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ANNUAL STATEMENT FOR THE YEAR ENDING DECEMBER 31, 2012 OF THE CONDITION AND AFFAIRS OF THE

C&I TENNCARE

Preferred Health Partnership of Tennessee, Inc.

NAIC Group Code 0119 (Current Period) 0119 (Prior Period) NAIC Company Code 95749 Employer's ID Number 62-1546662

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

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 [X] No []

Incorporated/Organized 09/02/1993 Commenced Business 01/01/1994

Statutory Home Office 2160 Lakeside Centre Way, Suite 200 Knoxville, TN, 37922

Main Administrative Office 2160 Lakeside Centre Way, Suite 200 Knoxville, TN, 37922 865-470-3993

Mail Address P.O. Box 740036 Louisville, KY, 40201-7436

Primary Location of Books and Records 2160 Lakeside Centre Way, Suite 200 Knoxville, TN, 37922 865-470-3993

Internet Web Site Address www.humana.com

Statutory Statement Contact Robyn Agnew 502-580-8257 DOIINQUIRIES@humana.com 502-580-2099

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Officers include Bruce Dale Broussard (President & CEO), James Harry Bloem (Sr. VP, CFO & Treasurer), Joan Olliges Lenahan (VP & Corporate Secretary), and Jonathan Albert Canine (Appointed Actuary).

OTHER OFFICERS

Table with 4 columns: Name, Title, Name, Title. Lists various other officers such as George Grant Bauernfeind (Vice President), Elizabeth Diane Bierbower (Pres., Employer Group Segment), and others.

DIRECTORS OR TRUSTEES

Table with 3 columns: Name, Name, Name. Lists James Harry Bloem, Bruce Dale Broussard, and James Elmer Murray.

State of Kentucky, County of Jefferson

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon...

Signatures of Bruce Dale Broussard, Joan Olliges Lenahan, and James Harry Bloem with their respective titles.

Subscribed and sworn to before me this 21st day of February, 2013

Signature of Myra Carpenter, Notary Public, August 9, 2013

- 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



PREFERRED HEALTH PARTNERSHIP OF TENNESSEE, INC.

ACTUARIAL OPINION

December 31, 2012

TABLE of KEY INDICATORS

This Opinion is: Unqualified Qualified Adverse Inconclusive

IDENTIFICATION SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording
 Revised Wording

SCOPE SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording
 Revised Wording

RELIANCE SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording
 Revised Wording

OPINION SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording
 Revised Wording

RELEVANT COMMENTS

Revised Wording

The Actuarial Memorandum includes "Deviation from Standard" wording regarding conformity with an Actuarial Standard of Practice

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Dept of Commerce & Insurance
Financial Affairs/Analysis Section

PREFERRED HEALTH PARTNERSHIP OF TENNESSEE, INC.

ACTUARIAL OPINION

December 31, 2012

IDENTIFICATION SECTION

I, Jonathan A. Canine, Actuarial Director and Appointed Actuary, am an employee of Preferred Health Partnership of Tennessee, Inc. and a member of the American Academy of Actuaries. I was appointed on July 1, 2011 in accordance with the requirements of the annual statement instructions. I meet the Academy qualification standards for rendering the opinion.

SCOPE SECTION

I have examined the assumptions and methods used in determining loss reserves, actuarial liabilities and related items listed below, as shown in the annual statement of the organization as prepared for filing with state regulatory officials, as of December 31, 2012.

A. Claims unpaid (Page 3, Line 1);	\$	0
B. Accrued medical incentive pool and bonus payments (Page 3, Line 2);	\$	0
C. Unpaid claims adjustment expenses (Page 3, Line 3);	\$	0
D. Aggregate health policy reserves (Page 3, Line 4) including unearned premium reserves, premium deficiency reserves and additional policy reserves from the Underwriting and Investment Exhibit – Part 2D;	\$	0
E. Aggregate life policy reserves (Page 3, Line 5);	\$	0
F. Property/casualty unearned premium reserves (Page 3, Line 6);	\$	0
G. Aggregate health claim reserves (Page 3, Line 7);	\$	0
H. Any other loss reserves, actuarial liabilities, or related items presented as liabilities in the annual statement; Not Applicable and		
I. Specified actuarial items presented as assets in the annual statement. Not Applicable		

RELIANCE SECTION

The company has no asset or liability records or data that were relied upon in determining reserve liabilities. There are no entries, other than \$0, in the Underwriting and Investment Exhibit Part - 2B of the company's current annual statement.

PREFERRED HEALTH PARTNERSHIP OF TENNESSEE, INC.

ACTUARIAL OPINION

December 31, 2012

OPINION SECTION

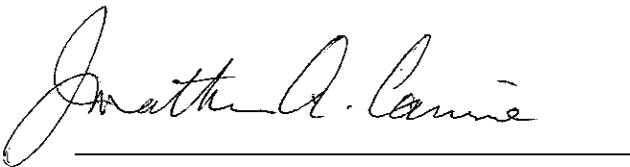
In my opinion, the amounts carried in the balance sheet on account of the items identified above:

- A. Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles,
- B. Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared,
- C. Meet the requirements of the Insurance Laws and regulations of the State of Tennessee,
- D. Make a good and sufficient provision for all unpaid claims and other actuarial liabilities of the organization under the terms of its contracts and agreements,
- E. Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end,
- F. Include appropriate provision for all actuarial items that ought to be established.

The Underwriting and Investment Exhibit -- Part 2B was reviewed for reasonableness and consistency with the applicable Actuarial Standards of Practice.

Actuarial methods, considerations, and analyses used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis of this statement of opinion.

This opinion was prepared for, and is to be relied upon only by Preferred Health Partnership of Tennessee, Inc., Humana Inc., and the Insurance Division of the Tennessee Department of Commerce and Insurance.



Jonathan A. Canine, FSA, MAAA
Preferred Health Partnership of Tennessee, Inc.
500 W. Main Street, 27th Floor
Louisville, KY 40202
(502) 580-4026

Date: February 19, 2013

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	1,397,886		1,397,886	1,246,221
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)			0	0
4.2 Properties held for the production of income (less \$ 0 encumbrances)			0	0
4.3 Properties held for sale (less \$ 0 encumbrances)			0	0
5. Cash (\$ 10,032, Schedule E-Part 1), cash equivalents (\$ 0, Schedule E-Part 2) and short-term investments (\$ 1,727,254, Schedule DA)	1,737,286		1,737,286	1,919,504
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL)			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	3,135,172	0	3,135,172	3,165,725
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	7,302		7,302	6,456
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$ 0) and other amounts receivable	1,032		1,032	0
25. Aggregate write-ins for other than invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,143,506	0	3,143,506	3,172,181
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	3,143,506	0	3,143,506	3,172,181
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501.			0	0
2502.			0	0
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)			0	0
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses			0	0
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	2,837		2,837	9,269
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	1,256		1,256	55,324
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	23,782		23,782	22,238
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and (\$ certified reinsurers)			0	0
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
24. Total liabilities (Lines 1 to 23)	27,875	0	27,875	86,831
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	1,000	1,000
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	61,379,848	61,379,848
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(58,265,217)	(58,295,498)
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	3,115,631	3,085,350
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	3,143,506	3,172,181
DETAILS OF WRITE-INS				
2301.			0	0
2302.			0	0
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.	XXX	XXX		0
2502.	XXX	XXX		0
2503.	XXX	XXX		0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		0
3002.	XXX	XXX		0
3003.	XXX	XXX		0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	XXX	0	0
2. Net premium income (including \$ 0 non-health premium income)	XXX	0	0
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	0	0
Hospital and Medical:			
9. Hospital/medical benefits			(607,181)
10. Other professional services			0
11. Outside referrals			0
12. Emergency room and out-of-area			0
13. Prescription drugs			0
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts			0
16. Subtotal (Lines 9 to 15)	0	0	(607,181)
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	0	(607,181)
19. Non-health claims (net)			0
20. Claims adjustment expenses, including \$ 0 cost containment expenses		0	0
21. General administrative expenses		2,217	3,710
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		0	0
23. Total underwriting deductions (Lines 18 through 22)	0	2,217	(603,471)
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(2,217)	603,471
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	48,802	55,625
26. Net realized capital gains (losses) less capital gains tax of \$			0
27. Net investment gains (losses) (Lines 25 plus 26)	0	48,802	55,625
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]		0	0
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	46,585	659,096
31. Federal and foreign income taxes incurred	XXX	16,304	230,684
32. Net income (loss) (Lines 30 minus 31)	XXX	30,281	428,412
DETAILS OF WRITE-INS			
0601.	XXX		0
0602.	XXX		0
0603.	XXX		0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		0
0702.	XXX		0
0703.	XXX		0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			0
1402.			0
1403.			0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901.			0
2902.			0
2903.			0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	3,085,350	5,602,938
34. Net income or (loss) from Line 32	30,281	428,412
35. Change in valuation basis of aggregate policy and claim reserves		0
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)		0
38. Change in net deferred income tax		(26,888)
39. Change in nonadmitted assets	0	80,888
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		(3,000,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	30,281	(2,517,588)
49. Capital and surplus end of reporting year (Line 33 plus 48)	3,115,631	3,085,350
DETAILS OF WRITE-INS		
4701.		0
4702.		0
4703.		0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	0	0
2. Net investment income.....	50,836	51,553
3. Miscellaneous income.....	0	0
4. Total (Lines 1 through 3).....	50,836	51,553
5. Benefit and loss related payments.....	0	(607,181)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	8,649	78,596
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	70,372	340,345
10. Total (Lines 5 through 9).....	79,021	(188,240)
11. Net cash from operations (Line 4 minus Line 10).....	(28,185)	239,793
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	1,250,000	0
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0
12.7 Miscellaneous proceeds.....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,250,000	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	1,404,545	0
13.2 Stocks.....	0	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,404,545	0
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(154,545)	0
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	3,000,000
16.6 Other cash provided (applied).....	512	(458,172)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	512	(3,458,172)
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).....	(182,218)	(3,218,379)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	1,919,504	5,137,883
19.2 End of year (Line 18 plus Line 19.1).....	1,737,286	1,919,504

