



QUARTERLY STATEMENT
AS OF September 30, 2008
OF THE CONDITION AND AFFAIRS OF THE
Unison Health Plan of Tennessee, Inc.

NAIC Group Code 0707 , 0707 NAIC Company Code 11139 Employer's ID Number 62-1839257
(Current Period) (Prior Period)

Organized under the Laws of Tennessee , State of Domicile or Port of Entry Tennessee

Country of Domicile United States of America

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

Incorporated/Organized 08/09/2000 Commenced Business 07/01/2001

Statutory Home Office 3175 Lenox Park Blvd., Suite 400 , Memphis, TN 38115
(Street and Number) (City, or Town, State and Zip Code)

Main Administrative Office Unison Plaza, 1001 Brinton Rd.
(Street and Number)

Pittsburgh, PA 15221 (412)858-4000
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address Unison Plaza, 1001 Brinton Rd. , Pittsburgh, PA 15221
(Street and Number or P.O. Box) (City, or Town, State and Zip Code)

Primary Location of Books and Records Unison Plaza, 1001 Brinton Rd.
(Street and Number)

Pittsburgh, PA 15221 (412)858-4000
(City, or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.unisonhealthplan.com

Statutory Statement Contact Leslie Ann Gelpi (412)858-4145
(Name) (Area Code)(Telephone Number)(Extension)
Leslie.Gelpi@unisonhealthplan.com (412)457-1414
(E-Mail Address) (Fax Number)

OFFICERS

<u>Name</u>	<u>Title</u>
John Paul Blank M.D.	Chief Executive Officer
Karen Marie Heim	President #
David William Thomas	Secretary
Leslie Ann Gelpi	Treasurer

OTHERS

DIRECTORS OR TRUSTEES

John Paul Blank M.D. Joan DeCoursin Humes #
 Eric Jacob Wexler #

State of Pennsylvania
 County of Allegheny 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.

Karen Marie Heim
(Signature)
 Karen Marie Heim
(Printed Name)
 1.
 President
(Title)

David W. Thomas
(Signature)
 David W. Thomas
(Printed Name)
 2.
 Secretary
(Title)

Leslie Ann Gelpi
(Signature)
 Leslie Ann Gelpi
(Printed Name)
 3.
 Treasurer
(Title)

Subscribed and sworn to before me this 12th day of November 2008

Sharon E Berger
(Notary Public Signature)

- 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[]

COMMONWEALTH OF PENNSYLVANIA
 Notarial Seal
 Sharon E. Berger, Notary Public
 Braddock Hills Boro, Allegheny County
 My Commission Expires Nov. 9, 2012
 Member, Pennsylvania Association of Notaries

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	5,478,623		5,478,623	4,581,890
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 (\$.....12,273,144), cash equivalents (\$.....0) and short-term investments (\$.....0)	12,273,144		12,273,144	6,051,645
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)	17,751,767		17,751,767	10,633,535
11. Title plants less \$.....0 charged off (for Title insurers only)				
12. Investment income due and accrued	77,778		77,778	70,306
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	880,292		880,292	1,051,795
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	154,252		154,252	285,121
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 adjustments in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates				
22. Health care (\$.....25,609) and other amounts receivable	59,997	34,388	25,609	5,784
23. Aggregate write-ins for other than invested assets	5,217	5,217		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	18,929,303	39,605	18,889,698	12,046,541
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	18,929,303	39,605	18,889,698	12,046,541
DETAILS OF WRITE-INS				
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. Prepaid Expenses	5,217	5,217		
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)	5,217	5,217		

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded)	8,783,108		8,783,108	2,841,820
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses	1,349,373		1,349,373	723,464
4. Aggregate health policy reserves	580,799		580,799	162,070
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance	1,017		1,017	
9. General expenses due or accrued	165,335		165,335	86,458
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	576,276		576,276	871,715
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	1,819,216		1,819,216	532,515
21. Aggregate write-ins for other liabilities (including \$.....0 current)				
22. Total liabilities (Lines 1 to 21)	13,275,124		13,275,124	5,218,042
23. Aggregate write-ins for special surplus funds	X X X	X X X		
24. Common capital stock	X X X	X X X	100	100
25. Preferred capital stock	X X X	X X X		
26. Gross paid in and contributed surplus	X X X	X X X	2,989,400	2,989,400
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	2,625,074	3,838,999
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	5,614,574	6,828,499
32. Total Liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	18,889,698	12,046,541
DETAILS OF WRITE-INS				
2101.				
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)				
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	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	X X X	20,210	6,174	8,752
2. Net premium income (including \$.....0 non-health premium income)	X X X	17,770,875	4,195,700	7,113,723
3. Change in unearned premium reserves and reserves for rate credits	X X X	(418,729)		
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	17,352,146	4,195,700	7,113,723
Hospital and Medical:				
9. Hospital/medical benefits		11,772,433	2,568,424	3,375,339
10. Other professional services		3,446,000	706,125	972,290
11. Outside referrals				
12. Emergency room and out-of-area		363,611	86,503	123,327
13. Prescription drugs		1,520,447	308,165	513,051
14. Aggregate write-ins for other hospital and medical		(809,055)	14,693	16,876
15. Incentive pool, withhold adjustments and bonus amounts				
16. Subtotal (Lines 9 to 15)		16,293,436	3,683,910	5,000,883
Less:				
17. Net reinsurance recoveries				
18. Total hospital and medical (Lines 16 minus 17)		16,293,436	3,683,910	5,000,883
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$.....(107,556) cost containment expenses		199,998	(29,524)	(349,181)
21. General administrative expenses		1,902,038	409,246	763,851
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)		18,395,472	4,063,632	5,415,553
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(1,043,326)	132,068	1,698,170
25. Net investment income earned		372,479	265,675	373,643
26. Net realized capital gains (losses) less capital gains tax of \$.....0				
27. Net investment gains or (losses) (Lines 25 plus 26)		372,479	265,675	373,643
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	(670,847)	397,743	2,071,813
31. Federal and foreign income taxes incurred	X X X	561,966	67,232	636,416
32. Net income (loss) (Lines 30 minus 31)	X X X	(1,232,813)	330,511	1,435,397
DETAILS OF WRITE-INS				
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. Miscellaneous Medical Expense		770	14,693	16,876
1402. Prior Period IBNR Adjustment		(809,825)		
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		(809,055)	14,693	16,876
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	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	6,828,499	5,451,597	5,451,597
34. Net income or (loss) from Line 32	(1,232,813)	330,511	1,435,397
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			
39. Change in nonadmitted assets	18,888	(2,461)	(58,495)
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)	(1,213,925)	328,050	1,376,902
49. Capital and surplus end of reporting period (Line 33 plus 48)	5,614,574	5,779,647	6,828,499
DETAILS OF WRITE-INS			
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)			

