



QUARTERLY STATEMENT
AS OF March 31, 2007
OF THE CONDITION AND AFFAIRS OF THE
Premier Health Insurance Company, Inc.

NAIC Group Code 3386, 3386; NAIC Company Code 11529; Employer's ID Number 48-1262342; Organized under the Laws of Missouri; State of Domicile or Port of Entry Missouri; Country of Domicile United States of America; Licensed as business type: Life, Accident & Health[X]; Property/Casualty[ ]; Hospital, Medical & Dental Service or Indemnity[ ]; Dental Service Corporation[ ]; Vision Service Corporation[ ]; Health Maintenance Organization[ ]; Other[ ]; Is HMO Federally Qualified? Yes[ ]; No[ ]; N/A[X]; Incorporated/Organized 09/12/2002; Commenced Business 10/17/2002; Statutory Home Office 14528 S. Outer 40, Suite 300, Chesterfield, MO 63017-5705; Main Administrative Office 14528 S. Outer 40, Suite 300, Chesterfield, MO 63017-5705; Mail Address 14528 S. Outer 40, Suite 300, Chesterfield, MO 63017-5705; Primary Location of Books and Records 14528 S. Outer 40, Suite 300, Chesterfield, MO 63017-5705; Internet Website Address mercyhealthplans.com; Statutory Statement Contact George Aloysius Schneider; Policyowner Relations Contact 14528 S. Outer 40, Suite 300, Chesterfield, MO 63017-5705

OFFICERS

Table with 2 columns: Name, Title. Rows: Michael Gene Murphy (President), Charles Sayel Gilham (Secretary), George Aloysius Schneider (CFO & Treasurer), Kenneth Michael Treash (COO #)

OTHERS

DIRECTORS OR TRUSTEES

- Ronald Boughton Ashworth, Bradley Kim Day, Thomas Hamilton Hale MD, Mark Lewis Lane, Robert Reade Vogel, Ronnie Dale Brownsworth MD, Margaret Denielle DeNarvaez, James Robert Jaacks, Michael Gene Murphy

State of Missouri, County of St. Louis ss

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

Signature lines for Michael Gene Murphy (President), Charles Sayel Gilham (Secretary), and George Aloysius Schneider (CFO & Treasurer)

Subscribed and sworn to before me this day of , 2007

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

Yes[X] No[ ]

(Notary Public Signature)

**ASSETS**

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	5,248,640		5,248,640	5,245,628
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....34,053,890), cash equivalents (\$.....0) and short-term investments (\$.....0) .....	34,053,890		34,053,890	17,716,557
6. Contract loans (including \$.....0 premium notes) .....				
7. Other invested assets .....				
8. Receivables for securities .....				
9. Aggregate write-ins for invested assets .....				
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	39,302,530		39,302,530	22,962,185
11. Title plants less \$.....0 charged off (for Title insurers only) .....				
12. Investment income due and accrued .....	63,857		63,857	55,137
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection .....	1,794,154	662,693	1,131,461	1,581,997
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
13.3 Accrued retrospective premiums .....				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers .....	87,522		87,522	127,379
14.2 Funds held by or deposited with reinsured companies .....				
14.3 Other amounts receivable under reinsurance contracts .....				
15. Amounts receivable relating to uninsured plans .....				
16.1 Current federal and foreign income tax recoverable and interest thereon .....	105,154		105,154	5,140,192
16.2 Net deferred tax asset .....	1,462,545	50,108	1,412,437	1,315,170
17. Guaranty funds receivable or on deposit .....				
18. Electronic data processing equipment and software .....				
19. Furniture and equipment, including health care delivery assets (\$.....0) .....	41,259	41,259		
20. Net adjustments in assets and liabilities due to foreign exchange rates .....				
21. Receivables from parent, subsidiaries and affiliates .....				7,650,757
22. Health care (\$.....245,443) and other amounts receivable .....	378,335	132,892	245,443	478,046
23. Aggregate write-ins for other than invested assets .....	8,024	8,024		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	43,243,380	894,976	42,348,404	39,310,863
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26. Total (Lines 24 and 25) .....	43,243,380	894,976	42,348,404	39,310,863
<b>DETAILS OF WRITE-INS</b>				
0901. ....				
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....				
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....				
2301. Leasehold Improvements .....	8,024	8,024		
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	8,024	8,024		