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	0	0	0	0	0	0	0	0	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	0	0	0	0	0	0	0	0	0	0
8. Hospital/medical benefits	0									XXX
9. Other professional services	0									XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	0									XXX
12. Prescription drugs	0									XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0									XXX
15. Subtotal (Lines 8 to 14)	0	0	0	0	0	0	0	0	0	XXX
16. Net reinsurance recoveries	0									XXX
17. Total hospital and medical (Lines 15 minus 16)	0	0	0	0	0	0	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ cost containment expenses	0									
20. General administrative expenses	2,217							2,217		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	2,217	0	0	0	0	0	0	2,217	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(2,217)	0	0	0	0	0	0	(2,217)	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

Part 1 - Premiums

NONE

Part 2 - Claims Incurred During the Year

NONE

Part 2A - Claims Liability

NONE

Part 2B - Analysis of Claims

NONE

Pt 2C - Sn A - Paid Claims - Comp

NONE

Pt 2C - Sn A - Paid Claims - MS

NONE

Pt 2C - Sn A - Paid Claims - DO

NONE

Pt 2C - Sn A - Paid Claims - VO

NONE

Pt 2C - Sn A - Paid Claims - FE

NONE

Pt 2C - Sn A - Paid Claims - XV

NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	(224,625)	(288,742)	(288,742)	(288,742)	(288,742)
2. 2008	0	0	0	0	0
3. 2009	XXX	0	0	0	0
4. 2010	XXX	XXX	0	0	0
5. 2011	XXX	XXX	XXX	0	0
6. 2012	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	(288,742)	(288,742)	(288,742)	(288,742)	(288,742)
2. 2008	0	0	0	0	0
3. 2009	XXX	0	0	0	0
4. 2010	XXX	XXX	0	0	0
5. 2011	XXX	XXX	XXX	0	0
6. 2012	XXX	XXX	XXX	XXX	0

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XIX Medicaid

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2009	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 2010	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2011	0	0	0	0.0	0	0.0	0	0	0	0.0
5. 2012	0	0	0	0.0	0	0.0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)

Section A - Paid Health Claims - Grand Total

Year In Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	(224,625)	(288,742)	(288,742)	(288,742)	(288,742)
2. 2008	0	0	0	0	0
3. 2009	XXX	0	0	0	0
4. 2010	XXX	XXX	0	0	0
5. 2011	XXX	XXX	XXX	0	0
6. 2012	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	(288,742)	(288,742)	(288,742)	(288,742)	(288,742)
2. 2008	0	0	0	0	0
3. 2009	XXX	0	0	0	0
4. 2010	XXX	XXX	0	0	0
5. 2011	XXX	XXX	XXX	0	0
6. 2012	XXX	XXX	XXX	XXX	0

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2009	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 2010	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2011	0	0	0	0.0	0	0.0	0	0	0	0.0
5. 2012	0	0	0	0.0	0	0.0	0	0	0	0.0

12-GT

Pt 2C - Sn B - Incurred Claims - Comp

NONE

Pt 2C - Sn B - Incurred Claims - MS

NONE

Pt 2C - Sn B - Incurred Claims - DO

NONE

Pt 2C - Sn B - Incurred Claims - VO

NONE

Pt 2C - Sn B - Incurred Claims - FE

NONE

Pt 2C - Sn B - Incurred Claims - XV

NONE

Part 2C - Sn C - Claims Expense Ratio Co

NONE

Part 2C - Sn C - Claims Expense Ratio MS

NONE

Part 2C - Sn C - Claims Expense Ratio DO

NONE

Part 2C - Sn C - Claims Expense Ratio VO

NONE

Part 2C - Sn C - Claims Expense Ratio FE

NONE

Part 2C - Sn C - Claims Expense Ratio XV

NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	0								
2. Additional policy reserves (a).....	0								
3. Reserve for future contingent benefits.....	0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income).....	0								
5. Aggregate write-ins for other policy reserves.....	0	0	0	0	0	0	0	0	0
6. Totals (gross).....	0	0	0	0	0	0	0	0	0
7. Reinsurance ceded.....	0								
8. Totals (Net) (Page 3, Line 4).....	0	0	0	0	0	0	0	0	0
9. Present value of amounts not yet due on claims.....	0								
10. Reserve for future contingent benefits.....	0								
11. Aggregate write-ins for other claim reserves.....	0			0	0	0	0	0	0
12. Totals (gross).....	0			0	0	0	0	0	0
13. Reinsurance ceded.....	0								
14. Totals (Net) (Page 3, Line 7).....	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0	0	0	0	0	0

NONE

13

(a) includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building).....					0
2. Salaries, wages and other benefits.....			3,319		3,319
3. Commissions (less \$ceded plus \$assumed).....					0
4. Legal fees and expenses.....					0
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....					0
7. Traveling expenses.....					0
8. Marketing and advertising.....					0
9. Postage, express and telephone.....					0
10. Printing and office supplies.....					0
11. Occupancy, depreciation and amortization.....					0
12. Equipment.....					0
13. Cost or depreciation of EDP equipment and software.....					0
14. Outsourced services including EDP, claims, and other services.....					0
15. Boards, bureaus and association fees.....					0
16. Insurance, except on real estate.....					0
17. Collection and bank service charges.....					0
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....			34		34
23.2 State premium taxes.....					0
23.3 Regulatory authority licenses and fees.....			920		920
23.4 Payroll taxes.....			639		639
23.5 Other (excluding federal income and real estate taxes).....			22		22
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	(2,717)	0	(2,717)
26. Total expenses incurred (Lines 1 to 25).....	0	0	2,217	0	2,217
27. Less expenses unpaid December 31, current year.....			2,837		2,837
28. Add expenses unpaid December 31, prior year.....	0	0	9,269	0	9,269
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30).....	0	0	8,649	0	8,649
DETAILS OF WRITE-INS					
2501. Miscellaneous Admin Expense.....			(2,717)		(2,717)
2502.					0
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 + 2598) (Line 25 above).....	0	0	(2,717)	0	(2,717)

(a) Includes management fees of \$ 4,782 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Eamed During Year
1. U.S. Government bonds	(a) 47,119	47,966
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 836	836
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	47,955	48,802
11. Investment expenses		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		0
17. Net investment income (Line 10 minus Line 16)		48,802
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes \$ 3,779 accrual of discount less \$ 6,659 amortization of premium and less \$ 0 paid for accrued interest on purchases.
 (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
 (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
 (e) Includes \$ 811 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
 (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
 (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
 (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	0	0	0	0	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	0	0	0	0	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	0	0	0	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	0	0	0	0	0
DETAILS OF WRITE-INS					
0901.			0		
0902.			0		
0903.			0		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0	0	0	0

NONE

Exhibit of Nonadmitted Assets

NONE

Exhibit 1 - Enrollment by Product Type

NONE

Exhibit 2 - A&H Premiums Due and Unpaid

NONE

Exhibit 3 - Health Care Receivables

NONE

Exhibit 4 - Claims Unpaid

NONE

Exhibit 5 - Amounts Due From Parent, Subs

NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
Humana Inc.	Reimbursements from expenditures made directly by Humana Inc. for the benefit of Preferred Health Partnership of Tennessee or for the services provided by Humana Inc. for the company. The direct expenditures include payments for medical related items, trade payables and payroll related items. The services provided include and are not limited to actuarial underwriting, billing, enrollments, claim administration, customer services, utilization management, prior authorization, quality management, accounting, financial analysis, legal, tax, budgeting data processing and marketing.	23,782	23,782	
0199999 Individually listed payables		23,782	23,782	0
0299999 Payables not individually listed				
0399999 Total gross payables		23,782	23,782	0

Exhibit 7 - Part 1

NONE

Exhibit 7 - Part 2

NONE

Exhibit 8

NONE

STATEMENT AS OF December 31, 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the Tennessee Department of Insurance.

