



ANNUAL STATEMENT

For the Year Ending December 31, 2006

of the Condition and Affairs of the

HealthLink HMO, Inc.

NAIC Group Code.....671, 671
(Current Period) (Prior Period)

NAIC Company Code..... 96475

Employer's ID Number..... 43-1616135

Organized under the Laws of Missouri

State of Domicile or Port of Entry Missouri

Country of Domicile US

Licensed as Business Type.....Health Maintenance Organization

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

Incorporated/Organized..... July 29, 1992

Commenced Business..... January 14, 1993

Statutory Home Office 12443 Olive Boulevard..... St. Louis MO 63141
(Street and Number) (City, State and Zip Code)

Main Administrative Office 1831 Chestnut Street..... St. Louis MO 63103-2275
(Street and Number) (City, State and Zip Code)

314-923-4444
(Area Code) (Telephone Number)

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

Primary Location of Books and Records 6775 W Washington Street..... Milwaukee WI 53214
(Street and Number) (City, State and Zip Code)

414-459-6833
(Area Code) (Telephone Number)

Internet Website Address www.healthlink.com

Statutory Statement Contact Brenda J Buss
(Name)

414-459-6833
(Area Code) (Telephone Number) (Extension)

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414-459-6500
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Policyowner Relations Contact 12443 Olive Boulevard..... St. Louis MO 63141
(Street and Number) (City, State and Zip Code)

314-989-6032
(Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
1. David Wilson Fields #	President	2. Nancy Louise Purcell	Secretary
3. Robert David Kretschmer	Treasurer	4.	

OTHER

David Michael Henley Assistant Secretary

DIRECTORS OR TRUSTEES

David Charles Colby Angela Rose Fick-Braly David Wilson Fields #

State of..... Missouri
County of..... St 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) David Wilson Fields 1. (Printed Name) President (Title)	_____ (Signature) Nancy Louise Purcell 2. (Printed Name) Secretary (Title)	_____ (Signature) Robert David Kretschmer 3. (Printed Name) Treasurer (Title)
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Subscribed and sworn to before me

a. Is this an original filing? Yes [X] No []

This _____ day of _____

b. If no 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	5,678,700		5,678,700	1,190,875
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (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 (\$.....298,563, Sch. E-Part 1), cash equivalents (\$.....7,790,018, Sch. E-Part 2) and short-term investments (\$.....11,733,158, Sch. DA).....	19,821,739		19,821,739	10,899,592
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets (Schedule BA).....			0	
8. Receivables for securities.....			0	
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	25,500,439	0	25,500,439	12,090,467
11. Title plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	27,674		27,674	14,604
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in course of collection.....	22,748		22,748	219,898
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....			0	
14.2 Funds held by or deposited with reinsured companies.....			0	
14.3 Other amounts receivable under reinsurance contracts.....			0	
15. Amounts receivable relating to uninsured plans.....	1,267,476	31,013	1,236,463	
16.1 Current federal and foreign income tax recoverable and interest thereon.....			0	82,299
16.2 Net deferred tax asset.....	687,248	306,982	380,266	147,623
17. Guaranty funds receivable or on deposit.....			0	
18. Electronic data processing equipment and software.....			0	
19. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	999,487	537,629	461,858	716,815
22. Health care (\$.....15,638) and other amounts receivable.....	15,638	15,638	0	25,401
23. Aggregate write-ins for other than invested assets.....	655,673	321,130	334,543	2,098,152
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	29,176,383	1,212,392	27,963,991	15,395,259
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	29,176,383	1,212,392	27,963,991	15,395,259

DETAILS OF WRITE-INS

0901.....			0	
0902.....			0	
0903.....			0	
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0	0	0
2301. Medical Claims Receivable.....			0	1,841,892
2302. Provider Admin Fee Receivable.....	595,528	320,669	274,859	256,260
2303. Prepaid Expenses.....	461	461	0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	59,684	0	59,684	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	655,673	321,130	334,543	2,098,152

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	572,225		572,225	132,893
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....			0	
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.....	7,836		7,836	206,779
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....	477,443		477,443	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....	904		904	
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.....	2,116,883		2,116,883	38,695
16. Payable for securities.....			0	
17. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers).....			0	
18. Reinsurance in unauthorized companies.....			0	
19. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
20. Liability for amounts held under uninsured plans.....	171,694		171,694	
21. Aggregate write-ins for other liabilities (including \$.....8,583 current).....	30,449	0	30,449	265,755
22. Total liabilities (Lines 1 to 21).....	3,377,434	0	3,377,434	644,122
23. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
24. Common capital stock.....	XXX	XXX	1,000	1,000
25. Preferred capital stock.....	XXX	XXX		
26. Gross paid in and contributed surplus.....	XXX	XXX	2,499,000	2,499,000
27. Surplus notes.....	XXX	XXX		
28. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
29. Unassigned funds (surplus).....	XXX	XXX	22,086,557	12,251,137
30. Less treasury stock at cost:				
30.1 .....0.000 shares common (value included in Line 24 \$.....0).....	XXX	XXX		
30.2 .....0.000 shares preferred (value included in Line 25 \$.....0).....	XXX	XXX		
31. Total capital and surplus (Lines 23 to 29 minus Line 30).....	XXX	XXX	24,586,557	14,751,137
32. Total liabilities, capital and surplus (Lines 22 and 31).....	XXX	XXX	27,963,991	15,395,259

DETAILS OF WRITE-INS

2101. Medical Claims Payable.....			0	249,596
2102. Other Payables.....	30,449		30,449	16,159
2103.			0	
2198. Summary of remaining write-ins for Line 21 from overflow page.....	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above).....	30,449	0	30,449	265,755
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page.....	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	XXX	XXX	0	0
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page.....	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above).....	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX	84,739	109,055
2. Net premium income (including \$.....0 non-health premium income).....	XXX	1,684,020	2,350,370
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	17,613,975	15,395,483
7. Aggregate write-ins for other non-health revenues.....	XXX	0	0
8. Total revenues (Lines 2 to 7).....	XXX	19,297,995	17,745,853
Hospital and Medical:			
9. Hospital/medical benefits.....		975,292	916,517
10. Other professional services.....		300,840	328,942
11. Outside referrals.....			
12. Emergency room and out-of-area.....			
13. Prescription drugs.....		1,486,509	1,489,799
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....	0	2,762,641	2,735,258
Less:			
17. Net reinsurance recoveries.....			
18. Total hospital and medical (Lines 16 minus 17).....	0	2,762,641	2,735,258
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$....248,632 cost containment expenses.....		248,632	236,851
21. General administrative expenses.....		1,522,828	1,914,678
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	4,534,101	4,886,787
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	14,763,894	12,859,066
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		873,507	816,913
26. Net realized capital gains or (losses) less capital gains tax of \$.....0.....			(261,908)
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	873,507	555,005
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
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	15,637,401	13,414,071
31. Federal and foreign income taxes incurred.....	XXX	5,633,359	4,471,351
32. Net income (loss) (Lines 30 minus 31).....	XXX	10,004,042	8,942,720

DETAILS OF WRITE-INS

0601. Provider Admin Fees.....	XXX	357,113	907,513
0602. Revenue ASO Business.....	XXX	17,256,862	14,487,970
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX	17,613,975	15,395,483
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1	2
	Current Year	Prior Year
33. Capital and surplus prior reporting period.....	14,751,137	25,989,015
34. Net income or (loss) from Line 32.....	10,004,042	8,942,720
35. Change in valuation basis of aggregate policy and claim reserves.....		
36. Change in net unrealized capital gains and (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.....	300,668	44,728
39. Change in nonadmitted assets.....	(469,291)	(225,326)
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.....		(20,000,000)
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	9,835,419	(11,237,878)
49. Capital and surplus end of reporting period (Line 33 plus 48).....	24,586,556	14,751,137

DETAILS OF WRITE-INS

4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	1,881,170	2,476,151
2. Net investment income.....	857,875	855,171
3. Miscellaneous income.....	17,613,975	15,395,483
4. Total (Lines 1 through 3).....	20,353,020	18,726,805
5. Benefit and loss related payments.....	2,323,309	2,769,284
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	3,301,491	1,993,947
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.0 net of tax on capital gains (losses).....	5,073,617	4,463,572
10. Total (Lines 5 through 9).....	10,698,417	9,226,803
11. Net cash from operations (Line 4 minus Line 10).....	9,654,603	9,500,002
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	432,000	13,342,710
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.....		5,400
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	432,000	13,348,110
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	4,917,263	
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).....	4,917,263	0
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 and 14).....	(4,485,263)	13,348,110
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.....		20,000,000
16.6 Other cash provided (applied).....	3,752,806	(969,221)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	3,752,806	(20,969,221)
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).....	8,922,146	1,878,891
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	10,899,592	9,020,701
19.2 End of year (Line 18 plus Line 19.1).....	19,821,738	10,899,592

