00000200920100100

HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2009

OF THE CONDITION AND AFFAIRS OF THE

UAHC Health Plan of Tennessee Inc

NAIC Group Code 0000 (Current Period) 0000 (Prior Period) **NAIC Company Code** 00000 **Employer's ID Number** 62-1547197

Organized under the Laws of _____, **State of Domicile or Port of Entry** TN

Country of Domicile _____

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

Incorporated/Organized: October 6, 1993 **Commenced Business:** January 3, 1994

Statutory Home Office: 6555 Quince, Suite 300A (Street and Number), Memphis, TN 38119 (City or Town, State and Zip Code)

Main Administrative Office: 6555 Quince, Suite 300A (Street and Number)
Memphis, TN 38119 (City or Town, State and Zip Code) 901-348-2201 (Area Code) (Telephone Number)

Mail Address: 6555 Quince, Suite 300A (Street and Number or P.O. Box), Memphis, TN 38119 (City or Town, State and Zip Code)

Primary Location of Books and Records: 6555 Quince, Suite 300A (Street and Number) Memphis, TN 38119 (City or Town, State and Zip Code) 901-348-2201 (Area Code) (Telephone Number)

Internet Website Address: N/A

Statutory Statement Contact: William L Dennis (Name) 901-348-4422 (Area Code) (Telephone Number) (Extension)
bdennis@uahc.com (E-Mail Address) 901-348-2212 (Fax Number)

OFFICERS

	Name	Title
1.	William C Brooks	President & CEO
2.	William L Dennis	Chief Financial Officer
3.		

VICE-PRESIDENTS

Name	Title	Name	Title

DIRECTORS OR TRUSTEES

Stephanie Dowell	Stephen Harris	Tom Goss	Samuel King
Grover Barnes, M.D.	Kingsley Oraedu, M.D.	Griselle Figueredo, M.D.	Lloyd Robinson
Logan Miller, M.D.	Neal Beckford, M.D.	Stan Sawyer	William Brooks
Ricky Wilkins			

State of Tennessee

County of Shelby ss

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

(Signature)	(Signature)	(Signature)
William C Brooks	William L Dennis	
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President & CEO	Chief Financial Officer	
(Title)	(Title)	(Title)

Subscribed and sworn to before me this
1st day of March , 2010

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

CAROLYN G. ONUMONU
Notary Public, State of Michigan
County of Wayne
My Commission Expires Jan. 26, 2013
Acting in the County of _____

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	2,320,657		2,320,657	10,553,424
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
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 ($ 7,995,700, Schedule E - Part 1), cash equivalents ($ 0, Schedule E - Part 2), and short-term investments ($ 0, Schedule DA)	7,995,700		7,995,700	6,676,341
6. Contract loans (including $ 0 premium notes)				
7. Other invested assets (Schedule BA)				
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	10,316,357		10,316,357	17,229,765
11. Title plants less $ 0 charged off (for Title insurers only)				
12. Investment income due and accrued	2,466		2,466	177,784
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	13,321		13,321	816,797
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				
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				
16.2 Net deferred tax asset				
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software				
19. Furniture and equipment, including health care delivery assets ($ 0)				
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates				
22. Health care ($ 102,688) and other amounts receivable	447,438	417,438	30,000	35,000
23. Aggregate write-ins for other than invested assets				
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	10,779,582	417,438	10,362,144	18,259,346
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	10,779,582	417,438	10,362,144	18,259,346

DETAILS OF WRITE-IN LINES				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page	NONE			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	NONE			
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $ 0 reinsurance ceded)	1,450,000		1,450,000	1,878,000
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses	141,000		141,000	182,000
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserves				
7.	Aggregate health claim reserves				
8.	Premiums received in advance				
9.	General expenses due or accrued	295,523		295,523	209,621
10.1	Current federal and foreign income tax payable and interest thereon (including $ 0 on realized gains (losses))	7,825		7,825	1,194,833
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				116,818
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)	356,379		356,379	1,578,397
22.	Total liabilities (Lines 1 to 21)	2,250,727		2,250,727	5,159,669
23.	Aggregate write-ins for special surplus funds	XXX	XXX		
24.	Common capital stock	XXX	XXX	200,000	200,000
25.	Preferred capital stock	XXX	XXX	12,550,000	12,550,000
26.	Gross paid in and contributed surplus	XXX	XXX		
27.	Surplus notes	XXX	XXX		
28.	Aggregate write-ins for other than special surplus funds	XXX	XXX		
29.	Unassigned funds (surplus)	XXX	XXX	(4,638,583)	349,677
30.	Less treasury stock, at cost:				
	30.1 0 shares common (value included in Line 24 $ 0)	XXX	XXX		
	30.2 0 shares preferred (value included in Line 25 $ 0)	XXX	XXX		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	8,111,417	13,099,677
32.	Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	10,362,144	18,259,346

