

**QUARTERLY STATEMENT  
OF THE  
AMERIGROUP Tennessee, Inc.**

**of  
Nashville  
in the state of  
Tennessee**

**TO THE  
Insurance Department  
OF THE STATE OF  
Tennessee**

**FOR THE QUARTER ENDED  
March 31, 2010**

**2010**

HEALTH

**2010**



**QUARTERLY STATEMENT**  
**AS OF March 31, 2010**  
**OF THE CONDITION AND AFFAIRS OF THE**  
**AMERIGROUP Tennessee, Inc.**

NAIC Group Code 1156 (Current Period) , 1156 (Prior Period) NAIC Company Code 12941 Employer's ID Number 20-4776597

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 04/26/2006 Commenced Business 04/01/2007

Statutory Home Office 22 Century Boulevard, Ste 310 Nashville, TN 37214  
 (Street and Number) (City, or Town, State and Zip Code)

Main Administrative Office 4425 Corporation Lane  
 (Street and Number)

Mail Address Virginia Beach, VA 23462 (757)473-2721  
 (City or Town, State and Zip Code) (Area Code) (Telephone Number)

4425 Corporation Lane Virginia Beach, VA 23462  
 (Street and Number or P.O. Box) (City, or Town, State and Zip Code)

Primary Location of Books and Records 4425 Corporation Lane  
 (Street and Number)

Virginia Beach, VA 23462 (757)473-2721  
 (City, or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.amerigroupcorp.com

Statutory Statement Contact Margaret Mary Roomsburg (757)473-2721  
 (Name) (Area Code)(Telephone Number)(Extension)

mroomsb@amerigroupcorp.com (757)557-6742  
 (E-Mail Address) (Fax Number)

**OFFICERS**

Name	Title
Alvin Brock King	President/CEO
William George Runyon	Vice President/CMO
Michael Anthony Scarbrough	Vice President/COO
Stanley Forrest Baldwin	Vice President/Secretary
Nicholas Joseph Pace, II	Vice President/Asst Secretary
Richard Charles Zoretic	Vice President/Asst Secretary
Scott Wayne Anglin	Vice President/Treasurer
James Ward Truess	Vice President/Asst Treasurer
Karen Lint Shields	Vice President/Asst Treasurer

**OTHERS**

William Gardner Wood, M.D., Vice President  
 Linda Kaye Whitley-Taylor, Vice President

Margaret Mary Roomsburg, Vice President

**DIRECTORS OR TRUSTEES**

Charles Brian Shipp  
 Nicholas Joseph Pace, II

Alvin Brock King

State of Virginia  
 County of Virginia Beach ss

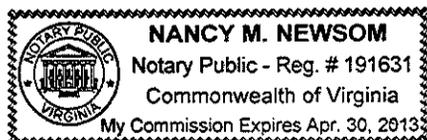
The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from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

(Signature)	(Signature)	(Signature)
Alvin Brock King	Stanley Forrest Baldwin	Margaret Mary Roomsburg
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President/CEO	Vice President/Secretary	Vice President
(Title)	(Title)	(Title)

Subscribed and sworn to before me this 17th day of May, 2010

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

(Notary Public Signature)



**ASSETS**

		Current Statement Date			4 December 31, Prior Year Net Admitted Assets
		1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1.	Bonds .....	69,183,541		69,183,541	55,367,813
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 (\$.....18,717,493), cash equivalents (\$.....0) and short-term investments (\$.....58,519,162) .....	77,236,655		77,236,655	68,124,844
6.	Contract loans (including \$.....0 premium notes) .....				
7.	Derivatives .....				
8.	Other invested assets .....				
9.	Receivables for securities .....				
10.	Aggregate write-ins for invested assets .....				
11.	Subtotals, cash and invested assets (Lines 1 to 10) .....	146,420,196		146,420,196	123,492,657
12.	Title plants less \$.....0 charged off (for Title insurers only) .....				
13.	Investment income due and accrued .....	378,248		378,248	278,285
14.	Premiums and considerations:				
14.1	Uncollected premiums and agents' balances in the course of collection .....	52,847,296		52,847,296	36,472,947
14.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
14.3	Accrued retrospective premiums .....	90,594		90,594	
15.	Reinsurance:				
15.1	Amounts recoverable from reinsurers .....				
15.2	Funds held by or deposited with reinsured companies .....				
15.3	Other amounts receivable under reinsurance contracts .....				
16.	Amounts receivable relating to uninsured plans .....	1,197,381		1,197,381	2,231,533
17.1	Current federal and foreign income tax recoverable and interest thereon .....				
17.2	Net deferred tax asset .....	2,245,561	437,464	1,808,097	781,764
18.	Guaranty funds receivable or on deposit .....				
19.	Electronic data processing equipment and software .....	173,356	130,592	42,764	112,072
20.	Furniture and equipment, including health care delivery assets (\$.....0) .....	1,821,460	1,821,460		
21.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
22.	Receivables from parent, subsidiaries and affiliates .....				
23.	Health care (\$.....400,000) and other amounts receivable .....	2,440,222	2,040,222	400,000	
24.	Aggregate write-ins for other than invested assets .....				
25.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24) .....	207,614,314	4,429,738	203,184,576	163,369,258
26.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
27.	Total (Lines 25 and 26) .....	207,614,314	4,429,738	203,184,576	163,369,258
<b>DETAILS OF WRITE-INS</b>					
1001.	.....				
1002.	.....				
1003.	.....				
1098.	Summary of remaining write-ins for Line 10 from overflow page .....				
1099.	TOTALS (Lines 1001 through 1003 plus 1098) (Line 10 above) .....				
2401.	Prepaid Expenses - Short-term .....				
2402.	.....				
2403.	.....				
2498.	Summary of remaining write-ins for Line 24 from overflow page .....				
2499.	TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above) .....				

## LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded) .....	84,479,023		84,479,023	66,885,138
2. Accrued medical incentive pool and bonus amounts .....				
3. Unpaid claims adjustment expenses .....	1,839,352		1,839,352	1,520,475
4. Aggregate health policy reserves .....				9,842
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserve .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....				
9. General expenses due or accrued .....	228,988		228,988	223,829
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....	6,507,823		6,507,823	
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 .....	3,702,226		3,702,226	4,527,572
16. Derivatives .....				
17. Payable for securities .....				
18. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers) .....				
19. Reinsurance in unauthorized companies .....				
20. Net adjustments in assets and liabilities due to foreign exchange rates .....				
21. Liability for amounts held under uninsured plans .....				
22. Aggregate write-ins for other liabilities (including \$.....0 current) .....	11,121,436		11,121,436	9,348,510
23. Total liabilities (Lines 1 to 22) .....	107,878,848		107,878,848	82,515,366
24. Aggregate write-ins for special surplus funds .....	X X X	X X X		
25. Common capital stock .....	X X X	X X X	1,000	1,000
26. Preferred capital stock .....	X X X	X X X		
27. Gross paid in and contributed surplus .....	X X X	X X X	94,503,037	94,364,304
28. Surplus notes .....	X X X	X X X		
29. Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
30. Unassigned funds (surplus) .....	X X X	X X X	801,691	(13,511,412)
31. Less treasury stock, at cost:				
31.1 .....0 shares common (value included in Line 25 \$.....0) .....	X X X	X X X		
31.2 .....0 shares preferred (value included in Line 26 \$.....0) .....	X X X	X X X		
32. Total capital and surplus (Lines 24 to 30 minus Line 31) .....	X X X	X X X	95,305,728	80,853,892
33. Total Liabilities, capital and surplus (Lines 23 and 32) .....	X X X	X X X	203,184,576	163,369,258
<b>DETAILS OF WRITE-INS</b>				
2201. Accrued Premium Tax .....	11,121,436		11,121,436	9,348,510
2202. ....				
2203. ....				
2298. Summary of remaining write-ins for Line 22 from overflow page .....				
2299. TOTALS (Lines 2201 through 2203 plus 2298) (Line 22 above) .....	11,121,436		11,121,436	9,348,510
2401. ....	X X X	X X X		
2402. ....	X X X	X X X		
2403. ....	X X X	X X X		
2498. Summary of remaining write-ins for Line 24 from overflow page .....	X X X	X X X		
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	X X X	X X X		
2901. ....	X X X	X X X		
2902. ....	X X X	X X X		
2903. ....	X X X	X X X		
2998. Summary of remaining write-ins for Line 29 from overflow page .....	X X X	X X X		
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 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	593,888	561,131	2,297,031
2. Net premium income (including \$.....0 non-health premium income) .....	X X X	184,374,744	145,772,937	626,125,979
3. Change in unearned premium reserves and reserves for rate credits .....	X X X			
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X			
5. Risk revenue .....	X X X			
6. Aggregate write-ins for other health care related revenues .....	X X X			
7. Aggregate write-ins for other non-health revenues .....	X X X			
8. Total revenues (Lines 2 to 7) .....	X X X	184,374,744	145,772,937	626,125,979
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....		114,781,385	83,312,701	390,879,854
10. Other professional services .....		3,096,852	4,295,522	10,922,534
11. Outside referrals .....				
12. Emergency room and out-of-area .....		9,754,835	12,299,131	54,252,517
13. Prescription drugs .....		632,562	364,891	1,583,073
14. Aggregate write-ins for other hospital and medical .....		10,270,150	20,480,660	57,913,489
15. Incentive pool, withhold adjustments and bonus amounts .....				
16. Subtotal (Lines 9 to 15) .....		138,535,784	120,752,905	515,551,467
<b>Less:</b>				
17. Net reinsurance recoveries .....		(170,403)	(153,063)	(641,620)
18. Total hospital and medical (Lines 16 minus 17) .....		138,706,187	120,905,968	516,193,087
19. Non-health claims (net) .....				
20. Claims adjustment expenses, including \$.....3,289,561 cost containment expenses .....		4,233,834	2,985,984	16,002,926
21. General administrative expenses .....		21,761,087	15,785,755	73,036,222
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) .....		164,701,108	139,677,707	605,232,235
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X	19,673,636	6,095,230	20,893,744
25. Net investment income earned .....		334,245	492,335	1,609,092
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....			31,656	38,582
27. Net investment gains or (losses) (Lines 25 plus 26) .....		334,245	523,991	1,647,674
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	20,007,881	6,619,221	22,541,418
31. Federal and foreign income taxes incurred .....	X X X	7,018,055		
32. Net income (loss) (Lines 30 minus 31) .....	X X X	12,989,826	6,619,221	22,541,418
<b>DETAILS OF WRITE-INS</b>				
0601. ....	X X X			
0602. ....	X X X			
0603. ....	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X			
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X			
0701. ....	X X X			
0702. ....	X X X			
0703. ....	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	X X X			
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X			
1401. Nursing Facility, DME, Home Health Care, Ambulance, Transportation, Claim Int. Exp. ....		10,270,150	20,480,660	57,913,489
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) .....		10,270,150	20,480,660	57,913,489
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
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year .....	80,853,892	54,588,298	54,588,298
34. Net income or (loss) from Line 32 .....	12,989,826	6,619,221	22,541,418
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 .....	(2,335,065)		(8,602,556)
39. Change in nonadmitted assets .....	3,658,342	2,321,219	11,901,739
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 .....	138,733	72,308	424,993
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) .....	14,451,836	9,012,748	26,265,594
49. Capital and surplus end of reporting period (Line 33 plus 48) .....	95,305,728	63,601,046	80,853,892
<b>DETAILS OF WRITE-INS</b>			
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 To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	167,899,959	131,473,600	599,479,674
2. Net investment income .....	234,282	469,030	1,731,415
3. Miscellaneous income .....			
4. Total (Lines 1 to 3) .....	168,134,241	131,942,630	601,211,089
5. Benefit and loss related payments .....	121,186,461	115,877,390	524,851,746
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	24,302,527	18,421,182	89,057,227
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	510,232		
10. Total (Lines 5 through 9) .....	145,999,220	134,298,572	613,908,973
11. Net cash from operations (Line 4 minus Line 10) .....	22,135,021	(2,355,942)	(12,697,884)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	7,950,000	14,125,000	38,625,000
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) .....	7,950,000	14,125,000	38,625,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	21,765,728	26,679,464	47,740,478
13.2 Stocks .....			
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....			
13.6 Miscellaneous applications .....		31,656	38,582
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	21,765,728	26,711,120	47,779,060
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) .....	(13,815,728)	(12,586,120)	(9,154,060)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			
16.2 Capital and paid in surplus, less treasury stock .....			
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) .....	792,518	5,955,491	14,627,100
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	792,518	5,955,491	14,627,100
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	9,111,811	(8,986,571)	(7,224,844)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	68,124,844	75,349,688	75,349,688
19.2 End of period (Line 18 plus Line 19.1) .....	77,236,655	66,363,117	68,124,844

