX | XXX | 0 | 0 |
| 30. Unassigned funds (surplus) | XXX | XXX | 12,113,163 | 10,526,417 |
| 31. Less treasury stock, at cost: | | | | |
| 31.1 shares common (value included in Line 25 \$) | XXX | XXX | | |
| 31.2 shares preferred (value included in Line 26 \$) | XXX | XXX | | |
| 32. Total capital and surplus (Lines 24 to 30 minus Line 31) | XXX | XXX | 15,102,663 | 13,515,917 |
| 33. Total liabilities, capital and surplus (Lines 23 and 32) | XXX | XXX | 27,887,970 | 28,189,667 |
| DETAILS OF WRITE-INS | | | | |
| 2201. | | | | |
| 2202. | | | | |
| 2203. | | | | |
| 2298. Summary of remaining write-ins for Line 22 from overflow page | 0 | 0 | 0 | 0 |
| 2299. Totals (Lines 2201 through 2203 plus 2298)(Line 22 above) | 0 | 0 | 0 | 0 |
| 2401. | XXX | XXX | | |
| 2402. | XXX | XXX | | |
| 2403. | XXX | XXX | | |
| 2498. Summary of remaining write-ins for Line 24 from overflow page | XXX | XXX | 0 | 0 |
| 2499. Totals (Lines 2401 through 2403 plus 2498)(Line 24 above) | XXX | XXX | 0 | 0 |
| 2901. | XXX | XXX | | |
| 2902. | XXX | XXX | | |
| 2903. | XXX | XXX | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | XXX | XXX | 0 | 0 |
| 2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above) | XXX | XXX | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date | Prior Year Ended December 31 |
|--|-------------------------|------------|-----------------------|---------------------------------|
| | 1 Uncovered | 2 Total | 3 Total | 4 Total |
| 1. Member Months | XXX | 11,192 | 11,918 | 57,782 |
| 2. Net premium income (including \$ non-health premium income)..... | XXX | 14,093,836 | 10,919,727 | 55,633,406 |
| 3. Change in unearned premium reserves and reserve for rate credits..... | XXX | (17,529) | (113,737) | (68,778) |
| 4. Fee-for-service (net of \$ medical expenses)..... | XXX | | | 0 |
| 5. Risk revenue | XXX | | | 0 |
| 6. Aggregate write-ins for other health care related revenues | XXX | 0 | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | XXX | 0 | 0 | 0 |
| 8. Total revenues (Lines 2 to 7) | XXX | 14,076,307 | 10,805,990 | 55,564,628 |
| Hospital and Medical: | | | | |
| 9. Hospital/medical benefits | | 6,594,587 | 6,351,242 | 26,683,446 |
| 10. Other professional services | | 1,437,677 | 2,093,118 | 7,224,036 |
| 11. Outside referrals | | | | 0 |
| 12. Emergency room and out-of-area | | 260,309 | 155,824 | 962,862 |
| 13. Prescription drugs | | 1,372,594 | 729,830 | 3,515,495 |
| 14. Aggregate write-ins for other hospital and medical | 0 | 0 | (40,199) | (10,213) |
| 15. Incentive pool, withhold adjustments and bonus amounts | | | | 0 |
| 16. Subtotal (Lines 9 to 15) | 0 | 9,665,167 | 9,289,815 | 38,375,626 |
| Less: | | | | |
| 17. Net reinsurance recoveries | | (68,546) | 74,611 | 81,498 |
| 18. Total hospital and medical (Lines 16 minus 17) | 0 | 9,733,713 | 9,215,204 | 38,294,128 |
| 19. Non-health claims (net) | | | | |
| 20. Claims adjustment expenses, including \$206,283 cost containment expenses | | 315,031 | 162,069 | 1,079,636 |
| 21. General administrative expenses | | 1,626,691 | 1,141,996 | 7,317,407 |
| 22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only) | | | | 0 |
| 23. Total underwriting deductions (Lines 18 through 22)..... | 0 | 11,675,435 | 10,519,269 | 46,691,171 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | 2,400,872 | 286,721 | 8,873,456 |
| 25. Net investment income earned | | 29,587 | 74,656 | 175,794 |
| 26. Net realized capital gains (losses) less capital gains tax of \$ | | | | (829) |
| 27. Net investment gains (losses) (Lines 25 plus 26) | 0 | 29,587 | 74,656 | 174,965 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]..... | | | | |
| 29. Aggregate write-ins for other income or expenses | 0 | 0 | 0 | 0 |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) | XXX | 2,430,459 | 361,377 | 9,048,421 |
| 31. Federal and foreign income taxes incurred | XXX | 846,156 | 126,480 | 3,188,137 |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | 1,584,303 | 234,897 | 5,860,284 |
| DETAILS OF WRITE-INS | | | | |
| 0601. | XXX | | | |
| 0602. | XXX | | | |
| 0603. | XXX | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | 0 | 0 | 0 |
| 0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above)..... | XXX | 0 | 0 | 0 |
| 0701. | XXX | | | |
| 0702. | XXX | | | |
| 0703. | XXX | | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | 0 | 0 | 0 |
| 0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above)..... | XXX | 0 | 0 | 0 |
| 1401. Miscellaneous Medical Expense | | | (40,199) | (10,213) |
| 1402. | | | | |
| 1403. | | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)..... | 0 | 0 | (40,199) | (10,213) |
| 2901. | | | | |
| 2902. | | | | |
| 2903. | | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)..... | 0 | 0 | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 33. Capital and surplus prior reporting year..... | 13,515,917 | 10,314,877 | 10,314,877 |
| 34. Net income or (loss) from Line 32..... | 1,584,303 | 234,897 | 5,860,284 |
| 35. Change in valuation basis of aggregate policy and claim reserves..... | | | |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$..... | | | |
| 37. Change in net unrealized foreign exchange capital gain or (loss)..... | | | |
| 38. Change in net deferred income tax..... | (1,316) | 0 | 13,147 |
| 39. Change in nonadmitted assets..... | 3,759 | (8,280) | 76,609 |
| 40. Change in unauthorized reinsurance..... | 0 | 0 | 0 |
| 41. Change in treasury stock..... | 0 | 0 | 0 |
| 42. Change in surplus notes..... | 0 | 0 | 0 |
| 43. Cumulative effect of changes in accounting principles..... | | | |
| 44. Capital Changes: | | | |
| 44.1 Paid in..... | 0 | 0 | 0 |
| 44.2 Transferred from surplus (Stock Dividend)..... | 0 | 0 | 0 |
| 44.3 Transferred to surplus..... | | | |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in..... | 0 | 0 | 0 |
| 45.2 Transferred to capital (Stock Dividend)..... | | | |
| 45.3 Transferred from capital..... | | | |
| 46. Dividends to stockholders..... | | | (2,749,000) |
| 47. Aggregate write-ins for gains or (losses) in surplus..... | 0 | 0 | 0 |
| 48. Net change in capital & surplus (Lines 34 to 47)..... | 1,586,746 | 226,617 | 3,201,040 |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 15,102,663 | 10,541,494 | 13,515,917 |
| DETAILS OF WRITE-INS | | | |
| 4701. | | | |
| 4702. | | | |
| 4703. | | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page..... | 0 | 0 | 0 |
| 4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above) | 0 | 0 | 0 |

