

Americhoice - West Tennessee
Report 2A - TennCare Income Statement
 West Tennessee CRA 2.30.14.3.3 and 2.30.14.3.4

| | Current Quarter | Year-To-Date Total | Previous Year Total |
|---|--------------------|--------------------|---------------------|
| Member Months | 489,962 | 1,947,780 | 347,593 |
| Revenues: | | | |
| TennCare Capitation | 115,521,949 | 429,324,147 | 68,826,990 |
| Investment | - | - | - |
| Other Revenues | - | - | - |
| Total Estimated Revenues | 115,521,949 | 429,324,147 | 68,826,990 |
| Expenses: | | | |
| Hospital and Medical (w/o Mental Health) | | | |
| Capitated Physician Services | - | - | - |
| Fee-for Service Physician Services | 26,133,184 | 100,580,382 | 29,730,691 |
| Inpatient Hospital Services | 28,852,076 | 99,363,933 | 15,417,132 |
| Outpatient Hospital Services | 4,378,210 | 15,655,786 | 2,427,302 |
| Emergency Room Services | 12,046,334 | 41,746,002 | 11,844,854 |
| Dental Services | - | - | - |
| Vision Services | 281,744 | 1,257,885 | - |
| Pharmacy Services | - | - | - |
| Home Health Services | 2,289,149 | 7,183,185 | - |
| Chiropractic Services | - | - | - |
| Radiology Services | 4,744,778 | 18,182,014 | 2,092,303 |
| Laboratory Services | 2,076,870 | 7,506,753 | 514,040 |
| Durable Medical Equipment Services | 1,234,761 | 4,337,357 | 852,802 |
| Transportation Services | 4,727,079 | 15,214,501 | 846,642 |
| Outside Referrals | - | - | - |
| Medical Incentive Pool and Withhold Adj | - | - | - |
| Occupancy, Depreciation and Amortization | - | - | - |
| Other Medical and Hospital Services - Write-Ins | 838,977 | 3,278,346 | 447,245 |
| Subtotal Medical and Hospital | 87,603,162 | 314,306,143 | 64,173,011 |
| Mental Health and Substance Abuse Services | | | |
| Inpatient Psychiatric Facility Services | 2,707,200 | 14,468,811 | 993,722 |
| Inpatient Substance Abuse Treatment and Detox | 78,025 | 307,427 | 24,402 |
| Outpatient Mental Health Services | 574,158 | 2,738,302 | 359,989 |
| Outpatient Substance Abuse Treatment and Detox | 23,341 | 103,338 | 2,380 |
| Housing/Residential Treatment | 1,346,763 | 7,818,357 | 191,954 |
| Specialized Crisis Services | 463,761 | 2,068,209 | 1,893,196 |
| Psychiatric Rehab and Support Services | 1,132,802 | 4,763,305 | 179,580 |
| Case Management | 3,858,238 | 18,108,786 | 957,955 |
| Forensics | - | - | - |
| Other Judicial | - | - | - |
| Pharmacy | - | - | - |
| Lab Services | - | - | - |
| Transportation | 290,427 | 1,329,400 | 1,351,774 |
| Medical Incentive Pool and Withhold Adjustments | - | - | - |
| Occupancy, Depreciation and Amortization | - | - | - |
| Other Mental Health and Substance Abuse Services | 198,475 | 481,199 | 10,166 |
| PCP and Specialist Services | - | - | - |
| Other Mental Health Services - Write-Ins | - | - | - |
| Subtotal MH&SAS | 10,673,190 | 52,187,134 | 5,965,118 |
| Subtotal Hospital, Medical, MH&SAS | 98,276,351 | 366,493,277 | 70,138,129 |
| LESS: | | | |
| Net Reinsurance Recoveries Incurred | - | - | - |
| Copayments | - | - | - |
| Subrogation and Corrdination of Benefits | - | - | - |
| Subtotal Reinsurance, Copay, Subrogation | - | - | - |
| Total Hospital, Medical, MHS&S | 98,276,351 | 366,493,277 | 70,138,129 |
| Administration: | | | |
| Compensation | - | - | - |
| Marketing | - | - | - |
| Interest Expense | - | - | - |
| Premium Tax Expense | 6,056,424 | 15,782,170 | 1,310,090 |
| Occupancy, Depreciation, and Amortization | - | - | - |
| Other Administration - Write-Ins | 9,491,348 | 38,948,882 | 6,157,681 |
| Total Administration Expenses | 15,547,772 | 54,731,052 | 7,467,771 |
| Total Expenses | 113,824,123 | 421,224,329 | 77,605,901 |
| Extraordinary Item | - | - | - |
| Provision for Income Tax | 594,239 | 2,834,936 | (3,072,619) |
| Net Income (Loss) | 1,103,587 | 5,264,882 | (5,706,292) |
| Write-Ins for Other Expense | | | |
| Detail of Other Medical and Hospital: | | | |
| Other Capitated Services - Transportation | 838,977 | 3,278,346 | 447,245 |
| - | - | - | - |
| - | - | - | - |
| Total Other Medical and Hospital | 838,977 | 3,278,346 | 447,245 |
| Detail of Other MH and SAS: | | | |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| Total Other MH and SAS | - | - | - |
| Detail of Other Administration: | | | |
| Administrative Services Fee | 9,408,825 | 35,344,156 | 5,570,104 |
| Behaviorial Healthcare Services | 82,523 | 3,604,726 | 587,577 |
| ASO Claims Administration Fees | - | - | - |
| Total Other Administration | 9,491,348 | 38,948,882 | 6,157,681 |