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

20.0001	Depreciation .....	195,473	399,219	1,437,734
20.0002	Non-cash Capital Contributions .....	138,733	72,308	424,993

## 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 .....	195,103							1,109	193,994	
2. First Quarter .....	201,438							1,160	200,278	
3. Second Quarter .....										
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....	593,888							3,349	590,539	
Total Member Ambulatory Encounters for Period:										
7. Physician .....	278,160							2,842	275,318	
8. Non-Physician .....	176,821							2,144	174,677	
9. Total .....	454,981							4,986	449,995	
10. Hospital Patient Days Incurred .....	35,670							872	34,798	
11. Number of Inpatient Admissions .....	5,685							105	5,580	
12. Health Premiums Written (a) .....	184,374,744							3,835,354	180,539,390	
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	184,374,744							3,835,354	180,539,390	
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	121,016,058							3,918,967	117,097,091	
18. Amount Incurred for Provision of Health Care Services .....	138,535,784							3,640,816	134,894,968	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....3,835,354.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

## Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid .....						
0299999 Aggregate Accounts Not Individually Listed - Uncovered .....						
0399999 Aggregate Accounts Not Individually Listed - Covered .....	10,776,898	682,720	111,590	3,086	(2,583,726)	8,990,568
0499999 Subtotals .....	10,776,898	682,720	111,590	3,086	(2,583,726)	8,990,568
0599999 Unreported claims and other claim reserves .....						75,488,455
0699999 Total Amounts Withheld .....						
0799999 Total Claims Unpaid .....						84,479,023
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						

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

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital & medical) .....						
2. Medicare Supplement .....						
3. Dental only .....						
4. Vision only .....						
5. Federal Employees Health Benefits Plan .....						
6. Title XVIII - Medicare .....	1,991,722	1,927,717	755,995	2,010,490	2,747,717	2,858,584
7. Title XIX - Medicaid .....	35,428,739	81,838,283	20,867,017	60,845,521	56,295,756	64,026,554
8. Other health .....						
9. Health subtotal (Lines 1 to 8) .....	37,420,461	83,766,000	21,623,012	62,856,011	59,043,473	66,885,138
10. Healthcare receivables (a) .....	14,369	581,853			14,369	522,063
11. Other non-health .....						
12. Medical incentive pools and bonus amounts .....						
13. Totals .....	37,406,092	83,184,147	21,623,012	62,856,011	59,029,104	66,363,075

(a) Excludes \$.....1,844,000 loans or advances to providers not yet expensed.

## Notes to Financial Statement

### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

The Financial Statements of AMERIGROUP Tennessee, Inc. (the Company) is presented on the basis of accounting practices prescribed or permitted by the Tennessee Department of Commerce and Insurance.

The Tennessee Department of Commerce and Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Tennessee for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Tennessee Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, version effective March 1, 2010 (NAIC SSAP) has been adopted as a component of prescribed or permitted practices by the state of Tennessee. There are no state permitted practices that differ from the NAIC Accounting Practices and Procedures Manual that impact the financial statements or statutory net worth for AMERIGROUP Tennessee, Inc.

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

No Change

#### C. Accounting Policy

No Change

### 2. Accounting Changes and Corrections of Errors

#### A. Disclosure for Insurers Upon Initial Implementation of Codification:

None

### 3. Business Combinations and Goodwill

None

### 4. Discontinued Operations

None

### 5. Investments

No Change

### 6. Joint Ventures, Partnerships and Limited Liability Companies

No Change

### 7. Investment Income

No Change

### 8. Derivative Instruments

No Change

### 9. Income Taxes

No Change

### 10. Information Concerning Parent, Subsidiaries and Affiliates

AMERIGROUP Corporation owns 100% of the outstanding shares of the Company and provides administrative and financial support services to the Company. Management services fees charged, in accordance with an approved management services agreement, for the periods ended March 2010 and December 2009 were \$10,781,559 and \$44,262,089, respectively. As of March 31, 2010 and December 31, 2009, the Company owed to AMERIGROUP Corporation \$3,702,226 and \$4,527,572, respectively. As of March 31, 2010, the company received from AMERIGROUP Corporation non-cash capital contributions of \$138,733 and there were no dividends paid. During 2009, the Company received from AMERIGROUP Corporation non-cash capital contributions of \$424,993, and there were no dividends paid.

## Notes to Financial Statement

**11. Debt**

No Change

**12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefits Plans**

No Change

**13. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations.**

No Change

**14. Contingencies**

None

**15. Leases**

No Change

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

None

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

None

**B. Transfer and Servicing of Financial Assets**

None

**C. Wash Sales**

None

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

A. The Company continues to experience run out of the Administrative Services Only (ASO) operations in the West Tennessee Grand Region and in the Middle Tennessee Grand Region. In 2010, the ASO's operations were as followed:

	ASO Uninsured Plan	Uninsured Portion of Partially Insured Plan	Total ASO
a. Net reimbursement for Administrative Expenses (including Administrative Fees) in excess of Actual Expenses	\$ 221,728	\$ 0	\$ 221,728
b. Total Net Other Income or Expenses (Including Interest paid or received from plan)	\$ 0	\$ 0	\$ 0
c. Net Gain or Loss from Operations	\$ 221,728	\$ 0	\$ 221,728
d. Total Claim Payment Volume	\$ 0	\$ 0	\$ 0

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

None

**20. Other Items**

None

**21. Events Subsequent**

None

## Notes to Financial Statement

**22. Reinsurance**

No Change

**23. Retrospectively Rated Contracts and Contracts Subject to Redetermination**

None

**24. Change in Incurred Claims and Claim Adjustment Expenses**

A summary of the activity for claims unpaid is as follows:

	2010	2009
Liability balance prior year	\$66,885,138	\$75,084,654
Plus incurred related to:		
Current year	146,377,449	525,965,040
Prior years	<u>(7,841,665)</u>	<u>(10,413,573)</u>
Total Incurred	138,535,784	515,551,467
Less paid related to:		
Current year	83,521,438	461,366,265
Prior years	<u>37,420,461</u>	<u>62,384,718</u>
Total Paid	120,941,899	523,750,983
Balance current year	<u>\$84,479,023</u>	<u>\$66,885,138</u>

The Company uses actuarial techniques based principally on historical payment patterns to estimate incurred claims. Changes in payment patterns and claims trends can result in adjustments to the claims estimate, which are recorded in current operations.