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded) .....	15,804,973	725,167	16,530,140	14,738,320
2. Accrued medical incentive pool and bonus amounts .....	55,511		55,511	40,111
3. Unpaid claims adjustment expenses .....				
4. Aggregate health policy reserves .....	554,864		554,864	1,798,326
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserve .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....	3,627,647		3,627,647	1,820,855
9. General expenses due or accrued .....	281,356		281,356	160,946
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....				
12. Amounts withheld or retained for the account of others .....				
13. Remittances and items not allocated .....				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....	1,025,064		1,025,064	81,365
16. Payable for securities .....				
17. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers) .....				
18. Reinsurance in unauthorized companies .....				
19. Net adjustments in assets and liabilities due to foreign exchange rates .....				
20. Liability for amounts held under uninsured plans .....				
21. Aggregate write-ins for other liabilities (including \$.....0 current) .....	189,027		189,027	120,624
22. Total liabilities (Lines 1 to 21) .....	21,538,442	725,167	22,263,609	18,760,546
23. Aggregate write-ins for special surplus funds .....	X X X	X X X		
24. Common capital stock .....	X X X	X X X	1,600,000	1,600,000
25. Preferred capital stock .....	X X X	X X X		
26. Gross paid in and contributed surplus .....	X X X	X X X	27,374,313	27,374,313
27. Surplus notes .....	X X X	X X X		
28. Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
29. Unassigned funds (surplus) .....	X X X	X X X	(8,889,520)	(8,423,995)
30. Less treasury stock, at cost:				
30.1 .....0 shares common (value included in Line 24 \$.....0) .....	X X X	X X X		
30.2 .....0 shares preferred (value included in Line 25 \$.....0) .....	X X X	X X X		
31. Total capital and surplus (Lines 23 to 29 minus Line 30) .....	X X X	X X X	20,084,793	20,550,318
32. Total Liabilities, capital and surplus (Lines 22 and 31) .....	X X X	X X X	42,348,402	39,310,864
<b>DETAILS OF WRITE-INS</b>				
2101. Medicare Part D reserve reinsurance payment .....	189,027		189,027	120,624
2102. ....				
2103. ....				
2198. Summary of remaining write-ins for Line 21 from overflow page .....				
2199. TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above) .....	189,027		189,027	120,624
2301. ....	X X X	X X X		
2302. ....	X X X	X X X		
2303. ....	X X X	X X X		
2398. Summary of remaining write-ins for Line 23 from overflow page .....	X X X	X X X		
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	X X X	X X X		
2801. ....	X X X	X X X		
2802. ....	X X X	X X X		
2803. ....	X X X	X X X		
2898. Summary of remaining write-ins for Line 28 from overflow page .....	X X X	X X X		
2899. TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above) .....	X X X	X X X		

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months .....	X X X	188,381	141,593
2. Net premium income (including \$.....0 non-health premium income) .....	X X X	47,576,967	33,142,347
3. Change in unearned premium reserves and reserves for rate credits .....	X X X		
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X		
5. Risk revenue .....	X X X		
6. Aggregate write-ins for other health care related revenues .....	X X X		
7. Aggregate write-ins for other non-health revenues .....	X X X		
8. Total revenues (Lines 2 to 7) .....	X X X	47,576,967	33,142,347
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....	1,021,743	23,290,562	16,125,551
10. Other professional services .....	12,491	284,740	296,817
11. Outside referrals .....			
12. Emergency room and out-of-area .....	49,355	1,125,046	718,194
13. Prescription drugs .....	246,338	5,615,263	3,803,052
14. Aggregate write-ins for other hospital and medical .....		13,632,448	10,076,447
15. Incentive pool, withhold adjustments and bonus amounts .....		15,400	
16. Subtotal (Lines 9 to 15) .....	1,329,928	43,963,458	31,020,061
<b>Less:</b>			
17. Net reinsurance recoveries .....		12,394	21,150
18. Total hospital and medical (Lines 16 minus 17) .....	1,329,928	43,951,064	30,998,911
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$.....470,758 cost containment expenses .....		956,916	1,376,692
21. General administrative expenses .....		4,675,405	3,635,140
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....		(1,243,462)	
23. Total underwriting deductions (Lines 18 through 22) .....	1,329,928	48,339,924	36,010,742
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X	(762,957)	(2,868,396)
25. Net investment income earned .....		455,049	208,457
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....			
27. Net investment gains or (losses) (Lines 25 plus 26) .....		455,049	208,457
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 .....			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X	(307,908)	(2,659,939)
31. Federal and foreign income taxes incurred .....	X X X	(105,154)	(94,683)
32. Net income (loss) (Lines 30 minus 31) .....	X X X	(202,754)	(2,565,256)
<b>DETAILS OF WRITE-INS</b>			
0601. ....	X X X		
0602. ....	X X X		
0603. ....	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X		
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X		
0701. ....	X X X		
0702. ....	X X X		
0703. ....	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	X X X		
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X		
1401. Mental Health Capitation .....		31,476	
1402. Global Capitation .....		13,600,972	10,076,447
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....		13,632,448	10,076,447
2901. ....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....			
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....			