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance | 13,757,846 | 10,759,348 | 54,121,117 |
| 2. Net investment income | 132,187 | 126,524 | 289,855 |
| 3. Miscellaneous income | 0 | 0 | 0 |
| 4. Total (Lines 1 to 3) | 13,890,033 | 10,885,872 | 54,410,972 |
| 5. Benefit and loss related payments | 10,740,076 | 6,497,856 | 37,050,245 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 1,985,717 | 811,917 | 7,630,902 |
| 8. Dividends paid to policyholders | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses) | 527,999 | 0 | 3,082,072 |
| 10. Total (Lines 5 through 9) | 13,253,792 | 7,309,773 | 47,763,219 |
| 11. Net cash from operations (Line 4 minus Line 10) | 636,241 | 3,576,099 | 6,647,752 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 0 | 1,905,000 | 4,587,000 |
| 12.2 Stocks | 0 | 0 | 0 |
| 12.3 Mortgage loans | 0 | 0 | 0 |
| 12.4 Real estate | 0 | 0 | 0 |
| 12.5 Other invested assets | 0 | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 | 0 |
| 12.7 Miscellaneous proceeds | 0 | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 0 | 1,905,000 | 4,587,000 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | 0 | 2,751,977 | 5,661,917 |
| 13.2 Stocks | 0 | 0 | 0 |
| 13.3 Mortgage loans | 0 | 0 | 0 |
| 13.4 Real estate | 0 | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 | 0 |
| 13.6 Miscellaneous applications | 0 | 0 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 0 | 2,751,977 | 5,661,917 |
| 14. Net increase (or decrease) in contract loans and premium notes | 0 | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | 0 | (846,977) | (1,074,917) |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | 0 | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock | 0 | 0 | 0 |
| 16.3 Borrowed funds | 0 | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 0 | 0 | 0 |
| 16.5 Dividends to stockholders | 0 | 0 | 2,749,000 |
| 16.6 Other cash provided (applied) | (588,643) | 310,913 | 698,690 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) | (588,643) | 310,913 | (2,050,310) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) | 47,598 | 3,040,035 | 3,522,525 |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 18,199,769 | 14,677,244 | 14,677,244 |
| 19.2 End of period (Line 18 plus Line 19.1) | 18,247,367 | 17,717,279 | 18,199,769 |