**25. Intercompany Pooling Arrangements**

None

**26. Structured Settlements**

None

**27. Health Care Receivables**

Health Care Receivables consisted of provider advances, provider overpayments on paid claims, and Medicare pharmacy rebates. In addition, the admitted balance included a \$400,000 receivable from TennCare Oversight for an electronic verification system used with our LTC program.

**28. Participating Policies**

None

**29. Premium Deficiency Reserves.**

None

**30. Salvage and Subrogation**

None

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[X] No[ ] N/A[ ]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .....03/31/2008.....
- 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. .....03/31/2008.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .....10/28/2009.....
- 6.4 By what department or departments?  
Department of Commerce and Insurance, TennCare Division
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[X] No[ ] N/A[ ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]
- 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? Yes[X] No[ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

### 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
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]

## GENERAL INTERROGATORIES (Continued)

### INVESTMENT

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, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[]

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
U.S. Bank, N.A. ....	1025 Connecticut Avenue, Suite 517, Mail Code EX-DC-WNWW, Washington, DC 20036 .....

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)

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
77784 .....	Deutsche Investment Management Americas, Inc. ....	345 Park Avenue, New York, New York 10154 .....

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:

## **General Interrogatories Part 1 Attachments**

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?

The Administrative Services Agreement with AMERIGROUP Corporation was amended in 2010 to reflect a revision to the pricing included in Exhibits A and B of the agreement.

## GENERAL INTERROGATORIES

### PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	..... 77%
1.2 A&H cost containment percent	..... 2%
1.3 A&H expense percent excluding cost containment expenses	..... 12%
2.1 Do you act as a custodian for health savings accounts?	Yes[ ] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[ ] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

## 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)
			<div data-bbox="1220 305 1526 418" style="border: 1px solid black; padding: 5px; display: inline-block;"><b>NONE</b></div>			

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

	1	Direct Business Only							9
		2	3	4	5	6	7	8	
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)	N								
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)	N								
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		3,835,354	180,539,390				184,374,744	
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		3,835,354	180,539,390				184,374,744	
60. Reporting entity contributions for Employee Benefit Plans	XXX								
61. Total (Direct Business)	(a).....1		3,835,354	180,539,390				184,374,744	
<b>DETAILS OF WRITE-INS</b>									
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								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

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

**NONE**

## 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

No

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

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



12941201036500001

2010

Document Code: 365

**NONE**

**SCHEDULE A - VERIFICATION****Real Estate**

	1 Year To Date	2 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 acquisition .....		
2.2 Additional investment made after acquisition .....		
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 .....		
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 Year To Date	2 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 acquisition .....		
2.2 Additional investment made after acquisition .....		
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 po .....		
9. Total foreign exchange change in book value/recorded inv .....		
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. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14) .....		

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

	1 Year To Date	2 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 acquisition .....		
2.2 Additional investment made after acquisition .....		
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 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	55,367,813	46,213,753
2. Cost of bonds and stocks acquired .....	21,835,721	47,873,756
3. Accrual of discount .....	2,306	5,110
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		38,582
6. Deduct consideration for bonds and stocks disposed of .....	7,950,000	38,625,000
7. Deduct amortization of premium .....	72,299	138,388
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) .....	69,183,541	55,367,813
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	69,183,541	55,367,813

## 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
<b>BONDS</b>								
1. Class 1 (a) .....	107,480,833	564,242,312	543,943,162	(77,280)	127,702,703			107,480,833
2. Class 2 (a) .....								
3. Class 3 (a) .....								
4. Class 4 (a) .....								
5. Class 5 (a) .....								
6. Class 6 (a) .....								
7. Total Bonds .....	107,480,833	564,242,312	543,943,162	(77,280)	127,702,703			107,480,833
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	107,480,833	564,242,312	543,943,162	(77,280)	127,702,703			107,480,833

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 \$.....252,502; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

QSI02

**SCHEDULE DA - PART 1****Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals .....	58,519,162	XXX	58,540,484	21,059	

**SCHEDULE DA - Verification****Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	47,114,062	58,569,375
2. Cost of short-term investments acquired .....	542,406,591	1,813,999,768
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	530,993,162	1,625,442,089
7. Deduct amortization of premium .....	8,329	12,992
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) .....	58,519,162	47,114,062
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	58,519,162	47,114,062

**SI04**    **Schedule DB - Part A Verification** ..... **NONE**

**SI04**    **Schedule DB - Part B Verification** ..... **NONE**

**SI05**    **Schedule DB Part C Section 1** ..... **NONE**

**SI06**    **Schedule DB Part C Section 2** ..... **NONE**

**SI07**    **Schedule DB - Verification** ..... **NONE**

**SCHEDULE E - Verification**  
(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	4,998,958	
2.	Cost of cash equivalents acquired .....		9,998,819
3.	Accrual of discount .....	1,042	139
4.	Unrealized valuation increase (decrease) .....		
5.	Total gain (loss) on disposals .....		
6.	Deduct consideration received on disposals .....	5,000,000	5,000,000
7.	Deduct amortization of premium .....		
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) .....		4,998,958
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....		4,998,958