	DETAILS OF WRITE-IN LINES				
2101.	A/P - OTHER	160,247		160,247	29,181
2102.	DUE TO/(FROM) STATE/FEES ASSESSED	152,677		152,677	
2103.	PREMIUM TAX PAYABLE	24,988		24,988	816,796
2198.	Summary of remaining write-ins for Line 21 from overflow page	18,467		18,467	732,420
2199.	Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	356,379		356,379	1,578,397
2301.		XXX	XXX		
2302.		XXX	XXX		
2303.		XXX	XXX		
2398.	Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX		
2399.	Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX		
2801.		XXX	XXX		
2802.		XXX	XXX		
2803.		XXX	XXX		
2898.	Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX		
2899.	Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	XXX	XXX		

NONE

NONE

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	XXX	7,245	1,002,447
2. Net premium income (including $ 0 non-health premium income)	XXX	8,975,796	11,063,240
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	344,750	2,381,946
7. Aggregate write-ins for other non-health revenues	XXX		
8. Total revenues (Lines 2 to 7)	XXX	9,320,546	13,445,186
Hospital and Medical:			
9. Hospital/medical benefits		4,922,433	5,177,723
10. Other professional services		2,102,417	2,514,932
11. Outside referrals			
12. Emergency room and out-of-area		127,760	153,713
13. Prescription drugs		1,715,372	2,302,426
14. Aggregate write-ins for other hospital and medical		(469,000)	(148,188)
15. Incentive pool, withhold adjustments and bonus amounts			
16. Subtotal (Lines 9 to 15)		8,398,982	10,000,606
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Lines 16 minus 17)		8,398,982	10,000,606
19. Non-health claims (net)			
20. Claims adjustment expenses, including $ 255,835 cost containment expenses		548,965	795,213
21. General administrative expenses		6,207,425	3,307,458
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)		15,155,372	14,103,277
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(5,834,826)	(658,091)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		186,546	659,168
26. Net realized capital gains (losses) less capital gains tax of $ 0			
27. Net investment gains (losses) (Lines 25 plus 26)		186,546	659,168
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)	XXX	(5,648,280)	1,077
31. Federal and foreign income taxes incurred	XXX		418,386
32. Net income (loss) (Lines 30 minus 31)	XXX	(5,648,280)	(417,309)

DETAILS OF WRITE-IN LINES			
0601. TENNCARE SHARED RISK REVENUE	XXX	344,750	2,381,946
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 06 from overflow page	XXX		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)	XXX	344,750	2,381,946
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 07 from overflow page	XXX		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 07 above)	XXX		
1401. MEDICARE ACCRUAL		(469,000)	(148,188)
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)		(469,000)	(148,188)
2901. CLAIMS AUDIT / AMENDMENT 3			
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)			

NONE

NONE

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year	2 Prior Year
	CAPITAL & SURPLUS ACCOUNT		
33.	Capital and surplus prior reporting year	13,099,677	14,616,274
34.	Net income or (loss) from Line 32	(5,648,280)	(417,309)
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	(75,659)	(35,137)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax		(797,536)
39.	Change in nonadmitted assets	735,679	(266,615)
40.	Change in unauthorized reinsurance		
41.	Change in treasury stock		
42.	Change in surplus notes		
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
	44.1 Paid in		
	44.2 Transferred from surplus (Stock Dividend)		
	44.3 Transferred to surplus		
45.	Surplus adjustments:		
	45.1 Paid in		
	45.2 Transferred to capital (Stock Dividend)		
	45.3 Transferred from capital		
46.	Dividends to stockholders		
47.	Aggregate write-ins for gains or (losses) in surplus		
48.	Net change in capital and surplus (Lines 34 to 47)	(4,988,260)	(1,516,597)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	8,111,417	13,099,677

	DETAILS OF WRITE-IN LINES		
4701.			
4702.			
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)		