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

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

STATEMENT AS OF MARCH 31, 2010 OF THE Unison Health Plan of Tennessee, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefit Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Other |
|--|------------|---------------------------------------|------------|-----------------------------|---------------------|---------------------|---|------------------------------|----------------------------|-------------|
| | | 2 Individual | 3 Group | | | | | | | |
| Total Members at end of: | | | | | | | | | | |
| 1. Prior Year | 5,461 | 0 | 0 | 0 | 0 | 0 | 0 | 5,461 | 0 | 0 |
| 2. First Quarter | 3,742 | | | | | | | 3,742 | | |
| 3. Second Quarter | 0 | | | | | | | | | |
| 4. Third Quarter | 0 | | | | | | | | | |
| 5. Current Year | 0 | | | | | | | | | |
| 6. Current Year Member Months | 11,192 | | | | | | | 11,192 | | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | |
| 7. Physician | 28,223 | | | | | | | 28,223 | | |
| 8. Non-Physician | 2,561 | | | | | | | 2,561 | | |
| 9. Total | 30,784 | 0 | 0 | 0 | 0 | 0 | 0 | 30,784 | 0 | 0 |
| 10. Hospital Patient Days Incurred | 2,571 | | | | | | | 2,571 | | |
| 11. Number of Inpatient Admissions | 285 | | | | | | | 285 | | |
| 12. Health Premiums Written (a) | 14,093,836 | | | | | | | 14,093,836 | | |
| 13. Life Premiums Direct | 0 | | | | | | | | | |
| 14. Property/Casualty Premiums Written | 0 | | | | | | | | | |
| 15. Health Premiums Earned | 14,076,307 | | | | | | | 14,076,307 | | |
| 16. Property/Casualty Premiums Earned | 0 | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services..... | 10,748,783 | | | | | | | 10,748,783 | | |
| 18. Amount Incurred for Provision of Health Care Services | 9,665,167 | | | | | | | 9,665,167 | | |

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$14,093,836

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

| Line of Business | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 Claims Incurred in Prior Years (Columns 1 + 3) | 6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
|---|---|---|--|---|---|--|
| | 1 On Claims Incurred Prior to January 1 of Current Year | 2 On Claims Incurred During the Year | 3 On Claims Unpaid Dec. 31 of Prior Year | 4 On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital and medical) | | | | | 0 | 0 |
| 2. Medicare Supplement | | | | | 0 | 0 |
| 3. Dental Only | | | | | 0 | 0 |
| 4. Vision Only | | | | | 0 | 0 |
| 5. Federal Employees Health Benefits Plan | | | | | 0 | 0 |
| 6. Title XVIII - Medicare | 6,793,200 | 4,085,528 | 1,858,834 | 5,406,865 | 8,652,034 | 8,244,557 |
| 7. Title XIX - Medicaid | | | 200,000 | | 200,000 | 200,000 |
| 8. Other health | | | | | 0 | 0 |
| 9. Health subtotal (Lines 1 to 8) | 6,793,200 | 4,085,528 | 2,058,834 | 5,406,865 | 8,852,034 | 8,444,557 |
| 10. Healthcare receivables (a) | | 166,157 | | | 0 | 0 |
| 11. Other non-health | | | | | 0 | 0 |
| 12. Medical incentive pools and bonus amounts | | | | | 0 | 0 |
| 13. Totals | 6,793,200 | 3,919,371 | 2,058,834 | 5,406,865 | 8,852,034 | 8,444,557 |