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year .....	20,550,318	12,111,356	12,111,567
34. Net income or (loss) from Line 32 .....	(202,754)	(2,565,256)	(8,020,060)
35. Change in valuation basis of aggregate policy and claim reserves .....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....			
37. Change in net unrealized foreign exchange capital gain or (loss) .....			
38. Change in net deferred income tax .....		902,806	1,255,733
39. Change in nonadmitted assets .....	(262,770)	(73,156)	(483,638)
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 .....			(10,650,000)
45. Surplus adjustments:			
45.1 Paid in .....			15,750,000
45.2 Transferred to capital (Stock Dividend) .....			
45.3 Transferred from capital .....			10,650,000
46. Dividends to stockholders .....			
47. Aggregate write-ins for gains or (losses) in surplus .....			(63,286)
48. Net change in capital and surplus (Lines 34 to 47) .....	(465,524)	(1,735,606)	8,438,749
49. Capital and surplus end of reporting period (Line 33 plus 48) .....	20,084,794	10,375,750	20,550,316
<b>DETAILS OF WRITE-INS</b>			
4701. Change in Allowance for Doubtful Accounts .....	1,369		13,983
4702. Bad Debt Expense .....	(1,369)		(77,269)
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page .....			
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....			(63,286)

**CASH FLOW**

		1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>			
1.	Premiums collected net of reinsurance .....	48,095,381	152,043,962
2.	Net investment income .....	443,317	876,781
3.	Miscellaneous income .....	363,822	(467,281)
4.	Total (Lines 1 to 3) .....	48,902,520	152,453,461
5.	Benefit and loss related payments .....	40,860,525	135,336,478
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	5,511,911	22,387,043
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	(5,140,192)	389,930
10.	Total (Lines 5 through 9) .....	41,232,245	158,113,450
11.	Net cash from operations (Line 4 minus Line 10) .....	7,670,276	(5,659,989)
<b>Cash from Investments</b>			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....		
12.2	Stocks .....		
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....		
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....		4,623,570
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) .....		4,623,570
14.	Net increase (or decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14) .....		(4,623,570)
<b>Cash from Financing and Miscellaneous Sources</b>			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....	0	15,750,000
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		
16.6	Other cash provided (applied) .....	8,667,056	(6,368,772)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	8,667,056	9,381,228
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	16,337,331	(902,332)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	17,716,557	18,618,888
19.2	End of period (Line 18 plus Line 19.1) .....	34,053,888	17,716,556

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

Description		Amount 1	Amount 2
20.0001	.....		

## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year .....	58,743	1,984	56,311					448		
2. First Quarter .....	63,667	2,769	60,213					685		
3. Second Quarter .....										
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....	188,381	7,613	178,809					1,959		
Total Member Ambulatory Encounters for Period:										
7. Physician .....	89,732	3,666	84,414					1,652		
8. Non-Physician .....	9,016	180	8,708					128		
9. Total .....	98,748	3,846	93,122					1,780		
10. Hospital Patient Days Incurred .....	4,820	71	4,579					170		
11. Number of Inpatient Admissions .....	1,316	30	1,248					38		
12. Health Premiums Written (a) .....	47,576,967	1,269,026	45,026,224					1,281,716		
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	47,576,967	1,269,026	45,026,224					1,281,716		
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	42,070,974	125,665	40,938,652					1,006,656		
18. Amount Incurred for Provision of Health Care Services .....	43,963,458	934,149	41,683,896					1,345,413		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)****Aging Analysis of Unpaid Claims**

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid .....						
0299999 Aggregate Accounts Not Individually Listed - Uncovered .....	91,905	3,718	75	200	227	96,125
0399999 Aggregate Accounts Not Individually Listed - Covered .....	2,012,213	81,403	1,652	4,305	4,961	2,104,534
0499999 Subtotals .....	2,104,118	85,121	1,727	4,505	5,188	2,200,659
0599999 Unreported claims and other claim reserves .....						14,329,486
0699999 Total Amounts Withheld .....						
0799999 Total Claims Unpaid .....						16,530,145
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						55,511

**UNDERWRITING AND INVESTMENT EXHIBIT****ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital & medical) .....	10,637,755	30,664,536	2,467,271	13,327,697	13,105,026	14,421,063
2. Medicare Supplement .....						
3. Dental only .....						
4. Vision only .....						
5. Federal Employees Health Benefits Plan .....						
6. Title XVIII - Medicare .....	293,212	633,855	37,237	697,935	330,450	317,256
7. Title XIX - Medicaid .....						
8. Other health .....						
9. Health subtotal (Lines 1 to 8) .....	10,930,967	31,298,391	2,504,508	14,025,632	13,435,475	14,738,320
10. Healthcare receivables (a) .....	365,470		121,384	256,952	486,853	658,290
11. Other non-health .....						
12. Medical incentive pools and bonus amounts .....			40,111	15,400	40,111	40,111
13. Totals .....	10,565,498	31,298,391	2,423,235	13,784,081	12,988,733	14,120,140

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

## Notes to Financial Statement

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

No change.