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance	17,943,395	6,223,998
2.	Net investment income	364,674	347,956
3.	Miscellaneous income		
4.	Total (Lines 1 to 3)	18,308,069	6,571,954
5.	Benefit and loss related payments	10,353,085	2,467,321
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	212,330	(478,101)
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	10,565,415	1,989,220
11.	Net cash from operations (Line 4 minus Line 10)	7,742,654	4,582,734
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds		1,200,000
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)		1,200,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	896,400	2,680,233
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)	896,400	2,680,233
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)	(896,400)	(1,480,233)
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)	(624,755)	(94,784)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(624,755)	(94,784)
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)	6,221,499	3,007,717
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	6,051,645	3,043,928
19.2	End of period (Line 18 plus Line 19.1)	12,273,144	6,051,645

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	945							945		
2. First Quarter	2,029							2,029		
3. Second Quarter	2,530							2,530		
4. Third Quarter	2,779							2,779		
5. Current Year										
6. Current Year Member Months	20,210							20,210		
Total Member Ambulatory Encounters for Period:										
7. Physician	26,112							26,112		
8. Non-Physician	3,270							3,270		
9. Total	29,382							29,382		
10. Hospital Patient Days Incurred	4,518							4,518		
11. Number of Inpatient Admissions	467							467		
12. Health Premiums Written (a)	17,819,374							17,819,374		
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	17,400,645							17,400,645		
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	10,352,147							10,352,145	2	
18. Amount incurred for Provision of Health Care Services	16,293,436							16,293,436		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....17,819,374.

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
Individually Listed Claims Unpaid						
Rx America	146,532					146,532
Doral Dental	49,811					49,811
0199999 Individually Listed Claims Unpaid	196,343					196,343
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	1,039,150	13,133				1,052,283
0499999 Subtotals	1,235,493	13,133				1,248,626
0599999 Unreported claims and other claim reserves						7,534,482
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						8,783,108
0899999 Accrued Medical Incentive Pool And Bonus Amounts						

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	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)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare	1,218,128	9,191,062	549,597	7,969,239	1,767,725	2,577,550
7. Title XIX - Medicaid	(2)		264,272		264,270	264,270
8. Other health						
9. Health subtotal (Lines 1 to 8)	1,218,126	9,191,062	813,869	7,969,239	2,031,995	2,841,820
10. Healthcare receivables (a)		57,041				
11. Other non-health						
12. Medical incentive pools and bonus amounts						
13. Totals	1,218,126	9,134,021	813,869	7,969,239	2,031,995	2,841,820

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

Notes to Financial Statement

Unison Health Plan of Tennessee, Inc., (the Company) has noted no significant changes since prior year-end for Notes 1 through 3, 5 through 8, 10. A. B. C. & D. (2) through F. (2), 10H through 17B, 18 through 20, and 22 through 30 for the quarter ended September 30, 2008.

4. Discontinued Operations:

- A. The Company was notified by the TennCare Bureau on April 22, 2008 that it was not selected to serve Medicaid enrollees in the West Grand Region for the state's full risk MCO contract scheduled for implementation on November 1, 2008. As a result, the Company will no longer provide services to State of Tennessee Medicaid eligible recipients under its ASO arrangement with TennCare effective October 31, 2008.
- B. Although the Company's ASO arrangement with TennCare is scheduled to terminate on October 31, 2008, operations under the agreement will continue for an unspecified claim run out period to allow for providers to submit claims for payment for dates of service on or before October 31, 2008.
- C. The Company intends to conduct limited operations for the Medicaid ASO line of business through the period of final claim payment processing, as noted above.
- D. As a result of the pending termination of the Company's ASO arrangement with the TennCare Bureau, its Medicaid ASO line of business operations have been classified as discontinued operations and have been reported consistently with the Company's reporting of continuing operations subject to the timeframe and intentions noted above.
- E. The amounts related to the discontinued operations and the effect on the financial statements, including the balance sheet and income statement line items that have been affected are noted below.