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

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

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

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

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

| | <u>3/31/2010</u> | <u>12/31/2009</u> |
|--|---------------------|---------------------|
| <u>Net Income:</u> | | |
| 1. State of Tennessee basis | \$1,584,303 | \$5,860,284 |
| 2. State Prescribed Practices None | - | - |
| 3. State Permitted Practices None | - | - |
| 4. NAIC SAP basis | <u>\$1,584,303</u> | <u>\$5,860,284</u> |
| <u>Statutory Capital & Surplus</u> | | |
| 5. State of Tennessee basis | \$15,102,663 | \$13,515,917 |
| 6. State Prescribed Practices None | - | - |
| 7. State Permitted Practices None | - | - |
| 8. NAIC SAP basis | <u>\$15,102,663</u> | <u>\$13,515,917</u> |

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 5 – Investments

- A. No significant change.
- B. No significant change.
- C. No significant change.
- D. The Company has no investments in Loan-Backed Securities as of March 31, 2010.
- E. No significant change.
- F. No significant change.
- G. No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

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

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

- A. The Company did not have any transfers of receivables reported as sales as of March 31, 2010 or December 31, 2009.
- B. The Company did not have any transfer and servicing of financial assets as of March 31, 2010 or December 31, 2009.
- C. No transactions involving wash sales of securities with a NAIC designation of 3 or below or unrated securities occurred during the year ended March 31, 2010 or December 31, 2009.

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

No significant change.

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

No significant change.

Note 20 - Other Items

No significant change.

Note 21 - Events Subsequent

No significant change.

Note 22 - Reinsurance

No significant change.

Note 23 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 24 - Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of March 31, 2010 were \$7.5 million. As of March 31, 2010, \$6.8 million has been paid for incurred losses attributable to insured events of prior years. Reserves remaining for prior years are now \$2.1 million as a result of re-estimation of unpaid claims. Therefore there has been a \$.4 million unfavorable prior-year development since December 31, 2009 to March 31, 2010. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are adjusted as additional information becomes known regarding individual claims.

Note 25 - Intercompany Pooling Arrangements

No significant change.

Note 26 - Structured Settlements

No significant change.

Note 27 - Health Care Receivables

No significant change.

Note 28 - Participating Policies

No significant change.

Note 29 - Premium Deficiency Reserves

No significant change.

Note 30 – Anticipated Salvage and Subrogation

No significant change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [X] No []
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1 Name of Entity | 2 NAIC Company Code | 3 State of Domicile |
|---------------------|------------------------|------------------------|
| | | |

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 01/25/2010
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 06/30/2005
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 03/24/2006
- 6.4 By what department or departments?
Tennessee Department of Commerce and Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 OTS | 6 FDIC | 7 SEC |
|-----------------------------|-----------------------------|----------|----------|----------|-----------|----------|
| OptumHealth Bank, Inc. | Salt Lake City, Utah | NO | NO | NO | YES | NO |

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [] No []
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes [] No []
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No []
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No []
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No []
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$0
13. Amount of real estate and mortgages held in short-term investments: \$0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No []
- 14.2 If yes, please complete the following:
- | | 1
Prior Year-End
Book/Adjusted
Carrying Value | 2
Current Quarter
Book/Adjusted
Carrying Value |
|---|--|---|
| 14.21 Bonds | \$0 | \$0 |
| 14.22 Preferred Stock | \$0 | \$0 |
| 14.23 Common Stock | \$0 | \$0 |
| 14.24 Short-Term Investments | \$0 | \$0 |
| 14.25 Mortgage Loans on Real Estate | \$0 | \$0 |
| 14.26 All Other | \$0 | \$0 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$0 | \$0 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$0 | \$0 |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No []
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No []
 If no, attach a description with this statement.

