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QUARTERLY STATEMENT

AS OF September 30, 2011

OF THE CONDITION AND AFFAIRS OF THE

Care Improvement Plus South Central Insurance Company

NAIC Group Code 4443 (Current Period), 4443 (Prior Period) NAIC Company Code 12567 Employer's ID Number 20-3888112

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

Country of Domicile United States of America

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

Incorporated/Organized 01/13/2006 Commenced Business 01/01/2007

Statutory Home Office 400 West Capitol, Suite 2000 (Street and Number), Little Rock, AR 72201 (City, or Town, State and Zip Code)

Main Administrative Office 351 W. Camden Street, Suite 100 (Street and Number)
Baltimore, MD 21201 (City or Town, State and Zip Code) (410)625-2200 (Area Code) (Telephone Number)

Mail Address 351 W. Camden Street, Suite 100 (Street and Number or P.O. Box), Baltimore, MD 21201 (City, or Town, State and Zip Code)

Primary Location of Books and Records 351 W. Camden Street, Suite 100 (Street and Number)
Baltimore, MD 21201 (City, or Town, State and Zip Code) (410)625-2200 (Area Code) (Telephone Number)

Internet Web Site Address www.careimprovementplus.com

Statutory Statement Contact Reya Mathew (Name) (443)872-3040 (Area Code)(Telephone Number)(Extension)
rmathew@xlhealth.com (E-Mail Address) (410)244-8347 (Fax Number)

OFFICERS

Name	Title
Frederick Clark Dunlap	Chairman, CEO & President
Paul Anthony Serini	Secretary & EVP
Mete Sahin	Treasurer & CFO
Robb Andrew Cohen	CGAO
Daniel Jay Friedman	Assistant Secretary & CLO
Suresh Ramakrishnan	CIO
Laura June Ciavola	Senior VP of Claims & Systems Intergration
Joseph Lee Spruiell	Senior Vice President, Field Operations
Henry Meilman M.D.	Chief Medical Officer #

OTHERS

DIRECTORS OR TRUSTEES

Frederick Clark Dunlap
Mete Sahin
Paul Anthony Serini

State of
County of ss

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

(Signature)	(Signature)	(Signature)
Frederick Clark Dunlap	Paul Anthony Serini	Mete Sahin
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
Chairman, CEO & President	Secretary & EVP	Treasurer & CFO
(Title)	(Title)	(Title)

Subscribed and sworn to before me this
day of , 2011

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

(Notary Public Signature)

ASSETS

		Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1.	Bonds	40,600,083		40,600,083	120,186
2.	Stocks:				
	2.1 Preferred stocks				
	2.2 Common stocks				
3.	Mortgage loans on real estate:				
	3.1 First liens				
	3.2 Other than first liens				
4.	Real estate:				
	4.1 Properties occupied by the company (less $.....0 encumbrances)				
	4.2 Properties held for the production of income (less $.....0 encumbrances)				
	4.3 Properties held for sale (less $.....0 encumbrances)				
5.	Cash ($....(17,744,622)), cash equivalents ($.....0) and short-term investments ($.....365,184,661)	347,440,039		347,440,039	143,883,682
6.	Contract loans (including $.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets				
9.	Receivables for securities				
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	388,040,122		388,040,122	144,003,868
13.	Title plants less $.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	207,899		207,899	24,534
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	40,890		40,890	10,754,037
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)				
	15.3 Accrued retrospective premiums	19,690,107		19,690,107	19,690,107
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	23,635		23,635	512,368
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans	11,801,721		11,801,721	25,395,830
18.1	Current federal and foreign income tax recoverable and interest thereon	3,275,715		3,275,715	1,674,673
18.2	Net deferred tax asset	13,068,376		13,068,376	11,305,509
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets ($.....0)				
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	637,971		637,971	2,878,198
24.	Health care ($.....16,522,800) and other amounts receivable	33,321,190	16,798,390	16,522,800	14,943,379
25.	Aggregate write-ins for other than invested assets				9,919
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	470,107,626	16,798,390	453,309,236	231,192,422
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	470,107,626	16,798,390	453,309,236	231,192,422
DETAILS OF WRITE-INS					
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Premium Tax Receivable				9,919
2502.					
2503.					
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				9,919