Balance Sheet September 30, 2008

Assets

	1) Line 5	Cash	\$ <u>1,133,035</u>
	2) Line 26	Totals	\$ <u>6,002,558</u>

Liabilities, Surplus and Other Funds

	3) Line 22	Total Liabilities	\$ <u>1,337,101</u>
	4) Line 31	Total Capital and Surplus	\$ <u>4,665,457</u>
	5) Line 32	Total	\$ <u>6,002,558</u>

Statement of Revenue and Expenses September 30, 2008

	6) Line 2	Premium	\$ <u>0</u>
	7) Line 22	Increase in aggregate reserves for accident & health (current year less prior year)	\$ <u>0</u>
	8) Line 31	Federal and foreign income taxes incurred	\$ <u>182,183</u>
	9) Line 26	Net realized capital gains (losses)	\$ <u>0</u>
	10) Line 32	Net Income	\$ <u>353,649</u>

9. Income Taxes:

- A. As a result of the acquisition of the Company's parent, Three Rivers Holding, Inc. (Holdings) as noted in notes 10. A. B. C. & D. (1) below, the Company is converting from S-Corp to C-Corp status. In conjunction with the conversion, a Form D – Prior Notice of a Transaction was filed with the Tennessee Department of Commerce of Insurance requesting approval to enter into a First Restated Tax Sharing Agreement with United Health Group Incorporated. Once the agreement is executed, appropriate tax reporting with regard to the new corporate structure and tax sharing agreement will be determined and incorporated into the Company's statutory report by year-end 2008.

10. Information Concerning Parent, Subsidiaries and Affiliates:

- A. B. C. & D.:
 - (1) Three Rivers Holdings, Inc. a corporation organized pursuant to the laws of the State of Delaware and parent of the Company was acquired by AmeriChoice, a United Health Group company on May 31, 2008.
- F. The Company has the following related party agreements:
 - (3) The Company has filed a Form D – Prior Notice of a Transaction with the Tennessee Department of Commerce of Insurance requesting approval to enter into a First Restated Tax Sharing Agreement with United Health Group Incorporated. See Note 9. A. for details regarding this agreement.

Notes to Financial Statement

G. All of the stock of the Company is owned by Holdings, which is a corporation organized pursuant to the laws of the State of Delaware and acts as a holding company for the Company. Holdings, was acquired by AmeriChoice, a United Health Group company on May 31, 2008 and the Company is affiliated through common ownership with the companies detailed on Schedule Y – Part 1. The following companies are also wholly owned by Holdings: Unison Health Plan of Pennsylvania, Inc. (UHPPA), a Pennsylvania domiciled HMO, Unison Family Health Plan of Pennsylvania, Inc., a Pennsylvania domiciled HMO and subsidiary of UHPPA, Unison Health Plan of South Carolina, Inc., a South Carolina domiciled HMO, Unison Health Holdings of Ohio, Inc. (UHHOH), a corporation organized pursuant to the laws of the State of Delaware, Unison Health Plan of Ohio, Inc., an Ohio domiciled Health Insuring Corporation and subsidiary of UHHOH, Unison Health Plan of New Jersey, Inc., a New Jersey domiciled HMO, Unison Health Plan of Delaware, Inc., a Delaware Medicaid MCO, Unison Health Plan of the Capital Area, Inc., a District of Columbia domiciled HMO and Unison Administrative Services, LLC, a Pennsylvania limited liability company.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities:

C. The Company has no wash sales.

21. Events Subsequent:

A. Type I – The Company has no Type I subsequent events to report.

B. Type II – The table below summarizes the Company's exposure due to market volatility fluctuations in the month of October 2008 and admitted assets and capital and surplus as of September 30, 2008 adjusted for October 2008 activity. The market volatility of October 2008 will have no impact on the financial condition of the Company as all investments are either short-term or class 1 bonds which are classified as held-to-maturity and carried at amortized cost.

	Net admitted assets reported as of 9/30/2008	Adjustments			Adjusted value of remaining 9/30/08 assets as of 10/31/2008
		October 2008 activity			
		Sales	Realized Gain/(Loss)	Unrealized Gain/(Loss)	
Bonds	5,478,623	(1,200,000)	--	--	4,278,623
Stocks					
Preferred	--	--	--	--	--
Common	--	--	--	--	--
Mortgage Loans	--	--	--	--	--
Other invested assets	--	--	--	--	--
	<u>5,478,623</u>	<u>(1,200,000)</u>	<u>--</u>	<u>--</u>	<u>4,286,623</u>
			(1)	(2)	
Total Capital and Surplus reported on quarterly statement. (Health: page 3, line 31; P & C: page 3, line 35; Life: page 3, line 38; Title: page 3, line 30)					(3) <u>5,614,574</u>
Change in 9/30/08 surplus as a result of realized and unrealized gains/(losses) occurring October 2008 related to assets owned as of 9/30/08. ((1) + (2))					(4) <u>--</u>
Total Capital and Surplus restated for investment fluctuations during October 2008 related to assets owned as of 9/30/08. ((3) + (4))					<u>5,614,574</u>
Percentage change in 9/30/08 surplus resulting from October 2008 realized and unrealized gains/losses on assets owned as of 9/30/08. ((4) / (3))					<u>0.00%</u>

The sale amount noted above is related to a US Treasury note with a face value of \$1,200,000 that matured on October 31, 2008. This security was replaced with US Treasury note with a face value of \$1,200,000 on October 30, 2008.

