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HEALTH QUARTERLY STATEMENT

As of September 30, 2011

of the Condition and Affairs of the

Express Scripts Insurance Company

NAIC Group Code..... , (Current Period) (Prior Period) NAIC Company Code..... 60025 Employer's ID Number..... 86-0754726

Organized under the Laws of Arizona State of Domicile or Port of Entry Arizona Country of Domicile US

Licensed as Business Type Life, Accident & Health Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized..... February 23, 1994 Commenced Business..... February 23, 1994

Statutory Home Office	7909 South Hardy Drive….. Tempe ..... AZ ..... 85284 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	7909 South Hardy Drive….. Tempe ..... AZ ..... 85284 *(Street and Number) (City or Town, State and Zip Code)*	866-332-5455-345966 *(Area Code) (Telephone Number)*
Mail Address	One Express Way, Mailstop HQ2E04….. Saint Louis ..... MO ..... 63121 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	One Express Way; Mailstop: HQ2E04….. St. Louis ..... MO ..... 63121 *(Street and Number) (City or Town, State and Zip Code)*	800-332-5455-345966 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.express-scripts.com	
Statutory Statement Contact	Kelia D Clements *(Name)*	800-332-5455-345966 *(Area Code) (Telephone Number) (Extension)*
	kdclements@express-scripts.com *(E-Mail Address)*	866-276-7055 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Britton Pim	President & Chief Executive Officer	2. Jeffrey Hall	Chief Financial Officer
3. Keith Ebling	Secretary	4. Kelley Elliott	Assistant Secretary

OTHER

Matthew Harper	Treasurer	Marty P Akins	Assistant Secretary
Jeffrey Naeger	Assistant Secretary	Jeffrey Hall	Chief Financial Officer

DIRECTORS OR TRUSTEES

Pat McNamee Aaron Manwill Jeffrey Hall Ed Ignaczak
Keith Ebling

State of..... Missouri
County of..... Saint Louis

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.

(Signature)	(Signature)	(Signature)
Britton Pim	Kelley Elliott	
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President & Chief Executive Officer	Assistant Secretary	
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This 7th day of November, 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

Rebecca Frank, Notary Public
St. Louis County, State of Missouri
My Commission Expires 08/17/2014
Commission Number 10006888

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			0	
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....1,095,349), cash equivalents ($.....0) and short-term investments ($.....25,037,777)	26,133,126		26,133,126	37,473,602
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives			0	
8. Other invested assets			0	
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	26,133,126	0	26,133,126	37,473,602
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	1,868		1,868	4,025
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans	164,947		164,947	1,597,326
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset	357		357	1,647
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets ($.....0)			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	9,026,039		9,026,039	
24. Health care ($.....0) and other amounts receivable			0	
25. Aggregate write-ins for other than invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	35,326,337	0	35,326,337	39,076,601
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	35,326,337	0	35,326,337	39,076,601

DETAILS OF WRITE-INS

1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501.			0	
2502.			0	
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period 1 Covered	Current Period 2 Uncovered	Current Period 3 Total	Prior Year 4 Total
1. Claims unpaid (less $.....0 reinsurance ceded)	53,700		53,700	249,000
2. Accrued medical incentive pool and bonus amounts			0	
3. Unpaid claims adjustment expenses	1,300		1,300	5,000
4. Aggregate health policy reserves			0	
5. Aggregate life policy reserves			0	
6. Property/casualty unearned premium reserve			0	
7. Aggregate health claim reserves			0	
8. Premiums received in advance			0	
9. General expenses due or accrued	25,718		25,718	65,679
10.1 Current federal and foreign income tax payable and interest thereon (including $.....0 on realized gains (losses))	2,276,477		2,276,477	1,255,639
10.2 Net deferred tax liability			0	
11. Ceded reinsurance premiums payable			0	
12. Amounts withheld or retained for the account of others			0	
13. Remittances and items not allocated			0	
14. Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
15. Amounts due to parent, subsidiaries and affiliates			0	23,733,163
16. Derivatives			0	
17. Payable for securities			0	
18. Payable for securities lending			0	
19. Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)			0	
20. Reinsurance in unauthorized companies			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	
22. Liability for amounts held under uninsured plans	17,814,903		17,814,903	512,119
23. Aggregate write-ins for other liabilities (including $.....0 current)	0	0	0	0
24. Total liabilities (Lines 1 to 23)	20,172,098	0	20,172,098	25,820,599
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	2,600,000	2,600,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	6,330,976	6,330,976
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	6,223,263	4,325,026
32. Less treasury stock, at cost:				
32.1 .....0.000 shares common (value included in Line 26 $.....0)	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	15,154,239	13,256,002
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	35,326,337	39,076,601

DETAILS OF WRITE-INS

2301.			0	
2302.			0	
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.				
3002.				
3003.				
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months	XXX	235,742	131,559	175,506
2. Net premium income (including $.....0 non-health premium income)	XXX	32,372,498	22,700,415	30,471,743
3. Change in unearned premium reserves and reserve 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	0	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	32,372,498	22,700,415	30,471,743
Hospital and Medical:				
9. Hospital/medical benefits				
10. Other professional services				
11. Outside referrals				
12. Emergency room and out-of-area				
13. Prescription drugs		34,518,425	21,041,711	27,360,391
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts				
16. Subtotal (Lines 9 to 15)	0	34,518,425	21,041,711	27,360,391
Less:				
17. Net reinsurance recoveries				
18. Total hospital and medical (Lines 16 minus 17)	0	34,518,425	21,041,711	27,360,391
19. Non-health claims (net)				
20. Claims adjustment expenses, including $.....0 cost containment expenses		9,028,811	4,772,555	5,000
21. General administrative expenses		(14,047,131)	(4,503,739)	148,876
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)	0	29,500,105	21,310,527	27,514,267
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	2,872,393	1,389,888	2,957,477
25. Net investment income earned		47,972	8,220	17,195
26. Net realized capital gains (losses) less capital gains tax of $.....0				
27. Net investment gains or (losses) (Lines 25 plus 26)	0	47,972	8,220	17,195
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]				
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	2,920,365	1,398,108	2,974,672
31. Federal and foreign income taxes incurred	XXX	1,020,838	486,948	1,040,324
32. Net income (loss) (Lines 30 minus 31)	XXX	1,899,527	911,160	1,934,347