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $.....1,108,353 reinsurance ceded)	132,419,951		132,419,951	121,548,845
2.	Accrued medical incentive pool and bonus amounts	3,674,650		3,674,650	288,866
3.	Unpaid claims adjustment expenses	2,438,475		2,438,475	2,474,600
4.	Aggregate health policy reserves	23,001,216		23,001,216	4,377,121
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	116,451,396		116,451,396	1,661
9.	General expenses due or accrued				
10.1	Current federal and foreign income tax payable and interest thereon (including $.....0 on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable	122,062		122,062	491,966
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates				
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)				
20.	Reinsurance in unauthorized companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including $.....0 current)				
24.	Total liabilities (Lines 1 to 23)	278,107,750		278,107,750	129,183,059
25.	Aggregate write-ins for special surplus funds	XXX	XXX	470,690	3,768,503
26.	Common capital stock	XXX	XXX	750,000	750,000
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX	207,812,960	207,812,960
29.	Surplus notes	XXX	XXX		
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX		
31.	Unassigned funds (surplus)	XXX	XXX	(33,832,163)	(110,322,101)
32.	Less treasury stock, at cost:				
	32.1 .....0 shares common (value included in Line 26 $.....0)	XXX	XXX		
	32.2 .....0 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	175,201,487	102,009,362
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	453,309,237	231,192,421
DETAILS OF WRITE-INS					
2301.					
2302.					
2303.					
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.	Additional DTA per SSAP 10R para 10e	XXX	XXX	470,690	3,768,503
2502.		XXX	XXX		
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	470,690	3,768,503
3001.		XXX	XXX		
3002.		XXX	XXX		
3003.		XXX	XXX		
3098.	Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

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	677,563	499,713	700,810
2.	Net premium income (including $.....0 non-health premium income)	XXX	1,003,570,600	677,434,521	924,036,682
3.	Change in unearned premium reserves and reserves for rate credits	XXX			
4.	Fee-for-service (net of $.....0 medical expenses)	XXX			
5.	Risk revenue	XXX			
6.	Aggregate write-ins for other health care related revenues	XXX			
7.	Aggregate write-ins for other non-health revenues	XXX			
8.	Total revenues (Lines 2 to 7)	XXX	1,003,570,600	677,434,521	924,036,682
Hospital and Medical:					
9.	Hospital/medical benefits		672,878,209	513,463,357	700,184,576
10.	Other professional services		7,369,513	6,263,638	8,397,555
11.	Outside referrals				
12.	Emergency room and out-of-area				
13.	Prescription drugs		71,020,773	55,622,014	63,530,453
14.	Aggregate write-ins for other hospital and medical		3,650,941	1,470,962	2,305,731
15.	Incentive pool, withhold adjustments and bonus amounts		3,385,785		218,885
16.	Subtotal (Lines 9 to 15)		758,305,221	576,819,971	774,637,200
Less:					
17.	Net reinsurance recoveries		(347,561)	1,970,849	1,352,439
18.	Total hospital and medical (Lines 16 minus 17)		758,652,782	574,849,122	773,284,761
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including $.....41,438,154 cost containment expenses		76,232,639	53,662,709	76,533,053
21.	General administrative expenses		80,307,254	67,840,018	79,889,899
22.	Increase in reserves for life and accident and health contracts (including $.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		915,192,675	696,351,849	929,707,713
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	88,377,925	(18,917,328)	(5,671,031)
25.	Net investment income earned		(40,719)	(141,777)	(212,884)
26.	Net realized capital gains (losses) less capital gains tax of $.....0				
27.	Net investment gains or (losses) (Lines 25 plus 26)		(40,719)	(141,777)	(212,884)
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....491,485)]		(491,485)	(603,193)	(709,798)
29.	Aggregate write-ins for other income or expenses				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	87,845,721	(19,662,298)	(6,593,713)
31.	Federal and foreign income taxes incurred	XXX	15,898,958	(6,859,916)	(1,674,673)
32.	Net income (loss) (Lines 30 minus 31)	XXX	71,946,763	(12,802,382)	(4,919,040)
DETAILS OF WRITE-INS					
0601.		XXX			
0602.		XXX			
0603.		XXX			
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX			
0701.		XXX			
0702.		XXX			
0703.		XXX			
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX			
1401.	Transportation Costs		3,650,941	1,470,962	2,305,731
1402.					
1403.					
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		3,650,941	1,470,962	2,305,731
2901.					
2902.					
2903.					
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	102,009,362	72,030,792	72,030,793
34.	Net income or (loss) from Line 32	71,946,763	(12,802,382)	(4,919,040)
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of $.....0			
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax	(11,632,750)		24,230,436
39.	Change in nonadmitted assets	16,695,174	(6,858,349)	(26,801,330)
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
	44.1 Paid in			
	44.2 Transferred from surplus (Stock Dividend)			
	44.3 Transferred to surplus			
45.	Surplus adjustments:			
	45.1 Paid in		23,000,000	33,700,000
	45.2 Transferred to capital (Stock Dividend)			
	45.3 Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus	(3,817,061)		3,768,503
48.	Net change in capital and surplus (Lines 34 to 47)	73,192,126	3,339,269	29,978,569
49.	Capital and surplus end of reporting period (Line 33 plus 48)	175,201,488	75,370,061	102,009,362
DETAILS OF WRITE-INS				
4701.	Add'l DTA per SSAP 10R paragraph 10e	(3,297,813)		3,768,503
4702.	2010 adjustments after annual filings	(519,248)		
4703.				
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)	(3,817,061)		3,768,503