The Tennessee Department of 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 (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Tennessee. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. No deviations exist.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed, and permitted by the state of Tennessee is shown below:

	State of Domicile	2012	2011
Net Income			
1. Preferred Health Partnership of Tennessee, Inc. Tennessee basis	TN	\$ 30,281	\$ 428,412
2. State Prescribed Practices that increase/(decrease) NAIC SAP	TN	-	-
3. State Permitted Practices that increase/(decrease) NAIC SAP	TN	-	-
4. NAIC SAP	TN	\$ 30,281	\$ 428,412
Surplus			
5. Preferred Health Partnership of Tennessee, Inc. Tennessee basis	TN	\$ 3,115,631	\$ 3,085,350
6. State Prescribed Practices that increase/(decrease) NAIC SAP	TN	-	-
7. State Permitted Practices that increase/(decrease) NAIC SAP:	TN	-	-
a. Nonadmitted Intercompany Receivable	TN		
8. NAIC SAP	TN	\$ 3,115,631	\$ 3,085,350

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. These estimates are based on knowledge of current events and anticipated future events, and accordingly, actual results could differ from those estimates.

C. Accounting Policy

Premiums are reported as earned in the period in which members are entitled to receive services, and are net of retroactive membership adjustments. Retroactive membership adjustments result from enrollment changes not yet processed, or not yet reported by an employer group or the government. Premiums received prior to such period are recorded as advance premiums.

Benefits incurred and loss adjustment expenses include claim payments, capitation payments, pharmacy costs net of rebates, allocations of certain centralized expenses, legal and administrative costs to settle claims, and various other costs incurred to provide health insurance coverage to members, as well as estimates of future payments to hospitals and others for medical care provided prior to the date of the statements of admitted assets, liabilities and surplus. Capitation payments represent monthly contractual fees disbursed to participating primary care physicians, and other providers who are responsible for providing medical care to members. Pharmacy costs represent payments for members' prescription drug benefits, net of rebates from drug manufacturers.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include investments mainly in U.S. Government obligations with a maturity of twelve months or less from the date of purchase. Short-term investments are recorded at amortized cost. The carrying value of short-term investments approximates fair value due to the short-term maturities of the investments.
- (2)-(4) Investments are valued and classified in accordance with methods prescribed by the NAIC. Bonds with an NAIC rating of 1 or 2 are carried at amortized cost, with all other bonds being recorded at the lower of amortized cost or fair value; redeemable preferred stocks are carried at amortized cost; and non-redeemable preferred stocks are carried at fair value.

The Company regularly evaluates investment securities for impairment. For all securities other than loan-backed and structured securities, the Company considers factors affecting the investee, factors affecting the industry the investee operates within, and general debt and equity market trends. The Company also considers the length of time an investment's fair value has been below carrying value, the near term prospects for recovery to carrying value, and the Company's intent and ability to hold the investment until maturity or market recovery is realized. If and when a determination is made that a decline in fair value below the cost basis is other-than-temporary, the related investment is written down to its estimated fair value through earnings.

Amortization of bond premium or discount is computed using the scientific interest method.

NOTES TO THE FINANCIAL STATEMENTS

Income from investments is recorded on an accrual basis. For the purpose of determining realized gains and losses, the cost of securities sold is based upon specific identification. Investment income due and accrued over 90 days past due is nonadmitted.

- (5) Not Applicable.
- (6) Not Applicable.
- (7) Not Applicable.
- (8) Not Applicable.
- (9) Not Applicable.

- (10)-(11) The estimates of future medical benefit payments are developed using actuarial methods and assumptions based upon claim payment patterns, medical cost inflation, historical development such as claim inventory levels and claim receipt patterns, and other relevant factors. Corresponding administrative costs to process outstanding claims are estimated and accrued. Estimates of future payments relating to services incurred in the current and prior periods are continually reviewed by management and adjusted as necessary.

The Company assesses the profitability of its contracts for providing health insurance coverage to its members when current operating results or forecasts indicate probable future losses. The Company records a premium deficiency liability in current operations to the extent that the sum of expected future medical costs, claim adjustment expenses and maintenance costs exceed related future premiums. Investment income is not contemplated in the calculation of the premium deficiency liability.

Management believes the Company's benefits payable and loss adjustment expense are adequate to cover future claims and loss adjustment expense payments required, however, such estimates are based on knowledge of current events and anticipated future events and, therefore, the actual liability could differ from the amounts provided.

- (12) The Company does not own real estate or equipment.

The Company recognizes an asset or liability for the deferred tax consequences of temporary differences between the tax bases of assets or liabilities and their reported amounts in the financial statements. The temporary differences will result in taxable or deductible amounts in future years when the reported amounts of the assets or liabilities are recovered or settled.

- (13) Not Applicable.

2. Accounting Changes and Corrections of Errors

The Company adopted the provisions of SSAP No. 101 Income Taxes A Replacement of SSAP10R and SSAP 10 in 2012. SSAP 101 provides new requirements for tax loss contingencies and the calculation and admissibility of deferred tax assets. The difference between the recalculated amounts as of January 1, 2012, and the amount actually reported in the prior year financial statements is treated as a change in accounting principle in accordance with SSAP 3 Accounting Changes and Correction Errors. The cumulative effect of this change in accounting principle did not have a material impact on the financial statements.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Not Applicable.

B. Statutory Merger

Not Applicable.

C. Assumption Reinsurance

Not Applicable.

D. Impairment Loss

Not Applicable.

4. Discontinued Operations

Not Applicable.

5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

Not Applicable.

B. Debt Restructuring

Not Applicable.

C. Reverse Mortgages

Not Applicable.

STATEMENT AS OF December 31, 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

NOTES TO THE FINANCIAL STATEMENTS

D. Loan-Backed Securities

- (1) Not Applicable.
- (2) Not Applicable.
- (3) Not Applicable.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company has no repurchase agreements or securities lending transactions.

F. Real Estate

Not Applicable.

G. Low-Income Housing Tax Credits (LIHTC)

Not Applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10.0 percent of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

- A. Due and accrued income was excluded from surplus on the following basis:

All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loan default.

- B. The total amount excluded was \$0.

8. Derivative Instruments

Not Applicable.

9. Income Taxes

A. Deferred Tax Assets/(Liabilities)

- (1) The components of the net admitted deferred tax asset/(liability) by tax character were as follows:

	December 31, 2012		
	Ordinary	Capital	Total
a. Gross deferred tax assets	\$ -	\$ -	\$ -
b. Statutory valuation allowance adjustments	-	-	-
c. Adjusted gross deferred tax assets	-	-	-
d. Deferred tax assets nonadmitted	-	-	-
e. Net admitted deferred tax assets	-	-	-
f. Deferred tax liabilities	-	-	-
g. Net admitted deferred tax asset/(liability)	\$ -	\$ -	\$ -

	December 31, 2011		
	Ordinary	Capital	Total
a. Gross deferred tax assets	\$ -	\$ -	\$ -
b. Statutory valuation allowance adjustments	-	-	-
c. Adjusted gross deferred tax assets	-	-	-
d. Deferred tax assets nonadmitted	-	-	-
e. Net admitted deferred tax assets	-	-	-
f. Deferred tax liabilities	-	-	-
g. Net admitted deferred tax asset/(liability)	\$ -	\$ -	\$ -

	Change		
	Ordinary	Capital	Total
a. Gross deferred tax assets	\$ -	\$ -	\$ -
b. Statutory valuation allowance adjustments	-	-	-
c. Adjusted gross deferred tax assets	-	-	-
d. Deferred tax assets nonadmitted	-	-	-
e. Net admitted deferred tax assets	-	-	-
f. Deferred tax liabilities	-	-	-
g. Net admitted deferred tax asset/(liability)	\$ -	\$ -	\$ -