Americhoice - Middle Tennessee
Report 2A - TennCare Income Statement
Middle Tennessee CRA 2.30.14.3.3 and 2.30.14.3.4

| | Current Period | Year-To-Date Total | Previous Year Total |
|---|--------------------|--------------------|---------------------|
| Member Months | 573,745 | 2,272,126 | 2,211,932 |
| Revenues: | | | |
| TennCare Capitation | 170,749,477 | 610,162,020 | 597,926,262 |
| Investment | - | - | - |
| Other Revenues | - | - | - |
| Total Estimated Revenues | 170,749,477 | 610,162,020 | 597,926,262 |
| Expenses: | | | |
| Hospital and Medical (w/o Mental Health) | | | |
| Capitated Physician Services | - | - | - |
| Fee-for Service Physician Services | 38,803,895 | 156,649,730 | 122,232,239 |
| Inpatient Hospital Services | 33,237,165 | 128,299,070 | 129,374,461 |
| Outpatient Hospital Services | 6,745,590 | 26,141,917 | 42,525,077 |
| Emergency Room Services | 10,730,438 | 37,511,286 | 31,388,320 |
| Dental Services | - | - | - |
| Vision Services | 408,943 | 1,582,927 | 1,116,318 |
| Pharmacy Services | - | - | - |
| Home Health Services | 4,561,753 | 16,546,089 | 57,761,881 |
| Chiropractic Services | - | - | - |
| Radiology Services | 7,540,990 | 30,317,702 | 10,303,286 |
| Laboratory Services | 3,270,583 | 11,685,099 | 7,813,552 |
| Durable Medical Equipment Services | 1,974,882 | 7,553,940 | 6,216,611 |
| Transportation Services | 4,150,150 | 18,487,856 | 16,713,361 |
| Outside Referrals | - | - | - |
| Medical Incentive Pool and Withhold Adj | - | - | - |
| Occupancy, Depreciation and Amortization | - | - | - |
| Other Medical and Hospital Services - Write-Ins | 276,571 | 1,104,423 | 300,198 |
| Subtotal Medical and Hospital | 111,700,960 | 435,880,038 | 425,745,304 |
| Mental Health and Substance Abuse Services | | | |
| Inpatient Psychiatric Facility Services | 1,934,036 | 8,426,931 | 13,619,466 |
| Inpatient Substance Abuse Treatment and Detox | 400,503 | 1,475,533 | 1,623,640 |
| Outpatient Mental Health Services | 2,183,111 | 7,783,819 | 8,950,612 |
| Outpatient Substance Abuse Treatment and Detox | 243,305 | 439,363 | 82,792 |
| Housing/Residential Treatment | 2,787,589 | 9,044,360 | 6,002,902 |
| Specialized Crisis Services | 972,222 | 3,955,592 | 457,268 |
| Psychiatric Rehab and Support Services | 1,540,053 | 5,672,663 | 5,626,489 |