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

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical).....	1,684,020			1,684,020
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. Stop loss.....				0
9. Disability income.....				0
10. Long-term care.....				0
11. Other health.....				0
12. Health subtotal (Lines 1 through 11).....	1,684,020	0	0	1,684,020
13. Life.....				0
14. Property/casualty.....				0
15. Totals (Lines 12 to 14).....	1,684,020	0	0	1,684,020

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Payments during the year:													
1.1 Direct.....	2,338,947	2,338,947											
1.2 Reinsurance assumed.....	0												
1.3 Reinsurance ceded.....	0												
1.4 Net.....	2,338,947	2,338,947	0	0	0	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses.....	0												
3. Claim liability December 31, current year from Part 2A:													
3.1 Direct.....	572,225	572,225											
3.2 Reinsurance assumed.....	0												
3.3 Reinsurance ceded.....	0												
3.4 Net.....	572,225	572,225	0	0	0	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:													
4.1 Direct.....	0												
4.2 Reinsurance assumed.....	0												
4.3 Reinsurance ceded.....	0												
4.4 Net.....	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year.....	0												
6. Net healthcare receivables (a).....	15,638	15,638											
7. Amounts recoverable from reinsurers December 31, current year.....	0												
8. Claim liability December 31, prior year from Part 2A:													
8.1 Direct.....	132,892	132,892											
8.2 Reinsurance assumed.....	0												
8.3 Reinsurance ceded.....	0												
8.4 Net.....	132,892	132,892	0	0	0	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:													
9.1 Direct.....	0												
9.2 Reinsurance assumed.....	0												
9.3 Reinsurance ceded.....	0												
9.4 Net.....	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	0												
11. Amounts recoverable from reinsurers December 31, prior year.....	0												
12. Incurred benefits:													
12.1 Direct.....	2,762,642	2,762,642	0	0	0	0	0	0	0	0	0	0	0
12.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0	0	0	0
12.4 Net.....	2,762,642	2,762,642	0	0	0	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses.....	0	0	0	0	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Medical and Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Reported in process of adjustment:													
1.1 Direct.....	(2,775)	(2,775)											
1.2 Reinsurance assumed.....	0												
1.3 Reinsurance ceded.....	0												
1.4 Net.....	(2,775)	(2,775)	0	0	0	0	0	0	0	0	0	0	0
2. Incurred but unreported:													
2.1 Direct.....	0												
2.2 Reinsurance assumed.....	0												
2.3 Reinsurance ceded.....	0												
2.4 Net.....	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Amounts withheld from paid claims and capitations:													
3.1 Direct.....	575,000	575,000											
3.2 Reinsurance assumed.....	0												
3.3 Reinsurance ceded.....	0												
3.4 Net.....	575,000	575,000	0	0	0	0	0	0	0	0	0	0	0
4. Totals:													
4.1 Direct.....	572,225	572,225	0	0	0	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Net.....	572,225	572,225	0	0	0	0	0	0	0	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 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		
1. Comprehensive (hospital and medical).....	61,193	2,277,754	72,109	500,116	133,302	177,314
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.....					0	
9. Health subtotal (Lines 1 to 8).....	61,193	2,277,754	72,109	500,116	133,302	177,314
10. Healthcare receivables (a).....	409	15,229			409	44,421
11. Other non-health.....					0	
12. Medical incentive pools and bonus amounts.....					0	
13. Totals (Lines 9 - 10 + 11 + 12).....	60,784	2,262,525	72,109	500,116	132,893	132,893

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

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Grand Total
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Grand Total
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Grand Total
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Hospital & Medical
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Hospital & Medical
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Hospital & Medical
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare Supp.
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare Supp.
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare Supp.
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Dental
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Dental
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Dental
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Vision
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Vision
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Vision
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Fed Emp Health
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Fed Emp Health
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Fed Emp Health
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicaid
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicaid
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicaid
NONE**

**U & I Ex.-Pt.2C-Sn A-Paid Claims-Other
NONE**

**U & I Ex.-Pt.2C-Sn B-Incurred Claims-Other
NONE**

**U & I Ex.-Pt.2C-Sn C-Expense Ratio-Other
NONE**

**U & I Ex.-Pt.2D
NONE**

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building).....	8,882		47,086		55,968
2. Salaries, wages and other benefits.....	157,670		739,534		897,204
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....					0
4. Legal fees and expenses.....	1,200		9,959		11,159
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....	35,779		189,674		225,453
7. Traveling expenses.....	4,001		21,212		25,213
8. Marketing and advertising.....	4,103		21,751		25,854
9. Postage, express and telephone.....	6,530		34,615		41,145
10. Printing and office supplies.....	3,576		18,956		22,532
11. Occupancy, depreciation and amortization.....					0
12. Equipment.....	3,669		19,450		23,119
13. Cost or depreciation of EDP equipment and software.....	11,010		58,367		69,377
14. Outsourced services including EDP, claims, and other services.....	1,709		9,059		10,768
15. Boards, bureaus and association fees.....	291		1,541		1,832
16. Insurance, except on real estate.....	1,002		5,311		6,313
17. Collection and bank service charges.....	240		1,273		1,513
18. Group service and administration fees.....	103		547		650
19. Reimbursements by uninsured plans.....			971		971
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....	480		2,547		3,027
22. Real estate taxes.....	27		144		171
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....			296,513		296,513
23.2 State premium taxes.....					0
23.3 Regulator authority licenses and fees.....	81		430		511
23.4 Payroll taxes.....	8,279		43,888		52,167
23.5 Other (excluding federal income and real estate taxes).....					0
24. Investment expenses not included elsewhere.....				(4,408)	(4,408)
25. Aggregate write-ins for expenses.....	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25).....	248,632	0	1,522,828	(4,408)	(a)..... 1,767,052
27. Less expenses unpaid December 31, current year.....			7,836		7,836
28. Add expenses unpaid December 31, prior year.....			206,779		206,779
29. Amounts receivable relating to uninsured plans, prior year.....					0
30. Amounts receivable relating to uninsured plans, current year.....			1,267,476		1,267,476
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30).....	248,632	0	2,989,247	(4,408)	3,233,471

DETAILS OF WRITE-INS

2501.					0
2502.					0
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. TOTALS (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0	0	0	0

(a) Includes management fees of \$.....1,566,681 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....160,144	.....178,614
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....	.....
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....676,128	.....676,128
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....14,356	.....14,356
10. Total gross investment income.....	.....850,628	.....869,098
11. Investment expenses.....	.....	(g).....(4,408)
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....(4,408)
17. Net investment income (Line 10 minus Line 16).....	.....	.....873,506

DETAILS OF WRITE-INS

0901. Other Income.....	.....14,356	.....14,356
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....14,356	.....14,356
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....2,562 accrual of discount less \$.....0 amortization of premium and less \$.....9,573 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....218,417 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Unrealized Increases (Decreases) by Adjustment	4 Total
1. U.S. government bonds.....				.....0
1.1 Bonds exempt from U.S. tax.....				.....0
1.2 Other bonds (unaffiliated).....				.....0
1.3 Bonds of affiliates.....				.....0
2.1 Preferred stocks (unaffiliated).....				.....0
2.11 Preferred stocks of affiliates.....				.....0
2.2 Common stocks (unaffiliated).....				.....0
2.21 Common stocks of affiliates.....				.....0
3. Mortgage loans.....				.....0
4. Real estate.....				.....0
5. Contract loans.....				.....0
6. Cash, cash equivalents and short-term investments.....				.....0
7. Derivative instruments.....				.....0
8. Other invested assets.....				.....0
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....0	.....0	.....0	.....0

DETAILS OF WRITE-INS

0901. ....				.....0
0902. ....				.....0
0903. ....				.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			.0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			.0
2.2 Common stocks.....			.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			.0
3.2 Other than first liens.....			.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			.0
4.2 Properties held for the production of income.....			.0
4.3 Properties held for sale.....			.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			.0
6. Contract loans.....			.0
7. Other invested assets (Schedule BA).....			.0
8. Receivables for securities.....			.0
9. Aggregate write-ins for invested assets.....	.0	.0	.0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	.0	.0	.0
11. Title plants (for Title insurers only).....			.0
12. Investment income due and accrued.....			.0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection.....			.0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			.0
13.3 Accrued retrospective premiums.....			.0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers.....			.0
14.2 Funds held by or deposited with reinsured companies.....			.0
14.3 Other amounts receivable under reinsurance contracts.....			.0
15. Amounts receivable relating to uninsured plans.....	31,013		(31,013)
16.1 Current federal and foreign income tax recoverable and interest thereon.....			.0
16.2 Net deferred tax asset.....	306,982	238,957	(68,025)
17. Guaranty funds receivable or on deposit.....			.0
18. Electronic data processing equipment and software.....			.0
19. Furniture and equipment, including health care delivery assets.....			.0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0
21. Receivable from parent, subsidiaries and affiliates.....	537,629		(537,629)
22. Health care and other amounts receivable.....	15,638	19,020	3,382
23. Aggregate write-ins for other than invested assets.....	321,130	485,124	163,994
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,212,392	743,101	(469,291)
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0
26. TOTALS (Lines 24 and 25).....	1,212,392	743,101	(469,291)

DETAILS OF WRITE-INS

0901.....			.0
0902.....			.0
0903.....			.0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.0	.0	.0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.0	.0	.0
2301. Medical Claims Receivable.....		221,184	221,184
2302. Provider Admin Fee Receivable.....	320,669	263,940	(56,729)
2303. Prepaid Expenses.....	461		(461)
2398. Summary of remaining write-ins for Line 23 from overflow page.....	.0	.0	.0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	321,130	485,124	163,994

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health maintenance organizations.....	8,428	6,633	6,478	6,441	3,011	74,432
2. Provider service organizations.....						
3. Preferred provider organizations.....						
4. Point of service.....	1,791	1,887	1,531	9	9	10,307
5. Indemnity only.....						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total.....	10,219	8,520	8,009	6,450	3,020	84,739

DETAILS OF WRITE-INS

0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

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

The accompanying financial statements of HealthLink HMO, Inc. (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners ("NAIC") *Annual Statement Instructions* and in accordance with accounting practices prescribed or permitted by the State of Missouri Department of Insurance (the "DOI"). The NAIC *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed practices in the state of Missouri.