**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**

## SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
3133XXJQ1	F H L B DEB 0.500% 3/29/		03/29/2010	Suntrust	XXX	3,000,000	3,000,000.00		1
3133XXKZ9	F H L B DEB 0.500% 4/06/		03/25/2010	UBS	XXX	2,997,750	3,000,000.00	83	1
3133XP27	F H L B DEB 1.250% 3/30/		03/30/2010	UBS	XXX	2,000,000	2,000,000.00		1
3136FMDR2	F N M A M T N 1.125% 4/23/		03/24/2010	Suntrust	XXX	1,998,000	2,000,000.00	63	1
3133XWNR6	Federal Home Loan Bank		01/27/2010	UBS	XXX	4,000,000	4,000,000.00		1
3133XWWQ8	Federal Home Loan Bank		02/24/2010	Suntrust	XXX	2,000,000	2,000,000.00	111	1
3128X9YM6	Federal Home Loan Mortgage Corp		02/26/2010	Undefined	XXX	300,000	300,000.00	44	1
3136FJ6A4	Federal National Mortgage Assoc.		02/26/2010	UBS	XXX	1,500,000	1,500,000.00		1
31398AD25	Federal National Mortgage Assoc.		01/15/2010	UBS	XXX	4,000,000	4,000,000.00		1
0399999	Subtotal - Bonds - U.S. Governments				XXX	21,795,750	21,800,000.00	301	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
742718DR7	Procter & Gamble		02/08/2010	Deutsche Bank	XXX	39,971	40,000.00		1
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				XXX	39,971	40,000.00		XXX
8399997	Subtotal - Bonds - Part 3				XXX	21,835,721	21,840,000.00	301	XXX
8399998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX
8399999	Subtotal - Bonds				XXX	21,835,721	21,840,000.00	301	XXX
8999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX
9799998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX
9899999	Subtotal - Preferred and Common Stocks				XXX	XXX	XXX		XXX
9999999	Total - Bonds, Preferred and Common Stocks				XXX	21,835,721	XXX	301	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

QE04

### SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)		
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.									
<b>Bonds - U.S. Governments</b>																							
3133XTB62	Federal Home Loan Bank		03/11/2010	CALLED @ 100.000000	XXX	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000					12,500	03/11/2011	1	
3128X86R8	Federal Home Loan Mortgage Corp.		02/17/2010	CALLED @ 100.000000	XXX	2,450,000	2,450,000.00	2,450,000	2,450,000						2,450,000					12,250	02/17/2012	1	
3128X8QX3	Federal Home Loan Mortgage Corp.		03/18/2010	CALLED @ 100.000000	XXX	3,500,000	3,500,000.00	3,500,000	3,500,000						3,500,000					26,250	03/18/2011	1	
8399999 Subtotal - Bonds - U.S. Governments					XXX	7,950,000	7,950,000.00	7,950,000	7,950,000						7,950,000					51,000	XXX	XXX	
8399997 Subtotal - Bonds - Part 4					XXX	7,950,000	7,950,000.00	7,950,000	7,950,000						7,950,000					51,000	XXX	XXX	
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999 Subtotal - Bonds					XXX	7,950,000	7,950,000.00	7,950,000	7,950,000						7,950,000					51,000	XXX	XXX	
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9899999 Subtotal - Preferred and Common Stocks					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9999999 Total - Bonds, Preferred and Common Stocks					XXX	7,950,000	XXX	7,950,000	7,950,000						7,950,000					51,000	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator 'U' provide the number of such issues .....0.

**E06**    **Schedule DB Part A Section 1** ..... **NONE**

**E07**    **Schedule DB Part B Section 1** ..... **NONE**

**E08**    **Schedule DB Part D** ..... **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	*
<b>open depositories</b>								
Wachovia ..... Cash .....					371,943	(235,482)	5,601,440	XXX
0199998 Deposits in .....65 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories .....	XXX	XXX	11,293	8,544	13,051,757	13,038,435	13,116,053	XXX
0199999 Totals - Open Depositories .....	XXX	XXX	11,293	8,544	13,423,700	12,802,953	18,717,493	XXX
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....	XXX	XXX						XXX
0299999 Totals - Suspended Depositories .....	XXX	XXX						XXX
0399999 Total Cash On Deposit .....	XXX	XXX	11,293	8,544	13,423,700	12,802,953	18,717,493	XXX
0499999 Cash in Company's Office .....	XXX	XXX	XXX	XXX				XXX
0599999 Total Cash .....	XXX	XXX	11,293	8,544	13,423,700	12,802,953	18,717,493	XXX

**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
<b>NONE</b>							
8699999 Total - Cash Equivalents .....							



**MEDICARE PART D COVERAGE SUPPLEMENT**  
**Net of Reinsurance**  
**For the Quarter Ended March 31, 2010**

NAIC Group Code: 1156

NAIC Company Code: 12941

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected .....		XXX		XXX	
2. Earned Premiums .....		XXX		XXX	XXX
3. Claims Paid .....		XXX		XXX	
4. Claims Incurred .....		XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing - Claim Paid Net of Reimbursements Applied (a) .....	<b>NONE</b>		XXX		
6. Aggregate Policy Reserves - change .....				XXX	XXX
7. Expenses Paid .....				XXX	
8. Expenses Incurred .....		XXX		XXX	XXX
9. Underwriting Gain or Loss .....		XXX		XXX	XXX
10. Cash Flow Results .....	XXX	XXX	XXX	XXX	

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$.....0 due from CMS or \$.....0 due to CMS