STATEMENT AS OF December 31, 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

NOTES TO THE FINANCIAL STATEMENTS

(2) The amount of admitted adjusted gross deferred tax assets under SSAP No. 101 were as follows:

	December 31, 2012		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$ -
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	467,345
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	-	-	-
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	\$ -	\$ -	\$ -

	December 31, 2011		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$ -
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	126,094
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	-	-	-
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	\$ -	\$ -	\$ -

	Change		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$ -
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	341,251
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	-	-	-
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	\$ -	\$ -	\$ -

(3) The ratio percentage used to determine recovery period and threshold limitation amount was as follows:

	December 31, 2012	December 31, 2011
a. Ratio percentage used to determine recovery period and threshold limitation amount	7789077.50%	1451.00%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2 b.2 above	3,115,631	3,085,350

(4) The impact of tax planning strategies on adjusted gross DTAs and net admitted DTAs was as follows:

	December 31, 2012		
	Ordinary	Capital	Total
a. Adjusted gross DTAs (% of total adjusted gross DTAs)	0%	0%	0%
b. Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	0%	0%	0%

	December 31, 2011		
	Ordinary	Capital	Total
a. Adjusted gross DTAs (% of total adjusted gross DTAs)	0%	0%	0%
b. Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	0%	0%	0%

	Change		
	Ordinary	Capital	Total
a. Adjusted gross DTAs (% of total adjusted gross DTAs)	0%	0%	0%
b. Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	0%	0%	0%
c. Does the Company's tax planning strategies include the use of reinsurance?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

STATEMENT AS OF December 31, 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

NOTES TO THE FINANCIAL STATEMENTS

B. There are no temporary differences for which a DTL has not been established.

C. Current and deferred income taxes

(1) Current income taxes incurred consist of the following major components:

	December 31, 2012	December 31, 2011	Change
a. Federal	\$ 16,304	\$ 230,684	\$ (214,380)
b. Foreign	-	-	-
c. Subtotal	16,304	230,684	(214,380)
d. Federal income tax on net capital gains	-	-	-
e. Utilization of capital loss carryforwards	-	-	-
f. Other	-	-	-
g. Federal and foreign income taxes incurred	\$ 16,304	\$ 230,684	\$ (214,380)

(2)-(3) The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

DTAs resulting from Book/Tax Differences in:

	December 31, 2012	December 31, 2011	Change
a. Ordinary			
1. Discounting of unpaid losses	\$ -	\$ -	\$ -
2. Unearned premium reserve	-	-	-
3. Policyholder reserves	-	-	-
4. Investments	-	-	-
5. Deferred acquisition costs	-	-	-
6. Policyholder dividends accrual	-	-	-
7. Fixed assets	-	-	-
8. Compensation and benefit accruals	-	-	-
9. Pension accruals	-	-	-
10. Receivables - nonadmitted	-	-	-
11. Net operating loss carry-forward	-	-	-
12. Tax credit carry-forward	-	-	-
13. Other	-	-	-
99. Subtotal	-	-	-
b. Statutory valuation allowance adjustment	-	-	-
c. Nonadmitted	-	-	-
d. Admitted ordinary DTAs	-	-	-
e. Capital			
1. Investments	-	-	-
2. Net capital loss carryforwards	-	-	-
3. Real estate	-	-	-
4. Other	-	-	-
99. Subtotal	-	-	-
f. Statutory valuation allowance adjustment	-	-	-
g. Nonadmitted	-	-	-
h. Admitted capital DTAs	-	-	-
i. Admitted DTAs	\$ -	\$ -	\$ -

DTLs resulting from Book/Tax Differences in:

	December 31, 2012	December 31, 2011	Change
a. Ordinary			
1. Investments	\$ -	\$ -	\$ -
2. Fixed assets	-	-	-
3. Deferred and uncollected premium	-	-	-
4. Policyholder reserves	-	-	-
5. Other	-	-	-
99. Subtotal	-	-	\$ -
b. Capital			
1. Investments	-	-	-
2. Real estate	-	-	-
3. Other	-	-	-
99. Subtotal	-	-	-
c. DTLs	-	-	-
(4) Net deferred tax asset/(liability)	\$ -	\$ -	\$ -

STATEMENT AS OF December 31, 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

NOTES TO THE FINANCIAL STATEMENTS

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the Federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

	Amount	Tax Effect	Effective Tax Rate
Income before Taxes	\$ 46,585	\$ 16,304	35.00%
Tax-exempt Interest	-	-	0.00%
Dividends Received Deduction	-	-	0.00%
Proration	-	-	0.00%
Meals & Entertainment	-	-	0.00%
Statutory Valuation Allowance Adjustment	-	-	0.00%
Other, Including Prior Year True-Up	-	-	0.00%
Total	\$ 46,585	\$ 16,304	35.00%
Federal income taxes incurred [expense/(benefit)]		\$ 16,304	35.00%
Tax on capital gains/(losses)		-	0.00%
Change in net deferred income tax [charge/(benefit)]		-	0.00%
Total statutory income taxes		\$ 16,304	35.00%

E. Operating loss and tax credit carryforwards and protective tax deposits

(1) At December 31, 2012, the Company had net operating loss carryforwards expiring through the year 2032 of \$0.

At December 31, 2012, the Company had capital loss carryforwards expiring through the year 2017 of \$0.

At December 31, 2012, the Company had an AMT credit carryforward, which does not expire, in the amount of \$0.

(2) The following table demonstrates the income tax expense for 2010, 2011 and 2012 that is available for the recoupment in the event of future net losses:

	Ordinary	Capital	Total
2010	\$ -	\$ -	\$ -
2011	230,684	0	230,684
2012	16,304	0	16,304
Total	\$ 246,988	\$ -	\$ 246,988

(3) There are no deposits admitted under IRC § 6603.

F. The Company is included in a consolidated federal income tax return with its parent Company, Humana Inc. The Company has a written agreement, approved by the Company's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to be paid for any future net losses it may incur. The Company has no contingent income tax liabilities. The Company has not adjusted gross deferred tax assets due to changes in judgment about the realizability of the related deferred tax asset. The Company has no deposits under Section 6603 of the Internal Revenue Code.

HUMANA INC. AND SUBSIDIARIES

CALENDAR YEAR ENDED DECEMBER 31, 2012

AFFILIATIONS SCHEDULE

CORPORATE NAME AND EMPLOYER IDENTIFICATION NUMBER

THE ADDRESS OF EACH COMPANY IS: P. O. BOX 740026, LOUISVILLE, KY 40201

CORP. NO.	CORPORATION NAME	EMPLOYER IDENTIFICATION NUMBER
1	HUMANA INC.	61-0647538
2	516-526 WEST MAIN STREET CONDOMINIUM COUNCIL OF CO-OWNERS, INC.	20-5309363
3	AGILE TECHNOLOGY SOLUTIONS, INC.	46-1225873
4	AMERICAN DENTAL PLAN OF NORTH CAROLINA, INC.	56-1796975
5	AMERICAN DENTAL PROVIDERS OF ARKANSAS, INC.	58-2302163
6	ANVITA HEALTH (ANVITA, INC.)	77-0540040
7	ARCADIAN CHOICE, INC.	27-3387971

STATEMENT AS OF December 31, 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