### NOTE 2 - ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No change.

### NOTE 3 - BUSINESS COMBINATIONS AND GOODWILL

No change.

### NOTE 4 - DISCONTINUED OPERATIONS

No change.

### NOTE 5 - INVESTMENTS

No change.

### NOTE 6 - JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No change.

### NOTE 7 - INVESTMENT INCOME

No change.

### NOTE 8 - DERIVATIVE INSTRUMENTS

No change.

### NOTE 9 - INCOME TAXES

A. Total of All Deferred Tax Assets	\$ 1,462,545
Total of All Deferred Tax Liabilities	\$ -
Total DTAs Non-Admitted as a result of SSAP 10	\$ 50,108
Total DTAs Admitted	\$ 1,412,438
Net Change in Total Non-Admitted DTAs	\$ (97,267)
B. There are no Deferred Tax Liabilities	
C. Current Income Tax Expense Incurred	\$ (105,154)
Change in Deferred Tax Assets	\$ 0
Investment Tax credits	\$ -
Benefits of Tax Loss Carryforwards	\$ -
Adjustments in Deferred Tax Assets	\$ -
D. Application of Tax Rate to Net Income	\$ (104,689)
Deferred Tax Attributed to State Rate	\$ -
Permanent Book to Tax Differences	\$ -
Rate Adjustment for Deferred Taxes	\$ 21,770
Federal Tax on State Income Tax	\$ -
Tax on GAAP/STAT adjustments	\$ (465)

- E. 1. PHI's NOL available for carryback is \$(3,848,761) as of December 31, 2006  
 2. PHI's NOL carryforward is \$(1,703,609) as of December 31, 2006

F. Premier Health Insurance Company files a Consolidated Return with

Mercy Medical Services Inc.

## **Notes to Financial Statement**

Mercy Health Plans, Inc. (its parent)  
Premier Benefits, Inc.  
Mercy Health Plans of Missouri, Inc.  
Mercy MC+, Inc.  
ForeSee Health, Inc.

The Tax Allocation Agreement of the group has been filed with the Missouri Department of Insurance. It provides for the Allocation of the consolidated group's tax liability in proportion to the positive tax liability of each company as though it were taxed separately. Intercompany tax liabilities and credits through December 31, 2006 have been settled on a cash basis as of March 31, 2007.

### **NOTE 10 - INFORMATION CONCERNING PARENT, SUBSIDIARIES, AND AFFILIATES**

No change.

### **NOTE 11 - DEBT**

No change.

### **NOTE 12 - RETIREMENT PLANS, DEFERRED COMPENSATION, AND OTHER POST RETIREMENT BENEFIT PLANS**

No change.

### **NOTE 13 - CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS**

No change.

### **NOTE 14 - CONTINGENCIES**

No change.

### **NOTE 15 - LEASES**

No change.

### **NOTE 16 - INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK**

No change.

### **NOTE 17 - SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES**

Premier Health Insurance Company, Inc. did not have any wash sales for the first quarter of 2007.

### **NOTE 18 - GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS.**

No change.

### **NOTE 19 - DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS**

No change.

### **NOTE 20 - SEPTEMBER 11 EVENTS**

No change.

## **Notes to Financial Statement**

### NOTE 21 - OTHER ITEMS

No change.

### NOTE 22 - EVENTS SUBSEQUENT

No change.

### NOTE 23- REINSURANCE

PHI has renewed a stop loss reinsurance agreement with Employer's Reinsurance Corporation of Overland Park, KS for claims incurred during the year 2007 as of January 1, 2007.

### NOTE 24 - RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

No change.

### NOTE 25 - CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

No change.

### NOTE 26 - INTERCOMPANY POOLING ARRANGEMENTS

No change.

### NOTE 27 - STRUCTURED SETTLEMENTS

No change.

### NOTE 28 - HEALTH CARE RECEIVABLES

No change.

### NOTE 29 - PARTICIPATING POLICIES

No change.

### NOTE 30 - PREMIUM DEFICIENCY RESERVES

The unamortized balance of the premium deficiency reserve established in 2006 is \$554,864 as of March 31, 2007.

### NOTE 31 - ANTICIPATED SALVAGE AND SUBROGATION

No change.

# GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

## PART 1 - COMMON INTERROGATORIES

### GENERAL

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

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? If yes, attach an explanation. Yes[ ] No[X] N/A[ ]
  
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .....12/31/2006.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .....12/31/2002.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .....10/18/2003.....
- 6.4 By what department or departments?  
Missouri
  
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
- 7.2 If yes, give full information
  
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....	.....	Yes[ ] No[X]				

### FINANCIAL

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[ ]
  - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
  - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
  - (c) Compliance with applicable governmental laws, rules and regulations;
  - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
  - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).
  
- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$..... 0

### INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock? Yes[ ] No[X]
- 11.2 If yes, explain:
  
- 12.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[ ] No[X]
- 12.2 If yes, give full and complete information relating thereto:
  
- 13. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$..... 0
- 14. Amount of real estate and mortgages held in short-term investments: \$..... 0
  
- 15.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[ ] No[X]
- 15.2 If yes, please complete the following:

## GENERAL INTERROGATORIES (Continued)

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
15.21 Bonds .....		
15.22 Preferred Stock .....		
15.23 Common Stock .....		
15.24 Short-Term Investments .....		
15.25 Mortgages Loans on Real Estate .....		
15.26 All Other .....		
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26) .....		
15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above .....		

16.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes[ ] No[X]  
 16.2 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.

17. 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[ ]

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

1 Name of Custodian(s)	2 Custodian Address
State Street Corporation .....	200 Newport, North Quincy, MA 02171 .....

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes[ ] No[X]  
 17.4 If yes, give full and complete information relating thereto:

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

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

1 Central Registration Depository	2 Name(s)	3 Address
.....	.....	.....

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

STATEMENT AS OF **March 31, 2007** OF THE **Premier Health Insurance Company, Inc.**  
**SCHEDULE A - VERIFICATION**

**Real Estate**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....		
2.	Increase (decrease) by adjustment .....		
3.	Cost of acquired .....		
4.	Cost of additions to and permanent improvements .....		
5.	Total profit (loss) on sales .....		
6.	Increase (decrease) by foreign exchange adjustment .....		
7.	Amount received on sales .....		
8.	Book/adjusted carrying value at end of current period .....		
9.	Total valuation allowance .....		
10.	Subtotal (Lines 8 plus 9) .....		
11.	Total nonadmitted amounts .....		
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) .....		

**NONE**

**SCHEDULE B - VERIFICATION**

**Mortgage Loans**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year .....		
2.	Amount loaned during period:		
2.1	Actual cost at time of acquisitions .....		
2.2	Additional investment made after acquisitions .....		
3.	Accrual of discount and mortgage interest points and commitment fees .....		
4.	Increase (decrease) by adjustment .....		
5.	Total profit (loss) on sale .....		
6.	Amounts paid on account or in full during the period .....		
7.	Amortization of premium .....		
8.	Increase (decrease) by foreign exchange adjustment .....		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....		
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....		
12.	Total nonadmitted amounts .....		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) .....		

**NONE**

**SCHEDULE BA - VERIFICATION**

**Other Invested Assets**

Description		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year .....		
2.	Cost of acquisitions during period:		
2.1	Actual cost at time of acquisitions .....		
2.2	Additional investment made after acquisitions .....		
3.	Accrual of discount .....		
4.	Increase (decrease) by adjustment .....		
5.	Total profit (loss) on sale .....		
6.	Amounts paid on account or in full during the period .....		
7.	Amortization of premium .....		
8.	Increase (decrease) by foreign exchange adjustment .....		
9.	Book/adjusted carrying value of long-term invested assets at end of current period .....		
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....		
12.	Total nonadmitted amounts .....		
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) .....		

**NONE**

**SCHEDULE D - VERIFICATION**

**Bonds and Stocks**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	5,245,628	609,056
2.	Cost of bonds and stocks acquired .....		4,623,570
3.	Accrual of discount .....	11,950	38,421
4.	Increase (decrease) by adjustment .....		
5.	Increase (decrease) by foreign exchange adjustment .....		
6.	Total profit (loss) on disposal .....		
7.	Consideration for bonds and stocks disposed of .....		
8.	Amortization of premium .....	8,938	25,419
9.	Book/adjusted carrying value, current period .....	5,248,640	5,245,628
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....	5,248,640	5,245,628
12.	Total nonadmitted amounts .....		
13.	Statement value .....	5,248,640	5,245,628

## SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 .....	5,245,628			3,012	5,248,640			5,245,628
2. Class 2 .....								
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds .....	5,245,628			3,012	5,248,640			5,245,628
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	5,245,628			3,012	5,248,640			5,245,628

**14 Schedule DA Part 1 ..... NONE**

**14 Schedule DA Part 2 Verification ..... NONE**

**15 Schedule DB Part F Section 1 ..... NONE**

**16 Schedule DB Part F Section 2 ..... NONE**

**SCHEDULE S - CEDED REINSURANCE**  
**Showing All New Reinsurance Treaties - Current Year to Date**

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
<b>Accident and Health - Non-affiliates</b>						
39845 .....	48-0921045 .....	01/01/2007 .....	EMPLOYERS REINS CORP .....	Overland Park, KS .....	SSL/L/G .....	Yes[X] No [ ] .....