| Case Management | 5,503,835 | 20,158,453 | 27,213,037 |
| Forensics | - | - | - |
| Other Judicial | - | - | - |
| Pharmacy | - | - | - |
| Lab Services | - | - | - |
| Transportation | 365,738 | 1,489,586 | 1,511,308 |
| Medical Incentive Pool and Withhold Adjustments | - | - | - |
| Occupancy, Depreciation and Amortization | - | - | - |
| Other Mental Health and Substance Abuse Services | 609,761 | 2,033,998 | 4,960,161 |
| PCP and Specialist Services | - | - | - |
| Other Mental Health Services - Write-Ins | - | - | - |
| Subtotal MH&SAS | 16,540,152 | 60,480,299 | 70,047,674 |
| Subtotal Hospital, Medical, MH&SAS | 128,241,112 | 496,360,337 | 495,792,979 |
| LESS: | | | |
| Net Reinsurance Recoveries Incurred | - | - | - |
| Copayments | - | - | - |
| Subrogation and Coordination of Benefits | - | - | - |
| Subtotal Reinsurance, Copay, Subrogation | - | - | - |
| Total Hospital, Medical, MHS&S | 128,241,112 | 496,360,337 | 495,792,979 |
| Administration: | | | |
| Compensation | - | - | - |
| Marketing | - | - | - |
| Interest Expense | - | - | - |
| Premium Tax Expense | 8,421,768 | 22,160,955 | 12,010,725 |
| Occupancy, Depreciation, and Amortization | - | - | - |
| Other Administration - Write-Ins | 13,934,078 | 55,567,036 | 62,043,048 |
| Total Administration Expenses | 22,355,845 | 77,727,991 | 74,053,773 |
| Total Expenses | 150,596,957 | 574,088,328 | 569,846,752 |
| Extraordinary Item | - | - | - |
| Provision for Income Tax | 7,053,382 | 12,625,792 | 9,827,829 |
| Net Income (Loss) | 13,099,138 | 23,447,900 | 18,251,682 |
| Write-Ins for Other Expense | | | |
| Detail of Other Medical and Hospital: | | | |
| Other Capitated Services | 0 | 827,852 | 300,198 |
| - | - | - | - |
| - | - | - | - |
| Total Other Medical and Hospital | - | 827,852 | 300,198 |
| Detail of Other MH and SAS: | | | |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| Total Other MH and SAS | - | - | - |
| Detail of Other Administration: | | | |
| Administrative Services Fee | 13,731,351 | 48,555,639 | 52,624,173 |
| Behavioral Healthcare Services | 202,727 | 7,010,223 | 9,416,435 |
| ASO Claims Administration Fees | - | 1,174 | 3,578 |
| Total Other Administration | 13,934,078 | 55,567,036 | 62,044,186 |