NOTES TO THE FINANCIAL STATEMENTS

8	ARCADIAN HEALTH PLAN OF GEORGIA, INC.	20-5089611
9	ARCADIAN HEALTH PLAN OF LOUISIANA, INC.	20-8688983
10	ARCADIAN HEALTH PLAN OF NEW YORK, INC.	26-2800286
11	ARCADIAN HEALTH PLAN OF NORTH CAROLINA, INC.	26-0500828
12	ARCADIAN HEALTH PLAN, INC.	20-1001348
13	ARCADIAN MANAGEMENT SERVICES, INC.	86-0836599
14	AUTO INJURY SOLUTIONS, INC.	26-2681597
15	CAC-FLORIDA MEDICAL CENTERS, LLC	26-0010657
16	CARENETWORK, INC.	39-1514846
17	CAREPLUS HEALTH PLANS, INC.	59-2598550
18	CARITEN HEALTH PLAN, INC.	62-1579044
19	CARITEN INSURANCE COMPANY	62-0729865
20	CERTIFY DATA SYSTEMS, INC.	80-0072760
21	CHA HMO, INC.	61-1279717
22	CHA SERVICE COMPANY, INC.	61-1279716
23	COMPBENEFITS COMPANY	59-2531815
24	COMPBENEFITS CORPORATION	04-3185995
25	COMPBENEFITS DENTAL, INC.	36-3686002
26	COMPBENEFITS DIRECT, INC.	58-2228851
27	COMPBENEFITS INSURANCE COMPANY	74-2552026
28	COMPBENEFITS OF ALABAMA, INC.	63-1063101
29	COMPBENEFITS OF GEORGIA, INC.	58-2198538
30	COMPLEX CLINICAL MANAGEMENT, INC.	45-3713941
31	COMPREHENSIVE HEALTH INSIGHTS, INC. (fka Competitive Health Analytics, Inc.)	42-1575099
32	CONCENTRA HEALTH SOLUTIONS, INC.	75-2510547
33	CONCENTRA INC.	26-4823524
34	CONCENTRA INTEGRATED SERVICES, INC.	04-2658593
35	CONCENTRA OPERATING CORPORATION	04-3363415
36	CONCENTRA SOLUTIONS, INC.	75-2678146
37	CORPHEALTH PROVIDER LINK, INC.	20-8236655
38	CORPHEALTH, INC.	75-2043865
39	CPHP HOLDINGS, INC.	30-0117876
40	DEFENSEWEB TECHNOLOGIES, INC.	33-0916248
41	DENTAL CARE PLUS MANAGEMENT, CORP.	36-3512545
42	DENTICARE, INC.	76-0039628
43	EMPHEYSYS INSURANCE COMPANY	31-0935772
44	EMPHEYSYS, INC.	61-1237697
45	HARRIS, ROTHENBERG INTERNATIONAL, INC.	27-1649291
46	HEALTH VALUE MANAGEMENT, INC.	61-1223418
47	HOMECARE HEALTH SOLUTIONS, INC.	45-3116348
48	HUMANA ACTIVE OUTLOOK, INC.	20-4835394
49	HUMANA ADVANTAGECARE PLAN, INC.	65-1137990
50	HUMANA BENEFIT PLAN OF ILLINOIS, INC.	37-1326199
51	HUMANA DENTAL COMPANY	59-1843760
52	HUMANA EMPLOYERS HEALTH PLAN OF GEORGIA, INC.	58-2209549
53	HUMANA GOVERNMENT BUSINESS, INC. (fka Humana Military Healthcare Services, Inc.)	61-1241225
54	HUMANA GOVERNMENT NETWORK SERVICES, INC.	20-1717441
55	HUMANA HEALTH BENEFIT PLAN OF LOUISIANA, INC.	72-1279235
56	HUMANA HEALTH INSURANCE COMPANY OF FLORIDA, INC.	61-1041514
57	HUMANA HEALTH PLAN INTERESTS, INC.	71-0732385
58	HUMANA HEALTH PLAN OF CALIFORNIA, INC.	26-3473328
59	HUMANA HEALTH PLAN OF OHIO, INC.	31-1154200
60	HUMANA HEALTH PLAN OF TEXAS, INC.	61-0994632
61	HUMANA HEALTH PLAN, INC.	61-1013183
62	HUMANA HMO OF LOUISIANA, INC.	45-4184263
63	HUMANA INNOVATION ENTERPRISES, INC.	61-1343791
64	HUMANA INSURANCE COMPANY	39-1263473
65	HUMANA INSURANCE COMPANY OF KENTUCKY	61-1311685
66	HUMANA INSURANCE COMPANY OF NEW YORK	20-2888723
67	HUMANA MARKETPOINT, INC.	61-1343508
68	HUMANA MEDICAL PLAN OF MICHIGAN, INC.	27-3991410
69	HUMANA MEDICAL PLAN OF PENNSYLVANIA, INC.	27-4460531
70	HUMANA MEDICAL PLAN OF UTAH, INC.	20-8411422
71	HUMANA MEDICAL PLAN, INC.	61-1103898
72	HUMANA MILITARY DENTAL SERVICES, INC.	27-1323221
73	HUMANA PHARMACY SOLUTIONS, INC.	45-2254346
74	HUMANA PHARMACY, INC.	61-1316926
75	HUMANA REGIONAL HEALTH PLAN, INC. (fka Arkansas Community Care, Inc.)	20-2036444

NOTES TO THE FINANCIAL STATEMENTS

76	HUMANA VETERANS HEALTHCARE SERVICES, INC.	20-8418853
77	HUMANA WISCONSIN HEALTH ORGANIZATION INSURANCE CO.	39-1525003
78	HUMANACARES, INC.	65-0274594
79	HUMANADENTAL INSURANCE COMPANY	39-0714280
80	HUMANADENTAL, INC.	61-1364005
81	HUMCERT, INC.	46-1086337
82	HUMCO, INC.	61-1239538
83	HUM-e-FL, INC.	61-1383567
84	HUM-HOLDINGS INTERNATIONAL, INC.	26-3583438
85	HUMPHIRE, INC.	45-3777894
86	HUMSOL, INC.	45-3023344
87	HUM-VHC, INC.	45-5621162
88	KMG AMERICA CORPORATION	20-1377270
89	MANAGED CARE INDEMNITY, INC.	61-1232669
90	MD CARE, INC.,	20-1981339
91	MINER ACQUISITION SUBSIDIARY, INC.	46-1290640
92	NATIONAL HEALTHCARE RESOURCES, INC.	11-3273542
93	OMP INSURANCE COMPANY, LTD.	98-0445802
94	PHP COMPANIES, INC.	62-1552091
95	PREFERRED HEALTH PARTNERSHIP OF TENNESSEE, INC.	62-1546662
96	PREFERRED HEALTH PARTNERSHIP, INC.	62-1250945
97	PRESERVATION ON MAIN, INC.	20-1724127
98	SENIORBRIDGE (NC), INC.	56-2593719
99	SENIORBRIDGE (UT), INC.	56-2593718
100	SENIORBRIDGE (WA), INC.	57-1226890
101	SENIORBRIDGE CARE MANAGEMENT, INC.	80-0581269
102	SENIORBRIDGE FAMILY COMPANIES (AZ), INC.	46-0702349
103	SENIORBRIDGE FAMILY COMPANIES (CA), INC.	45-3039782
104	SENIORBRIDGE FAMILY COMPANIES (CT), INC.	27-0452360
105	SENIORBRIDGE FAMILY COMPANIES (FL), INC.	65-1096853
106	SENIORBRIDGE FAMILY COMPANIES (GA), INC.	80-0828590
107	SENIORBRIDGE FAMILY COMPANIES (IL), INC.	02-0660212
108	SENIORBRIDGE FAMILY COMPANIES (IN), INC.	20-0301155
109	SENIORBRIDGE FAMILY COMPANIES (KY), INC.	34-2067248
110	SENIORBRIDGE FAMILY COMPANIES (LA), INC.	45-5299341
111	SENIORBRIDGE FAMILY COMPANIES (MA), INC.	04-3580066
112	SENIORBRIDGE FAMILY COMPANIES (MD), INC.	81-0557727
113	SENIORBRIDGE FAMILY COMPANIES (MN), INC.	52-2460048
114	SENIORBRIDGE FAMILY COMPANIES (MO), INC.	46-0677759
115	SENIORBRIDGE FAMILY COMPANIES (NJ), INC.	36-4484449
116	SENIORBRIDGE FAMILY COMPANIES (NY), INC.	36-4484443
117	SENIORBRIDGE FAMILY COMPANIES (OH), INC.	20-0260501
118	SENIORBRIDGE FAMILY COMPANIES (PA), INC.	38-3643832
119	SENIORBRIDGE FAMILY COMPANIES (TN), INC.	45-5299154
120	SENIORBRIDGE FAMILY COMPANIES (TX), INC.	01-0766084
121	SENIORBRIDGE FAMILY COMPANIES (VA), INC.	46-0691871
122	SENIORBRIDGE FAMILY COMPANIES (WI), INC.	46-0764555
123	SENIORBRIDGE FAMILY COMPANIES, INC.	13-4036798
124	TEXAS DENTAL PLANS, INC.	74-2352809
125	THE DENTAL CONCERN, INC.	52-1157181
126	THE DENTAL CONCERN, LTD	36-3654697
127	VALOR HEALTHCARE, INC.	20-3585174

10. Information Concerning Parent, Subsidiaries and Affiliates

A.-F. The Company has a management contract with Humana and other related parties whereby the Company is provided with medical and executive management, information systems, claims processing, billing and enrollment, and telemarketing and other services as required by the Company. Management fees charged to operations for the years ended December 31, 2012 and 2011 were approximately \$4,800 and \$(13,100), respectively. As a part of this agreement, Humana makes cash disbursements on behalf of the Company which includes, but is not limited to, medical related items, general and administrative expenses, commissions and payroll. Humana is reimbursed by the Company weekly, based upon historical pattern of amounts and timing. Each month, these estimates are adjusted to ultimately settle upon actual disbursements made on behalf of the Company. As a result, any residual inter-Company balances are immediately settled in the following month. The Company continues to be primarily liable for any outstanding payments made on behalf of the Company, should Humana not be able to fulfill its obligations. No dividends were paid by the Company. At December 31, 2012, the Company reported \$24 thousand amounts due to Humana Inc. Amounts due to or from parent are generally settled within 30 days.