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 thru 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 thru 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0	0
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year	13,256,001	11,485,643	11,485,643
34. Net income or (loss) from Line 32	1,899,527	911,160	1,934,347
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	(1,290)	(2,552)	(973)
39. Change in nonadmitted assets			
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			
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	0	(163,016)	(163,016)
48. Net change in capital and surplus (Lines 34 to 47)	1,898,237	745,592	1,770,358
49. Capital and surplus end of reporting period (Line 33 plus 48)	15,154,238	12,231,235	13,256,001

DETAILS OF WRITE-INS

4701. Independent Auditor's Adjustment as Stated in Audit including tax provision true-up		(163,016)	(163,016)
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	(163,016)	(163,016)

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	32,372,498	22,700,415	30,471,743
2. Net investment income	50,130	7,097	14,571
3. Miscellaneous income			
4. Total (Lines 1 through 3)	32,422,628	22,707,512	30,486,314
5. Benefit and loss related payments	34,713,725	21,407,911	27,487,391
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	(23,709,824)	1,263,027	1,500,214
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)			925,622
10. Total (Lines 5 through 9)	11,003,901	22,670,938	29,913,227
11. Net cash from operations (Line 4 minus Line 10)	21,418,726	36,574	573,088
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds			
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)	0	0	0
13. Cost of investments acquired (long-term only):			
13.1 Bonds			
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)	0	0	0
14. Net increase (decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	0	0	0
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			
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)	(32,759,202)	9,855,529	18,450,376
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(32,759,202)	9,855,529	18,450,376
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(11,340,476)	9,892,103	19,023,464
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	37,473,602	18,450,138	18,450,138
19.2 End of period (Line 18 plus Line 19.1)	26,133,126	28,342,241	37,473,602

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
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at End of:										
1. Prior Year	14,649									14,649
2. First Quarter	37,095									37,095
3. Second Quarter	19,916									19,916
4. Third Quarter	21,036									21,036
5. Current Year	0									
6. Current Year Member Months	235,742									235,742
Total Member Ambulatory Encounters for Period:										
7. Physician	0									
8. Non-Physician	0									
9. Total	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0									
11. Number of Inpatient Admissions	0									
12. Health Premiums Written (a)	32,372,498									32,372,498
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	32,372,498									32,372,498
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	34,713,725									34,713,725
18. Amount Incurred for Provision of Health Care Services	34,518,425									34,518,425

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees $.....32,467,184.

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

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0699999. Total Amounts Withheld						53,700
0799999. Total Claims Unpaid						53,700

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 December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)					0	
2. Medicare Supplement					0	
3. Dental only					0	
4. Vision only					0	
5. Federal Employees Health Benefits Plan					0	
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid					0	
8. Other health	928,069	33,785,656		53,700	928,069	249,000
9. Health subtotal (Lines 1 to 8)	928,069	33,785,656	0	53,700	928,069	249,000
10. Healthcare receivables (a)					0	
11. Other non-health					0	
12. Medical incentive pools and bonus amounts					0	
13. Totals (Lines 9-10+11+12)	928,069	33,785,656	0	53,700	928,069	249,000

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

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Principles

The financial statements of Express Scripts Insurance Company are presented on the basis of accounting practices prescribed or permitted by the State of Arizona Department of Insurance (the "Department").

The State of Arizona Department of Insurance recognized only statutory accounting practices prescribed or permitted by the State of Arizona for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Arizona 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 Arizona.

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Balance Sheet

Cash and Cash Equivalents - Cash and cash equivalents include highly liquid investments that are both readily convertible to known amounts of cash, and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash also includes savings accounts, Department (as defined above) deposits and certificates of deposit with original maturities of three months or less. In compliance with the state of Arizona's request in December 2008, the Company diversified its working cash bank accounts in JP Morgan Chase to comply with the state of domicile's (Arizona) 10 percent diversification regulation AR 20-535 limitation on percentage of assets invested with single person. The Company worked with JP Morgan Chase to diversify in various JP Morgan Fund Family fund accounts while meeting the needs of the Company and other requirements of states that required diversification on their behalf during the Expansion Application process. The Company continues to monitor its diversification methodologies while being in compliance with regulation AR 20-535 limitations - see the Short-Term Investments section below for details on the diversification in JP Morgan Fund Family accounts. In June 2010, the Company deposited $50,000 into a Wells Fargo FDIC Insured Commercial Checking (Restricted) account as requested by the state of California during the licensure process and received the Certificate of Authority from California DMHC in November. The balances of these accounts as of September 30, 2011 are as follows:

Cash:	
JP Morgan Chase Bank - Chicago, Illinois	$ 894,147
US Bank – FDIC Insured Commercial Checking (Unrestricted OR)	16,070
Bank of America Fixed Income 12 month CD (Restricted AR)	100,000
US Bank - Fixed Income 12 month CD (Restricted GA)	35,132
Wells Fargo - FDIC Insured Commercial Checking (Restricted CA)	50,000
Total Cash	$1,095,349