Americhoice - East Tennessee
 Report 2A - TennCare Income Statement
 East Tennessee CRA 2.30.14.3.3 and 2.30.14.3.4

| | Current Period | Year-To-Date Total | Previous Year Total |
|---|--------------------|--------------------|---------------------|
| Member Months | 529,147 | 2,072,999 | - |
| Revenues: | | | |
| TennCare Capitation | 124,187,499 | 446,801,189 | - |
| Investment | - | - | - |
| Other Revenues | - | - | - |
| Total Estimated Revenues | 124,187,499 | 446,801,189 | - |
| Expenses: | | | |
| Hospital and Medical (w/o Mental Health) | | | |
| Capitated Physician Services | - | - | - |
| Fee-for Service Physician Services | 34,010,192 | 132,551,805 | - |
| Inpatient Hospital Services | 26,020,079 | 76,919,643 | - |
| Outpatient Hospital Services | 7,304,258 | 27,983,140 | - |
| Emergency Room Services | 12,702,562 | 46,838,977 | - |
| Dental Services | - | - | - |
| Vision Services | 267,063 | 1,205,266 | - |
| Pharmacy Services | - | - | - |
| Home Health Services | 935,490 | 3,641,478 | - |
| Chiropractic Services | - | - | - |
| Radiology Services | 7,090,703 | 28,414,902 | - |
| Laboratory Services | 3,093,336 | 11,867,447 | - |
| Durable Medical Equipment Services | 1,594,970 | 6,785,016 | - |
| Transportation Services | 3,070,007 | 11,372,150 | - |
| Outside Referrals | - | - | - |
| Medical Incentive Pool and Withhold Adj | - | - | - |
| Occupancy, Depreciation and Amortization | - | - | - |
| Other Medical and Hospital Services - Write-Ins | 287,617 | 1,129,207 | - |
| Subtotal Medical and Hospital | 96,376,278 | 348,709,031 | - |
| Mental Health and Substance Abuse Services | | | |
| Inpatient Psychiatric Facility Services | 1,556,232 | 8,787,435 | - |
| Inpatient Substance Abuse Treatment and Detox | 335,328 | 1,040,507 | - |
| Outpatient Mental Health Services | 851,943 | 3,751,257 | - |
| Outpatient Substance Abuse Treatment and Detox | 62,153 | 255,939 | - |
| Housing/Residential Treatment | 1,306,303 | 5,624,075 | - |
| Specialized Crisis Services | 522,806 | 2,638,868 | - |
| Psychiatric Rehab and Support Services | 1,050,809 | 4,924,912 | - |
| Case Management | 2,873,506 | 13,726,348 | - |
| Forensics | - | - | - |
| Other Judicial | - | - | - |
| Pharmacy | - | - | - |
| Lab Services | - | - | - |
| Transportation | 277,041 | 1,534,912 | - |
| Medical Incentive Pool and Withhold Adjustments | - | - | - |
| Occupancy, Depreciation and Amortization | - | - | - |
| Other Mental Health and Substance Abuse Services | 269,130 | 1,073,827 | - |
| PCP and Specialist Services | - | - | - |
| Other Mental Health Services - Write-Ins | - | - | - |
| Subtotal MH&SAS | 9,105,250 | 43,358,080 | - |
| Subtotal Hospital, Medical, MH&SAS | 105,481,528 | 392,067,111 | - |
| LESS: | | | |
| Net Reinsurance Recoveries Incurred | - | - | - |
| Copayments | - | - | - |
| Subrogation and Coordination of Benefits | - | - | - |
| Subtotal Reinsurance, Copay, Subrogation | - | - | - |
| Total Hospital, Medical, MHS&S | 105,481,528 | 392,067,111 | - |
| Administration: | | | |
| Compensation | - | - | - |
| Marketing | - | - | - |
| Interest Expense | - | - | - |
| Premium Tax Expense | 6,259,535 | 16,364,503 | - |
| Occupancy, Depreciation, and Amortization | - | - | - |
| Other Administration - Write-Ins | 10,077,785 | 40,765,444 | - |
| Total Administration Expenses | 16,337,320 | 57,129,946 | - |
| Total Expenses | 121,818,849 | 449,197,058 | - |
| Extraordinary Item | - | - | - |
| Provision for Income Tax | 829,028 | - | - |
| Net Income (Loss) | 1,539,623 | (2,395,869) | - |
| Write-Ins for Other Expense | | | |
| Detail of Other Medical and Hospital: | | | |
| Other Capitated Services - Transportation | 287,617 | 1,129,207 | - |
| - | - | - | - |
| - | - | - | - |
| Total Other Medical and Hospital | 287,617 | 1,129,207 | - |
| Detail of Other MH and SAS: | | | |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| Total Other MH and SAS | - | - | - |
| Detail of Other Administration: | | | |
| Administrative Services Fee | 9,969,968 | 35,880,083 | - |
| Behaviorial Healthcare Services | 107,818 | 4,885,361 | - |
| ASO Claims Administration Fees | - | - | - |
| Total Other Administration | 10,077,785 | 40,765,444 | - |