The DOI has adopted certain prescribed accounting practices that differ from those found in NAIC SAP; specifically, limitations are placed on intercompany receivable balances. The DOI has the right to permit other specific practices that deviate from prescribed practices. The Company employed no permitted practices in preparing the accompanying financial statements.

A reconciliation of the Company's capital and surplus as of December 31, 2006 and 2005, respectively, between NAIC SAP and practices prescribed by the DOI is shown below:

	<u>December 31, 2006</u>	<u>December 31, 2005</u>
Statutory capital and surplus, DOI basis		
State Prescribed Practices:	\$ 24,586,557	\$ 14,751,137
Non-admittance of amounts due from affiliates pursuant to 382.195 of the Missouri revised statutes effective August 28, 2005	<u>537,629</u>	<u>-</u>
Statutory capital and surplus, NAIC SAP basis	<u>\$ 25,124,186</u>	<u>\$ 14,751,137</u>

For the years ended December 31, 2006 and 2005, there were no differences between the Company's statutory basis net income under NAIC SAP and practices prescribed by the DOI.

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

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

C. Accounting Policies

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

In addition, the Company uses the following accounting policies:

1. Short-term investments include investments with maturities of less than one year at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
2. Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by the NAIC's Securities Valuation Office ("SVO").
3. The Company has no investments in common stocks of unaffiliated companies.
4. The Company has no investments in preferred stocks of unaffiliated companies.
5. Mortgage loans on real estate– Not applicable.

NOTES TO FINANCIAL STATEMENTS

6. Loan-backed securities are stated at amortized cost. Pre-payment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.
7. The Company has no investments in subsidiaries, controlled and affiliated companies
8. The Company has no investments in joint ventures, partnerships and limited liability companies.
9. The Company has no derivative instruments.
10. The Company does not anticipate investment income as a factor in premium deficiency reserve calculations.
11. Unpaid claims and claims adjustment expenses include management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Reserves for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
12. The Company has not modified its capitalization policy from the prior period.
13. Rebates – Not applicable.

2. Accounting Changes and Corrections of Errors

A. Correction of Errors

There were no corrections of errors during the years ended December 31, 2006 and 2005.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Not applicable.

B. Statutory Merger

Not applicable.

C. Assumption Reinsurance

Not applicable.

D. Impairment Loss

Not applicable.

4. Discontinued Operations

The Company had no operations that were discontinued during 2006 or 2005.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2006 or 2005.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2006 or 2005.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2006 or 2005.

NOTES TO FINANCIAL STATEMENTS

D. Loan-Backed Securities

1. The Company uses the acquisition date for applying the retrospective adjustment method to securities.
2. Prepayment assumptions for single-class and multi-class mortgage-backed and asset-backed securities were obtained from broker-dealer survey values or internal estimates. The Company used Mellon Bank, a third-party pricing source, in determining the market value of its loan-backed securities.
3. The Company did not have negative yield circumstances requiring a change from the retrospective to prospective methodology during 2006 or 2005.

E. Repurchase Agreements

The Company did not enter into repurchase agreements at December 31, 2006 or 2005.

F. Real Estate

The Company did not own investment real estate at December 31, 2006 or 2005.

G. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2006 or 2005.

6 Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company did not have investments in joint ventures, partnerships or limited liability companies.

7. Investment Income

- A. All investment income due and accrued with amounts that are over 90 days past due is considered non-admitted.
- B. At December 31, 2006 and 2005 there was no non-admitted accrued interest income.

8. Derivative Instruments

The Company has no derivative instruments.

9. Income Taxes

- A. The components of net deferred tax assets (liabilities) at December 31 are as follows:

	2006	2005
Gross deferred tax assets	\$ 689,832	\$ 387,048
Gross deferred tax liabilities	(2,584)	(468)
Net deferred tax asset	687,248	386,580
Deferred tax asset nonadmitted	(306,982)	(238,957)
Net admitted deferred tax asset	\$ 380,266	\$ 147,623
Increase in nonadmitted asset	\$ 68,025	

- B. The Company has no unrecognized deferred tax liabilities at December 31, 2006 and 2005.

- C. Current income taxes incurred (benefit) consist of the following major components:

	2006	2005
Federal income tax on operations	\$ 5,633,359	\$ 4,471,351
Federal income tax benefit on net capital gains	-	(141,027)
Federal income taxes incurred	\$ 5,633,359	\$ 4,330,324

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

NOTES TO FINANCIAL STATEMENTS

	2006	2005
Deferred tax assets:		
Incurred claim reserve discounting	\$ 946	\$ 2,335
Provision for doubtful accounts	484,894	344,450
Contingency reserves	203,993	40,263
Total deferred tax assets	689,833	387,048
Nonadmitted deferred tax assets	(306,982)	(238,957)
Admitted deferred tax assets	382,851	148,091
Deferred tax liabilities:		
Bond discount amortization	(1,360)	(468)
Other adjustments	(1,224)	-
Total deferred tax liabilities	(2,584)	(468)
Net deferred tax asset	\$ 380,266	\$ 147,623

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

	2006	2005	Change
Total deferred tax assets	\$ 689,832	\$ 387,048	\$ 302,784
Total deferred tax liabilities	(2,584)	(468)	(2,116)
Net deferred tax asset	\$ 687,248	\$ 386,580	300,668
Tax effect of unrealized gains			-
Change in net deferred income tax			\$ 300,668

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

	2006	2005
Tax expense computed using federal statutory rate	\$ 5,473,090	\$ 4,645,565
Change in statutory nonadmitted	(140,443)	4,771
Other, net	44	(364,741)
Total	\$ 5,332,691	\$ 4,285,595
Federal income taxes incurred	\$ 5,633,359	\$ 4,330,324
Change in net deferred income taxes	(300,668)	(44,728)
Total statutory income taxes	\$ 5,332,691	\$ 4,285,596

E. Operating loss carryforwards:

- The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2006.
- The following are income taxes incurred in the current and prior year(s) that will be available for recoupment in the event of future net losses:

2006	\$5,632,996
2005	\$4,457,517

F. The Company and the following entities are included in the consolidated federal income tax return of WellPoint, Inc.

Affiliated Healthcare, Inc.	Affiliated Provider Systems, Inc.
AHI Healthcare Corporation	American Managing Company
Anthem Blue Cross Blue Shield Partnership Plan, Inc.	Anthem Credentialing Services, Inc.
Anthem Financial, Inc.	Anthem Health Plans of Kentucky, Inc.
Anthem Health Plans of Maine, Inc.	Anthem Health Plans of New Hampshire, Inc.
Anthem Health Plans of Virginia, Inc.	Anthem Health Plans, Inc.
Anthem Holding Corp.	Anthem Insurance Companies, Inc.