Short-Term Investments - Short-term investments include investments in the First American Treasury and U.S. Treasury Bills with a maturity of twelve months or less. These investments are maintained in an account with U.S. Bank. Investments maintained in the US Bank account are to fulfill the minimum account balances required for the Company's Certificate of Authority with the state of Arizona as well as other states with which the Company has applied for licenses. The account with U.S. Bank has restrictions on access to the funds. Effective April 17, 2008 and in compliance with the state of Arizona's request, $1,014,888 was transferred out of the Evergreen Investment Account and combined with the U.S. Treasury Bills that were maturing at a value of $550,000. The combined monies of $1,564,880 were used to purchase $1,575,000 of U.S. Treasury Bills at a discounted rate thus alleviating diversification concerns held by the State of Arizona. The state of North Carolina has refunded $200,000 of the restricted amount to the company due to the agreements set forth at the time of licensure. The balances of these accounts as of September 30, 2011 are as follows:

Short-term Investments:	
Bank of America Federated US Treasury 125 Fund (Restricted NH)	$ 250,014
Citibank ISD Global Concentration (Restricted MA)	100,000
SunTrust Ridgeworth US Treasury (Restricted VA)	500,000
US Bank – First American Treasury (Restricted NC)	400,007
US Bank – U S Treasury Bill (Restricted AZ - Others)	1,577,898
US Bank – US Treasury Bills (Unrestricted OR & Others)	7,499,933
US Bank – US Treasury Bills (Unrestricted OR & Others)	4,999,955
US Bank – US Treasury Bills (Unrestricted)	4,999,990
JPM Funds – US Govt Sec	501,145
Federated Funds – US Treas Cash Res Fund	200,118
Federated Funds – US Treas Prime Cash Obligation	153,021
Federated Funds – US Treas Govt Obligation	550,804
Federated Funds – US Treas Treas Obligation	550,240
Dreyfus Funds – Cash Management Participant Shares	500,944
Dreyfus Funds – Institutional Cash Adv Inst Shares	552,455
Goldman Funds – Prime Mutual	500,341
Goldman Funds – Government	500,315
Goldman Funds – Money Market Mutual Fund	500,402

NOTES TO FINANCIAL STATEMENTS

Goldman Funds – Federal MMKt Mtl Fnd	200,195
Total Short-term Investments	$25,037,777

The Company worked with various states during the Expansion Application process to meet their requirements while maintaining those of the state of domicile. The Company diversified its working cash bank accounts in JP Morgan Chase to comply with the state of domicile's diversification regulation AR 20-535. The results of that diversification include monies in several Fund Accounts - JPM Funds, Federated Funds, Dreyfus Funds and Goldman Funds. The diversification of the JP Morgan Chase working bank accounts meets the requirements of the state of domicile (Arizona) and the various states the Company is working with during the Expansion Application process.

To meet particular states' requirements during the Expansion Application process the Company deposited required amounts into restricted investments as required by those states. These states are New Hampshire, Arkansas, Massachusetts, Virginia, Georgia, North Carolina and California.

Intercompany Payables and Receivables - Intercompany amounts result from operations in the normal course of business, including expenses paid on behalf of the Company by the parent corporation, Express Scripts Senior Care Holdings, Inc.

Amounts Receivable Relating to Uninsured Plans - The Company has adjusted the receivable at September 30, 2011 based on estimates. These estimates include Reinsurance and Low-Income Cost Sharing (LICS) settlements the Company would expect to receive after CMS performs their annual reconciliations in 2011. Note that for employer group waiver plans (EGWPs), CMS does not make prospective subsidy payments; therefore, both reinsurance and LICS are receivables. An outside actuarial service opined on the 2010 receivable numbers during the annual statutory filing process in accordance with published guidance from the American Academy of Actuaries for the end-of-the year statutory reporting of these Part D reconciliation items.

Common Stock - Common Stock represents shares of ownership by the parent company. As of September 30, 2011, a total of 2,600,000 shares of stock have been issued to the parent company, Express Scripts Senior Care Holdings, Inc. at a par value of $1 per share.

Income Statement

Revenue Recognition - The Company offers benefits under a funded Medicare Part D Plan. Premiums are billed monthly and are recorded as revenue in the period billed. Premiums received in advance are recorded as a liability and classified as revenue in the period to which they relate.

Claim Cost - Prescription drug claims are recorded as expense in the period in which the prescription is filled.

Intercompany Transactions - The Company's parent corporation, Express Scripts Senior Care Holdings, Inc., performs administrative services for the Company, including processing prescription drug claims and invoicing members for premiums. The Company pays Express Scripts Senior Care Holdings, Inc. for prescription drug costs and other costs associated with administering the program, under an intercompany agreement on file with the State of Arizona.

General Administrative Expenses - The Company provides administrative services for self-insured EGWPs, for which it received administrative fees of $14,807,733 for the nine months ended September 30, 2011 and $4,992,645 for the same nine month period in 2010. These administrative fees are netted within general administrative expenses in accordance with SSAP No. 3.

General Administrative Expenses

Self funded (non-risk) admin fee received (SSAP 47)	$ (14,807,733)
Software and other misc. expense	571,700
Professional fees	67,385
Insurance taxes, licenses and fees	121,518
	$ (14,047,130)

Note 2 - Accounting Changes and Corrections of Errors

Not Applicable.

Note 3 - Business Combinations and Goodwill

Not Applicable.

Note 4 - Discontinued Operations

Not Applicable.