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[X] No[]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[X] No[] N/A[]
- 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[X] No[]
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. 08/12/2005.....
- 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. 06/30/2005.....
- 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). 03/24/2006.....
- 6.4 By what department or departments?
Tennessee Department of Commerce and Insurance
- 6.5 Have any financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If 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]				

- 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?
(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. Yes[X] No[]
- 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[X] No[]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
The code of ethics for senior managers was amended in the first quarter of 2008 to include language related to the Medicaid line of business and the District of Columbia Medicaid and Alliance programs. Additions include an enhanced description regarding operation of the Unison Compliance Program, clarification of the terms "vendors" and "subcontractors" as related to their obligations under the plan, and an expansion of the Conflicts of Interest section.
- 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).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$..... 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$..... 0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

13. Amount of real estate and mortgages held in short-term investments: \$. 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[] No[X]
- 14.2 If yes, please complete the following:

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

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes[] No[X]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement. Yes[] No[] N/A[X]
16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[] No[X]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
		There are no securities, excluding items in Schedule E, which require a custodial agreement at 09/30/2008

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes[] No[X]
- 16.4 If yes, give full and complete information relating thereto:

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

- 16.5 Identify all investment advisors, 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

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

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)
Accident and Health - Non-affiliates						
77828	57-0523959	01/01/2008	COMPANION LIFE INS CO	Columbia, SC	SSL/L/I	Yes[X] No[]
93440	06-1041332	01/01/2008	HM LIFE INS CO	Pittsburgh, PA	SSL/L/I	Yes[X] No[]
93440	06-1041332	01/01/2008	HM LIFE INS CO	Pittsburgh, PA	SSL/L/I	Yes[X] No[]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

1	Direct Business Only								
	2	3	4	5	6	7	8	9	
State, Etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama (AL)	N								
2. Alaska (AK)	N								
3. Arizona (AZ)	N								
4. Arkansas (AR)	L		182,716					182,716	
5. California (CA)	N								
6. Colorado (CO)	N								
7. Connecticut (CT)	N								
8. Delaware (DE)	N								
9. District of Columbia (DC)	N								
10. Florida (FL)	N								
11. Georgia (GA)	N								
12. Hawaii (HI)	N								
13. Idaho (ID)	N								
14. Illinois (IL)	N								
15. Indiana (IN)	N								
16. Iowa (IA)	N								
17. Kansas (KS)	N								
18. Kentucky (KY)	N								
19. Louisiana (LA)	N								
20. Maine (ME)	N								
21. Maryland (MD)	N								
22. Massachusetts (MA)	N								
23. Michigan (MI)	N								
24. Minnesota (MN)	N								
25. Mississippi (MS)	L		140,369					140,369	
26. Missouri (MO)	N								
27. Montana (MT)	N								
28. Nebraska (NE)	N								
29. Nevada (NV)	N								
30. New Hampshire (NH)	N								
31. New Jersey (NJ)	N								
32. New Mexico (NM)	N								
33. New York (NY)	N								
34. North Carolina (NC)	N								
35. North Dakota (ND)	N								
36. Ohio (OH)	N								
37. Oklahoma (OK)	N								
38. Oregon (OR)	N								
39. Pennsylvania (PA)	N								
40. Rhode Island (RI)	N								
41. South Carolina (SC)	N								
42. South Dakota (SD)	N								
43. Tennessee (TN)	L		17,496,289					17,496,289	
44. Texas (TX)	N								
45. Utah (UT)	N								
46. Vermont (VT)	N								
47. Virginia (VA)	N								
48. Washington (WA)	N								
49. West Virginia (WV)	N								
50. Wisconsin (WI)	N								
51. Wyoming (WY)	N								
52. American Samoa (AS)	N								
53. Guam (GU)	N								
54. Puerto Rico (PR)	N								
55. U.S. Virgin Islands (VI)	N								
56. Northern Mariana Islands (MP)	N								
57. Canada (CN)	N								
58. Aggregate other alien (OT)	XXX								
59. Subtotal	XXX		17,819,374					17,819,374	
60. Reporting entity contributions for Employee Benefit Plans	XXX								
61. Total (Direct Business)	(a) 3		17,819,374					17,819,374	
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX								
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX								