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	1,148,987,673	671,438,808	916,371,392
2.	Net investment income	48,237	(121,431)	(204,191)
3.	Miscellaneous income			
4.	Total (Lines 1 to 3)	1,149,035,910	671,317,377	916,167,201
5.	Benefit and loss related payments	745,484,836	584,423,032	771,947,685
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	143,473,394	126,466,348	153,117,086
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	14,202,187	(1)	(480,506)
10.	Total (Lines 5 through 9)	903,160,417	710,889,379	924,584,265
11.	Net cash from operations (Line 4 minus Line 10)	245,875,493	(39,572,002)	(8,417,064)
	Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	120,000	921,000	921,000
	12.2 Stocks			
	12.3 Mortgage loans			
	12.4 Real estate			
	12.5 Other invested assets			
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
	12.7 Miscellaneous proceeds			
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	120,000	921,000	921,000
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	40,872,218	124,678	124,678
	13.2 Stocks			
	13.3 Mortgage loans			
	13.4 Real estate			
	13.5 Other invested assets			
	13.6 Miscellaneous applications			
	13.7 Total investments acquired (Lines 13.1 to 13.6)	40,872,218	124,678	124,678
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	(40,752,218)	796,322	796,322
	Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes			
	16.2 Capital and paid in surplus, less treasury stock		23,000,000	33,700,000
	16.3 Borrowed funds			
	16.4 Net deposits on deposit-type contracts and other insurance liabilities			
	16.5 Dividends to stockholders			
	16.6 Other cash provided (applied)	(1,566,918)	9,790,745	10,791,810
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(1,566,918)	32,790,745	44,491,810
	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)	203,556,357	(5,984,935)	36,871,068
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	143,883,682	107,012,614	107,012,614
	19.2 End of period (Line 18 plus Line 19.1)	347,440,039	101,027,679	143,883,682

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	68,544							68,544		
2. First Quarter	72,957							72,957		
3. Second Quarter	76,150							76,150		
4. Third Quarter	79,779							79,779		
5. Current Year										
6. Current Year Member Months	677,563							677,563		
Total Member Ambulatory Encounters for Period:										
7. Physician	1,845,223							1,845,223		
8. Non-Physician	524,750							524,750		
9. Total	2,369,973							2,369,973		
10. Hospital Patient Days Incurred	221,608							221,608		
11. Number of Inpatient Admissions	28,257							28,257		
12. Health Premiums Written (a)	1,004,607,272							1,004,607,272		
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	1,004,607,272							1,004,607,272		
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	746,065,357							746,065,357		
18. Amount Incurred for Provision of Health Care Services	758,305,221							758,305,221		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $...1,004,607,272.