Note 5 - Investments

The Company's investments consist of First American Treasury Obligation held by U.S. Bank, US Treasury Bonds (Rating AAA) and U.S. Treasury Bills (Rating AAA), JP Morgan Funds, Federated Funds, Dreyfus Funds, Goldman Funds. In addition, the Company deposited required amounts into restricted investments as required by New Hampshire, Arkansas, Massachusetts, Virginia, Georgia and North Carolina and an unrestricted US Bank to meet an

NOTES TO FINANCIAL STATEMENTS

unrestricted Oregon security deposit holding U.S. Treasury Bills. Additionally, the New York Department of Insurance requested diversification of cash and investments into more U.S. Treasury Bills to meet the state's regulations. As a result, the Company purchased two additional U.S. Treasury Bills in June 2010, each with a par value of $5,000,000, but they were purchased at a discounted rate. In December 2010, one U.S. Treasury Bill matured with a par value of $5,000,000 and a new U.S. Treasury Bill was purchased with a par value of $10,000,000 to continue to meet the New York Department of Insurance regulatory requirements. In June 2011, a U.S. Treasury Bill matured with a par value of $5,000,000 and a principal cost of $4,988,851 and a new U.S. Treasury Bill was purchased with a par value of $5,000,000 with a principal cost of $4,998,094 and a market value of $4,998,125. In August 2011, a U.S. Treasury Bill matured with a par value of $10,000,000 and a principal cost of $9,988,100. A new Treasury Bill was not purchased. $2,000,000 of the U.S. Treasury Bill maturity was held in unrestricted cash with the remaining $8,000,000 spread over the Federated, Dreyfus and Goldman Funds. Also note that the state of North Carolina refunded $200,000 of the total amount ($600,000) held in a restricted account due to fulfillment by the company of requirements designated by the state at the time of licensure.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

The Company doesn't have any investments in joint ventures, partnerships or limited liability companies.

Note 7 - Investment Income

The Company earned $47,972 of investment income for the period ended September 30, 2011.

Note 8 - Derivative Instruments

Not Applicable.

Note 9 - Income Taxes

The Company and Parent are parties to a tax sharing agreement (the “Agreement”) which governs the allocation and settlement of taxes. The Agreement provides that the Company shall pay Parent an amount equal to Company's separate tax liability. Likewise, if the Company incurs a loss or generates a tax attribute that exceeds Company's separate tax liability and such loss or attribute is utilized by Parent's affiliated group, Parent shall pay the Company an amount equal to such tax reduction.

The Company joins in the filing of a consolidated federal income tax return with the following entities:

EXPRESS SCRIPTS, INC. (PARENT)	EXPRESS SCRIPTS CANADA HOLDING CO
CFI OF NEW JERSEY INC	CURASCRIPT INC
CURASCRIPT PBM SERVICES INC	DIVERSIFIED PHARMACEUTICAL SERVICES INC
DIVERSIFIED NY IPA INC	ESI CLAIMS INC
ESI MAIL PHARMACY SERVICE INC	ESI GP HOLDINGS INC
EXPRESS SCRIPTS UTILIZATION MANAGEMENT CO	IVTX INC
IBIOLOGIC INC	NATIONAL PRESCRIPTION ADMINISTRATORS INC
NPA OF NEW YORK IPA INC	PRIORITY HEALTHCARE DISTRIBUTION INC
PRIORITY HEALTHCARE CORPORATION	PRIORITY HEATHCARE COPORATION WEST
PRIORITY HEALTHCARE PHARMACY INC	FRECO INC
LYNNFIELD DRUG INC	LYNNFIELD COMPOUNDING CENTER INC
CHESAPEAKE INFUSION INC	SINUSPHARMACY INC
BYFIELD DRUG INC	HEALTHBRIDGE REIMBURSEMENT
SPECIALTY INFUSION PHARMACY INC	SPECTRACARE HEALTH CARE VENTURES INC
PRIORITYHEALTHCARECOM INC	SPECTRACARE INFUSION PHARMACY INC
SPECTRACARE INC	CARE CONTINUUM INC
SPECTRACARE MANAGEMENT SERVICES INC	EXPRESS SCRIPTS SPECIALTY DISTRIBUTION
EXPRESS SCRIPTS SALES DEVELOPMENT CO	EXPRESS SCRIPTS PHARM. PROCUREMENT LLC
VALUE HEALTH INC	CONNECTYOURCARE LLC
YOURPHARMACYCOM INC	EXPRESS SCRIPTS WC, INC
FIRST RX INC	ESI MAIL ORDER PROCESSING, INC
MOORESVILLE ON-SITE PHARMACY, LLC	ESI ACQUISITION, INC
HEALTHBRIDGE INC	EXPRESS SCRIPTS SENIOR CARE HOLDINGS INC
EXPRESS SCRIPTS SENIOR CARE INC	EXPRESS REINSURANCE COMPANY

Federal income taxes incurred for the nine months ended September 30, 2011 and the twelve months ended December 31, 2010 consist of the following major components:

	2011	2010
Current year federal income tax expense/(benefit)	$1,020,838	$1,040,324
Income tax expense/(benefit)	$1,020,838	$1,040,324

NOTES TO FINANCIAL STATEMENTS

The Company has not elected to admit additional deferred tax assets pursuant to SSAP 10R, paragraph 10(e). The current period election does not differ from the prior reporting period. The following is a summary of the components of the Company's net deferred tax asset as of September 30, 2011 and December 31, 2010 and the change in deferred income taxes for the nine months ended September 30, 2011:

	2011 (All Ordinary)	2010 (All Ordinary)	Change
Gross deferred tax assets	$ 357	$ 1,647	($1,290)
Gross deferred tax liabilities	$ 0	$ 0	$ 0
Net deferred tax assets	$ 357	$ 1,647	($1,290)
Nonadmitted net deferred tax assets	$ 0	$ 0	$ 0
Net admitted deferred tax assets	$ 357	$ 1,647	($1,290)

The individual components of the Company's gross deferred tax assets are as follows:

	Sep 30, 2011	Dec 31, 2010	Change
Contract claims payable	$ 357	$ 1,647	($1,290)
Gross deferred tax assets	$ 357	$ 1,647	($ 1,290)

No tax planning strategies have been contemplated in the determination of the gross deferred tax assets or the net admitted deferred tax assets.