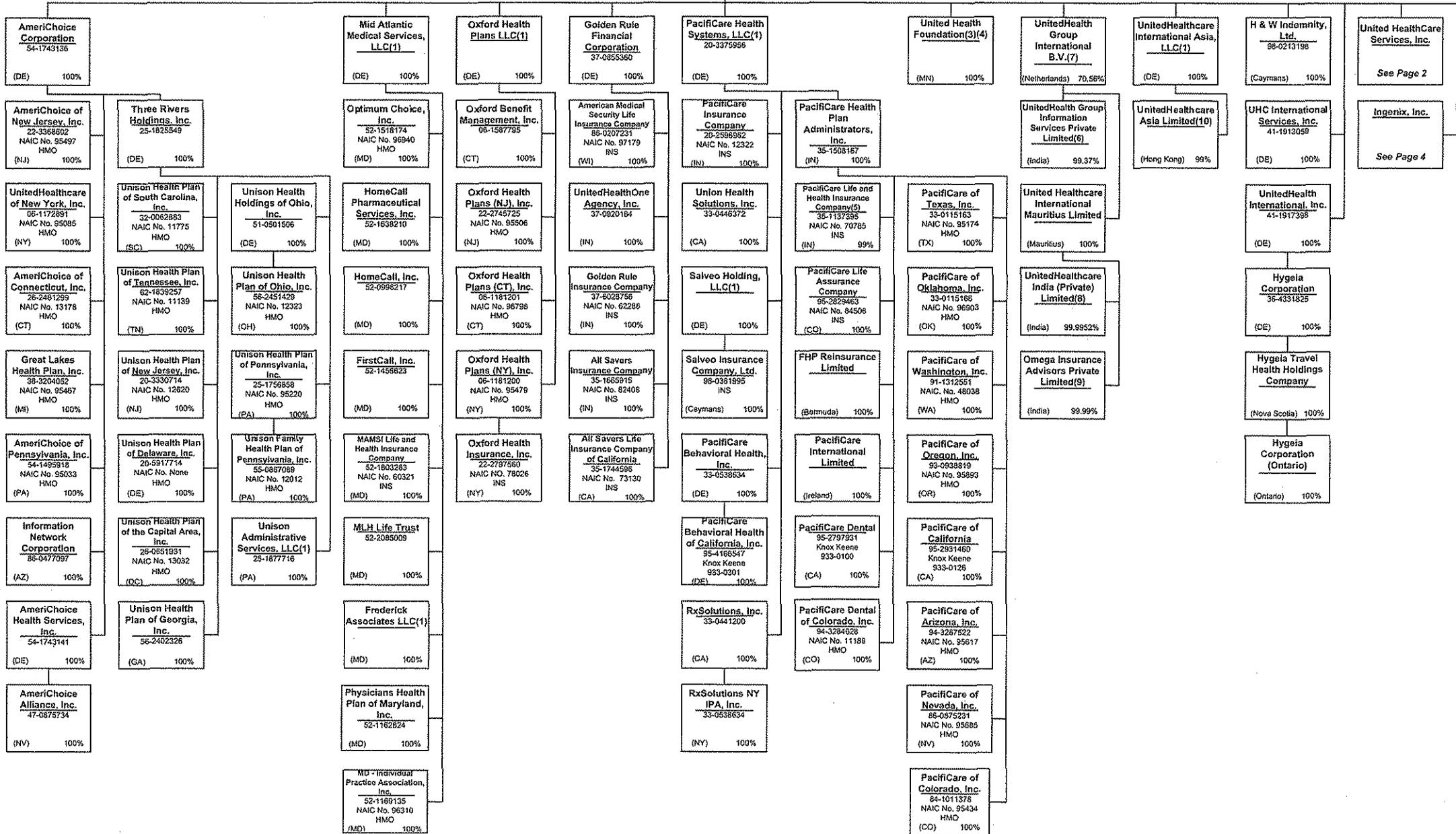
(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