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

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	17,043,988	2,928,046	690,018	188,836	74,601	20,925,489
0499999 Subtotals	17,043,988	2,928,046	690,018	188,836	74,601	20,925,489
0599999 Unreported claims and other claim reserves						112,602,816
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						133,528,305
0899999 Accrued Medical Incentive Pool And Bonus Amounts						3,674,650

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
1. Comprehensive (hospital & medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare	86,759,007	659,214,561	229,307	132,190,644	86,988,315	121,548,845
7. Title XIX - Medicaid						
8. Other health						
9. Health subtotal (Lines 1 to 8)	86,759,007	659,214,561	229,307	132,190,644	86,988,315	121,548,845
10. Healthcare receivables (a)	3,568,812	29,752,378			3,568,812	31,743,513
11. Other non-health						
12. Medical incentive pools and bonus amounts			1,595,059	2,079,591	1,595,059	288,866
13. Totals (Lines 9 - 10 + 11 + 12)	83,190,195	629,462,183	1,824,366	134,270,235	85,014,562	90,094,198

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

Notes to Financial Statement

1. Summary of Significant Accounting Policies

a. Accounting Practices

The accompanying financial statements of Care Improvement Plus South Central Insurance Company (the "Company") have been prepared in conformity with accounting practices prescribed or permitted by the state of Arkansas for determining and reporting the financial conditions and results of operations of an insurance company for determining its solvency under Arkansas Insurance law. The National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual, ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Arkansas.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Arkansas is shown below:

		2011	2010
(1)	Net Income Arkansas state basis	71,946,763	(4,919,039)
(2)	State Prescribed Practices (Income):	-	-
(3)	State Permitted Practices (Income):	-	-
(4)	Net Income, NAIC SAP	71,946,763	(4,919,039)
(5)	Statutory Surplus Arkansas basis	175,201,488	102,009,362
(6)	State Prescribed Practices (Surplus):	-	-
(7)	State Permitted Practices (Surplus):	-	-
(8)	Statutory Surplus, NAIC SAP	175,201,488	102,009,362

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

No Material Change

c. Accounting Policy

No Material Change

2. Accounting Changes and Corrections of Errors

A. After the annual statement filing date, the Company made the following adjustment to prior year financial results:

Increase in Claims Incurred $519,248

The Company performed additional analysis after the annual statement filing date and wrote down health care receivables by $519,248. As a result, claims incurred increased by the same amount. This adjustment increased the annual statement net loss but had no net effect on capital and surplus, as the receivables that were written down were previously non-admitted.

3. Business Combinations and Goodwill

No Material Change

4. Discontinued Operations

No Material Change

5. Investments

No Material Change

D. Loan-Backed Securities – None.

Notes to Financial Statement

6. Joint Ventures, Partnerships and Limited Liability Companies

No Material Change

7. Investment Income

No Material Change

8. Derivative Instruments

No Material Change

9. Income Taxes

No Material Change

10. Information Concerning Parent, Subsidiaries and Affiliates

The Company has an income tax receivable in the amount of $3,275,715 to XLHealth Corporation at September 30, 2011 in accordance with the Tax Sharing Agreement.

11. Debt

No Material Change

12. Retirement Plans, Deferred Compensation, Post-Employment Benefits, Compensated Absences and other Postretirement Benefit Plans.

No Material Change

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

No Material Change

14. Contingencies

No Material Change

15. Leases

No Material Change

16. Information about Financial Instruments with off-balance sheet risk and financial instruments with concentrations of credit risk.

No Material Change

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

a. Transfers of Receivables reported as Sales – No Material Change

b. Transfer and Servicing of Financial Assets – No Material Change

c. Wash Sales – None

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

No Material Change

Notes to Financial Statement

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

No Material Change

20. Fair Value Measurements

No Material Change

21. Other Items

No Material Change

22. Events Subsequent

Type II = Nonrecognized Subsequent Events:

The Company paid XLHealth Corporation an extraordinary dividend of $25,000,000 on October 13, 2011.

23. Reinsurance

No Material Change

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No Material Change

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of December 31, 2010 were $124,312,311. As of September 30, 2011, $117,408,309 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $1,824,366 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Medicare line of business. Therefore, there has been a $5,079,635 favorable prior-year development since December 31, 2010 to September 30, 2011. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