- G. All outstanding shares of the Company are owned by the Parent.
- H. Not Applicable.
- I. Not Applicable.
- J. Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

- K. Not Applicable.
- L. Not Applicable.

11. Debt

A. Debt, including capital notes

The Company has no debentures outstanding.

The Company has no capital notes outstanding.

The Company does not have any reverse repurchase agreements.

B. Federal Home Loan Bank (FHLB) agreements

The Company does not have any FHLB agreements.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plans

Not Applicable.

B. Defined Contribution Plans

Not Applicable.

C. Multiemployer Plans

Not Applicable.

D. Consolidated/Holding Company Plans

The Company employees are eligible to participate in the Humana Retirement and Savings Plan ("the Plan"), a defined contribution plan, sponsored by Humana Inc. The Plan maintains two accounts, the Savings Account and the Retirement Account.

Humana Inc.'s total contributions paid to the Savings and Retirement accounts of the Humana Retirement Savings Plan were \$136.8 million and \$124.7 million for the years ended December 31, 2012 and 2011, respectively. As of December 31, 2012 and 2011, the fair market value of the Humana Retirement Savings Plan's assets was \$2.1 billion and \$1.9 billion, respectively.

E. Post Employment Benefits and Compensated Absences

Not Applicable.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not Applicable.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- 1) The Company has \$0 par value common stock with 1,000 shares authorized and 100 shares issued and outstanding. All shares are common stock shares.
- 2) The Company has no preferred stock outstanding.
- 3-5) Dividends are noncumulative and are paid as determined by the Board of Directors. Dividends are subject to the approval of the Department of Insurance if such dividend distribution exceeds the lesser of the Company's prior year net operating profits or ten percent of policy holders surplus funds derived from realized net operating profits. Within the limitations above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders. No dividends were paid by the Company.
- 6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- 7) Not Applicable.
- 8) Not Applicable.
- 9) Not Applicable.
- 10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$0.
- 11) Not Applicable.
- 12) Not Applicable.
- 13) Not Applicable.

14. Contingencies

A. Contingent Commitments

Not Applicable.

B. Assessments

Not Applicable.

C. Gain Contingencies

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

Not Applicable.

- E. All Other Contingencies

During the ordinary course of business, the Company is subject to pending and threatened legal actions. Management of the Company does not believe that any of these actions will have a material adverse effect on the Company's surplus, results of operations or cash flows. However, the likelihood or outcome of current or future legal proceedings cannot be accurately predicted, and they could adversely affect the Company's surplus, results of operations and cash flows.

The Company is not aware of any other material contingent liabilities as of December 31, 2012.

15. Leases

- A. Lessee Operating Lease

Not Applicable.

- B. Lessor Leases

Not Applicable.

16. Information about Financial Instruments With off Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company has no investment in Financial Instruments with off Balance Sheet Risk or with Concentrations of Credit Risk.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfers of Receivables Reported as Sales

Not Applicable.

- B. Transfer and Servicing of Financial Assets

Not Applicable.

- C. Wash Sales

Not Applicable.

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

- A. ASO Plans

Not Applicable.

- B. ASC Plans

Not Applicable.

- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

Not Applicable.

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

Not Applicable.

20. Fair Value Measurements

- A. (1) The Company did not have any financial assets carried at fair value at December 31, 2012.

(2) Not Applicable.

(3) There were no fair value measurements using significant unobservable inputs. The Company reports transfers between fair value hierarchy levels at the end of the reporting period. There were no transfers between the fair value hierarchy levels between December 31, 2011 and 2012.

(4) Fair value of actively traded debt securities are based on quoted market prices. Fair value of other debt securities are based on quoted market prices of identical or similar securities or based on observable inputs like interest rates generally using a market valuation approach, or, less frequently, an income valuation approach and are generally classified as Level 2. The Company generally obtains one quoted price for each security from a third party pricing service. These prices are generally derived from recently reported trades for identical or similar securities, including adjustments through the reporting date based upon observable market information. When quoted prices are not available, the third party pricing service may use quoted market prices of comparable securities or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include benchmark yields, reported trades, credit spreads, broker quotes, default rates and prepayment speeds. The Company is responsible for the determination of fair value and as such, the Company performs analysis on the prices received from the third party pricing service to determine whether the prices are reasonable estimates of fair value. The Company's analysis includes a review of monthly price fluctuations as well as a quarterly comparison of the prices received from the pricing service to prices reported by the Company's third party investment advisor. Based on the Company's internal price verification

NOTES TO THE FINANCIAL STATEMENTS

procedures and review of fair value methodology documentation provided by the third party pricing service, there were no material adjustments to the prices obtained from the third party pricing service during the year ended December 31, 2012.

(5) Not Applicable.

B. Other Fair Value Disclosures

Not Applicable.

C. Fair Values for All Financial Instruments by Levels 1,2 and 3

Not Applicable.

D. Financial Instruments for which Not Practicable to Estimate Fair Values

Not Applicable.

21. Other Items

A. Extraordinary Items

Not Applicable.

B. Troubled Debt Restructuring: Debtors

Not Applicable.

C. Other Disclosures

Not Applicable.

D. Disclose the nature of any portion of the balance that is reasonably possible to be uncollectible for assets covered by SSAP No. 6, Uncollected Premium Balances, Bill Receivable for Premiums, and Amounts Due From Agents and Brokers, SSAP No. 47, Uninsured Plans, or SSAP No. 66, Retrospectively Rated Contracts.

Not Applicable.

E. Business Interruption Insurance Recoveries

Not Applicable.

F. State Transferable and Non-transferable Tax Credits

Not Applicable.

G. Subprime Mortgage Related Risk Exposure

(1) The Company consults with its external investment managers to assess its subprime mortgage related risk exposure. Certain characteristics are utilized to determine if a mortgage-backed security has subprime exposure. The main characteristics reviewed when determining this are the collateral and structure of the security, the loan purpose, loan documentation, occupancy, geographical location, loan size and type. Subprime mortgage borrowers typically have lower credit scores, lower loan balances and higher loan-to-values than other conforming loans. Management's practices include reviewing quantitative and qualitative credit models that analyze loan-level collateral composition, historical underwriter performance trends, the impact of macroeconomic factors, and issuer risks; as well as reviewing the estimation of security cash flows and monthly model calibrations.

(2) Direct exposure through investments in sub-prime mortgage loans.

The Company has no direct exposure through investment to sub-prime mortgage loans.

(1) Direct exposure through other investments:

- a. Residential mortgage backed securities – No substantial exposure noted.
- b. Collateralized debt obligations – No substantial exposure noted.
- c. Structured Securities (including principal protected notes) – No substantial exposure noted.
- d. Debt Securities of companies with significant sub-prime exposure – No substantial exposure noted.
- e. Equity securities of companies with significant sub-prime exposure – No substantial exposure noted.
- f. Other Assets – No substantial exposure noted.

(4) Underwriting exposure to sub-prime mortgage risk through Mortgage Guaranty coverage, Financial Guaranty coverage, Directors and Officers liability coverage, or Errors and Omissions liability coverage.

Not Applicable.

Classification of mortgage related securities is primarily based on information from outside data services, including rating agency actions. When considering our exposure, the Company evaluated the percentage of full documentation loans, percent of owner occupied properties, FICO scores, average margin for ARM loans, percent of loans with prepayment penalties, the existence of non-traditional underwriting standards, among other factors.

H. Retained Earnings

Not Applicable

NOTES TO THE FINANCIAL STATEMENTS

22. Events Subsequent

The Company is not aware of any events or transactions occurring subsequent to the close of the books for this statement which may have a material effect on its financial condition. Subsequent events have been considered through February 25, 2013 for the statutory statement issued on February 25, 2013.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10.0 percent or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10.0 percent or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

B. Uncollectible Reinsurance

Not Applicable.

C. Commutation of Ceded Reinsurance

Not Applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not Applicable.