The amounts of all results of the calculations required by SSAP 10R paragraphs 10.a., 10.b.i., 10.b.ii., and 10.c. are as follows:

	Sep 30, 2011 (All Ordinary)	Dec 31, 2010 (All Ordinary)
Can be recovered through loss carrybacks (10.a.)	$ 357	$ 1,647
Lesser of:		
Expected to be recognized within one year (10.b.i.)	$ 0	$ 0
Ten percent of adjusted capital and surplus (10.b.ii.)	$ 1,566,989	$ 1,325,436
Adjusted gross deferred tax assets offset against existing deferred tax liabilities (10.c.)	$ 0	$ 0

The following amounts result from the calculations in paragraph 10.a., 10.b., and 10.c.:

	Sep 30, 2011	Dec 31, 2010
Admitted deferred tax assets	$ 357	$ 1,647
Admitted assets	$35,326,337	$39,076,601
Statutory surplus	$15,154,239	$13,256,002
Total adjusted capital	$15,154,239	$13,256,002

A reconciliation of the expected provision for federal income taxes at the statutory tax rate of 35 percent and the actual provision for the nine months ended September 30, 2011 and the twelve months ended December 31, 2010 is as follows:

	2011	2010	Change
Income tax provision (benefit) computed at statutory tax rate	$ 1,022,128	$ 1,041,135	($ 19,007)
Non-deductible expenses	$ 0	$ 162	($ 162)
Income tax expense	$ 1,022,128	$ 1,041,297	($ 19,169)

NOTES TO FINANCIAL STATEMENTS

	2011	2010
Income tax expense available for recoupment in the event of future net losses	$1,020,838	$1,040,324

The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code. Furthermore, the Company has accrued tax contingencies of $215,314 at September 30, 2011 and at December 31, 2010 related primarily to potential expense adjustments for the tax year 2008.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. The Company didn't pay any dividends to the Parent Company during the nine months ended September 30, 2011.

B. During February 2008, the parent company, Express Scripts Senior Care Holdings, Inc., forgave $1,755,976 owed by Express Scripts Insurance Company ("The Company"). The state of Domicile (Arizona) approved this transaction which was completed to increase capital and surplus as required by the state of domicile to meet the calculated RBC level. For all subsequent quarters the Company has exceeded required RBC levels.

C. At September 30, 2011 Express Scripts Insurance Company reported $9,026,039 which consists of $3,732,000 as Claims Payable and $12,758,039 as an amount receivable from the parent company, Express Scripts Senior Care Holdings, Inc. The receivable represents amounts owed to the parent company for prescription drug claims paid by Express Scripts Senior Care Holdings, Inc. on behalf of the Company as well as administrative costs incurred to process those claims netted against the amounts owed to the Company for payments from CMS to Express Scripts Senior Care Holdings, Inc. for the benefit of the Company. CMS sent the deposit expected in early October on the last day of September; therefore, due to timing amounts owed the Company were not received in September and are held as a net receivable on the Company's financials.

D. All outstanding shares of Express Scripts Insurance Company are owned by Express Scripts Senior Care Holding, Inc. which is wholly owned by the ultimate parent company, Express Scripts, Inc.

Note 11 - Debt

Not Applicable

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

Not Applicable

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

A. The Company has authorized 10,000,000 shares of common stock with a par value of $1 authorized, and 2,600,000 issued and outstanding as of August 31, 2011. On September 30, 2008, The Company issued 1,500,000 in additional common stock to the parent which also resulted in a change in paid in capital of $2,200,000. The purpose of the issuance of additional stock and paid in capital increase was to meet the requirements set forth in various state expansion application guidelines.

B. The Company does not have any preferred stock outstanding.

C. All shares issued are common shares fully owned by Express Scripts Senior Care Holding, Inc., an entity 100% owned by the ultimate parent company, Express Scripts, Inc.

Note 14 - Contingencies

Not Applicable

Note 15 - Leases

Not Applicable

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

Not Applicable

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

NOTES TO FINANCIAL STATEMENTS

Not Applicable

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

The Company provides administrative services for self-insured EGWPs, for which it received administrative fees of $14,807,733 for the nine months ended September 30, 2011 and $4,992,645 for the same nine month period in 2010. These administrative fees are netted within general administrative expenses in accordance with SSAP No. 3.

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

Not Applicable

Note 20 - Fair Value

The Company does not hold any derivative assets or liabilities as of September 30, 2011. All intercompany balances are held at face value/fair market value as of September 30, 2011

Note 21 - Other Items

On September 4, 2007 the Company secured a $250,000 surety bond as required by the Nevada Division of Insurance in the processes to obtain a Certificate of Authority with the state of Nevada. The Company is Principal with Travelers Casualty and Surety Company of America as Surety for bond number 105000106. On July 22, 2008 the Company secured a $100,000 surety bond as required by the New Mexico Insurance Division in the processes to obtain a Certificate of Authority with the state of New Mexico. The Company is Principal with Travelers Casualty and Surety Company of America as Surety for bond number 105125294.

Note 22 - Events Subsequent

Not Applicable

Note 23 - Reinsurance

Not Applicable

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not Applicable

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

The Company processes claims under its Medicare Part D Plan. Claims are reported when incurred through the use of a pharmacy benefit manager. Potential adjustments to claim expense could result from "self-pay" claims in which members pay for a claim and then submit the claim to the Company for reimbursement. Adjustments could also result from faulty member enrollment data. There have not been any material adjustments to claim expense for the period ended June 30, 2011.