## Statement of Actuarial Opinion

**NONE**

## Amended Statement Cover

**NONE**

# INDEX TO HEALTH QUARTERLY STATEMENT

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11  
Accounting Practices and Policies; Q5; Q10, Note 1  
Admitted Assets; Q2  
Bonds; Q2; Q6; Q11.1; Q11.2; QE04; QE05  
Bonuses; Q3; Q4; Q8; Q9  
Borrowed Funds; Q3; Q6  
Business Combinations and Goodwill; Q10, Note 3  
Capital Gains (Losses)  
    Realized; Q4  
    Unrealized; Q4; Q5  
Capital Stock; Q3; Q10, Note 13  
Capital Notes; Q6; Q10, Note 11  
Caps; QE06  
Cash; Q2; Q6; QE08  
Cash Equivalents; Q2; Q6; QE09  
Claims; Q3; Q4; Q8; Q9  
Collars; QE07  
Commissions; Q6  
Common Stock; Q2; Q3; Q6; Q11.1; Q11.2  
Cost Containment Expenses; Q4  
Contingencies; Q10, Note 14  
Counterparty Exposure; Q10, Note 8; QE06; QE07  
Debt; Q10, Note 11  
Deferred Compensation; Q10, Note 2  
Derivative Instruments; Q10, Note 8; QSI04; QSI05; QE06; QE07  
Discontinued Operations; Q10, Note 4  
Electronic Data Processing Equipment; Q2  
Encumbrances; Q2; QSI01; QE01  
Emergency Room; Q4  
Expenses; Q3; Q4; Q6  
Extinguishment of Liabilities; Q10, Note 17  
Extraordinary Item; Q10, Note 20  
Fee for Service; Q4  
Foreign Exchange; Q2; Q3; Q5; QSI01; QSI03; QE01; QE02; QE03; QE05  
Forwards; QE07  
Furniture, Equipment and Supplies; Q2  
Guaranty Fund; Q2  
Health Care Receivables; Q2; Q9; Q10, Note 27  
Hospital/Medical Benefits; Q4  
Incentive Pools; Q3; Q4; Q8; Q9  
Income; Q4; Q5; Q6  
Income Taxes; Q2; Q3; Q4; Q5; Q10, Note 9  
Incurred Claims and Claim Adjustment Expenses; Q10, Note 24  
Intercompany Pooling; Q10, Note 25  
Investment Income; Q10, Note 7  
    Accrued; Q2  
    Earned; Q2; QSI03  
    Received; Q6  
Investments; Q10, Note 5; Q11.1; Q11.2  
Joint Venture; Q10, Note 6  
Leases; Q10, Note 15  
Limited Liability Company (LLC); Q10, Note 6  
Limited Partnership; Q10, Note 6  
Long-Term Invested Assets; Q2; QE03  
Managing General Agents; Q10, Note 19  
Medicare Part D Coverage; QSupp1  
Member Months; Q4; Q7  
Mortgage Loans; Q2; Q6; Q11.1; QSI01; QE02  
Nonadmitted Assets; Q2; Q5; QSI01; QSI03  
Off-Balance Sheet Risk; Q10, Note 16  
Options; QE06  
Organizational Chart; Q11; Q14  
Out-of-Area; Q4  
Outside Referrals; Q4  
Parent, Subsidiaries and Affiliates; Q2; Q3; Q10, Note 10; Q11.1  
Participating Policies; Q10, Note 28  
Pharmaceutical Rebates; Q10, Note 27  
Policyholder Dividends; Q5; Q6  
Postemployment Benefits; Q10, Note 12  
Postretirement Benefits; Q10, Note 12  
Preferred Stock; Q2; Q3; Q6; Q11.1; Q11.2  
Premium Deficiency Reserves; Q10, Note 29

## INDEX TO HEALTH QUARTERLY STATEMENT

Premiums and Considerations  
Advance; Q3  
Collected; Q6  
Deferred; Q2  
Direct; Q7; Q13  
Earned; Q7  
Retrospective; Q2  
Uncollected; Q2  
Unearned; Q4  
Written; Q4; Q7  
Prescription Drugs; Q4  
Quasi Reorganizations; Q10, Note 13  
Real Estate; Q2; Q6; QE01; QSI01  
Redetermination, Contracts Subject to; Q10, Note 23  
Reinsurance; Q9; Q10, Note 22  
Ceded; Q3; Q12  
Funds Held; Q2  
Payable; Q3  
Premiums; Q3  
Receivable; Q2; Q4  
Unauthorized; Q3; Q5  
Reserves  
Accident and Health; Q3; Q4  
Claim; Q3; Q5; Q8  
Life; Q3  
Retirement Plans; Q10, Note 12  
Retrospectively Rated Policies; Q10, Note 23  
Risk Revenue; Q4  
Salvage and Subrogation; Q10, Note 30  
Servicing of Financial Assets; Q10, Note 17  
Short-Term Investments; Q2; Q6; Q11.1; QSI03  
Stockholder Dividends; Q5; Q6  
Subsequent Events; Q10, Note 21  
Surplus; Q3; Q5; Q6  
Surplus Notes; Q3; Q5; Q6  
Swaps; QE07  
Synthetic Assets; QSI04; QSI05  
Third Party Administrator; Q10, Note 19  
Treasury Stock; Q3; Q5  
Uninsured Accident and Health; Q2; Q3; Q10, Note 18  
Valuation Allowance; QSI01  
Wash Sales; Q10, Note 17  
Withholds; Q4; Q8

**QUARTERLY DISKETTE TRANSMITTAL FORM AND CERTIFICATION  
(HEALTH)**

Name of Insurer AMERIGROUP Tennessee, Inc.

Date 05/15/2010 FEIN 20-4776597  
 NAIC Group # 1156 NAIC Company # 12941

THIS FORM IS REQUIRED FOR ALL DISKETTE TRANSMITTALS. PLEASE PROVIDE ANY ADDITIONAL COMMENTS THAT MAY HELP TO IDENTIFY DISKETTE CONTENT.

	QTR. 1	QTR. 2	QTR. 3
A01. Is this the first time you've submitted this filing? (Y/N) .....	Yes .....	N/A .....	N/A .....
A02. Is this being re-filed at the request of the NAIC or a state insurance department? (Y/N) .....	N/A .....	N/A .....	N/A .....
A03. Is this being re-filed due to changes to the data originally filed? (Y/N) .....	N/A .....	N/A .....	N/A .....
A04. Other? (Y/N) .....	N/A .....	N/A .....	N/A .....
(If "yes" attach an explanation.)			