NOTES TO FINANCIAL STATEMENTS

Anthem Life and Disability Insurance Company	Anthem Southeast, Inc.
Anthem UM Services, Inc.	Arcus Enterprises, Inc.
Arcus Financial Services, Inc.	Arcus Healthyliving Services, Inc.
Arison Insurance Services, Inc.	Associated Group, Inc.
BC Life and Health Insurance Company	BCC Holding Corporation
Behavioral Health Network, Inc.	Blue Cross and Blue Shield of Georgia, Inc.
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.	
	Blue Cross Blue Shield of Wisconsin, Inc.
Blue Cross of California	Blue Cross of California Partnership Plan, Inc.
C&S Properties, Inc.	Cerulean Companies, Inc.
CIMS Agency, Inc.	Claim Management Services, Inc.
	Compcare Health Services Insurance Corporation
Community Insurance Company	Cost Care, Inc.
Comprehensive Integrated Marketing Services, Inc.	
Crossroads Acquisition Corp.	CSRA Healthcare Partners, Inc.
Diversified Life Insurance Agency of Missouri, Inc.	
Empire HealthChoice Assurance, Inc.	EHC Benefits Agency, Inc.
	Empire HealthChoice HMO, Inc.
Empire Medicare Services, Inc.	Forty-Four Forty-Four Forest Park Redevelopment Corporation
Golden West Health Plan, Inc.	Group Benefits of Georgia, Inc.
Group Benefits Plus, Inc.	Health Core, Inc.
Health Initiatives, Inc.	Health Management Corporation
Health Management Systems, Inc.	HealthKeepers, Inc.
HealthLink HMO, Inc.	HealthLink, Inc.
HealthReach Services, Inc.	Healthy Alliance Life Insurance Company
Healthy Homecomings, Inc.	HMO Colorado, Inc.
HMO Missouri, Inc.	HMO-W, Inc.
Insurance4Agency, Inc.	Lease Partners, Inc.
Lumenos, Inc.	Machigonne, Inc.
Matthew Thornton Health Plan, Inc.	Monticello Service Agency, Inc.
National Capital Health Plan, Inc.	National Capital Preferred Provider Organization, Inc.
	Northeast Consolidated Services, Inc.
National Government Services, Inc.	OneNation Insurance Company
OneNation Benefit Administrators, Inc.	Park Square I
Park Square Holdings	Precision Rx, Inc.
Park Square II	Priority Healthcare, Inc.
Preferred Health Plans of Missouri, Inc.	Priority, Inc.
Priority Insurance Agency, Inc.	Qualchoice Select, Inc.
Professional Claim Services, Inc.	Reliance Safeguard Solutions, Inc.
R&P Realty, Inc.	RightCHOICE Managed Care, Inc.
RightCHOICE Insurance Company, Inc.	Rocky Mountain Hospital & Medical Services, Inc.
Rocky Mountain Health Care Corporation	Southeast Services, Inc.
Sellcore, Inc.	The WellPoint Companies, Inc.
Texas Managed Care Administrative Services, Inc.	UNICARE Health Benefit Services of Texas, Inc.
TriState, Inc.	UNICARE Health Insurance Company of the Midwest, Inc.
	UNICARE Health Plan of South Carolina, Inc.
UNICARE Health Insurance Company of Texas, Inc.	UNICARE Health Plan of West Virginia, Inc.
UNICARE Health Plan of Kansas, Inc.	UNICARE Health Plans of Oklahoma, Inc.
	UNICARE Health Plans of the Midwest, Inc.
UNICARE Health Plans of Georgia, Inc.	UNICARE Illinois Services, Inc.
	UNICARE National Services, Inc.
UNICARE Health Plans of Texas, Inc.	
UNICARE Health Plans of Virginia, Inc.	
UNICARE Life and Health Insurance Company	
UNICARE of Texas Health Plans, Inc.	

NOTES TO FINANCIAL STATEMENTS

UNICARE Specialty Services, Inc.	UNICARE Services Company
WellChoice Holdings of New York, Inc.	United Heartland Life Insurance Company
WellPoint Acquisition Corp.	WellChoice Insurance of New Jersey, Inc.
WellPoint Behavioral Health, Inc.	WellPoint Association Services Group, Inc.
WellPoint Dental Services, Inc.	WellPoint California Services, Inc.
WellPoint Holding Corp.	WellPoint Development Company, Inc.
WellPoint Pharmacy IPA, Inc.	WellPoint Insurance Services, Inc.
WellPoint, Inc.	WellPoint Pharmacy Management, Inc.

The tax sharing agreements provide that federal income tax is allocated between the companies based on the Company's separate income tax return calculations with credit for net losses that can be used on a consolidated basis.

10. Information Concerning Parent, Subsidiaries, and Affiliates
A. Nature of the relationship

The Company, a Missouri domiciled stock insurance company, is a wholly-owned subsidiary of HealthLink, Inc., which is a wholly-owned subsidiary of RightCHOICE Managed Care, Inc. RightCHOICE Managed Care Inc. is a wholly-owned subsidiary of Anthem Holding Corp. Anthem Holding Corp. is a wholly-owned subsidiary of WellPoint, Inc. ("WellPoint"), a publicly traded company.

B. Significant transactions for each Period

No significant transactions took place between the Company and its affiliates during the year ended December 31, 2006 other than those disclosed in 10.F. below.

C. Intercompany Management and Service Arrangements

There were no changes to the intercompany management and service arrangements. The amounts of transactions under such agreements are presented in Schedule Y, part 2.

D. Amounts Due to or from Related Parties

At December 31, 2006 and 2005, the Company reported \$461,858 and \$716,815 due from affiliates and \$2,116,883 and \$38,695 due to affiliates, respectively. The receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

E. Guarantees or Contingencies for Related Parties

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

F. Management, Service Contracts, Cost Sharing Arrangements

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

G. Nature of Relationships that Could Affect Operations

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

NOTES TO FINANCIAL STATEMENTS

H. Amount Deducted for Investment in Upstream Company

The Company does not own shares of upstream intermediate entities or WellPoint.

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

At December 31, 2006, the Company did not have investments in affiliates.

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

The Company did not record impairments on investments in subsidiaries, controlled or affiliated companies during the years ended December 31, 2006 and 2005.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

11. Debt

A. Capital Notes

The Company had no capital notes outstanding at December 31, 2006 and 2005.

B. All Other Debt

The Company had no other debt outstanding at December 31, 2006 and 2005.

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

A. Defined Benefit Plan

Not applicable – See Note 12D.

B. Defined Contribution Plan

Not applicable – See Note 12D.

C. Multiemployer Plan

Not applicable – See Note 12D.

D. Consolidated/Holding Company Plans

Through June 30, 2006, Anthem Holding Corp. sponsored the WellPoint Health Networks Inc. Pension Accumulation Plan (the “WHN Plan”), a defined benefit pension plan which covered eligible employees of WHN and certain of its subsidiaries, including the Company. Effective January 1, 2004, Anthem Holding Corp. curtailed benefits under the WHN Plan, with the result that most participants’ accounts no longer accrued pay credits, but continued to earn interest. Employees of WHN hired after December 31, 2003 were not eligible to participate in the WHN Plan, except for certain employees covered under collective bargaining agreements. Certain participants were “grandfathered” into the WHN Plan based on age and years of service. Grandfathered participants continue to accrue pay credits under the WHN Plan formula.

Effective June 30, 2006, the WHN Plan merged into the WellPoint Cash Balance Pension Plan (the “WellPoint Plan”), a frozen non-contributory defined benefit pension plan sponsored by an affiliate, Anthem Insurance Companies, Inc. (“Anthem Insurance”). A share of pension accumulated benefit costs are allocated to the Company based on the number of allocated employees. During 2006, these costs totaled \$8,303. The Company has no legal obligation for benefits under the WellPoint Plan.

Through December 31, 2006, Anthem Holding Corp. sponsored a postretirement medical benefit plan providing certain health, life, vision and dental benefits upon retirement. Substantially all employees with ten

NOTES TO FINANCIAL STATEMENTS

years of service become eligible for these benefits if they reach retirement age while working for WellPoint, Inc. Effective December 31, 2006, Anthem Holding Corp. transferred sponsorship of this postretirement plan to an affiliate, ATH Holding Company LLC (“ATH Holding”). A share of postretirement benefit accumulated costs is allocated to the Company based on the number of allocated employees. During 2006, these costs totaled \$8,782. The Company has no legal obligation for benefits under the postretirement medical benefit plan.

The Company participates in a deferred compensation plan sponsored by WellPoint, Inc. (previously sponsored by Anthem Holding through January 1, 2006), which covers certain employees. The deferred amounts are payable according to the terms and subject to the conditions of said deferred compensation agreements. A share of total deferred compensation costs is allocated to the Company based on the number of allocated employees. During 2006, these costs totaled \$547. The Company has no legal obligation for benefits under this plan.

The Company participates in several qualified defined contribution plans sponsored by ATH Holding (previously sponsored by Anthem Holding Corp. through December 31, 2006) and covering substantially all employees. Eligible employees may only participate in one plan. Depending upon the plan, voluntary employee contributions are matched by ATH Holding subject to certain limitations. A share of total defined contribution costs is allocated to the Company based on the number of allocated employees. During 2006, these costs totaled \$18,673. The Company has no legal obligation for benefits under this plan.

E. Post Employment Benefits and Compensated Absences

Liabilities for earned not yet taken vacation and severance benefits have been accrued as of December 31, 2006 and 2005. See Note 12D for additional post employment benefit disclosures.

13. Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations**(1) Outstanding Shares**

As of December 31, 2006, the Company has 300 shares of \$100 par value common stock authorized. The number of shares issued and outstanding is 10.

(2) Preferred Stock

The Company has no preferred stock outstanding.