No Material Change

27. Structured Settlements

No Material Change

Notes to Financial Statement

28. Health Care Receivables

a. Pharmaceutical Rebate Receivables

	Estimated Pharmacy Rebates as Reported	Pharmacy Rebates as Billed or Confirmed	Rebates received within 90 days	Rebates Received within 91 to 180 days	Rebates Received more than 180 days
9/30/2011	15,252,303	-	-	-	-
6/30/2011	14,569,467	7,437,309	-	-	-
3/31/2011	13,395,150	7,132,158	7,132,158	-	-
12/31/2010	11,933,264	6,262,992	6,262,992	-	648,172
9/30/2010	10,804,213	5,670,272	5,670,272	-	1,218,136
6/30/2010	9,820,893	5,133,941	5,133,941	-	495,695
3/31/2010	8,551,248	4,706,482	4,642,436	-	(469,784)
12/31/2009	7,231,170	4,053,058	4,646,272	-	206,699
9/30/2009	6,648,124	3,380,972	3,359,776	21,196	-
6/30/2009	6,519,968	3,267,152	3,264,660	2,492	-
3/31/2009	4,576,377	3,252,816	3,391,822	(139,006)	-
12/31/2008	2,099,913	2,518,472	113,962	939,436	1,737,009
9/30/2008	5,834,784	5,105,000	1,771,957	113,533	-
6/30/2008	1,662,850	3,235,000	1,662,852	-	113,004
3/31/2008	3,915,782	3,255,000	772,565	1,174,737	623,958

b. Risk Sharing Receivables - No Material Change

29. Participating Policies

No Material Change

30. Premium Deficiency Reserves

No Material Change

31. Anticipated Salvage and Subrogation

No Material 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[ ] N/A[X]

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[ ] No[X]
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 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[X] No[ ] 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. 12/31/2008
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. 12/31/2008
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). 12/22/2009
6.4 By what department or departments?
Arkansas
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[X] No[ ] N/A[ ]
6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
7.2 If yes, give full information

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
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
		Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

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

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[X] No[ ]
10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 637,971

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[ ] No[X]
11.2 If yes, give full and complete information relating thereto:

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

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

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

GENERAL INTERROGATORIES (Continued)

INVESTMENT

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		
14.22	Preferred Stock		
14.23	Common Stock		
14.24	Short-Term Investments		
14.25	Mortgages Loans on Real Estate		
14.26	All Other		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes[ ] No[X]
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[ ] N/A[X]
If no, attach a description with this statement.

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

1 Name of Custodian(s)	2 Custodian Address
Goldman Sachs	1735 Market St. 26th Floor Philadelphia, PA 19103

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes[ ] No[X]
16.4 If yes, give full and complete 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
361	Goldman Sachs	1735 Market St. 26th Floor Philadelphia, PA 19103

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[ ]
17.2 If no, list exceptions:

General Interrogatories Part 1 Attachments

The Company received approval on 12/21/2010 to revise the 2011 Management Service Agreement with XLHealth Corporation from 17.9% of net premium revenue to 16.5% of net premium revenue.

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:
   1.1 A&H loss percent 79.724%
   1.2 A&H cost containment percent 4.129%
   1.3 A&H expense percent excluding cost containment expenses 11.469%

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. $..... 0
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. $..... 0

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 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
Accident and Health - Non-affiliates						
21113	13-5459190	01/01/2011	UNITED STATES FIRE INS CO	DE	SSL/A/I	Yes[X] No[ ]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

			Direct Business Only							
		1	2	3	4	5	6	7	8	9
	State, Etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	L		148,380,412					148,380,412	
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	L		368,070,189					368,070,189	
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	N								
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	L		134,794,640					134,794,640	
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	L		353,362,030					353,362,030	
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CN)	N								
58.	Aggregate other alien (OT)	XXX								
59.	Subtotal	XXX		1,004,607,271					1,004,607,271	
60.	Reporting entity contributions for Employee Benefit Plans	XXX								
61.	Total (Direct Business)	(a) 4		1,004,607,271					1,004,607,271	
DETAILS OF WRITE-INS										
5801.		XXX								
5802.		XXX								
5803.		XXX								
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX								

(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

NONE

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

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement

12567201136500003 2011 Document Code: 365

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

NONE

		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 va		
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)		

SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

		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 poin		
9.	Total foreign exchange change in book value/recorded inve		
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)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

NONE

		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)		

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	120,187	922,256
2.	Cost of bonds and stocks acquired	40,872,218	124,678
3.	Accrual of discount	6,356	
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration for bonds and stocks disposed of	120,000	921,000
7.	Deduct amortization of premium	278,677	5,747
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	40,600,083	120,187
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	40,600,083	120,187