Note 26 - Intercompany Pooling Arrangements

Not Applicable

Note 27 - Structured Settlements

Not applicable.

Note 28 - Health Care Receivables

Not Applicable

Note 29 - Participating Policies

Not Applicable

NOTES TO FINANCIAL STATEMENTS

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - 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 [ ] 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 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 [ ] 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. 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. 6/24/2009.....

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). 6/24/2009.....

6.4 By what department or departments?
State of Arizona Department of 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 [ ] No [X]

8.4 If the 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

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]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

FINANCIAL

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

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

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

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

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]
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
Bank of America	Private Wealth Management, 200 W Capitol Ave., 3rd Fl, Little Rock, AR 72201-3605
JP Morgan Chase Bank	Illinois Market, PO Box 260180, Baton Rouge, LA 70826-0180
US Bank	Wachovia Blds, 1W 4th Street, 7th Fl, Winston-Salem, NC 27101
Union Bank	350 California Street, 6th Floor, San Francisco, CA 94104
SunTrust	1801 West Broad Street, Richmond, VA 23220
Citibank	111 Wall Street, New York, NY 10043

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

1 Central Registration Depository	2 Name(s)	3 Address

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH

1. Operating Percentages:

1.1 A&H loss percent		0.0 %
1.2 A&H cost containment percent		0.0 %
1.3 A&H expense percent excluding cost containment expenses		0.0 %
2.1 Do you act as a custodian for health savings accounts?	Yes [ ]	No [X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.		0
2.3 Do you act as an administrator for health savings accounts?	Yes [ ]	No [X]
2.4 If yes, please provide the amount of 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)

NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
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	L	249,019						249,019	
2. Alaska AK	L							0	
3. Arizona AZ	L	166,013						166,013	
4. Arkansas AR	L	83,006						83,006	
5. California CA	L	1,411,109						1,411,109	
6. Colorado CO	L	83,006						83,006	
7. Connecticut CT	L	996,077						996,077	
8. Delaware DE	L	83,006						83,006	
9. District of Columbia DC	L	498,038						498,038	
10. Florida FL	E	1,162,090						1,162,090	
11. Georgia GA	L	664,051						664,051	
12. Hawaii HI	L							0	
13. Idaho ID	L							0	
14. Illinois IL	L	3,901,307						3,901,307	
15. Indiana IN	L	2,075,160						2,075,160	
16. Iowa IA	L	498,038						498,038	
17. Kansas KS	L							0	
18. Kentucky KY	L	166,013						166,013	
19. Louisiana LA	L	498,038						498,038	
20. Maine ME	E	83,006						83,006	
21. Maryland MD	L	1,162,090						1,162,090	
22. Massachusetts MA	L	1,162,090						1,162,090	
23. Michigan MI	L	2,324,179						2,324,179	
24. Minnesota MN	L	249,019						249,019	
25. Mississippi MS	L	83,006						83,006	
26. Missouri MO	L	1,079,083						1,079,083	
27. Montana MT	L	166,013						166,013	
28. Nebraska NE	L							0	
29. Nevada NV	L							0	
30. New Hampshire NH	L	83,006						83,006	
31. New Jersey NJ	L	498,038						498,038	
32. New Mexico NM	L							0	
33. New York NY	L	2,822,218						2,822,218	
34. North Carolina NC	L	913,070						913,070	
35. North Dakota ND	L							0	
36. Ohio OH	L	1,411,109						1,411,109	
37. Oklahoma OK	L	83,006						83,006	
38. Oregon OR	L	249,019						249,019	
39. Pennsylvania PA	L	1,328,102						1,328,102	
40. Rhode Island RI	L	166,013						166,013	
41. South Carolina SC	L	249,019						249,019	
42. South Dakota SD	L							0	
43. Tennessee TN	L	664,051						664,051	
44. Texas TX	L	1,909,147						1,909,147	
45. Utah UT	L	83,006						83,006	
46. Vermont VT	L	166,013						166,013	
47. Virginia VA	L	581,045						581,045	
48. Washington WA	L	166,013						166,013	
49. West Virginia WV	L							0	
50. Wisconsin WI	L	2,075,160						2,075,160	
51. Wyoming WY	E	83,006						83,006	
52. American Samoa AS	N							0	
53. Guam GU	N							0	
54. Puerto Rico PR	E							0	
55. U.S. Virgin Islands VI	N							0	
56. Northern Mariana Islands MP	N							0	
57. Canada CN	N							0	
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	32,372,498	0	0	0	0	0	32,372,498	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 48	32,372,498	0	0	0	0	0	32,372,498	0

DETAILS OF WRITE-INS

5801.								0	
5802.								0	
5803.								0	
5898. Summary of remaining write-ins for line 58 from overflow page		0	0	0	0	0	0	0	0
5899. Total (Lines 5801 thru 5803 plus 5898) (Line 58 above)		0	0	0	0	0	0	0	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domicilied 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

Express Scripts, Inc.
100% Common Stock Owner
Federal Id #43-1420563 (DE)
|
Express Scripts Senior Care Holdings, Inc.
100% Common Stock Owner
Federal Id #20-3126104 (DE)
|
Express Scripts Insurance Company
(NAIC #60025)
Federal Id #86-0754726 (AZ)

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?	YES

Explanation:

1.