(3) Dividend Restrictions

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

An extraordinary dividend is defined as one that exceeds the lesser of 10 percent of the insurer’s surplus as regards policyholders as of the 31st day of December next preceding, or the net investment income for the twelve month period ending the 31st day of December next preceding, but shall not include pro rata distributions of any class of the insurer’s own securities. The Company may pay \$873,507 in dividends during 2007 without prior approval.

(4) Maximum Ordinary Dividend During 2007

Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

NOTES TO FINANCIAL STATEMENTS

(5) Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2006.

(6) Mutual Surplus Advances

There have been no advances to surplus at December 31, 2006.

(7) Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2006.

(8) Changes in Special Surplus Funds

There are no changes in Special Surplus Funds at December 31, 2006.

(9) Changes in Unassigned Funds

The portion of unassigned surplus reduced by cumulative unrealized gains and losses was \$0 at December 31, 2006.

(10) Surplus Notes

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

(11) Restatement due to Prior Quasi-reorganizations

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

(12) Quasi-reorganizations over Prior 10 Years

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

14. Contingencies

A. Contingent Commitments

The Company has no contingent commitments at December 31, 2006.

B. Assessments

Not applicable.

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2006.

D. All Other Contingencies

A number of managed care organizations, including the Company's ultimate parent WellPoint and its Blue Cross and Blue Shield affiliates and other health insurance subsidiaries, were part of purported class action lawsuits asserting various causes of action under federal and state law including violations of the Racketeer Influenced and Corrupt Organizations Act ("RICO"). These lawsuits were consolidated to U. S. District Court for the Southern District of Florida, under Multi-District Litigation ("MDL") rules. Other defendants include Humana, Aetna, Coventry, Health Net, PacifiCare, United, the Blue Cross Blue Shield Association and many other Blue Cross Blue Shield plans. The plaintiffs are doctors, osteopaths, other professional providers, and several state medical societies.

Certain of the MDL suits brought by doctors, osteopaths, and several state medical societies were resolved by WellPoint via settlement agreement (the "Agreement") on July 11, 2005. The Agreement was entered with representatives of more than 700,000 physicians nationwide. Under the Agreement, WellPoint agreed to make cash payments to physicians, to a not-for-profit foundation whose mission is to promote higher quality health

NOTES TO FINANCIAL STATEMENTS

care and to enhance the delivery of care to the disadvantaged members of the public, and for legal fees which were determined by the court. WellPoint also agreed to implement and maintain a number of operational changes, such as standardizing the definition of "medical necessity" in physician contracts, creating a formalized Physician Advisory Committee and modifying some of WellPoint's claims payment and physician contracting provisions. The Agreement was subject to, and conditioned upon, review and approval by the U.S. District Court for the Southern District of Florida. The court preliminarily approved the settlement in an order filed July 15, 2005. Amended final approval was issued via Order filed January 4, 2006. Appeals of the settlement initially filed by certain physicians have been resolved.

As a result of the Agreement, the Company recorded pre-tax benefit expense of \$72,109 and general and administrative expense of \$45,172 in 2005, which represented the Company's portion of the final settlement amount of the Agreement not previously accrued. Final cash payments under the Agreement totaling \$107,914 including accrued interest, were made in October 2006.

Suits brought by other professional providers and their associated professional societies remain. WellPoint intends to vigorously defend the remaining suits; however, their ultimate outcomes cannot presently be determined.

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

15. Leases

The Company does not have any leasing arrangements.

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

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

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the board of directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2006, there were no significant concentrations.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**A. Transfers of Receivables Reported as Sales**

Not applicable at December 31, 2006 and 2005.

B. Transfer and Servicing of Financial Assets

Not applicable at December 31, 2006 and 2005.

C. Wash Sales

1. In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.
2. At December 31, 2006 and 2005, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

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

NOTES TO FINANCIAL STATEMENTS

A. Administrative Services Only (“ASO”) Plans

The gain from operations from ASO uninsured plans and the uninsured portion of partially insured plans during 2006 was as follows:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a) Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$15,237,784	\$ -	\$15,237,784
b) Total net other income or expenses (including interest paid to or received from plans)	-	-	-
c) Net gains (loss) from operations	\$15,237,784	\$ -	\$15,237,784
d) Total claim payment volume	25,644,642	-	25,644,642

B. Administrative Services Contract (“ASC”) Plans

Not applicable at December 31, 2006 and 2005.

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

Not applicable at December 31, 2006 and 2005.

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

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2006 and 2005.

20. September 11 Events

Not applicable at December 31, 2006 and 2005.

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

Not applicable at December 31, 2006 and 2005.

B. Troubled Debt Restructuring

Not applicable at December 31, 2006 and 2005.

C. Other Disclosures

Assets in the amount of \$1,191,649 and \$1,190,875 at December 31, 2006 and 2005, respectively, were on deposit with government authorities or trustees as required by law.

D. Uncollectible Premium Receivables

At December 31, 2006 and 2005, the Company reported admitted assets of \$1,259,210 and \$219,898 respectively in premium receivables due from policyholders, agents and receivables due from uninsured plans. Based upon Company experience, any uncollectible premium receivables are not expected to exceed the \$31,013 that was non-admitted at December 31, 2006. The potential for any additional loss is not believed to

NOTES TO FINANCIAL STATEMENTS

be material to the Company's financial condition.

E. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2006 and 2005.

F. Hybrid Securities

The Company did not carry hybrid securities in its investment portfolio at December 31, 2006.

G. State Transferable Tax Credits

The Company did not have state transferable tax credits at December 31, 2006.

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

Not applicable at December 31, 2006, as the Company does not sponsor a postretirement benefit plan.

22. Events Subsequent

There were no events occurring subsequent to December 31, 2006 requiring disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

The Company has no ceded reinsurance.

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2006 and 2005.

C. Commutation of Ceded Reinsurance

The Company has not commuted any ceded reinsurance agreements during 2006 and 2005.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company has no retrospectively rated contracts.

25. Change in Incurred Claims and Claim Adjustment Expenses

The estimated cost of claims and claims adjustment expense attributable to insured events of the prior year decreased by \$0 during 2006. This is approximately 0% of unpaid claims and claims adjustment expenses of \$132,893 as of December 31, 2005. The redundancy reflects the increases or decreases in estimated claims and claims adjustment expenses as a result of claims payments during the year, and as additional information is received regarding claims incurred prior to 2006. Recent claim development trends are also taken into account in evaluating the overall adequacy of unpaid claims and unpaid claims adjustment expenses.

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2006 and 2005.

27. Structured Settlements

Not applicable at December 31, 2006 and 2005.

28. Health Care Receivables

NOTES TO FINANCIAL STATEMENTS

A. Pharmaceutical Rebate Receivables

Not applicable.

B. Risk Sharing Receivables

Not applicable at December 31, 2006 and 2005.

29. Participating Policies

Not applicable at December 31, 2006 and 2005.

30. Premium Deficiency Reserves

The Company did not record premium deficiency reserves at December 31, 2006 and 2005

31. Anticipated Salvage and Subrogation

The Company has no anticipated salvage and subrogation.

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities.....	431,773	1.7	431,773	1.7
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies.....		0.0		0.0
1.22 Issued by U.S. government sponsored agencies.....	5,246,927	20.6	5,246,927	20.6
1.3 Foreign government (including Canada, excluding mortgage-backed securities).....		0.0		0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations.....		0.0		0.0
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations.....		0.0		0.0
1.43 Revenue and assessment obligations.....		0.0		0.0
1.44 Industrial development and similar obligations.....		0.0		0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA.....		0.0		0.0
1.512 Issued or guaranteed by FNMA and FHLMC.....		0.0		0.0
1.513 All other.....		0.0		0.0
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA.....		0.0		0.0
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521.....		0.0		0.0
1.523 All other.....		0.0		0.0
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO).....		0.0		0.0
2.2 Unaffiliated foreign securities.....		0.0		0.0
2.3 Affiliated securities.....		0.0		0.0
3. Equity interests:				
3.1 Investments in mutual funds.....		0.0		0.0
3.2 Preferred stocks:				
3.21 Affiliated.....		0.0		0.0
3.22 Unaffiliated.....		0.0		0.0
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated.....		0.0		0.0
3.32 Unaffiliated.....		0.0		0.0
3.4 Other equity securities:				
3.41 Affiliated.....		0.0		0.0
3.42 Unaffiliated.....		0.0		0.0
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated.....		0.0		0.0
3.52 Unaffiliated.....		0.0		0.0
4. Mortgage loans:				
4.1 Construction and land development.....		0.0		0.0
4.2 Agricultural.....		0.0		0.0
4.3 Single family residential properties.....		0.0		0.0
4.4 Multifamily residential properties.....		0.0		0.0
4.5 Commercial loans.....		0.0		0.0
4.6 Mezzanine real estate loans.....		0.0		0.0
5. Real estate investments:				
5.1 Property occupied by company.....		0.0		0.0
5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt).....		0.0		0.0
5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt).....		0.0		0.0
6. Contract loans.....		0.0		0.0
7. Receivables for securities.....		0.0		0.0
8. Cash, cash equivalents and short-term investments.....	19,821,739	77.7	19,821,739	77.7
9. Other invested assets.....		0.0		0.0
10. Total invested assets.....	25,500,439	100.0	25,500,439	100.0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []

1.3 State regulating? Missouri

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [X] No []

2.2 If yes, date of change: 03/31/2006

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2004

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2004

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 12/23/2005

3.4 By what department or departments? Missouri Department of Insurance

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under a common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [] No [X]

4.12 renewals? Yes [] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [] No [X]

4.22 renewals? Yes [] No [X]

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

5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Co. Code	3 State of Domicile

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]

7.2 If yes,%

7.21 State the percentage of foreign control.

7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP 875 E Wisconsin Ave, Milwaukee, WI 53202

10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Tim P. Deno, FSA, MAAA, Staff VP & Corporate Valuation Actuary for WellPoint, Inc., 120 Monument Circle, Indianapolis, IN 46204

11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

11.11 Name of real estate holding company _____

11.12 Number of parcels involved _____

11.13 Total book/adjusted carrying value _____

11.2 If yes, provide explanation.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

BOARD OF DIRECTORS

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

FINANCIAL

16.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 16.11 To directors or other officers \$.....0
 16.12 To stockholders not officers \$.....0
 16.13 Trustees, supreme or grand (Fraternal only) \$.....0
 16.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
 16.21 To directors or other officers \$.....0
 16.22 To stockholders not officers \$.....0
 16.23 Trustees, supreme or grand (Fraternal only) \$.....0
 17.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
 17.2 If yes, state the amount thereof at December 31 of the current year:
 17.21 Rented from others
 17.22 Borrowed from others
 17.23 Leased from others
 17.24 Other
 18.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No []
 18.2 If answer is yes:
 18.21 Amount paid as losses or risk adjustment \$.....2,830
 18.22 Amount paid as expenses \$.....0
 18.23 Other amounts paid \$.....0
 19.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
 19.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....997,183

INVESTMENT

20.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E-Part 3-Special Deposits? Yes [X] No []
 20.2 If no, give full and complete information relating thereto.

21.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on Schedule E-Part 3-Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 17.1) Yes [] No [X]
 21.2 If yes, state the amount thereof at December 31 of the current year:
 21.21 Loaned to others
 21.22 Subject to repurchase agreements
 21.23 Subject to reverse repurchase agreements
 21.24 Subject to dollar repurchase agreements
 21.25 Subject to reverse dollar repurchase agreements
 21.26 Pledged as collateral
 21.27 Placed under option agreements
 21.28 Letter stock or securities restricted as to sale
 21.29 Other

21.3 For category (21.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount

22.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
 22.2 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.
 23.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
 23.2 If yes, state the amount thereof at December 31 of the current year:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

24. Excluding items in Schedule E, 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 Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian's Address
Mellon Bank, NA	One Mellon Center, Pittsburgh, PA 15258

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

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

24.03 Have there been any changes, including name changes, in the custodian(s) identified in 24.01 during the current year? Yes [] No [X]

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

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

24.05 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 Number(s)	2 Name	3 Address

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

25.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj. Carrying Value
25.2999. TOTAL		0

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
26.1 Bonds.....	25,201,876	25,240,781	38,905
26.2 Preferred stocks.....			0
26.3 Totals.....	25,201,876	25,240,781	38,905

26.4 Describe the sources or methods utilized in determining the fair values:

Fair values were obtained from a third-party pricing source, Mellon Bank.

If a security was not priced by the third-party pricing source, internal analytical systems or broker quotes were utilized.

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

27.2 If no, list exceptions:

OTHER

28.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....4,370

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

1 Name	2 Amount Paid
State Treasurer of Arkansas	3,800

29.1 Amount of payments for legal expenses, if any? \$.....76,174

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

1 Name	2 Amount Paid
Neal Gerber & Eisenberg LLP	76,174

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 30.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....0
- 30.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?
- 1.31 Reason for excluding

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance.
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned
- 1.62 Total incurred claims
- 1.63 Number of covered lives
- All years prior to most current three years:
- 1.64 Total premium earned
- 1.65 Total incurred claims
- 1.66 Number of covered lives
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned
- 1.72 Total incurred claims
- 1.73 Number of covered lives
- All years prior to most current three years:
- 1.74 Total premium earned
- 1.75 Total incurred claims
- 1.76 Number of covered lives

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	1,684,020	2,350,370
2.2 Premium Denominator.....	1,684,020	2,350,370
2.3 Premium Ratio (2.1/2.2).....	100.0	100.0
2.4 Reserve Numerator.....	572,225	132,893
2.5 Reserve Denominator.....	572,225	132,893
2.6 Reserve Ratio (2.4/2.5).....	100.0	100.0

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

- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and departments been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [] No [X]
- 5.2 If no, explain:
The company's business model does not have insurance risk.

- 5.3 Maximum retained risk (see instructions):
- 5.31 Comprehensive medical \$.....0
- 5.32 Medical only \$.....0
- 5.33 Medicare supplement \$.....0
- 5.34 Dental \$.....0
- 5.35 Other limited benefit plan \$.....0
- 5.36 Other \$.....0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
All HealthLink HMO provider agreements include Hold Harmless provisions that prohibit pursuit of collection activities against HMO members for HMO covered services.

- 7.1 Does the reporting entity set up its claim liability for provider services on a service date base? Yes [X] No []
- 7.2 If no, give details:

8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year19,631
- 8.2 Number of providers at end of reporting year20,602

- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]
- 9.2 If yes, direct premium earned:
- 9.21 Business with the rate guarantees between 15-36 months
- 9.22 Business with rate guarantees over 36 months

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus arrangements in its provider contracts? Yes [X] No []
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses \$.....0
- 10.22 Amount actually paid for year bonuses \$.....0
- 10.23 Maximum amount payable withholds \$.....76,268
- 10.24 Amount actually paid for year withholds \$.....76,268

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH INTERROGATORIES

- 11.1 Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model, Yes [] No [X]
- 11.13 An Individual Practice Association (IPA), or Yes [] No [X]
- 11.14 A Mixed Model (combination of above)? Yes [] No [X]
- 11.2 Is the reporting entity subject to Minimum Net Worth Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such net worth. Missouri
- 11.4 If yes, show the amount required. \$.....150,000
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]
- 11.6 If the amount is calculated, show the calculation:

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

1 Name of Service Area
ADAIR, MO; AUDRAIN, MO; CALLAWAY, MO;
CHARITON, MO; CHRISTIAN, MO; CLARK, MO;
COLE, MO; COOPER, MO; CRAWFORD, MO;
MADE, MO; DOUGLAS, MO; DUNKLIN, MO;
FRANKLIN, MO; GASCONDE, MO; GREENE, MO;
HOWARD, MO; IRON, MO; JASPER, MO;
JEFFERSON, MO; KNOW, MO; LACLEDE, MO;
LAWRENCE, MO; LEWIS, MO; LINCOLN, MO;
LINN, MO; MACON, MO; MADISON, MO;
MARRIES, MO; MCDONALD, MO; MILLER, MO;
MONITEAU, MO; MONROE, MO;
MONTGOMERY, MO; NORGAN, MO;
NEW MADRID, MO; NEWTON, MO; OSAGE, MO;
PEMISCOT, MO; PERRY, MO; PIKE, MO;
PUTNAM, MO; RANDOLPH, MO; SCHUYLER, MO;
ST. CHARLES, MO; ST. FRANCIS, MO;
ST. LOUIS CITY, MO; ST. LOUIS, MO;
STE GENEVIEVE, MO; STONE, MO;
SULLIVAN, MO; WARREN, MO; WASHINGTON, MO;
WEBSTER, MO; WRIGHT, MO