STATEMENT AS OF DECEMBER 31, 2009 OF UNITEDHEALTHCARE PLAN OF THE RIVER VALLEY, INC.

PREMIUMS, ENROLLMENT AND UTILIZATION TABLE

| TennCare Supplement | 1 | | 2 | | 3 | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 13 |
|---|---------------|------------|-------------|------------------------------------|---------------------|-------------|---|---|---|-----|-------------|---------------|----|----|
| | Total | Individual | Group | Comprehensive (Hospital & Medical) | Medicare Supplement | Vision Only | | | | | | | | |
| Total Members at end of: | | | | | | | | | | | | | | |
| 1. Prior Year | 416,981 | | 38,345 | | | | | | | XXX | 28,721 | 349,915 | | - |
| 2. First Quarter | 564,592 | | 32,261 | | | | | | | XXX | 25,233 | 507,098 | | - |
| 3. Second Quarter | 587,218 | | 32,821 | | | | | | | XXX | 25,833 | 528,564 | | - |
| 4. Third Quarter | 588,972 | | 33,230 | | | | | | | XXX | 38,854 | 516,888 | | - |
| 5. Current Year | 589,581 | | 35,407 | | | | | | | XXX | 39,057 | 515,117 | | - |
| 6. Current Year Member Months | 7,086,330 | | 396,863 | | | | | | | XXX | 435,140 | 6,254,327 | | - |
| Total Member Ambulatory Encounters for Year: | | | | | | | | | | | | | | |
| 7. Physician | 5,743,744 | | 2,958,408 | | | | | | | XXX | 18,182 | 2,767,154 | | - |
| 8. Non-Physician | 1,101,607 | | 559,582 | | | | | | | XXX | 3,393 | 538,632 | | - |
| 9. Total | 6,845,351 | | 3,517,990 | | | | | | | XXX | 21,575 | 3,305,786 | | - |
| 10. Hospital Patient Days Incurred | 909,920 | | 463,862 | | | | | | | XXX | 44,613 | 401,445 | | - |
| 11. Number of Inpatient Admissions | 147,955 | | 74,980 | | | | | | | XXX | 931 | 72,044 | | - |
| 12. Premiums Written | 2,000,270,607 | | 118,718,990 | | | | | | | XXX | 395,264,262 | 1,486,287,355 | | - |
| 13. Life Premiums Direct | - | | | | | | | | | XXX | | | | - |
| 14. Property/Casualty Premiums Written | - | | | | | | | | | XXX | | | | - |
| 15. Health Premiums Earned | 2,000,270,607 | | 118,718,990 | | | | | | | XXX | 395,264,262 | 1,486,287,355 | | - |
| 16. Property/Casualty Premiums Earned | - | | | | | | | | | XXX | | | | - |
| 17. Amount Paid for Provision of Health Care Services | 1,612,874,744 | | 92,137,985 | | | | | | | XXX | 309,826,952 | 1,210,909,807 | | - |
| 18. Amount Incurred for Provision of Health Care Services | 1,660,525,094 | | 93,587,168 | | | | | | | XXX | 308,739,751 | 1,258,198,175 | | - |