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	164,801,051	321,790,634	80,588,344	(218,596)	170,364,118	164,801,051	405,784,744	157,998,333
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	164,801,051	321,790,634	80,588,344	(218,596)	170,364,118	164,801,051	405,784,744	157,998,333
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	164,801,051	321,790,634	80,588,344	(218,596)	170,364,118	164,801,051	405,784,744	157,998,333

(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 $.....365,184,661; NAIC 2 $.....0; NAIC 3 $.....0; NAIC 4 $.....0; NAIC 5 $.....0; NAIC 6 $.....0

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	365,184,661	X X X	365,406,261	231,548	48,623

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	157,878,147	68,994,918
2.	Cost of short-term investments acquired	270,640,901	131,311,444
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals	63,111,112	42,387,838
7.	Deduct amortization of premium	223,275	40,378
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	365,184,661	157,878,147
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	365,184,661	157,878,147

SI04 Schedule DB - Part A Verification . . . . . NONE

SI04 Schedule DB - Part B Verification . . . . . NONE

SI05 Schedule DB Part C Section 1 . . . . . NONE

SI06 Schedule DB Part C Section 2 . . . . . NONE

SI07 Schedule DB - Verification . . . . . NONE

SI08 Schedule E - Verification (Cash Equivalents) . . . . . NONE

E01 Schedule A Part 2 . . . . . NONE

E01 Schedule A Part 3 . . . . . NONE

E02 Schedule B Part 2 . . . . . NONE

E02 Schedule B Part 3 . . . . . NONE

E03 Schedule BA Part 2 . . . . . NONE

E03 Schedule BA Part 3 . . . . . NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
31331GTJ8	FFCB 2.625%		09/27/2011	Goldmna Sachs	XXX	500,033	475,000.00	5,576	1
0599999 Subtotal - Bonds - U.S. Governments					XXX	500,033	475,000.00	5,576	XXX
8399997 Subtotal - Bonds - Part 3					XXX	500,033	475,000.00	5,576	XXX
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
8399999 Subtotal - Bonds					XXX	500,033	475,000.00	5,576	XXX
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX		XXX		XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	500,033	XXX	5,576	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

E05 Schedule D Part 4 . . . . . NONE

E06 Schedule DB Part A Section 1 . . . . . NONE

E07 Schedule DB Part B Section 1 . . . . . NONE

E08 Schedule DB Part D . . . . . NONE

E09 Schedule DL - Part 1 - Securities Lending Collateral Assets . . . . . NONE

E10 Schedule DL - Part 2 - Securities Lending Collateral Assets . . . . . NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories										
PNC Bank - Medical Expense Account	Baltimore MD						(7,665,872)	(6,689,530)	(4,607,696)	X X X
PNC Bank - Medical Expense Account	Baltimore MD						(23,463,984)	(21,116,173)	(13,263,893)	X X X
PNC Bank - Investment Account	Baltimore MD						9,207	45,335	42,103	X X X
PNC Bank - Investment Account	Baltimore MD						111,516	119,974	55,881	X X X
Central Bank	Jefferson City, MO						14,516	28,994	28,984	X X X
Goldmahn Sachs	Philadephia, PA							75,298		X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X			(30,994,617)	(27,536,103)	(17,744,622)	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X			(30,994,617)	(27,536,103)	(17,744,622)	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X			(30,994,617)	(27,536,103)	(17,744,622)	X X X

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 & Accrued	8 Amount Received During Year
NONE							
8699999 Total - Cash Equivalents							

12567201136500103 2011 Document Code: 365

MEDICARE PART D COVERAGE SUPPLEMENT

Net of Reinsurance

NAIC Group Code: 4443 **NAIC Company Code: 12567**

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums Collected		XXX		XXX	
2. Earned Premiums		XXX		XXX	XXX
3. Claims Paid		XXX		XXX	
4. Claims Incurred		XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)	XXX		XXX		
6. Aggregate Policy Reserves - change		XXX		XXX	XXX
7. Expenses Paid		XXX		XXX	
8. Expenses Incurred		XXX		XXX	XXX
9. Underwriting Gain or Loss		XXX		XXX	XXX
10. Cash Flow Results	XXX	XXX	XXX	XXX	

(a) Uninsured Receivable/Payable with CMS at End of Quarter: $.....0 due from CMS or $.....0 due to CMS

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