B. Additional comments if necessary for clarification:

C. Diskette Contact Person: Margaret Mary Roomsburg

Phone: (757)473-2721-

Address: 4425 Corporation Lane, Virginia Beach, VA 23462

D. Software Vendor: SunGard iWORKS, LLC  
 Version: 2010.Q.1

E. Have material validation failures been addressed in the explanation file? Yes[X] No[]

F. The undersigned hereby certifies, according to the best of his/her knowledge and belief: that the diskettes submitted with this form were prepared in compliance with the NAIC specifications, that the diskettes have been tested against the validations included with these specifications, and that quarterly statement information required to be contained on diskette is identical to the information in the 2010 Quarterly Statement blank filed with the insurer's domiciliary state insurance department. In addition, the diskettes have been scanned through a virus detection software package, and no viruses are present on the diskettes. The virus detection software used was (name): McAfee VirusScan Enterprise

(version number): 8.5.0.781

(Signed) 

Type Name and Title: Margaret Mary Roomsburg, Vice President

## EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 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 Premium due and unpaid from Medicare entities.....						
0499999 Premium due and unpaid from Medicaid entities.....	8,009,383	4,344,280	4,420,295	36,073,338		52,847,296
0599999 Accident and health premiums due and unpaid (Page 2, Line 13) .	8,009,383	4,344,280	4,420,295	36,073,338		52,847,296

**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
<b>Pharmaceutical Rebate Receivables</b>						
Caremark	181,853				181,853	
0199998 Pharmaceutical Rebate Receivables - Not Individually Listed						
0199999 Subtotal - Pharmaceutical Rebate Receivables	181,853				181,853	
0299998 Claim Overpayment Receivables - Not Individually Listed	5,351	9,018			14,369	
0299999 Subtotal - Claim Overpayment Receivables	5,351	9,018			14,369	
<b>Loans and Advances to Providers</b>						
Centerstone Mental Health Center				400,000	400,000	
Tennessee Carriers, Inc.				370,000	370,000	
0399998 Loans and Advances to Providers - Not Individually Listed				1,074,000	1,074,000	
0399999 Subtotal - Loans and Advances to Providers				1,844,000	1,844,000	
0499998 Capitation Arrangements Receivables - Not Individually Listed						
0499999 Subtotal - Capitation Arrangements Receivables						
0599998 Risk Sharing Receivables - Not Individually Listed						
0599999 Subtotal - Risk Sharing Receivables						
<b>Other Receivables</b>						
TennCare Oversight		400,000				400,000
0699998 Other Receivables - Not Individually Listed						
0699999 Subtotal - Other Receivables		400,000				400,000
0799999 Gross health care receivables	187,204	409,018		1,844,000	2,040,222	400,000

### EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Debtor	2 1 - 30 Days	3	4 31 - 60 Days	5 Over 90 Days	6 Nonadmitted	Admitted		
						7 Current	8 Non-Current	
0299999 Receivables not individually listed .....		<b>NONE</b>						
0399999 Total gross amounts receivable .....								

AMERIGROUP Tennessee, Inc.  
Report 2A  
For the Period Ending 03/31/10

	Current Period	Year-To-Date Total	Previous Year Total
<b>Member Months</b>	<b>590,539</b>	<b>590,539</b>	<b>2,286,060</b>
<b>Revenues:</b>			
TennCare Capitation	180,539,390	180,539,390	612,724,592
Investment	334,245	334,245	1,636,485
Other Revenues	0	0	0
<b>Total Revenues</b>	<b>180,873,635</b>	<b>180,873,635</b>	<b>614,361,078</b>
<b>Estimated Expenses:</b>			
<b>Hospital and Medical (w/o Mental Health)</b>			
Capitated Physician Services	0	0	205,814
Fee-for Service Physician Services	35,772,280	35,772,280	148,921,443
Inpatient Hospital Services	47,786,435	47,786,435	138,535,102
Outpatient Hospital Services	11,717,958	11,717,958	46,115,432
Emergency Room Services	6,449,181	6,449,181	32,418,244
Dental Services	0	0	0
Vision Services	487,991	487,991	2,068,802
Pharmacy Services	0	0	0
Home Health Services	5,978,449	5,978,449	30,803,658
Chiropractic Services	0	0	0
Radiology Services	3,379,803	3,379,803	12,701,600
Laboratory Services	2,827,188	2,827,188	10,766,427
Durable Medical Equipment Services	1,057,557	1,057,557	4,408,617
Transportation Services	3,563,669	3,563,669	14,149,018
Outside Referrals	0	0	0
Medical Incentive Pool and Withhold Adj	0	0	0
Occupancy, Depreciation and Amortization	0	0	0
Other Medical and Hospital Services - Write-Ins	0	0	0
<b>Subtotal Medical and Hospital</b>	<b>119,020,513</b>	<b>119,020,513</b>	<b>441,094,157</b>
<b>Mental Health and Substance Abuse Services</b>			
Inpatient Psychiatric Facility Services	2,400,601	2,400,601	6,376,963
Inpatient Substance Abuse Treatment and Detox	722,706	722,706	2,112,908
Outpatient Mental Health Services	2,247,514	2,247,514	9,192,615
Outpatient Substance Abuse Treatment and Detox	1,127,371	1,127,371	4,120,674
Housing/Residential Treatment	1,234,982	1,234,982	5,629,195
Specialized Crisis Services	43,106	43,106	381,075
Psychiatric Rehab and Support Services	4,939,709	4,939,709	27,248,985
Case Management	2,685,057	2,685,057	8,891,538
Forensics	0	0	0
Other Judicial	0	0	0
Pharmacy	0	0	0
Lab Services	0	0	0
Transportation	27,111	27,111	128,249
Medical Incentive Pool and Withhold Adjustments	0	0	0
Occupancy, Depreciation and Amortization	0	0	0
Other Mental Health and Substance Abuse Services	0	0	0
PCP and Specialist Services	0	0	0
Other Mental Health Services - Write-Ins	0	0	0
<b>Subtotal MH&amp;SAS</b>	<b>15,428,157</b>	<b>15,428,157</b>	<b>64,082,202</b>
<b>CHOICES</b>			
Nursing Facility Care	348,228	348,228	-
HCBS Services	98,070	98,070	-
<b>Subtotal CHOICES</b>	<b>446,298</b>	<b>446,298</b>	<b>-</b>
<b>Subtotal Hospital, Medical, MH&amp;SAS, CHOICES</b>	<b>134,894,968</b>	<b>134,894,968</b>	<b>505,176,359</b>
<b>LESS:</b>			
Net Reinsurance Recoveries Incurred	(169,933)	(169,933)	(640,058)
Copayments	0	0	0
Subrogation and Coordination of Benefits	0	0	0
<b>Subtotal Reinsurance, Copay, Subrogation</b>	<b>(169,933)</b>	<b>(169,933)</b>	<b>(640,058)</b>
<b>Total Hospital, Medical, MH&amp;SAS</b>	<b>135,064,901</b>	<b>135,064,901</b>	<b>505,816,417</b>
<b>Administration:</b>			
Compensation	3,892,690	3,892,690	12,121,242
Direct and Allocated Admin expenses	10,524,963	10,524,963	43,385,101
Marketing	36,922	36,922	106,288
Interest Expense	0	0	0
Premium Tax Expense	10,012,166	10,012,166	23,434,003
Occupancy, Depreciation, and Amortization	338,730	338,730	1,439,219
Other Administration - Write-Ins	862,732	862,732	3,240,993
<b>Total Administration Expenses</b>	<b>25,668,204</b>	<b>25,668,204</b>	<b>83,726,846</b>
<b>Total Expenses</b>	<b>160,733,105</b>	<b>160,733,105</b>	<b>589,543,263</b>
Extraordinary Item	0	0	0
Provision for Income Tax	7,018,055	7,018,055	0
<b>Net Income (Loss)</b>	<b>13,122,475</b>	<b>13,122,475</b>	<b>24,817,814</b>
<b>Write-Ins for Other Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Other Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Write-Ins for Other Medical and Hospital</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Other Medical and Hospital</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Write-Ins for Other MH &amp; SS</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Other MH &amp; SS</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Write-Ins for Other Administration</b>			
Purch Svc Accts	40,748	40,748	409,551
Telephone Expenses	32,087	32,087	150,791
Fines & Penalties	192,281	192,281	78,240
Provision for Bad Debt	77,755	77,755	388,964
Postage and Delivery	196,447	196,447	624,917
Printing and Reproduction	186,651	186,651	675,063
Supplies Expense	22,210	22,210	58,689
Travel and Entertainment Exp	71,003	71,003	197,016
Other Administration < \$15,000 YTD	43,550	43,550	657,762
<b>Total Other Administration</b>	<b>862,732</b>	<b>862,732</b>	<b>3,240,993</b>