**UHC Plan of the River Valley
Reconciliation of Cash to Accrual Basis Accounting
As of December 31, 2009**

| | <u>Middle</u> | <u>East</u> | <u>West</u> | <u>Consolidated</u> |
|---|---------------|-------------|-------------|---------------------|
| Cash received per premium tax reconciliation | 585,184,955 | 429,956,801 | 417,800,994 | 1,432,942,750 |
| Change in accruals | 20,325,530 | 14,292,656 | 13,965,017 | 48,583,203 |
| STAT adjustment for additional rate change | 8,423,587 | - | - | 8,423,587 |
| 2008 STAT adjustment reversal | (2,600,000) | - | - | (2,600,000) |
| Liquidated Damages payment included by TennCare as premium | - | (30,000) | - | (30,000) |
| Variance between MLR and revenue in GL | (162) | - | - | (162) |
| Change in withhold | (1,171,891) | 1,894,427 | (2,441,864) | (1,719,327) |
| Unearned premium amount from 2002 for which tax was paid in 2002 was taken into revenue per TennCare approval | - | 687,304 | - | 687,304 |
| Accrual basis | 610,162,020 | 446,801,189 | 429,324,147 | 1,486,287,355 |
| 2A Reported premiums | 610,162,020 | 446,801,189 | 429,324,147 | 1,486,287,355 |
| Difference | (0) | 0 | 0 | (0) |

**Americhoice - East Tennessee
Reconciliation Between 2A and MLR Report
As of December 31, 2009**

| <u>Capitation Revenue</u> | <u>Revenue</u> |
|--|--------------------|
| Revenue reported per MLR report | 446,113,885 |
| Add back accruals for premium tax and for payment | 687,304 |
| | 446,801,189 |
| TennCare Capitation per 2A | 446,801,189 |
| Difference | 0 |
| | |
| <u>Claims & Reserve</u> | <u>Claims</u> |
| Paid claims per the 2A | 336,779,539 |
| Change in IBNR | 55,287,572 |
| Total 2A Paid Claims and Change in Reserves | 392,067,111 |
| Incurred Claims per the MLR for the reporting period | 392,070,576 |
| Restated prior year incurred claims | (3,465) |
| Adjusted MLR | 392,067,111 |
| Difference (rounding) | (0) |

**Americhoice - Middle Tennessee
Reconciliation Between 2A and MLR Report
As of December 31, 2009**

| <u>Capitation Revenue</u> | <u>Revenue</u> |
|--|--------------------|
| Revenue reported per MLR report (restated) | 596,399,801 |
| Add back the decrease in restated revenue for prior months | 7,938,793 |
| GAAP to Stat adjustment | 5,823,425 |
| | 610,162,020 |
| TennCare Capitation per 2A (GL) | 610,162,020 |
| Difference | 0 |
| | |
| <u>Claims & Reserve</u> | <u>Claims</u> |
| Paid claims per the 2A | 508,205,262 |
| Change in IBNR | (11,844,926) |
| Total 2A Paid Claims and Change in Reserves | 496,360,337 |
| Incurred Claims per the MLR for the reporting period | 513,347,652 |
| Restated prior year incurred claims | (16,987,315) |
| Adjusted MLR | 496,360,337 |
| Difference | 0 |

**Americhoice - West Tennessee
Reconciliation Between 2A and MLR Report
As of December 31, 2009**

| <u>Capitation Revenue</u> | <u>Revenue</u> |
|---|--------------------|
| Revenue reported per MLR report | 425,325,715 |
| Restated revenue for prior months | 3,998,432 |
| | 429,324,147 |
| TennCare Capitation per 2A | 429,324,147 |
| Difference | 0 |
| | |
| <u>Claims & Reserve</u> | <u>Claims</u> |
| Paid claims per the 2A | 365,984,981 |
| Change in IBNR | 508,296 |
| Total 2A Paid Claims and Change in Reserves | 366,493,277 |
| Incurring Claims per the MLR for the reporting period | 378,452,154 |
| Restated prior year incurred claims | (11,958,877) |
| Adjusted MLR | 366,493,277 |
| Difference (rounding) | 0 |