NONE

CASH FLOW

	Cash from Operations	1 Current Year	2 Prior Year
1.	Premiums collected net of reinsurance	9,779,272	11,310,972
2.	Net investment income	361,864	822,689
3.	Miscellaneous income	344,750	2,381,946
4.	Total (Lines 1 through 3)	10,485,886	14,515,607
5.	Benefit and loss related payments	8,826,982	10,237,326
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	6,711,488	3,930,160
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of $ 0 tax on capital gains (losses)	1,187,008	547,549
10.	Total (Lines 5 through 9)	16,725,478	14,715,035
11.	Net cash from operations (Line 4 minus Line 10)	(6,239,592)	(199,428)
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	25,095,322	11,405,265
	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	41,984	
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	25,137,306	11,405,265
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	16,904,539	12,363,747
	13.2 Stocks		
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets		
	13.6 Miscellaneous applications		108,658
	13.7 Total investments acquired (Lines 13.1 to 13.6)	16,904,539	12,472,405
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	8,232,767	(1,067,140)
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes		
	16.2 Capital and paid in surplus, less treasury stock		
	16.3 Borrowed funds		
	16.4 Net deposits on deposit-type contracts and other insurance liabilities		
	16.5 Dividends to stockholders		
	16.6 Other cash provided (applied)	(673,816)	(790,485)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	(673,816)	(790,485)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,319,359	(2,057,053)
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	6,676,341	8,733,394
	19.2 End of year (Line 18 plus Line 19.1)	7,995,700	6,676,341

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

20.0001		
20.0002		
20.0003		

Report #2A TENNCARE OPERATIONS STATEMENT OF REVENUE AND EXPENSES

Statement as of December 31, 2009 of UAHC Health Plan of TN, Inc.

		Current Period	Current Year to Date	Prior Calendar Year
	MEMBER MONTHS	-	-	992,434
	REVENUES:			
1.	TennCare Capitation	344,750	7,735,463	199,841,236
2.	Investment	16,869	186,546	659,168
3.	Other Revenue (Provide detail)	1,725,566	2,751,505	23,775,744
4.	**TOTAL REVENUES (Lines 1 to 3)**	**2,087,184**	**10,673,515**	**224,276,148**
	EXPENSES:			
	Medical and Hospital Services			
5.	Capitated Physician Services	-	-	4,853,135
6.	Fee-for-Service Physician Services	-	(21,544)	19,145,656
7.	Inpatient Hospital Services	-	2,549,722	42,722,689
8.	Outpatient Services	-	2,767,907	69,327,207
9.	Emergency Room Services	-	267,715	25,104,839
10.	Mental Health Services	-	-	-
11.	Dental Services	-	-	-
12.	Vision Services	-	9,881	1,660,010
13.	Pharmacy Services	-	-	-
14.	Home Health Services	-	183,885	1,287,015
15.	Chiropractic Services	-	-	-
16.	Radiology Services	-	73,801	3,721,992
17.	Laboratory Services	-	22,508	1,723,396
18.	Durable Medical Equipment Services	-	198,165	2,251,078
19.	Transportation Services	-	36,525	7,400,564
20.	Outside Referrals	-	-	-
21.	Medical Incentive Pool and Withhold Adjustments	-	-	-
22.	Occupancy, Depreciation, and Amortization	-	-	-
23.	Other Medical and Hospital Services (Provide detail)	1,349,000	1,886,371	25,815,720
24.	Subtotal (Lines 5 to 23)	1,349,000	7,974,935	205,013,300
25.	Reinsurance Expenses Net of Recoveries	-	-	-
	LESS:			
26.	Copayments	-	-	-
27.	Subrogation	-	-	-
28.	Coordination of Benefits	-	(326,717)	(1,467,011)
29.	Subtotal (Lines 26 to 28)	-	(326,717)	(1,467,011)
30.	**TOTAL MEDICAL AND HOSPITAL (Lines 24 and 25 less 29)**	**1,349,000**	**7,648,217**	**203,546,289**
	Administration:			
31.	Compensation	(9,152)	695,767	4,281,547
32.	Marketing	-	-	-
33.	Interest Expense	-	-	-
34.	Premium Tax Expense	33,568	201,133	4,324,126
35.	Occupancy, Depreciation and Amortization	38,347	201,269	234,252
36.	Other Administration (Provide detail)	2,706,837	8,649,820	8,924,518
37.	**TOTAL ADMINISTRATION (Lines 31 thru 36)**	**2,769,599**	**9,747,989**	**17,764,443**
38.	**TOTAL EXPENSES (Lines 30 and 37)**	**4,118,599**	**17,396,206**	**221,310,732**
39.	**NET INCOME (LOSS) (Line 4 less 38)**	**(2,031,414)**	**(6,722,691)**	**2,965,416**

Report #2A (con't) TENNCARE OPERATIONS STATEMENT OF REVENUE AND EXPENSES

Statement as of December 31, 2009 of UAHC Health Plan of TN, Inc.