UnitedHealth Group Incorporated
(MN) 41-1321939



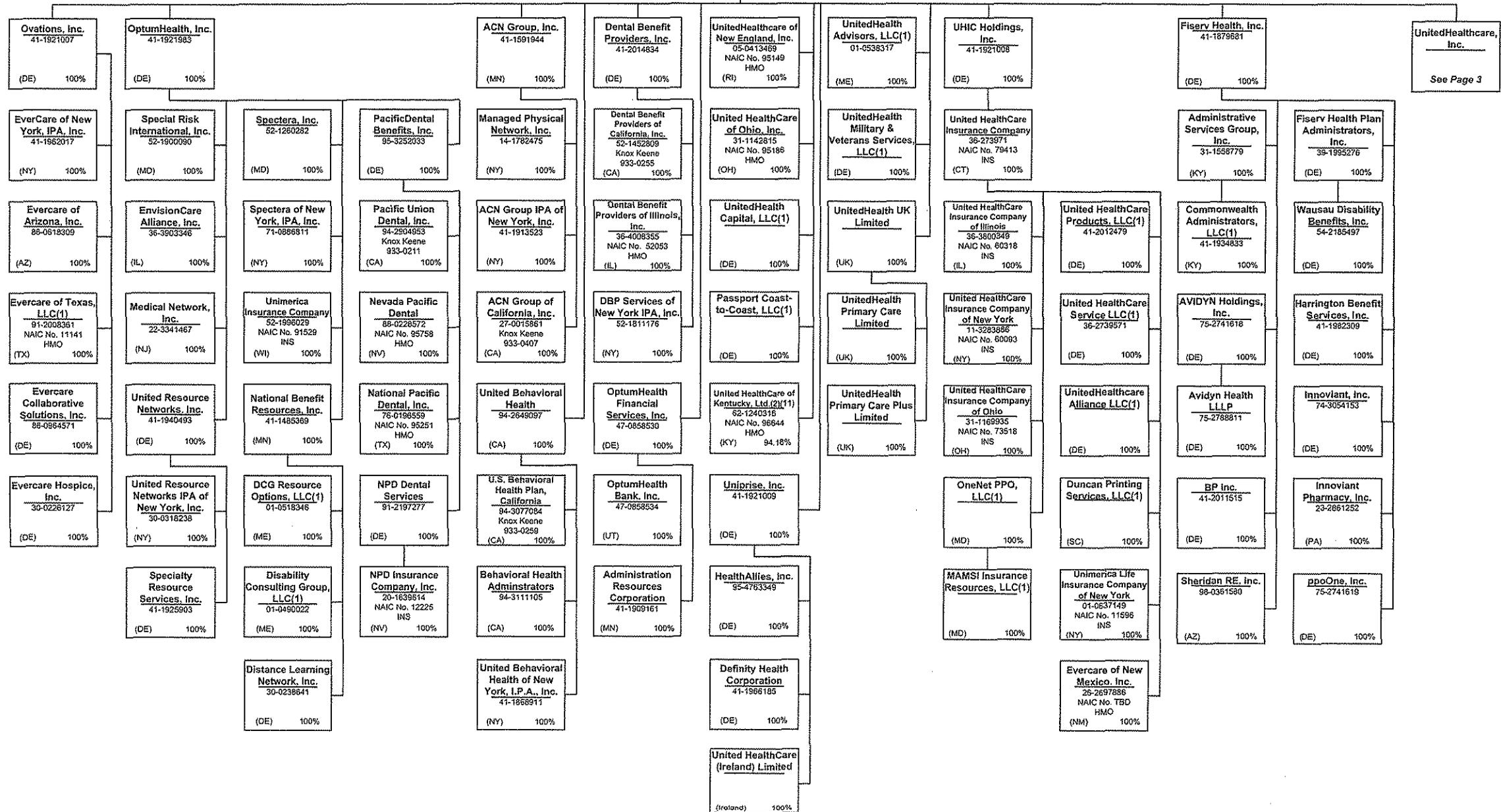
Q14

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

United HealthCare Services, Inc.
(MN) 41-1289245 100%

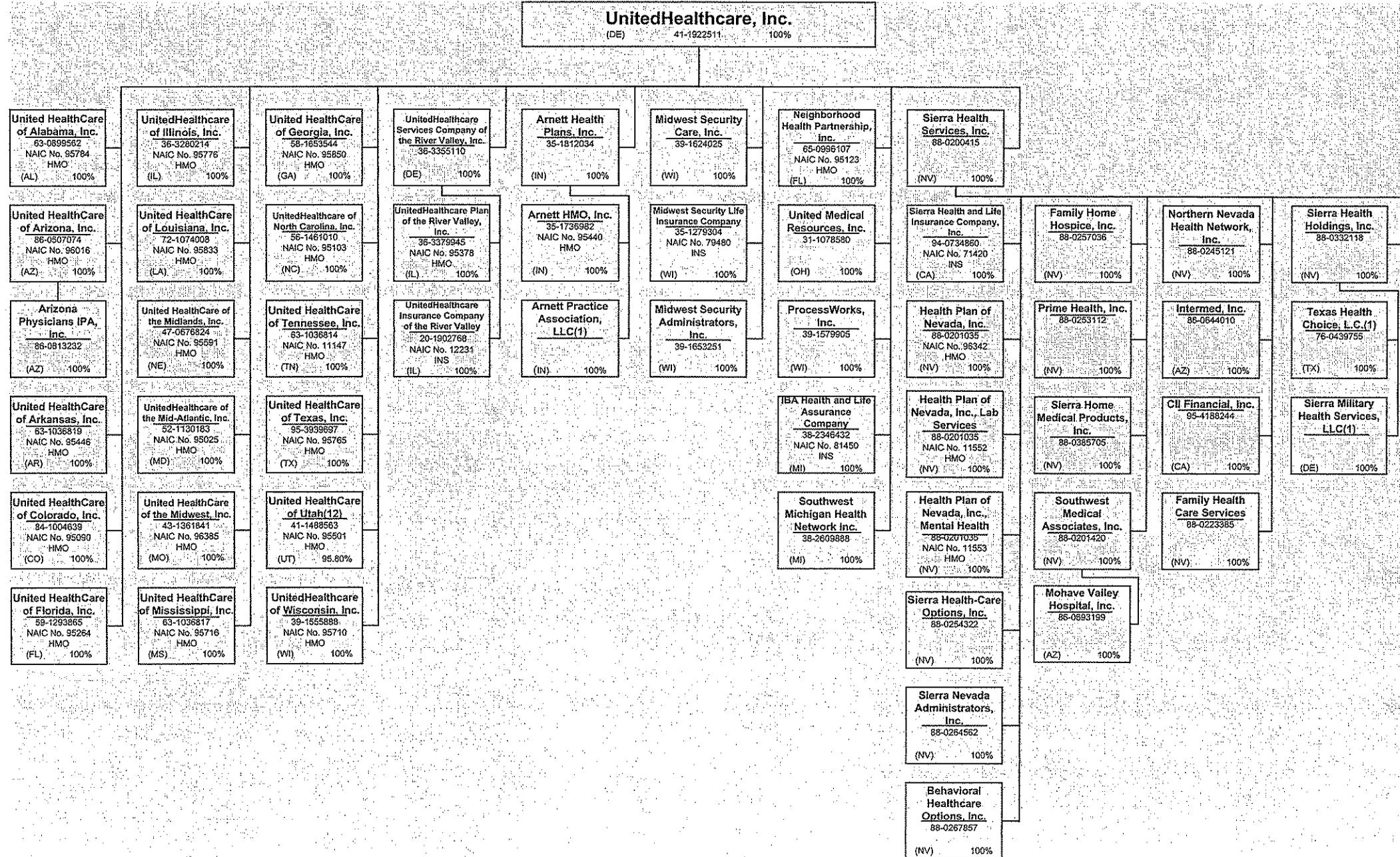


Q14.1

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



Q14.2

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART**

Notes

All legal entities on the Organization Chart are Corporations unless otherwise indicated.