FIVE-YEAR HISTORICAL DATA

	1 2006	2 2005	3 2004	4 2003	5 2002
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 26).....	27,963,991	15,395,259	26,610,532	26,709,124	24,535,300
2. Total liabilities (Page 3, Line 22).....	3,377,434	644,122	621,517	575,757	381,433
3. Statutory surplus.....	150,000	150,000			2,499,000
4. Total capital and surplus (Page 3, Line 31).....	24,586,557	14,751,137	25,989,015	26,133,366	24,153,867
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....	19,297,995	17,745,853	16,873,059	21,497,605	13,686,141
6. Total medical and hospital expenses (Line 18).....	2,762,641	2,735,258	3,841,757	6,639,742	2,057,960
7. Claims adjustment expenses (Line 20).....	248,632	236,851	143,343		
8. Total administrative expenses (Line 21).....	1,522,828	1,914,678	2,904,162	3,797,449	3,244,951
9. Net underwriting gain (loss) (Line 24).....	14,763,894	12,859,066	9,983,797	11,060,414	8,383,230
10. Net investment gain (loss) (Line 27).....	873,507	555,005	580,891	367,233	292,887
11. Total other income (Lines 28 plus 29).....					
12. Net income or (loss) (Line 32).....	10,004,042	8,942,720	6,067,007	7,425,274	5,680,883
Risk-Based Capital Analysis					
13. Total adjusted capital.....	24,586,557	14,751,137	25,989,015	26,133,366	24,153,867
14. Authorized control level risk-based capital.....	868,864	758,508	760,949	950,549	753,833
Enrollment (Exhibit 1)					
15. Total members at end of period (Column 5, Line 7).....	3,020	10,219	15,076	24,525	14,431
16. Total member months (Column 6, Line 7).....	84,739	109,055	182,581	295,993	172,377
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100					
17. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5).....	100.0	100.0	100.0	100.0	100.0
18. Total hospital and medical plus other non-health (Line 18 plus Line 19).....	164.1	116.4	85.5	93.5	49.6
19. Cost containment expenses.....	14.8	10.1	3.2	XXX	XXX
20. Other claims adjustment expenses.....			3.2		
21. Total underwriting deductions (Line 23).....	269.2	207.9	153.3	146.9	127.9
22. Total underwriting gain (loss) (Line 24).....	876.7	547.1	222.1	155.7	202.2
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
23. Total claims incurred for prior years (Line 13 Col. 5).....	132,893	162,631	228,365	(15,708)	71,195
24. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	132,893	166,919	228,365	102,159	48,601
Investments in Parent, Subsidiaries and Affiliates					
25. Affiliated bonds (Sch. D Summary, Line 25, Col. 1).....					
26. Affiliated preferred stocks (Sch D. Summary, Line 39, Col. 1).....					
27. Affiliated common stocks (Sch D. Summary, Line 53, Col. 2).....					
28. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11).....					
29. Affiliated mortgage loans on real estate.....					
30. All other affiliated.....					
31. Total of above Lines 25 to 30.....	0	0	0	0	0

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description	1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS				
Governments (Including all obligations guaranteed by governments)	1. United States.....5,678,700	.....5,717,457	.....5,674,800	.....5,692,000
	2. Canada.....	.....	.....	.....
	3. Other Countries.....	.....	.....	.....
	4. Totals.....5,678,700	.....5,717,457	.....5,674,800	.....5,692,000
States, Territories and Possessions (Direct and guaranteed)	5. United States.....	.....	.....	.....
	6. Canada.....	.....	.....	.....
	7. Other Countries.....	.....	.....	.....
	8. Totals.....0	.....0	.....0	.....0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....	.....	.....	.....
	10. Canada.....	.....	.....	.....
	11. Other Countries.....	.....	.....	.....
	12. Totals.....0	.....0	.....0	.....0
Special Revenue and Special Assessment Obligations and all Non-guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	13. United States.....	.....	.....	.....
	14. Canada.....	.....	.....	.....
	15. Other Countries.....	.....	.....	.....
	16. Totals.....0	.....0	.....0	.....0
Public Utilities (Unaffiliated)	17. United States.....	.....	.....	.....
	18. Canada.....	.....	.....	.....
	19. Other Countries.....	.....	.....	.....
	20. Totals.....0	.....0	.....0	.....0
Industrial and Miscellaneous and Credit Tenant Loans (Unaffiliated)	21. United States.....	.....	.....	.....
	22. Canada.....	.....	.....	.....
	23. Other Countries.....	.....	.....	.....
	24. Totals.....0	.....0	.....0	.....0
Parent, Subsidiaries and Affiliates	25. Totals.....	.....	.....	.....
	26. Total Bonds.....5,678,700	.....5,717,457	.....5,674,800	.....5,692,000
PREFERRED STOCKS				
Public Utilities (Unaffiliated)	27. United States.....	.....	.....	.....
	28. Canada.....	.....	.....	.....
	29. Other Countries.....	.....	.....	.....
	30. Totals.....0	.....0	.....0	.....0
Banks, Trust and Insurance Companies (Unaffiliated)	31. United States.....	.....	.....	.....
	32. Canada.....	.....	.....	.....
	33. Other Countries.....	.....	.....	.....
	34. Totals.....0	.....0	.....0	.....0
Industrial and Miscellaneous (Unaffiliated)	35. United States.....	.....	.....	.....
	36. Canada.....	.....	.....	.....
	37. Other Countries.....	.....	.....	.....
	38. Totals.....0	.....0	.....0	.....0
Parent, Subsidiaries and Affiliates	39. Totals.....	.....	.....	.....
	40. Total Preferred Stocks.....0	.....0	.....0	.....0
COMMON STOCKS				
Public Utilities (Unaffiliated)	41. United States.....	.....	.....	.....
	42. Canada.....	.....	.....	.....
	43. Other Countries.....	.....	.....	.....
	44. Totals.....0	.....0	.....0	.....0
Banks, Trust and Insurance Companies (Unaffiliated)	45. United States.....	.....	.....	.....
	46. Canada.....	.....	.....	.....
	47. Other Countries.....	.....	.....	.....
	48. Totals.....0	.....0	.....0	.....0
Industrial and Miscellaneous (Unaffiliated)	49. United States.....	.....	.....	.....
	50. Canada.....	.....	.....	.....
	51. Other Countries.....	.....	.....	.....
	52. Totals.....0	.....0	.....0	.....0
Parent, Subsidiaries and Affiliates	53. Totals.....	.....	.....	.....
	54. Total Common Stocks.....0	.....0	.....0	.....0
	55. Total Stocks.....0	.....0	.....0	.....0
	56. Total Bonds and Stocks.....5,678,700	.....5,717,457	.....5,674,800	.....5,692,000

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year.....	1,190,876	7. Amortization of premium.....	
2. Cost of bonds and stocks acquired, Column 7, Part 3.....	4,917,263	8. Foreign exchange adjustment:	
3. Accrual of discount.....	2,562	8.1 Column 15, Part 1.....	
4. Increase (decrease) by adjustment:		8.2 Column 19, Part 2, Section 1.....	
4.1 Columns 12 - 14, Part 1.....		8.3 Column 16, Part 2, Section 2.....	
4.2 Columns 15 - 17, Part 2, Section 1.....		8.4 Column 15, Part 4.....	0
4.3 Column 15, Part 2, Section 2.....		9. Book/adjusted carrying value at end of current period.....	5,678,701
4.4 Columns 11 - 13, Part 4.....	0	10. Total valuation allowance.....	
5. Total gain (loss), Column 19, Part 4.....		11. Subtotal (Lines 9 plus 10).....	5,678,701
6. Deduct consideration for bonds and stocks disposed of, Column 7, Part 4....	432,000	12. Total nonadmitted amounts.....	
		13. Statement value of bonds and stocks, current year.....	5,678,701

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Guaranty Fund (YES or NO)	2 Is Insurer Licensed? (YES or NO)	Direct Business Only					
			3 Accident & Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums	7 Life & Annuity Premiums and Deposit-Type Contract Funds	8 Property/Casualty Premiums
1. Alabama.....AL	NO	NO						
2. Alaska.....AK	NO	NO						
3. Arizona.....AZ	NO	NO						
4. Arkansas.....AR	NO	YES	189,758					
5. California.....CA	NO	NO						
6. Colorado.....CO	NO	NO						
7. Connecticut.....CT	NO	NO						
8. Delaware.....DE	NO	NO						
9. District of Columbia.....DC	NO	NO						
10. Florida.....FL	NO	NO						
11. Georgia.....GA	NO	NO						
12. Hawaii.....HI	NO	NO						
13. Idaho.....ID	NO	NO						
14. Illinois.....IL	YES	YES						
15. Indiana.....IN	NO	NO						
16. Iowa.....IA	NO	NO						
17. Kansas.....KS	NO	NO						
18. Kentucky.....KY	NO	NO						
19. Louisiana.....LA	NO	NO						
20. Maine.....ME	NO	NO						
21. Maryland.....MD	NO	NO						
22. Massachusetts.....MA	NO	NO						
23. Michigan.....MI	NO	NO						
24. Minnesota.....MN	NO	NO						
25. Mississippi.....MS	NO	NO						
26. Missouri.....MO	NO	YES	1,494,262					
27. Montana.....MT	NO	NO						
28. Nebraska.....NE	NO	NO						
29. Nevada.....NV	NO	NO						
30. New Hampshire.....NH	NO	NO						
31. New Jersey.....NJ	NO	NO						
32. New Mexico.....NM	NO	NO						
33. New York.....NY	NO	NO						
34. North Carolina.....NC	NO	NO						
35. North Dakota.....ND	NO	NO						
36. Ohio.....OH	NO	NO						
37. Oklahoma.....OK	NO	NO						
38. Oregon.....OR	NO	NO						
39. Pennsylvania.....PA	NO	NO						
40. Rhode Island.....RI	NO	NO						
41. South Carolina.....SC	NO	NO						
42. South Dakota.....SD	NO	NO						
43. Tennessee.....TN	NO	NO						
44. Texas.....TX	NO	NO						
45. Utah.....UT	NO	NO						
46. Vermont.....VT	NO	NO						
47. Virginia.....VA	NO	NO						
48. Washington.....WA	NO	NO						
49. West Virginia.....WV	NO	NO						
50. Wisconsin.....WI	NO	NO						
51. Wyoming.....WY	NO	NO						
52. American Samoa.....AS	NO	NO						
53. Guam.....GU	NO	NO						
54. Puerto Rico.....PR	NO	NO						
55. U.S. Virgin Islands.....VI	NO	NO						
56. Northern Mariana Islands.....MP	NO	NO						
57. Canada.....CN	NO	NO						
58. Aggregate Other alien.....OT	XXX	XXX	0	0	0	0	0	0
59. Subtotal.....	XXX	XXX	1,684,020	0	0	0	0	0
60. Reporting entity contributions for Employee Benefit Plans.....	XXX	XXX						
61. Total (Direct Business).....	XXX	(a).....3	1,684,020	0	0	0	0	0