AMERIGROUP Tennessee, Inc-Grand Region Middle  
 Cash Reconciliation-Middle Region-Medfield only  
 March 31, 2010

Month Received	Cash	Recorded	Rate call before account	Jan - 10% Feb & Mar - 5%	9W collected	Collected 10% Feb & Mar 5%	Jan 10% Feb & Mar 5%	Liquidated Damages	Premium Taxes	ASO Claims	Revised Checks	ASO fees	Other A/R	Cash difference	Premium receivable
	Cash P2, Q3, L5, 1A	L2						Admin Exp P4, Q2, L21	Not Reported	Not Reported	Not Reported	Premium P4, Q2, L2	Not Reported		
Beginning Balance (Prem. Rec)															
January	48,652,837.32	53,157,870.38	\$48,715,159.87	4,871,515.59	\$43,843,643.88	4,824,193.44	4,824,193.44	(15,000.00)	-	-	-	-	-	\$	36,472,947.31
February	51,155,036.01	56,896,382.14	\$48,723,673.71	2,436,163.69	\$46,287,490.02	4,871,515.59	4,871,515.59	(4,000.00)	-	-	-	-	-	\$	47,322.55
March	64,293,113.69	71,485,137.59	\$65,194,958.95	3,299,747.95	\$61,935,211.00	2,436,163.69	2,436,163.69	(113,281.00)	-	-	-	-	178.00	\$	(2,435,332.30)
E. Line Returns	178.00													\$	823,564.26
<b>Total</b>	\$ 164,066,135.02	\$ 180,539,390.11	\$ 162,633,782.53	\$ 10,567,447.62	\$ 152,066,344.91	\$ 12,131,893.11	\$ 12,131,893.11	\$ (132,281.00)	\$ -	\$ -	\$ -	\$ -	\$ 178.00	\$ (0.00)	\$ 34,908,501.82

Reconciliation

\$ 34,908,501.82  
 3,259,747.95 March 5% withhold  
 38,651,622.76 Rate Adjustment Acct. J.09-Mar 10  
 10,202,468.89 Retro Eligibility Assessed April 7-9-10  
 500,000.00 Retro Eligibility Assessed Mar 10 Estimate

Cash collected \$ 164,066,135.02  
 Premium earned 180,539,390.11  
 Difference \$ (16,473,255.09)

Premium Receivable \$ 52,814,069.40  
 Less:  
 Beginning Balance \$ 36,472,947.31  
 Liquidated Damages (132,281.00)  
 Premium Taxes -  
 ASO Claims -  
 Retired Checks -  
 ASO fees -  
 Refund/Reimbursement 178.00 \$ 35,340,844.31  
 Difference \$ (16,473,255.09) (0.00)

Cash that should be included on premium tax return

Medical Premiums	180,539,390.11
Change in Premium Receivable	(16,341,152.09)
Premium Taxes	-
ASO Claims	-
Retired Checks	-
ASO fees	178.00
Refund/Reimbursement	164,198,416.02
cash collected	164,066,135.02
add back liquidated damages	132,281.00
	164,198,416.02
	0.00

9,030,912.88

AMERIGROUP Tennessee, Inc.-Grand Region West  
 Cash Reconciliation  
 March 31, 2010

Date Received	Cash Cash P2, C3, L5 IA	Recorded L2	Liquidated Damages L21	Due to Health Solutions Not Reported	Weekly Claims Run Not Reported	Manual Checks Not Reported	Capitation Payment Not Reported	Refund Checks Not Reported	Case Management Not Reported	Premium Taxes Not Reported	Voided Checks Not Reported	Voided Invoice Not Reported	Other A/R Not Reported	Accrued Expenses	Interest to state	Cash difference	Premium receivable L13.1
March 8, 2010 Duckworth Reimbursement	305,173.11 800,000.00		(33,451.81)										338,624.92 800,000.00			- - - - -	- - - - -
Total	\$ 1,105,173.11	\$ -	\$ (33,451.81)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,138,624.92	\$ -	\$ -	\$ -	\$ -

Cash that should be included on premium tax return	
Cash collected	\$ 1,105,173.11
add LD's	33,451.81
interest remitted	-
	\$ 1,138,624.92
	\$ 62,624.37