- (1) Entity is a Limited Liability Company
- (2) Entity is a Partnership
- (3) Entity is a Non-Profit Corporation
- (4) Control of the Foundation is based on sole membership, not the ownership of voting securities
- (5) PacifiCare Life and Health Insurance Company is 99% owned by PacifiCare Health Plan Administrators, Inc. and 1% owned by PacifiCare Health Systems, LLC
- (6) UnitedHealth Group Information Services Private Limited is 99.37% owned by UnitedHealth Group International B.V.. The remaining 0.63% is owned by UnitedHealth International, Inc.
- (7) UnitedHealth Group International B.V. is 70.56% owned by UnitedHealth Group Incorporated and 29.44% owned by United HealthCare Services, Inc.
- (8) United Healthcare India (Private) Limited is 99.9952% owned by United Healthcare International Mauritius Limited and 0.0048% owned by UnitedHealth International, Inc.
- (9) Omega Insurance Advisors Private Limited is 99.99% owned by United Healthcare India (Private) Limited and 0.01% owned by an individual shareholder
- (10) UnitedHealthcare Asia Limited is 99% owned by UnitedHealthcare International Asia, LLC and 1% owned by UnitedHealth International, Inc.
- (11) General partnership interests are held by United HealthCare Services, Inc. (89.77%) and by UnitedHealthcare, Inc. (10.23%). United HealthCare Services, Inc. also holds 100% of the limited partnership interests. When combining general and limited partner interests, United HealthCare Services, Inc. owns 94.18% and UnitedHealthcare, Inc. owns 5.83%.
- (12) United HealthCare of Utah is 95.80% owned by UnitedHealthcare, Inc. and 4.20% owned by 34 physicians / physician groups
- (13) Ingenix International (Hong Kong) Limited is 99.99% owned by Ingenix Pharmaceutical Services, Inc. and 0.01% owned by Ingenix, Inc.
- (14) Ingenix Pharmaceutical Services de Argentina S.R.L. is 95% owned by Ingenix International (Netherlands) B.V. and 5% owned by Ingenix, Inc.
- (15) Ingenix Canada Partnership is 99.998% owned by Ingenix Pharmaceutical Services, Inc. and 0.002% owned by Ingenix, Inc.
- (16) Ingenix International (Italy) S.r.l. is 99% owned by Ingenix Pharmaceutical Services (UK) Limited and 1% owned by Ingenix Pharmaceutical Services, Inc.
- (17) Ingenix International Hungary Ltd. is 96.67% owned by Ingenix Pharmaceutical Services, Inc. and 3.33% owned by Ingenix, Inc.
- (18) Latinrials Uruguay S.R.L. is 95% owned by Ingenix International (Netherlands) BV and 5% owned by Ingenix Pharmaceutical Services, Inc.
- (19) i3 Latin America Argentina S.A. is 95% owned by E.C. Investigaciones del Sur S.A. and 5% owned by Ingenix Pharmaceutical Services, Inc.
- (20) i3 Latin America Chile S.A. is 99.999% owned by E.C. Investigaciones del Sur S.A. and 0.0001% owned by Ingenix Pharmaceutical Services, Inc.

- (21) i3 Latin America Brasil Serviços de Pesquisa Clínica Ltda. is 99% owned by E.C. Investigaciones del Sur S.A. and 1% owned by i Tres Latin America Costa Rica S.A.
- (22) Ingenix Pharmaceutical Services Mexico S.A. de C.V. is 97.62% owned by Ingenix International (Netherlands) B.V. and 2.36% owned by E.C. Investigaciones del Sur S.A. The remaining 0.02% is owned by i3 Latin America Argentina S.A.
- (23) i3 Latin America Peru S.A. is 99% owned by E.C. Investigaciones del Sur S.A. and 1% owned by i3 Latin America Argentina S.A.
- (24) i3 Research India Private Limited is 95% owned by Ingenix Pharmaceutical Services, Inc. and 5% owned by Ingenix, Inc.

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



11139200836500003

2008

Document Code: 365

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. Cost of acquired		
2.1 Actual cost at time of acquisitions		
2.2 Additional investment made after acquisitions		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE**SCHEDULE B - VERIFICATION****Mortgage Loans**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions		
2.2 Additional investment made after acquisitions		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest paid		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

NONE**SCHEDULE BA - VERIFICATION****Other Long-Term Invested Assets**

Description	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions		
2.2 Additional investment made after acquisitions		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

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	4,581,890	3,096,106
2. Cost of bonds and stocks acquired	896,400	2,680,233
3. Accrual of discount	8,100	8,230
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration for bonds and stocks disposed of		1,200,000
7. Deduct amortization of premium	7,767	2,679
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	5,478,623	4,581,890
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	5,478,623	4,581,890

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	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	5,478,451			172	5,478,295	5,478,451	5,478,623	4,581,890
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	5,478,451			172	5,478,295	5,478,451	5,478,623	4,581,890
PREFERRED STOCK								
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	5,478,451			172	5,478,295	5,478,451	5,478,623	4,581,890

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

QS102

SI03	Schedule DA Part 1	NONE
SI03	Schedule DA Verification	NONE
SI04	Schedule DB Part F Section 1	NONE
SI05	Schedule DB Part F Section 2	NONE
SI06	Schedule E - Verification (Cash Equivalents)	NONE
E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 2	NONE
E02	Schedule B Part 3	NONE
E03	Schedule BA Part 2	NONE
E03	Schedule BA Part 3	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E06	Schedule DB Part B Section 1	NONE
E07	Schedule DB Part C Section 1	NONE
E07	Schedule DB Part D Section 1	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9	
					6	7	8		
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*	
open depositories									
PNC Bank - Operating Account	Pittsburgh, PA	2.492	66,870	23,696	10,445,982	13,644,566	11,420,389	X X X	
PNC Bank - ASO Account	Pittsburgh, PA	2.333	15,547		137,382	84,661	765,740	X X X	
0199998 Deposits in	1 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories	X X X	X X X		22,786	65,624	87,015	X X X	
0199999 Totals - Open Depositories		X X X	X X X	82,417	23,696	10,606,150	13,794,851	12,273,144	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	82,417	23,696	10,606,150	13,794,851	12,273,144	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	82,417	23,696	10,606,150	13,794,851	12,273,144	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<div style="border: 1px solid black; padding: 10px; display: inline-block;"> N O N E </div>							
8799999 Total - Cash Equivalents							