DETAILS OF WRITE-INS

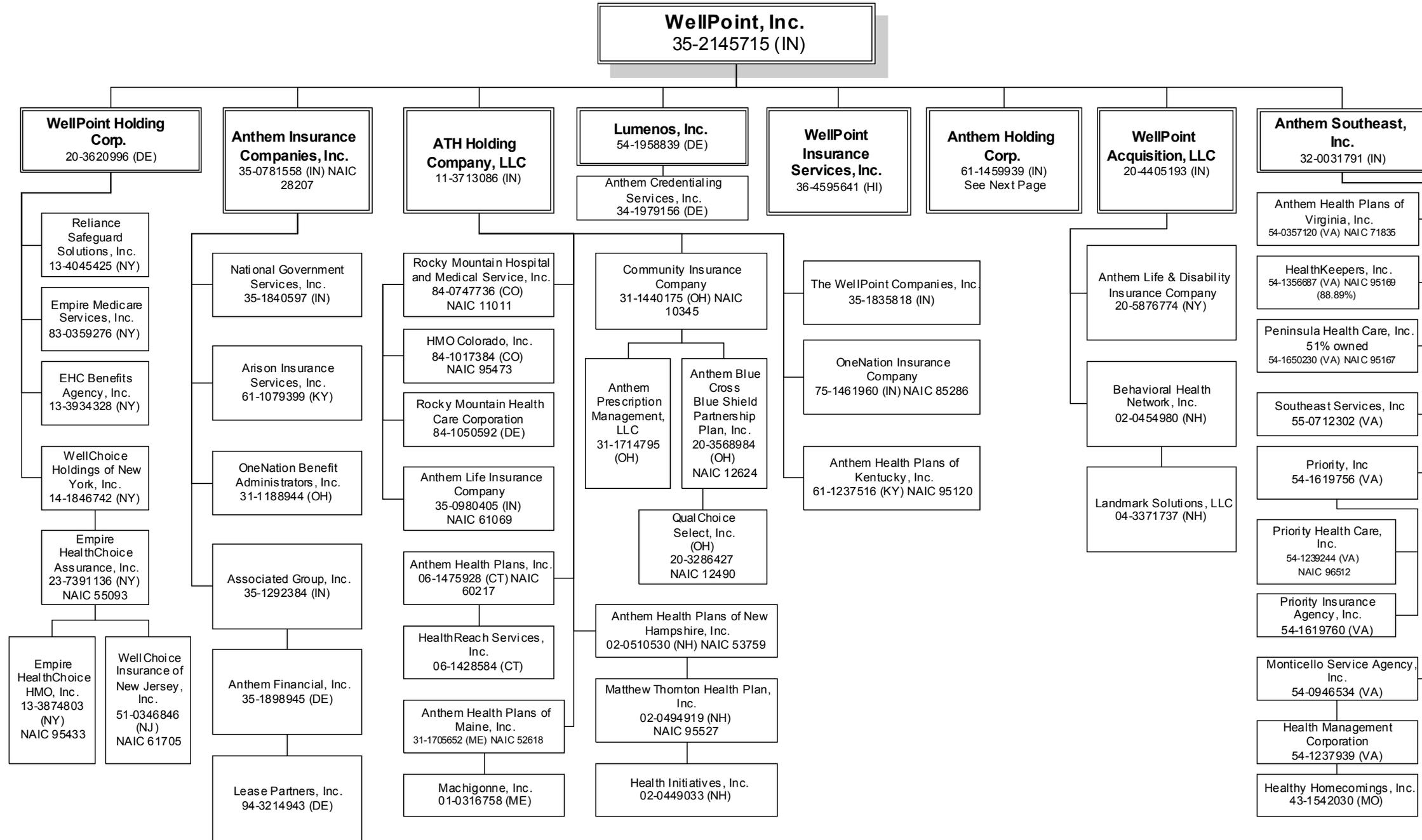
5801.								
5802.								
5803.								
5898. Summary of remaining write-ins for line 58 from overflow page.....			0	0	0	0	0	0
5899. Total (Lines 5801 thru 5803 plus 5898) (Line 58 above).....			0	0	0	0	0	0

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

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

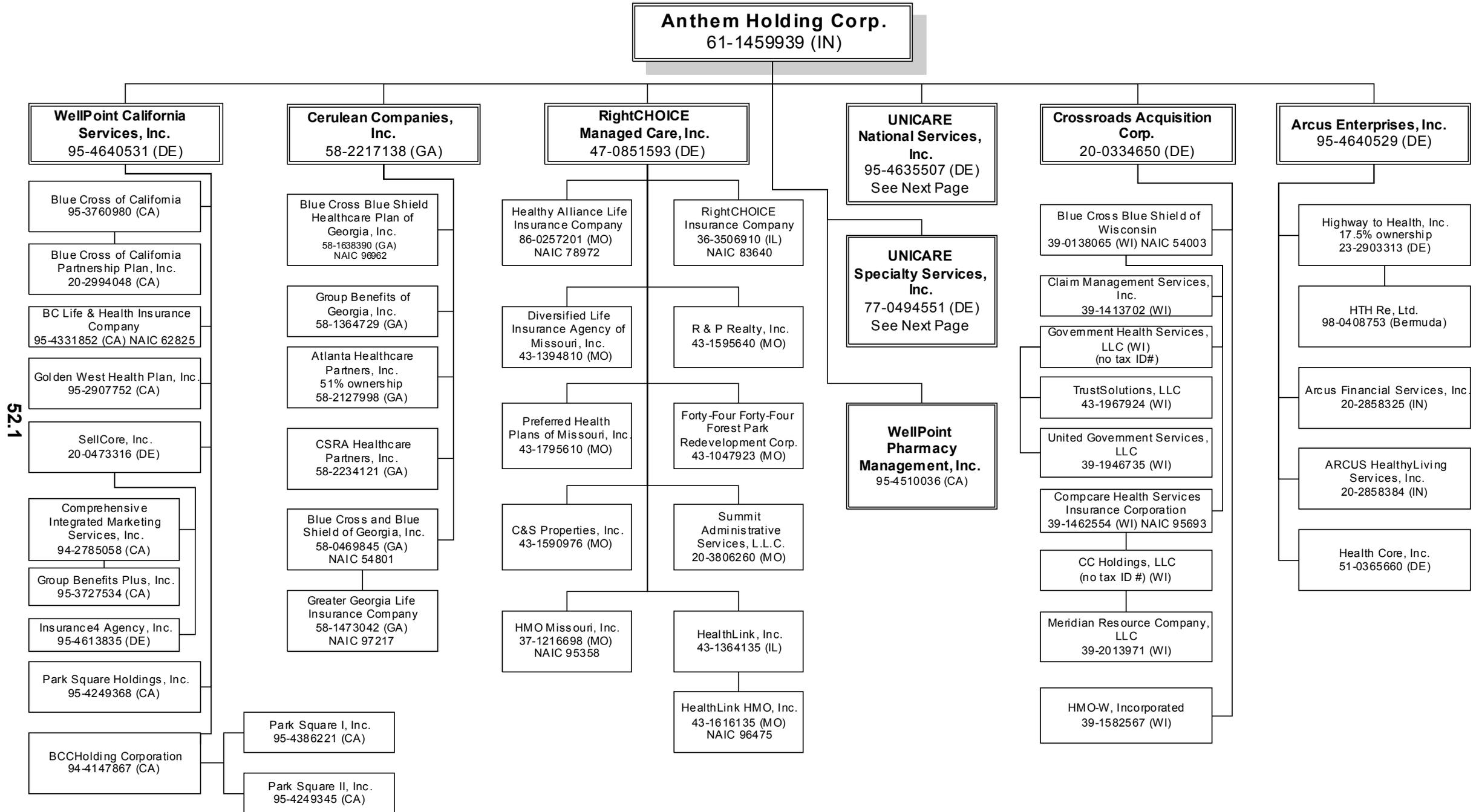
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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

PART 1 - ORGANIZATIONAL CHART



52.1

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

PART 1 - ORGANIZATIONAL CHART

52.2