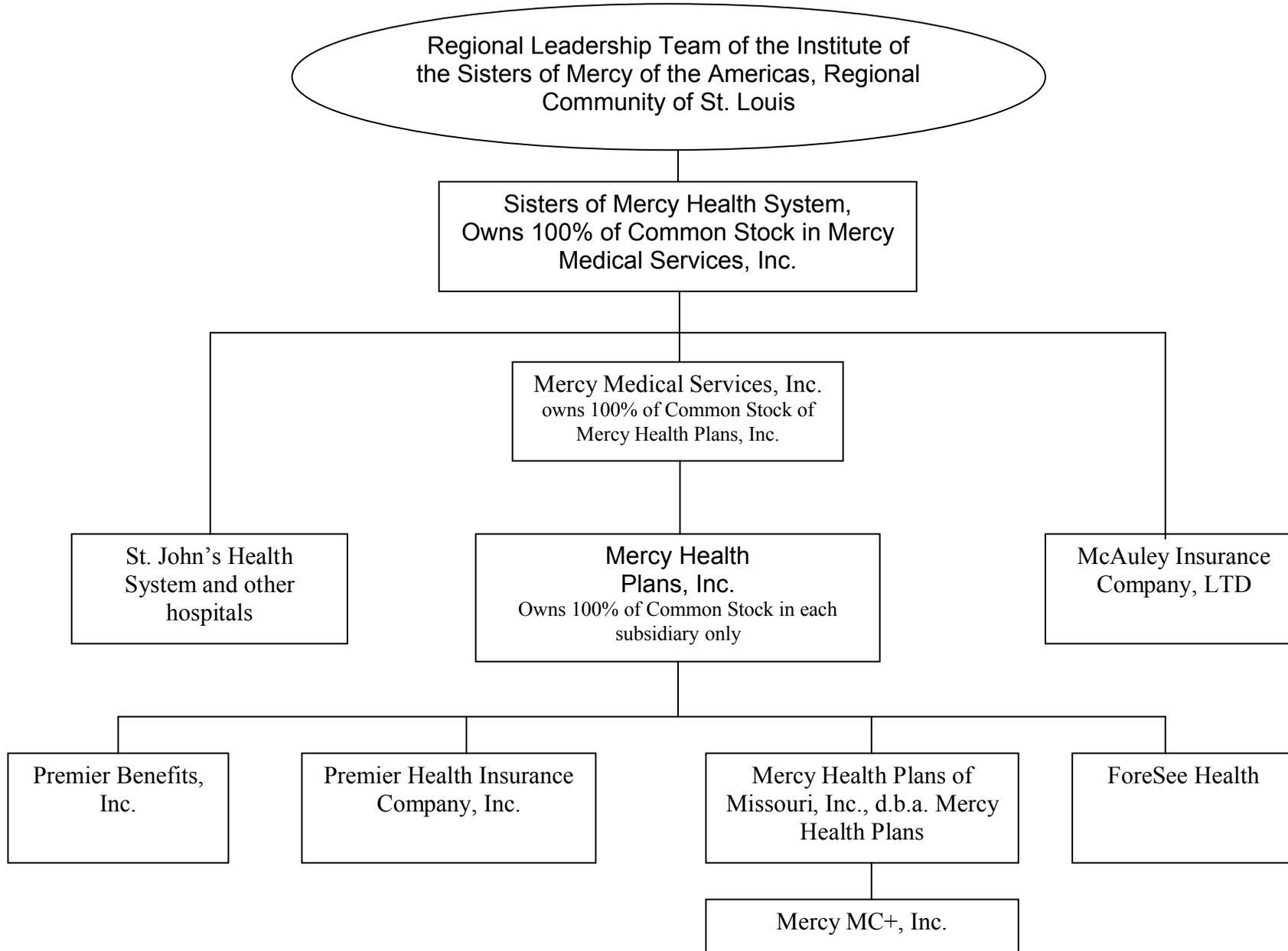
**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS****Current Year to Date - Allocated by States and Territories**