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2011 were \$0. As of December 31, 2012, \$0 have been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. There are no reserves remaining for prior years as a result of reestimation of unpaid claims and claim adjustment expenses on any book of business. There has been neither a favorable nor an unfavorable prior-year development since December 31, 2011. The Company has no retrospectively rated policies.

26. Intercompany Pooling Arrangements

Not Applicable.

27. Structured Settlements

The Company has no structured settlements.

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Not Applicable.

STATEMENT AS OF December 31, 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

NOTES TO THE FINANCIAL STATEMENTS

B. Risk Sharing Receivables

Not Applicable.

29. Participating Policies

The Company has no participating policies.

30. Premium Deficiency Reserves

- | | | |
|---|-------------------|----------|
| 1. Liability carried for premium deficiency reserves | \$ | - |
| 2. Date of the most recent evaluation of this liability | December 31, 2012 | |
| 3. Was anticipated investment income utilized in the calculation? | Yes () | No (X) |

The Company did recognize the time value of money by discounting future losses at an annual interest rate of 0.10 per cent.

31. Anticipated Salvage and Subrogation

Not Applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A
- 1.3 State Regulating? Tennessee.....
- 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
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2009
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2009
- 3.3 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).07/01/2011
- 3.4 By what department or departments? The Tennessee Department of Insurance.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes No N/A
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes No
- 4.12 renewals? Yes No
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes No
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 5.2 If yes, provide the name of the 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

- 6.1 Has the 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
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes No
- 7.2 If yes,
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

GENERAL INTERROGATORIES

- 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 the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), 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 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 PricewaterhouseCoopers LLC, 500 West Main Street, Suite 1800, Louisville, Kentucky 40202-4264.
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
 10.6 If the response to 10.5 is no or n/a, please explain
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Jonathan Albert Canine, Actuarial Director and Appointed Actuary, 500 West Main Street, Louisville, KY 40202.
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
 12.11 Name of real estate holding company
 12.12 Number of parcels involved0
 12.13 Total book/adjusted carrying value \$0
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
 14.1 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.
 14.11 If the response to 14.1 is no, please explain:
 14.2 Has the code of ethics for senior managers been amended? Yes [X] No []
 14.21 If the response to 14.2 is yes, provide information related to amendment(s)
 General revisions based on policy updates and the addition of new content.....
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$0
 - 20.12 To stockholders not officers \$0
 - 20.13 Trustees, supreme or grand (Fraternal only) \$0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$0
 - 20.22 To stockholders not officers \$0
 - 20.23 Trustees, supreme or grand (Fraternal only) \$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$0
 - 21.22 Borrowed from others \$0
 - 21.23 Leased from others \$0
 - 21.24 Other \$0
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$0
 - 22.22 Amount paid as expenses \$0
 - 22.23 Other amounts paid \$0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- Humana voluntarily participated in securities lending until it was discontinued in November 2011. It is a low risk, low maintenance source of additional income and increases our surplus. It is recognized and allowed by the NAIC in SSAP 91 and the NAIC Investments of Insurers Model Act 280.
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] NA [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$0
 - 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$0
 - 24.103 Total payable for securities lending reported on the liability page \$0

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [] No [X]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21	Subject to repurchase agreements	\$.....0
25.22	Subject to reverse repurchase agreements	\$.....0
25.23	Subject to dollar repurchase agreements	\$.....0
25.24	Subject to reverse dollar repurchase agreements	\$.....0
25.25	Pledged as collateral	\$.....0
25.26	Placed under option agreements	\$.....0
25.27	Letter stock or securities restricted as to sale	\$.....0
25.28	On deposit with state or other regulatory body	\$.....0
25.29	Other	\$.....0

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year. \$.....

28. 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 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase.....	4 New York Plaza, 12th Floor, New York, NY. 10004-2413 Attn: Charles Tuzzolino.....

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

28.04 If yes, give full and complete information relating thereto:

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

28.05 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 Number(s)	2 Name	3 Address
107105.....	Blackrock, Inc.....	55 East 52nd Street, New York, NY 10055.....

GENERAL INTERROGATORIES

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)]?)

Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 TOTAL		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	3,125,140	3,124,917	(223)
30.2 Preferred Stocks.....	0		0
30.3 Totals	3,125,140	3,124,917	(223)

30.4 Describe the sources or methods utilized in determining the fair values:

Fair value of actively traded debt and equity securities are based on quoted market prices. Fair value of inactively traded debt securities are based on quoted market prices of identical or similar securities or based on observable inputs like interest rates using either a market or income valuation.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [] No [X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes [X] No []

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any? \$0

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$

34.1 Amount of payments for legal expenses, if any? \$0

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$0

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
 1.2 If yes, indicate premium earned on U. S. business only. \$0
 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$0

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$0
 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$0

1.6 Individual policies:
 Most current three years:
 1.61 Total premium earned \$0
 1.62 Total incurred claims \$0
 1.63 Number of covered lives0
 All years prior to most current three years:
 1.64 Total premium earned \$0
 1.65 Total incurred claims \$0
 1.66 Number of covered lives0

1.7 Group policies:
 Most current three years:
 1.71 Total premium earned \$0
 1.72 Total incurred claims \$0
 1.73 Number of covered lives0
 All years prior to most current three years:
 1.74 Total premium earned \$0
 1.75 Total incurred claims \$0
 1.76 Number of covered lives0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$0	\$0
2.2	Premium Denominator	\$0	\$0
2.3	Premium Ratio (2.1/2.2)0.000	0.000
2.4	Reserve Numerator	\$0	\$0
2.5	Reserve Denominator	\$0	\$0
2.6	Reserve Ratio (2.4/2.5)0.000	0.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]
 5.1 Does the reporting entity have stop-loss reinsurance? Yes [] No [X]

5.2 If no, explain:

The Company currently has no active business.

5.3 Maximum retained risk (see instructions)
 5.31 Comprehensive Medical \$0
 5.32 Medical Only \$0
 5.33 Medicare Supplement \$0
 5.34 Dental and Vision \$0
 5.35 Other Limited Benefit Plan \$0
 5.36 Other \$0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

Provider contracts include hold harmless and continuation of benefits provisions.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [X] No []

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year0
 8.2 Number of providers at end of reporting year0

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months0
 9.22 Business with rate guarantees over 36 months0

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [] No [X]

10.2 If yes:

10.21 Maximum amount payable bonuses	\$	0
10.22 Amount actually paid for year bonuses	\$	0
10.23 Maximum amount payable withholds	\$	0
10.24 Amount actually paid for year withholds	\$	0

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,	Yes []	No [X]
11.13 An Individual Practice Association (IPA), or,	Yes []	No [X]
11.14 A Mixed Model (combination of above) ?	Yes []	No [X]

11.2 Is the reporting entity subject to Minimum Net Worth Requirements? Yes [X] No []

11.3 If yes, show the name of the state requiring such net worth. Tennessee.....

11.4 If yes, show the amount required. \$ 1,500,000

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]

11.6 If the amount is calculated, show the calculation.
Higher of 2xRBC or State Required \$1,500,000. RBC is 40 therefore required amount is \$1,500,000.

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area

13.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$

13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

13.4 If yes, please provide the balance of the funds administered as of the reporting date. \$

FIVE - YEAR HISTORICAL DATA

	1 2012	2 2011	3 2010	4 2009	5 2008
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	3,143,506	3,172,181	6,413,375	24,966,759	57,183,591
2. Total liabilities (Page 3, Line 24)	27,875	86,831	810,437	8,562	12,501,794
3. Statutory surplus	1,500,000	1,500,000	1,500,000	867,210	6,715,961
4. Total capital and surplus (Page 3, Line 33)	3,115,631	3,085,350	5,602,938	24,958,197	44,681,797
Income Statement (Page 4)					
5. Total revenues (Line 8)	0	0	0	0	0
6. Total medical and hospital expenses (Line 18)	0	(607,181)	(72,089)	(8,921,977)	(224,625)
7. Claims adjustment expenses (Line 20)	0	0	0	0	(6,110)
8. Total administrative expenses (Line 21)	2,217	3,710	94,974	0	(3,141,243)
9. Net underwriting gain (loss) (Line 24)	(2,217)	603,471	(22,885)	8,921,977	3,371,978
10. Net investment gain (loss) (Line 27)	48,802	55,625	435,850	1,488,790	261,478
11. Total other income (Lines 28 plus 29)	0	0	0	0	25,000
12. Net income or (loss) (Line 32)	30,281	428,412	354,950	10,620,192	5,184,194
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(28,185)	239,793	639,468	10,369,810	2,367,324
Risk-Based Capital Analysis					
14. Total adjusted capital	3,115,631	3,085,350	5,602,938	24,958,197	44,681,797
15. Authorized control level risk-based capital	40	2,126	7,546	79,158	112,325
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	0	0	0	0	0
17. Total members months (Column 6, Line 7)	0	0	0	0	0
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	0.0	0.0	0.0	0.0	0.0
20. Cost containment expenses	0.0	0.0	0.0	0.0	0.0
21. Other claims adjustment expenses	0.0	0.0	0.0	0.0	0.0
22. Total underwriting deductions (Line 23)	0.0	0.0	0.0	0.0	0.0
23. Total underwriting gain (loss) (Line 24)	0.0	0.0	0.0	0.0	0.0
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	0	0	(72,089)	(8,921,977)	(224,625)
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	0	0	0	0	0
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []
 If no, please explain



ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

Preferred Health Partnership of Tennessee, Inc.