Line 3 - Other Revenue	Current Period	Current Year to Date	Prior Calendar Year
Administrative Fee Revenue from State	-	3,315	11,731,680
Revenue from State for Premium Tax	31,816	1,054,441	4,571,859
Miscellaneous Revenue	-	-	-
Shared Risk Revenue	344,750	344,750	1,438,205
Pharmacy Rebates	-	-	-
IBNR	1,349,000	1,349,000	6,034,000
Total	1,725,566	2,751,505	23,775,744

Line 23 - Other Medical and Hospital Services			
Other Referral/Specialist Services	-	537,371	19,781,720
Other	-	-	-
Physical Therapy	-	-	-
IBNR	1,349,000	1,349,000	6,034,000
Total	1,349,000	1,886,371	25,815,720

Line 36 - Other Administration			
Accounting Services	22,500	113,300	101,200.00
Legal Services	-	1,056	63,208.00
Professional Services	2,495	463,116	4,333,829.00
Board of Directors' Meetings	-	550	40,579.00
Outreach/Member Services	(33)	33	209,641
Bank Charges	4,413	28,308	41,622.00
Administrative Expenses	2,674,271	7,944,550	3,914,781.00
Consumables	1,490	3,189	214,796.00
Travel & Entertainment	-	4,779	101,494.00
Other Administrative Expenses	1,701	30,271	60,526
Provision for Income Taxes	-	-	418,386.00
Deferred Income Tax	-	-	(797,536)
Other Professional Services	-	60,668	221,993
Total	2,706,837	8,649,820	8,924,518

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefit Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	8,975,796						8,975,796			
2. Change in unearned premium reserves and reserve for rate credit										
3. Fee-for-service (net of $ 0 medical expenses)										XXX
4. Risk revenue										XXX
5. Aggregate write-ins for other health care related revenues	344,750							344,750		XXX
6. Aggregate write-ins for other non-health care related revenues		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Lines 1 to 6)	9,320,546						8,975,796	344,750		
8. Hospital/medical benefits	4,922,433						4,922,433			XXX
9. Other professional services	2,102,417						2,102,417			XXX
10. Outside referrals										XXX
11. Emergency room and out-of-area	127,760						127,760			XXX
12. Prescription drugs	1,715,372						1,715,372			XXX
13. Aggregate write-ins for other hospital and medical	(469,000)						(469,000)			XXX
14. Incentive pool, withhold adjustments and bonus amounts										XXX
15. Subtotal (Lines 8 to 14)	8,398,982						8,398,982			XXX
16. Net reinsurance recoveries										XXX
17. Total hospital and medical (Lines 15 minus 16)	8,398,982						8,398,982			XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $ 255,835 cost containment expenses	548,965						548,965			
20. General administrative expenses	6,207,425						6,207,425			
21. Increase in reserves for accident and health contracts										XXX
22. Increase in reserves for life contracts		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	15,155,372						15,155,372			
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(5,834,826)						(6,179,576)	344,750		

DETAILS OF WRITE-IN LINES										
0501. TENNCARE SHARED RISK REVENUE	344,750							344,750		XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 05 from overflow page										XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)	344,750							344,750		XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 06 from overflow page		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301. MEDICARE ACCRUAL	(469,000)						(469,000)			XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page										XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	(469,000)						(469,000)			XXX

NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)				
2. Medicare Supplement				
3. Dental only				
4. Vision only				
5. Federal Employees Health Benefits Plan				
6. Title XVIII – Medicare	8,975,796		65,624	8,910,172
7. Title XIX – Medicaid				
8. Other health				
9. Health subtotal (Lines 1 through 8)	8,975,796		65,624	8,910,172
10. Life				
11. Property/casualty				
12. Totals (Lines 9 to 11)	8,975,796		65,624	8,910,172

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	8,867,982						8,867,982			
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	8,867,982						8,867,982			
2. Paid medical incentive pools and bonuses										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	1,450,000						1,450,000			
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	1,450,000						1,450,000			
5. Accrued medical incentive pools and bonuses, current year										
6. Net healthcare receivables (a)										
7. Amounts recoverable from reinsurers December 31, current year										
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	1,878,000						1,878,000			
8.2 Reinsurance assumed										
8.3 Reinsurance ceded										
8.4 Net	1,878,000						1,878,000			
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct										
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net										
10. Accrued medical incentive pools and bonuses, prior year										
11. Amounts recoverable from reinsurers December 31, prior year										
12. Incurred benefits:										
12.1 Direct	8,439,982						8,439,982			
12.2 Reinsurance assumed										
12.3 Reinsurance ceded										
12.4 Net	8,439,982						8,439,982			
13. Incurred medical incentive pools and bonuses										

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct										
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net										
2. Incurred but Unreported:										
2.1 Direct	1,450,000						1,450,000			
2.2 Reinsurance assumed										
2.3 Reinsurance ceded										
2.4 Net	1,450,000						1,450,000			
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS:										
4.1 Direct	1,450,000						1,450,000			
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	1,450,000						1,450,000			