		Direct Business Only								
State, Etc.		1 Is Insurer Licensed (Yes or No)	2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1.	Alabama (AL)	No								
2.	Alaska (AK)	No								
3.	Arizona (AZ)	No								
4.	Arkansas (AR)	Yes	2,331,492						2,331,492	
5.	California (CA)	No								
6.	Colorado (CO)	No								
7.	Connecticut (CT)	No								
8.	Delaware (DE)	No								
9.	District of Columbia (DC)	No								
10.	Florida (FL)	No								
11.	Georgia (GA)	No								
12.	Hawaii (HI)	No								
13.	Idaho (ID)	No								
14.	Illinois (IL)	No								
15.	Indiana (IN)	No								
16.	Iowa (IA)	No								
17.	Kansas (KS)	No								
18.	Kentucky (KY)	No								
19.	Louisiana (LA)	No								
20.	Maine (ME)	No								
21.	Maryland (MD)	No								
22.	Massachusetts (MA)	No								
23.	Michigan (MI)	No								
24.	Minnesota (MN)	No								
25.	Mississippi (MS)	No								
26.	Missouri (MO)	Yes	43,997,713	1,380,692					45,378,405	
27.	Montana (MT)	No								
28.	Nebraska (NE)	No								
29.	Nevada (NV)	No								
30.	New Hampshire (NH)	No								
31.	New Jersey (NJ)	No								
32.	New Mexico (NM)	No								
33.	New York (NY)	No								
34.	North Carolina (NC)	No								
35.	North Dakota (ND)	No								
36.	Ohio (OH)	No								
37.	Oklahoma (OK)	No								
38.	Oregon (OR)	No								
39.	Pennsylvania (PA)	No								
40.	Rhode Island (RI)	No								
41.	South Carolina (SC)	No								
42.	South Dakota (SD)	No								
43.	Tennessee (TN)	No								
44.	Texas (TX)	No								
45.	Utah (UT)	No								
46.	Vermont (VT)	No								
47.	Virginia (VA)	No								
48.	Washington (WA)	No								
49.	West Virginia (WV)	No								
50.	Wisconsin (WI)	No								
51.	Wyoming (WY)	No								
52.	American Samoa (AS)	No								
53.	Guam (GU)	No								
54.	Puerto Rico (PR)	No								
55.	U.S. Virgin Islands (VI)	No								
56.	Northern Mariana Islands (MP)	No								
57.	Canada (CN)	No								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	46,329,205	1,380,692					47,709,897	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	Total (Direct Business)	(a) 2	46,329,205	1,380,692					47,709,897	
<b>DETAILS OF WRITE-INS</b>										
5801.		X X X								
5802.		X X X								
5803.		X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X								

(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**

Q19



## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

**RESPONSE**

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



11529200736500001

2007

Document Code: 365

<b>21</b>	<b>Overflow Page for Write-Ins</b> .....	<b>NONE</b>
<b>E01</b>	<b>Schedule A Part 2</b> .....	<b>NONE</b>
<b>E01</b>	<b>Schedule A Part 3</b> .....	<b>NONE</b>
<b>E02</b>	<b>Schedule B Part 1</b> .....	<b>NONE</b>
<b>E02</b>	<b>Schedule B Part 2</b> .....	<b>NONE</b>
<b>E03</b>	<b>Schedule BA Part 1</b> .....	<b>NONE</b>
<b>E03</b>	<b>Schedule BA Part 2</b> .....	<b>NONE</b>
<b>E04</b>	<b>Schedule D Part 3</b> .....	<b>NONE</b>
<b>E05</b>	<b>Schedule D Part 4</b> .....	<b>NONE</b>
<b>E06</b>	<b>Schedule DB Part A Section 1</b> .....	<b>NONE</b>
<b>E06</b>	<b>Schedule DB Part B Section 1</b> .....	<b>NONE</b>
<b>E07</b>	<b>Schedule DB Part C Section 1</b> .....	<b>NONE</b>
<b>E07</b>	<b>Schedule DB Part D Section 1</b> .....	<b>NONE</b>

**SCHEDULE E - PART 1 - CASH****Month End Depository Balances**

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
<b>open depositories</b>									
Mellon Bank .....	Pittsburgh, Pennsylvania .....		5.000	387,502		21,643,153	25,497,976	33,998,075	X X X
State Street .....	Boston Massachusetts .....		4.970	565		525	13,027	55,815	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories		X X X	X X X						X X X
0199999 Totals - Open Depositories .....		X X X	X X X	388,067		21,643,678	25,511,003	34,053,890	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....		X X X	X X X						X X X
0299999 Totals - Suspended Depositories .....		X X X	X X X						X X X
0399999 Total Cash On Deposit .....		X X X	X X X	388,067		21,643,678	25,511,003	34,053,890	X X X
0499999 Cash in Company's Office .....		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash .....		X X X	X X X	388,067		21,643,678	25,511,003	34,053,890	X X X