GENERAL INTERROGATORIES

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

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

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

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

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

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

16.4 If yes, give full information relating thereto:

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

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

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|--------------------------------------|--------------|--------------|
| | | |

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:

1.1 A&H loss percent 70.1 %
1.2 A&H cost containment percent 1.5 %
1.3 A&H expense percent excluding cost containment expenses 12.3 %

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

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

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

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

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

| 1 NAIC Company Code | 2 Federal ID Number | 3 Effective Date | 4 Name of Reinsurer | 5 Location | 6 Type of Reinsurance Ceded | 7 Is Insurer Authorized? (Yes or No) |
|------------------------------|---------------------------|------------------------|------------------------|---------------|--------------------------------------|---|
| NONE | | | | | | |

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

| States, etc. | 1 Active Status | Direct Business Only | | | | | | | 9 Deposit-Type Contracts | |
|---|--------------------|-----------------------------------|---------------------------|-------------------------|---|---|---------------------------------|--------------------------------|-----------------------------|--|
| | | 2 Accident and Health Premiums | 3 Medicare Title XVIII | 4 Medicaid Title XIX | 5 Federal Employees Health Benefits Program Premiums | 6 Life and Annuity Premiums & Other Considerations | 7 Property/Casualty Premiums | 8 Total Columns 2 Through 7 | | |
| 1. Alabama AL | N | | | | | | | 0 | | |
| 2. Alaska AK | N | | | | | | | 0 | | |
| 3. Arizona AZ | N | | | | | | | 0 | | |
| 4. Arkansas AR | L | | (8,303) | | | | | (8,303) | | |
| 5. California CA | N | | | | | | | 0 | | |
| 6. Colorado CO | N | | | | | | | 0 | | |
| 7. Connecticut CT | N | | | | | | | 0 | | |
| 8. Delaware DE | N | | | | | | | 0 | | |
| 9. District of Columbia DC | N | | | | | | | 0 | | |
| 10. Florida FL | N | | | | | | | 0 | | |
| 11. Georgia GA | N | | | | | | | 0 | | |
| 12. Hawaii HI | N | | | | | | | 0 | | |
| 13. Idaho ID | N | | | | | | | 0 | | |
| 14. Illinois IL | N | | | | | | | 0 | | |
| 15. Indiana IN | N | | | | | | | 0 | | |
| 16. Iowa IA | N | | | | | | | 0 | | |
| 17. Kansas KS | N | | | | | | | 0 | | |
| 18. Kentucky KY | N | | | | | | | 0 | | |
| 19. Louisiana LA | N | | | | | | | 0 | | |
| 20. Maine ME | N | | | | | | | 0 | | |
| 21. Maryland MD | N | | | | | | | 0 | | |
| 22. Massachusetts MA | N | | | | | | | 0 | | |
| 23. Michigan MI | N | | | | | | | 0 | | |
| 24. Minnesota MN | N | | | | | | | 0 | | |
| 25. Mississippi MS | L | | (6,026) | | | | | (6,026) | | |
| 26. Missouri MO | N | | | | | | | 0 | | |
| 27. Montana MT | N | | | | | | | 0 | | |
| 28. Nebraska NE | N | | | | | | | 0 | | |
| 29. Nevada NV | N | | | | | | | 0 | | |
| 30. New Hampshire NH | N | | | | | | | 0 | | |
| 31. New Jersey NJ | N | | | | | | | 0 | | |
| 32. New Mexico NM | N | | | | | | | 0 | | |
| 33. New York NY | N | | | | | | | 0 | | |
| 34. North Carolina NC | N | | | | | | | 0 | | |
| 35. North Dakota ND | N | | | | | | | 0 | | |
| 36. Ohio OH | N | | | | | | | 0 | | |
| 37. Oklahoma OK | N | | | | | | | 0 | | |
| 38. Oregon OR | N | | | | | | | 0 | | |
| 39. Pennsylvania PA | N | | | | | | | 0 | | |
| 40. Rhode Island RI | N | | | | | | | 0 | | |
| 41. South Carolina SC | N | | | | | | | 0 | | |
| 42. South Dakota SD | N | | | | | | | 0 | | |
| 43. Tennessee TN | L | | 14,108,165 | | | | | 14,108,165 | | |
| 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 Aliens OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 59. Subtotal | XXX | 0 | 14,093,836 | 0 | 0 | 0 | 0 | 14,093,836 | 0 | |
| 60. Reporting Entity Contributions for Employee Benefit Plans | XXX | | | | | | | 0 | | |
| 61. Totals (Direct Business) | (a) 3 | 0 | 14,093,836 | 0 | 0 | 0 | 0 | 14,093,836 | 0 | |
| DETAILS OF WRITE-INS | | | | | | | | | | |
| 5801. | XXX | | | | | | | | | |
| 5802. | XXX | | | | | | | | | |
| 5803. | XXX | | | | | | | | | |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above) | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |

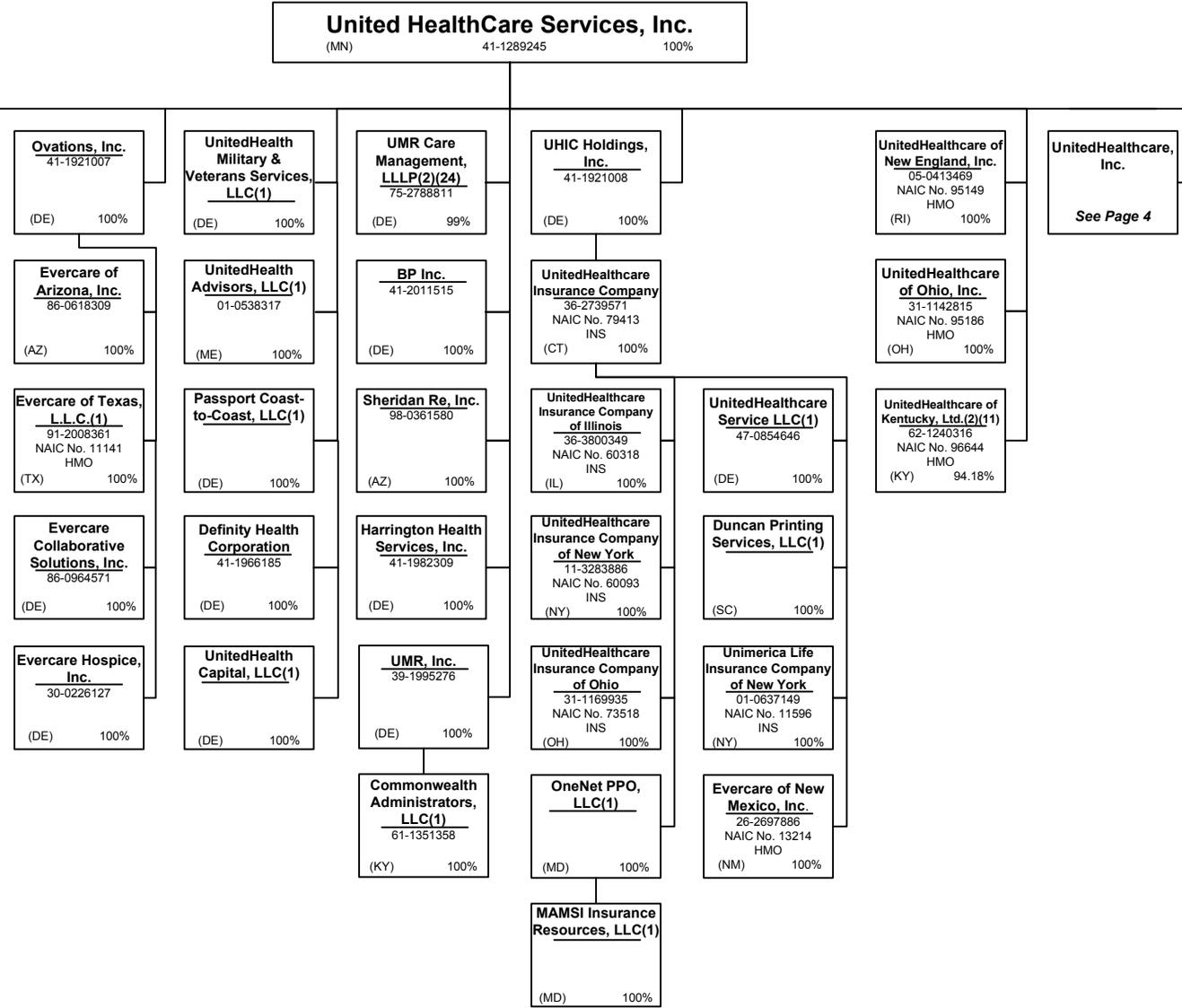
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