Exhibit 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199999 Total Individuals						
0299998 Premium due and unpaid not individually listed						
0299999 Total group						
0399999 Premiums due and unpaid from Medicare entities	880,292					880,292
0499999 Premiums due and unpaid from Medicaid entities						
0599999 Accident and health premiums due and unpaid (Page 2, Line 13)	880,292					880,292

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EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
Pharmaceutical Rebate Receivables						
Unison Administrative Services, LLC	25,583			34,388	34,388	25,583
0199998 Pharmaceutical Rebate Receivables - Not Individually Listed						
0199999 Subtotal - Pharmaceutical Rebate Receivables						
0299998 Claim Overpayment Receivables - Not Individually Listed						
0299999 Subtotal - Claim Overpayment Receivables						
0399998 Loans and Advances to Providers - Not Individually Listed						
0399999 Subtotal - Loans and Advances to Providers						
0499998 Capitation Arrangements Receivables - Not Individually Listed						
0499999 Subtotal - Capitation Arrangements Receivables						
0599998 Risk Sharing Receivables - Not Individually Listed						
0599999 Subtotal - Risk Sharing Receivables						
0699998 Other Receivables - Not Individually Listed	26					26
0699999 Subtotal - Other Receivables						
0799999 Gross health care receivables	25,609			34,388	34,388	25,609

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
0299999 Receivables not individually listed			None				
0399999 Total gross amounts receivable							

Report #2A: TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES
September 30, 2008

Prepared in accordance with instructions from TDCI

	Current Quarter	Current Year	Previous Year
	Total	Total	Total
MEMBER MONTHS	229,091	672,052	801,183
REVENUES:			
1. TennCare Capitation	42,586,539	108,325,053	120,663,780
Capitation	-	-	-
ASO Administrative fees received	2,650,572	7,861,745	
ASO Medical expense	39,285,430	98,531,066	
Premium Tax Expense	650,537	1,932,242	
2. Adverse Selection	-	-	-
3. Total (Lines 1 and 2)	42,586,539	108,325,053	120,663,780
4. Investment	31,615	115,917	211,714
5. Other Revenue (Provide detail)	-	-	-
6. TOTAL (Lines 3 to 5)	42,618,154	108,440,970	120,875,494
EXPENSES:			
Medical and Hospital Services			
7. Capitated Physician Services	223,170	638,512	732,734
8. Fee for Service Physician Services	13,058,738	34,192,376	39,875,537
9. Inpatient Hospital Services	14,293,316	34,314,759	35,086,767
10. Outpatient Services	5,832,477	12,215,832	13,562,022
11. Emergency Room Services	1,788,564	5,020,060	5,817,219
12. Mental Health Services	-	-	-
13. Dental Services	-	-	-
14. Vision Services	166,662	419,598	496,437
15. Pharmacy Services	-	-	(325)
16. Home Health Services	177,819	2,250,310	2,647,864
17. Chiropractic Services	898	1,410	1,616
18. Radiology Services	1,646,176	3,204,564	3,634,200
19. Laboratory Services	641,058	1,567,487	1,858,091
20. Durable Medical Equipment Services	506,249	1,820,434	2,136,353
21. Transportation Services	915,709	2,751,302	3,183,857
22. Outside Referrals	-	-	-
23. Medical Incentive Pool and Withhold Adjustments	-	-	-
24. Occupancy, Depreciation and Amortization	-	-	-
25. Other Medical and Hospital Services (Provide Detail)	80,936	285,852	324,895
27. Subtotal (Lines 7 to 26)	39,331,772	98,682,496	109,357,267
LESS:			
28. Net Reinsurance Recoveries	-	-	-
29. Copayments	7,635	19,394	23,997
30. Subrogation and Coordination of Benefits	38,707	132,035	220,515
Subtotal (Lines 27 to 29)	46,342	151,430	244,511
31. TOTAL MEDICAL AND HOSPITAL (Line 26 less 30)	39,285,430	98,531,066	109,112,756
Administration:			
32. Compensation	-	-	-
33. Marketing	-	-	-
34. Interest Expense	-	-	-
35. Premium Tax Expense	650,537	1,932,242	2,222,230
36. Occupancy, Depreciation and Amortization	-	-	-
37. Other Administration (Provide detail) **	2,580,382	7,441,830	8,646,370
38. TOTAL ADMINISTRATION (Lines 32 to 37)	3,230,919	9,374,072	10,868,600
39. TOTAL EXPENSES (Lines 31 and 38)	42,516,349	107,905,138	119,981,356
40. Extraordinary Item	-	-	-
41. Provision for Income Tax	34,614	182,183	274,660
42. NET INCOME/(LOSS) (Line 6 less Lines 39, 40 and 41)	67,191	353,649	619,478

** Other Administration Detail			
Administration Fees *	2,419,840	7,144,567	8,510,181
Unpaid Claims Adjustment Expense - Change in Reserve	172,885	328,738	185,688
ASO Admin Fees	-	-	-
Legal Fees	-	-	-
Accounting Fees	2,118	8,079	19,605
Consulting	(58)	3,237	20,559
Liability Insurance	-	-	-
Printing	-	-	-
Dues, Fees & Subscriptions	30	38	367
Bank Fees	2,187	7,297	11,880
State Tax	-	-	-
Fines and Penalties	-	-	-
Case Mgmt Fees	-	-	-
TPL Administrative Fees	(16,620)	(50,126)	(101,910)
Misc Expenses	-	-	-
Total Other Administration	2,580,382	7,441,830	8,646,370

* Includes Administrative Fees paid to Affiliates

Other Medical and Hospital			
Misc Medical Expense	-	-	-
Case Management fees	80936	285,852	324,895