Bar Code:

Overflow Page for Write-Ins

NONE

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	0	
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 end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

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	0	
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)	0	0
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

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	0	
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)	0	0
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	0	
2. Cost of bonds and stocks acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration for bonds and stocks disposed of		
7. Deduct amortization of premium		
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)	0	0
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

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)								
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	0	0	0	0	0	0	0	0
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	0	0	0	0	0	0	0	0

NONE

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

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	25,037,777	XXX	25,002,293	46,104	

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	37,177,947	17,503,612
2. Cost of short-term investments acquired	36,164,223	72,243,067
3. Accrual of discount		
4. Unrealized valuation increase (decrease)	38,900	4,023
5. Total gain (loss) on disposals	1,535	
6. Deduct consideration received on disposals	48,344,829	52,572,755
7. Deduct amortization of premium		
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)	25,037,777	37,177,947
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	25,037,777	37,177,947

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

1.	Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year)	
2.	Cost paid/(consideration received) on additions	
3.	Unrealized valuation increase (decrease)	
4.	Total gain (loss) on termination recognized	
5.	Considerations received (paid) on terminations	
6.	Amortization	
7.	Adjustment to the Book/Adjusted Carrying Value of hedge item	
8.	Total foreign exchange change in Book/Adjusted Carrying Value	
9.	Book/Adjusted Carrying Value, December 31, current year (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8)	0
10.	Deduct nonadmitted assets	
11.	Statement value at end of current period (Line 9 minus Line 10)	0

NONE

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1.	Book/Adjusted Carrying Value, December 31, prior year			
2.	Net cash deposits (Section 1, Broker Name/Net Cash Deposits footnote)			
3.1	Change in variation margin on open contracts			
3.2	Add:			
	Change in adjustment to basis of hedged item:			
3.21	Section 1, Column 17, current year to date minus			
3.22	Section 1, Column 17, prior year		0	
	Change in amount recognized:			
3.23	Section 1, Column 16, current year to date minus			
3.24	Section 1, Column 16, prior year	0	0	
3.3	Subtotal (line 3.1 minus Line 3.2)			0
4.1	Variation margin on terminated contracts during the year			
4.2	Less:			
4.21	Amount used to adjust basis of hedged item			
4.22	Amount recognized		0	
4.3	Subtotal (line 4.1 minus Line 4.2)			0
5.	Dispositions gains (losses) on contracts terminated in prior year:			
5.1	Recognized			
5.2	Used to adjust basis of hedged items			
6.	Book/Adjusted Carrying Value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2)			0
7.	Deduct nonadmitted assets			
8.	Statement value at end of current period (Line 6 minus Line 7)			0

NONE

SCHEDULE DB - PART C - SECTION 1

Replicated (Synthetic) Assets Open as of Current Statement Date

Replicated (Synthetic) Asset								Components of the Replicated (Synthetic) Asset							
								Derivative Instruments Open			Cash Instrument(s) Held				
1 Number	2 Description	3 NAIC Designation or Other Description	4 Notional Amount	5 Book/Adjusted Carrying Value	6 Fair Value	7 Effective Date	8 Maturity Date	9 Description	10 Book/Adjusted Carrying Value	11 Fair Value	12 CUSIP	13 Description	14 NAIC Desig. or Other Description	15 Book/Adjusted Carrying Value	16 Fair Value

NONE

SCHEDULE DB - PART C - SECTION 2

Reconciliation of Replicated (Synthetic) Assets Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1 Number of Positions	2 Total Replicated (Synthetic) Assets Statement Value	3 Number of Positions	4 Total Replicated (Synthetic) Assets Statement Value	5 Number of Positions	6 Total Replicated (Synthetic) Assets Statement Value	7 Number of Positions	8 Total Replicated (Synthetic) Assets Statement Value	9 Number of Positions	10 Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory			0	0	0	0	0	0	0	0
2. Add: Opened or Acquired Transactions									0	0
3. Add: Increases in Replicated Asset Statement Value	XXX		XXX		XXX		XXX		XXX	0
4. Less: Closed or Disposed of Transactions									0	0
5. Less: Positions Disposed of for Failing Effectiveness Criteria									0	0
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	XXX		XXX		XXX		XXX		XXX	0
7. Ending inventory	0	0	0	0	0	0	0	0	0	0

NONE

SCHEDULE DB - VERIFICATION

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

		Book/Adjusted Carrying Value Check
1.	Part A, Section 1, Column 14	
2.	Part B, Section 1, Column 14	
3.	Total (Line 1 plus Line 2)	0
4.	Part D, Column 5	
5.	Part D, Column 6	
6.	Total (Line 3 minus Line 4 minus Line 5)	0
		Fair Value Check
7.	Part A, Section 1, Column 16	
8.	Part B, Section 1, Column 13	
9.	Total (Line 7 plus Line 8)	0
10.	Part D, Column 8	
11.	Part D, Column 9	
12.	Total (Line 9 minus Line 10 minus Line 11)	0
		Potential Exposure Check
13.	Part A, Section 1, Column 21	
14.	Part B, Section 1, Column 19	
15.	Part D, Column 11	
16.	Total (Line 13 plus Line 14 minus Line 15)	0

NONE

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	
2. Cost of cash equivalents acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		
7. Deduct amortization of premium		
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)	0	0
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

NONE

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	Location		4	5	6	7	8	9
	2	3						
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost at Time of Acquisition	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Additional Investment Made After Acquisition

NONE

QE01

SCHEDULE A - PART 3

Showing all Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract "

1	Location		4	5	6	7	8	Change in Book/Adjusted Carrying Value Less Encumbrances					14	15	16	17	18	19	20
	2	3						9	10	11	12	13							
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances Prior Year	Current Year's Depreciation	Current Year's Other Than Temporary Impairment Recognized	Current Year's Change in Encumbrances	Total Change in B./A.C.V. (11 - 9 - 10)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Amounts Received During Year	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs, and Expenses Incurred