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

PART 1 - ORGANIZATIONAL CHART

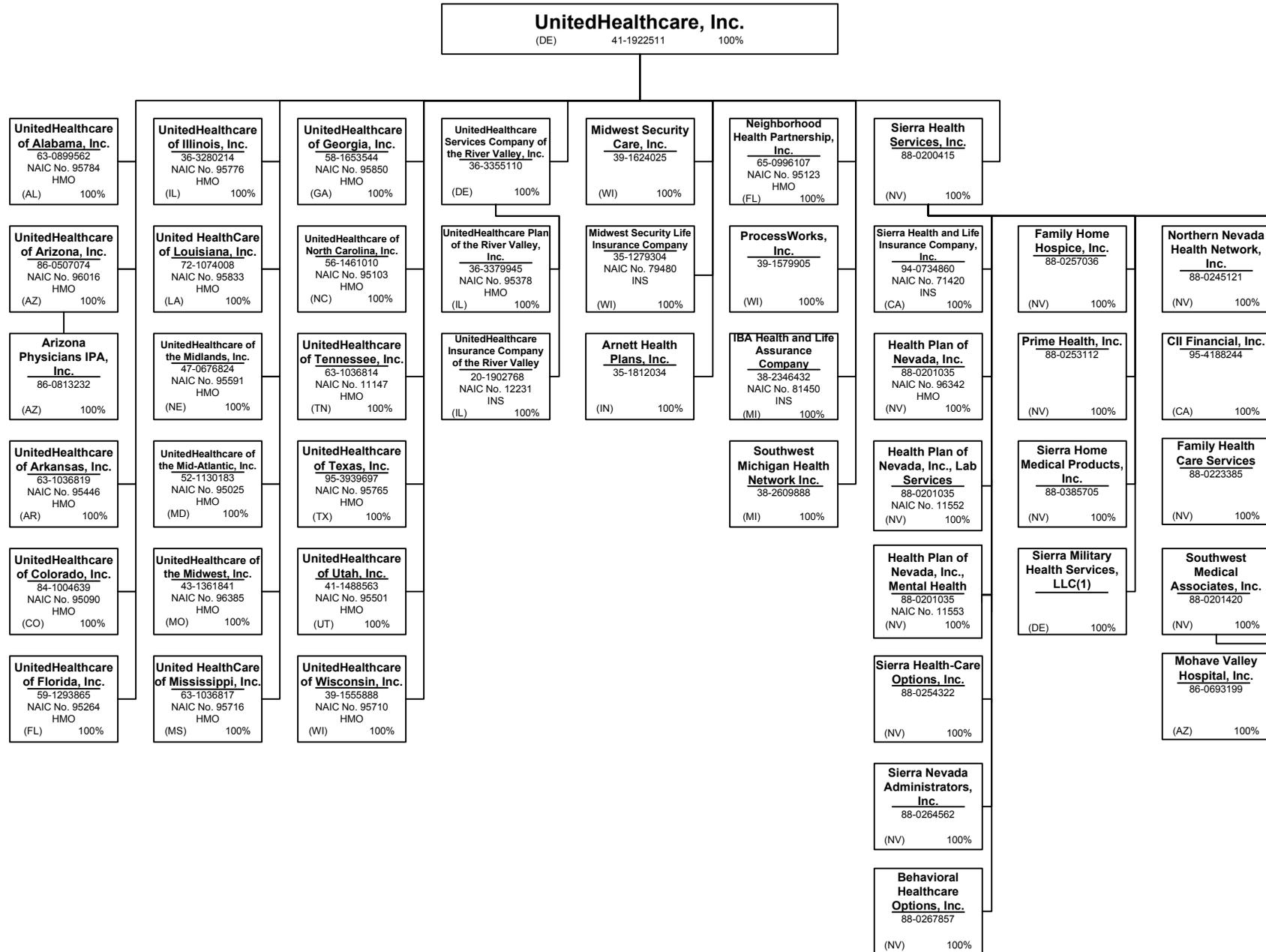
Continued from
Page 2



15.2

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

PART 1 - ORGANIZATIONAL CHART



15.3

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

PART 1 - ORGANIZATIONAL CHART

Notes

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

(1) Entity is a Limited Liability Company

(2) Entity is a Partnership

(3) Entity is a Non-Profit Corporation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

1.