**E09**    **Schedule E Part 2 Cash Equivalents** ..... **NONE**

**Supp1**    **Medicare Part D Coverage Supplement** ..... **NONE**

**ACT**    **Actuarial Statement** ..... **NONE**

**AEP**    **Amended Explanation** ..... **NONE**

## INDEX TO HEALTH QUARTERLY STATEMENT

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11  
Accounting Practices and Policies; Q5; Q10, Note 1  
Admitted Assets; Q2  
Bonds; Q2; Q6; Q11.1; Q11.2; QE04; QE05  
Bonuses; Q3; Q4; Q8; Q9  
Borrowed Funds; Q3; Q6  
Business Combinations and Goodwill; Q10, Note 3  
Capital Gains (Losses)  
    Realized; Q4  
    Unrealized; Q4; Q5  
Capital Stock; Q2; Q10, Note 13  
Capital Notes; Q6; Q10, Note 11  
Caps; QE06  
Cash; Q2; Q6; QE08  
Cash Equivalents; Q2; Q6  
Claims; Q3; Q8  
Collars; QE07  
Commissions; Q6  
Common Stock; Q2; Q3; Q6; Q11.1; Q11.2  
Cost Containment Expenses; Q4  
Contingencies; Q10, Note 14  
Counterparty Exposure; Q10, Note 8  
Debt; Q10, Note 11  
Deferred Compensation; Q10, Note 2  
Derivative Instruments; Q10, Note 8; Q14; Q15; QE06; QE07  
Discontinued Operations; Q10, Note 4  
Electronic Data Processing Equipment; Q2  
Encumbrances; Q2; QE01  
Emergency Room; Q4  
Expenses; Q3; Q4; Q6  
Extinguishment of Liabilities; Q10, Note 17  
Extraordinary Item; Q10, Note 21  
Fee for Service; Q4  
Foreign Exchange; Q2; Q3; Q5; Q12; QE01; QE02; QE04; QE05  
Forwards; QE07  
Furniture, Equipment and Supplies; Q2  
Guaranty Fund; Q2; Q18  
Health Care Receivables; Q2; Q9; Q10, Note 28  
Hospital/Medical Benefits; Q4  
Incentive Pools; Q3; Q4; Q9  
Income; Q4; Q5  
Income Taxes; Q2; Q3; Q4; Q5; Q10, Note 9  
Incurred Claims and Claim Adjustment Expenses; Q10, Note 25  
Intercompany Pooling; Q10, Note 26  
Investment Income; Q10, Note 7  
    Accrued; Q2  
    Earned; Q2; Q14  
    Received; Q6  
Investments; Q10, Note 5; Q11.1; Q11.2  
Joint Ventures; Q10, Note 6  
Leases; Q10, Note 15  
Limited Liability Company (LLC); Q10, Note 6  
Limited Partnership; Q10, Note 6  
Long-Term Invested Assets; QE03  
Managing General Agents; Q10, Note 19  
Medicare Part D Coverage; QSupp1  
Member Months; Q4; Q7  
Mortgage Loans; Q2; Q6; Q11.1; QE02  
Non Admitted Assets; Q2; Q5; Q12  
Off-Balance Sheet Risk; Q10, Note 16  
Options; QE06  
Organizational Chart; Q11; Q19  
Out-of-Area; Q4  
Outside Referrals; Q4  
Parents, Subsidiaries and Affiliates; Q2; Q3; Q10, Note 10; Q11.1  
Participating Policies; Q10, Note 29  
Pharmaceutical Rebates; Q10, Note 28  
Policyholder Dividends; Q6  
Postemployment Benefits; Q10, Note 12  
Postretirement Benefits; Q10, Note 12  
Preferred Stock; Q2; Q3; Q6; Q11.1; Q11.2  
Premium Deficiency Reserves; Q10, Note 30

## INDEX TO HEALTH QUARTERLY STATEMENT

### Premiums and Considerations

Advance; Q3  
Collected; Q6  
Deferred; Q2  
Direct; Q7; Q18  
Earned; Q7  
Retrospective; Q2  
Uncollected; Q2  
Unearned; Q4; Q7  
Written; Q4; Q7

Prescription Drugs; Q4

Quasi Reorganizations; Q10, Note 13

Real Estate; Q2; QE01

Redetermination, Contracts Subject to; Q10, Note 24

Reinsurance; Q10, Note 23

Ceded; Q3; Q17  
Funds Held; Q2  
Payable; Q3  
Premiums; Q3  
Receivable; Q2; Q4  
Unauthorized; Q3; Q5

### Reserves

Accident and Health; Q3; Q4  
Claim; Q3; Q5; Q8  
Life; Q3

Retirement Plans; Q10, Note 12

Retrospectively Rated Policies; Q10, Note 24

Risk Revenue; Q4

Salvage and Subrogation; Q10, Note 31

September 11 Events; Q10, Note 20

Servicing of Financial Assets; Q10, Note 17

Short-Term Investments; Q2; Q6; Q11.1; Q14

Stockholder Dividends; Q5

Subsequent Events; Q10, Note 22

Surplus; Q3; Q5; Q10, Note 13

Surplus Notes; Q3; Q5; Q6

Swaps; QE07

Synthetic Assets; Q15; Q16

Third Party Administrator; Q10, Note 19

Treasury Stock; Q3; Q5

Uninsured Accident and Health; Q2; Q3; Q10, Note 18

Valuation Allowance; Q12; Q14

Wash Sales; Q10, Note 17

Withholds; Q4; Q8