NONE

SCHEDULE B - PART 2

Showing all Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	Location		4	5	6	7	8	9
	2	3						
Loan Number	City	State	Loan Type	Date Acquired	Rate of Interest	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Value of Land and Buildings

NONE

QE02

SCHEDULE B - PART 3

Showing all Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1	Location		4	5	6	7	Change in Book Value/Recorded Investment						14	15	16	17	18
	2	3					8	9	10	11	12	13					
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date	Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in Book Value (8+9-10+11)	Total Foreign Exchange Change in Book Value	Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal

NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Desig-nation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership

NONE

QE03

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1	2	Location		5	6	7	8	Changes in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income

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)

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

NONE

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)

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

NONE

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1 Description	2 Description of Items Hedged or Used for Income Generation	3 Schedule /Exhibit Identifier	4 Type(s) of Risk	5 Exchange or Counterparty	6 Trade Date	7 Date of Maturity or Expiration	8 Number of Contracts	9 Notional Amount	10 Strike Price, Rate of Indexed Received (Paid)	11 Prior Year Initial Cost of Premium (Received) Paid	12 Current Year Initial Cost of Premium (Received) Paid	13 Current Year Income	14 Book/ Adjusted Carrying Value	15 Code	16 Fair Value	17 Unrealized Valuation Increase (Decrease)	18 Total Foreign Exchange Change in B./A.C.V.	19 Current Year's (Amortization) Accretion	20 Adjustment to Carrying Value of Hedged Items	21 Potential Exposure	22 Credit Quality of Reference Entity	23 Hedge Effectiveness at Inception and at Quarter-end (a)

NONE

(a)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period

NONE

SCHEDULE DB - PART B - SECTION 1

Futures Contracts Open as of Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Change in Variation Margin				19	20
														15	16	17	18		
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Hedged Item(s)	Schedule/ Exhibit Identifier	Type(s) of Risk	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/ Adjusted Carrying Value	Cumulative	Gain (Loss) Recognized in Current Year	Gain (Loss) Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure	Hedge Effectiveness at Inception and at Quarter-end (a)

NONE

(a)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period

QE07

NONE

Broker Name			Net Cash Deposits
Brokers			
Total Net Cash Deposits			0

NONE

SCHEDULE DB - PART D

Showing Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1	2	3	4	Book Adjusted Carrying Value			Fair Value			11	12
				5	6	7	8	9	10		
Description Counterparty or Exchange Traded	Master Agreement (Y or N)	Credit Support Annex (Y or N)	Fair Value of Acceptable Collateral	Contracts With Book Adjusted Carrying Value > 0	Contracts With Book Adjusted Carrying Value < 0	Exposure Net of Collateral	Contracts Fair Value > 0	Contracts Fair Value < 0	Exposure Net of Collateral	Potential Exposure	Off-Balance Sheet Exposure

NONE

SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 NAIC Designation /Market Indicator	4 Fair Value	5 Book/Adjusted Carrying Value	6 Maturity Dates

General Interrogatory:

1. The activity for the year to date: Fair Value $.....0 Book/Adjusted Carrying Value $.....0
2. Average balance for the year to date: Fair Value $.....0 Book/Adjusted Carrying Value $.....0
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
   NAIC 1: $.....0 NAIC 2: $.....0 NAIC 3: $.....0 NAIC 4: $.....0 NAIC 5: $.....0 NAIC 6: $.....0

NONE

SCHEDULE DL - PART 2
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 NAIC Designation /Market Indicator	4 Fair Value	5 Book/Adjusted Carrying Value	6 Maturity Dates

General Interrogatory:

1. The activity for the year to date: Fair Value $.....0 Book/Adjusted Carrying Value $.....0
2. Average balance for the year to date: Fair Value $.....0 Book/Adjusted Carrying Value $.....0
3. Grand Total Schedule DL Part 1 and Part 2: Fair Value $.....0 Book/Adjusted Carrying Value $.....0

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									
Bank of America	Little Rock, Arkansas	SD	0.800			100,000	100,000	100,000	XXX
US Bank	Winston-Salem, North Carolina	SD	0.370	132		35,131	35,132	35,132	XXX
JP Morgan Chase Bank	Chicago, Illinois					96,211	2,204,235	894,147	XXX
US Bank	St. Paul, Minnesota					16,070	16,070	16,070	XXX
Wells Fargo	San Francisco, California	SD				50,000	50,000	50,000	XXX
0199999. Total Open Depositories		XXX	XXX	132	0	297,412	2,405,437	1,095,349	XXX
0399999. Total Cash on Deposit		XXX	XXX	132	0	297,412	2,405,437	1,095,349	XXX
0599999. Total Cash		XXX	XXX	132	0	297,412	2,405,437	1,095,349	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year

NONE

MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code.....0 NAIC Company Code.....60025

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums collected		XXX	32,372,498	XXX	32,372,498
2. Earned premiums		XXX	32,372,498	XXX	XXX
3. Claims paid		XXX	34,713,725	XXX	34,713,725
4. Claims incurred		XXX	34,518,425	XXX	XXX
5. Reinsurance coverage and low income cost sharing - claims paid net of reimbursements applied (a)	XXX		XXX		0
6. Aggregate policy reserves - change		XXX	(195,300)	XXX	XXX
7. Expenses paid		XXX	(5,044,038)	XXX	(5,044,038)
8. Expenses incurred		XXX	(5,018,320)	XXX	XXX
9. Underwriting gain or loss	0	XXX	3,067,693	XXX	XXX
10. Cash flow results	XXX	XXX	XXX	XXX	2,702,811

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