Bar Code:

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



OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF MARCH 31, 2010 OF THE Unison Health Plan of Tennessee, Inc.

SCHEDULE A - VERIFICATION

Real Estate

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 6,458,118 | 5,499,047 |
| 2. Cost of bonds and stocks acquired | 0 | 5,661,917 |
| 3. Accrual of discount | 178 | 4,211 |
| 4. Unrealized valuation increase (decrease) | 0 | 0 |
| 5. Total gain (loss) on disposals | 0 | 0 |
| 6. Deduct consideration for bonds and stocks disposed of | 0 | 4,587,000 |
| 7. Deduct amortization of premium | 36,879 | 120,057 |
| 8. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 9. Deduct current year's other than temporary impairment recognized | 0 | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 6,421,417 | 6,458,118 |
| 11. Deduct total nonadmitted amounts | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 6,421,417 | 6,458,118 |

STATEMENT AS OF MARCH 31, 2010 OF THE Unison Health Plan of Tennessee, Inc.

SCHEDULE D - PART 1B

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

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-------------------------------------|--|---|---|---|--|---|--|--|
| | Book/Adjusted Carrying Value Beginning of Current Quarter | Acquisitions During Current Quarter | Dispositions During Current Quarter | Non-Trading Activity During Current Quarter | Book/Adjusted Carrying Value End of First Quarter | Book/Adjusted Carrying Value End of Second Quarter | Book/Adjusted Carrying Value End of Third Quarter | Book/Adjusted Carrying Value December 31 Prior Year |
| BONDS | | | | | | | | |
| 1. Class 1 (a) | 16,475,892 | 38,970,783 | 37,955,050 | (36,701) | 17,454,924 | 0 | 0 | 16,475,892 |
| 2. Class 2 (a) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Class 3 (a) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Class 4 (a) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Class 5 (a) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Class 6 (a) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Total Bonds | 16,475,892 | 38,970,783 | 37,955,050 | (36,701) | 17,454,924 | 0 | 0 | 16,475,892 |
| PREFERRED STOCK | | | | | | | | |
| 8. Class 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Class 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Class 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Class 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Class 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Total Preferred Stock | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Total Bonds and Preferred Stock | 16,475,892 | 38,970,783 | 37,955,050 | (36,701) | 17,454,924 | 0 | 0 | 16,475,892 |

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

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SCHEDULE DA - PART 1

Short-Term Investments

| | 1 Book/Adjusted Carrying Value | 2 Par Value | 3 Actual Cost | 4 Interest Collected Year-to-Date | 5 Paid for Accrued Interest Year-to-Date |
|----------------|--------------------------------------|----------------|------------------|---|---|
| 9199999 Totals | 11,033,507 | XXX | 11,033,507 | 595 | 0 |

SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 10,017,774 | 15,120,062 |
| 2. Cost of short-term investments acquired | 38,970,783 | 62,270,425 |
| 3. Accrual of discount | 0 | 0 |
| 4. Unrealized valuation increase (decrease) | 0 | 0 |
| 5. Total gain (loss) on disposals | 0 | 0 |
| 6. Deduct consideration received on disposals | 37,955,050 | 67,372,713 |
| 7. Deduct amortization of premium | 0 | 0 |
| 8. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 9. Deduct current year's other than temporary impairment recognized | 0 | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 11,033,507 | 10,017,774 |
| 11. Deduct total nonadmitted amounts | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 11,033,507 | 10,017,774 |

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

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

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

N O N E

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

N O N E

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

N O N E

Schedule E - Verification - Cash Equivalents

N O N E

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

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

Schedule B - Part 2 - Mortgage Loans Acquired

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 Description | 2 Code | 3 Date Acquired | 4 Rate of Interest | 5 Maturity Date | 6 Book/Adjusted Carrying Value | 7 Amount of Interest Due and Accrued | 8 Amount Received During Year |
|----------------------------------|-----------|--------------------|-----------------------|--------------------|--------------------------------------|--|-------------------------------------|
| NONE | | | | | | | |
| 8699999 - Total Cash Equivalents | | | | | | | |