2.

(LOCATION)

NAIC Group Code 0119

BUSINESS IN THE STATE OF Tennessee

.DURING THE YEAR 2012

NAIC Company Code

95749

	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	0									
2. First Quarter	0									
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	0									
Total Member Ambulatory Encounters for Year:										
7. Physician	0									
8. Non-Physician	0									
9. Total	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0									
11. Number of Inpatient Admissions	0									
12. Health Premiums Written (b)	0									
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	0									
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	0									
18. Amount Incurred for Provision of Health Care Services	0									

NONE

29.TN

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons insured under indemnity only products 0

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



ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

Preferred Health Partnership of Tennessee, Inc.

2.

(LOCATION)

NAIC Group Code	0119	BUSINESS IN THE STATE OF Consolidated		DURING THE YEAR 2012						NAIC Company Code	95749
	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other	
Total Members at end of:											
1. Prior Year	0	0	0	0	0	0	0	0	0	0	
2. First Quarter	0	0	0	0	0	0	0	0	0	0	
3. Second Quarter	0	0	0	0	0	0	0	0	0	0	
4. Third Quarter	0	0	0	0	0	0	0	0	0	0	
5. Current Year	0	0	0	0	0	0	0	0	0	0	
6. Current Year Member Months	0	0	0	0	0	0	0	0	0	0	
Total Member Ambulatory Encounters for Year:											
7. Physician	0	0	0	0	0	0	0	0	0	0	
8. Non-Physician	0	0	0	0	0	0	0	0	0	0	
9. Total	0	0	0	0	0	0	0	0	0	0	
10. Hospital Patient Days Incurred	0	0	0	0	0	0	0	0	0	0	
11. Number of Inpatient Admissions	0	0	0	0	0	0	0	0	0	0	
12. Health Premiums Written (b)	0	0	0	0	0	0	0	0	0	0	
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0	
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0	
15. Health Premiums Earned	0	0	0	0	0	0	0	0	0	0	
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0	
17. Amount Paid for Provision of Health Care Services	0	0	0	0	0	0	0	0	0	0	
18. Amount Incurred for Provision of Health Care Services	0	0	0	0	0	0	0	0	0	0	

NONE

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons insured under indemnity only products 0

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

29.GT

Schedule S - Part 1 - Section 2

NONE

Schedule S - Part 2

NONE

Schedule S - Part 3 - Section 2

NONE

Schedule S - Part 4

NONE

Schedule S - Part 5

NONE

Schedule S - Part 6

NONE

SCHEDULE S - PART 7

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1	2	3
	As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 12)	3,135,172		3,135,172
2. Accident and health premiums due and unpaid (Line 15)	0		0
3. Amounts recoverable from reinsurers (Line 16.1)	0		0
4. Net credit for ceded reinsurance	XXX	0	0
5. All other admitted assets (Balance)	8,334		8,334
6. Total assets (Line 28)	3,143,506	0	3,143,506
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1)	0	0	0
8. Accrued medical incentive pool and bonus payments (Line 2)	0		0
9. Premiums received in advance (Line 8)	0		0
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount)	0		0
11. Reinsurance in unauthorized companies (Line 20 minus inset amount)	0		0
12. Reinsurance with Certified Reinsurers (Line 20 inset amount)	0		0
13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount)	0		0
14. All other liabilities (Balance)	27,875		27,875
15. Total liabilities (Line 24)	27,875	0	27,875
16. Total capital and surplus (Line 33)	3,115,631	XXX	3,115,631
17. Total liabilities, capital and surplus (Line 34)	3,143,506	0	3,143,506
NET CREDIT FOR CEDED REINSURANCE			
18. Claims unpaid	0		0
19. Accrued medical incentive pool	0		0
20. Premiums received in advance	0		0
21. Reinsurance recoverable on paid losses	0		0
22. Other ceded reinsurance recoverables	0		0
23. Total ceded reinsurance recoverables	0		0
24. Premiums receivable	0		0
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers	0		0
26. Unauthorized reinsurance	0		0
27. Reinsurance with Certified Reinsurers	0		0
28. Funds held under reinsurance treaties with Certified Reinsurers	0		0
29. Other ceded reinsurance payables/offsets	0		0
30. Total ceded reinsurance payables/offsets	0		0
31. Total net credit for ceded reinsurance	0		0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only							8 Total Columns 2 Through 7	9 Deposit-Type Contracts
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums			
1. Alabama AL	N							0	0	
2. Alaska AK	N							0	0	
3. Arizona AZ	N							0	0	
4. Arkansas AR	N							0	0	
5. California CA	N							0	0	
6. Colorado CO	N							0	0	
7. Connecticut CT	N							0	0	
8. Delaware DE	N							0	0	
9. District of Columbia DC	N							0	0	
10. Florida FL	N							0	0	
11. Georgia GA	N							0	0	
12. Hawaii HI	N							0	0	
13. Idaho ID	N							0	0	
14. Illinois IL	N							0	0	
15. Indiana IN	N							0	0	
16. Iowa IA	N							0	0	
17. Kansas KS	N							0	0	
18. Kentucky KY	N							0	0	
19. Louisiana LA	N							0	0	
20. Maine ME	N							0	0	
21. Maryland MD	N							0	0	
22. Massachusetts MA	N							0	0	
23. Michigan MI	N							0	0	
24. Minnesota MN	N							0	0	
25. Mississippi MS	N							0	0	
26. Missouri MO	N							0	0	
27. Montana MT	N							0	0	
28. Nebraska NE	N							0	0	
29. Nevada NV	N							0	0	
30. New Hampshire NH	N							0	0	
31. New Jersey NJ	N							0	0	
32. New Mexico NM	N							0	0	
33. New York NY	N							0	0	
34. North Carolina NC	N							0	0	
35. North Dakota ND	N							0	0	
36. Ohio OH	N							0	0	
37. Oklahoma OK	N							0	0	
38. Oregon OR	N							0	0	
39. Pennsylvania PA	N							0	0	
40. Rhode Island RI	N							0	0	
41. South Carolina SC	N							0	0	
42. South Dakota SD	N							0	0	
43. Tennessee TN	N							0	0	
44. Texas TX	N							0	0	
45. Utah UT	N							0	0	
46. Vermont VT	N							0	0	
47. Virginia VA	N							0	0	
48. Washington WA	N							0	0	
49. West Virginia WV	N							0	0	
50. Wisconsin WI	N							0	0	
51. Wyoming WY	N							0	0	
52. American Samoa AS	N							0	0	
53. Guam GU	N							0	0	
54. Puerto Rico PR	N							0	0	
55. U.S. Virgin Islands VI	N							0	0	
56. Northern Mariana Islands MP	N							0	0	
57. Canada CAN	N							0	0	
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0	0	0	
59. Subtotal	XXX	0	0	0	0	0	0	0	0	
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	0	
61. Total (Direct Business)	(a) 1	0	0	0	0	0	0	0	0	
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0	0	0	
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0	

(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.

Explanation of basis of allocation by states, premiums by state, etc. The company allocates group premiums to the situs of the contract and individuals by state of residence.

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

SCHEDULE T – PART 2
INTERSTATE COMPACT – EXHIBIT OF PREMIUMS WRITTEN

Allocated By States and Territories

States, Etc.		Direct Business Only					Totals
		1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
1. Alabama	AL						0
2. Alaska	AK						0
3. Arizona	AZ						0
4. Arkansas	AR						0
5. California	CA						0
6. Colorado	CO						0
7. Connecticut	CT						0
8. Delaware	DE						0
9. District of Columbia	DC						0
10. Florida	FL						0
11. Georgia	GA						0
12. Hawaii	HI						0
13. Idaho	ID						0
14. Illinois	IL						0
15. Indiana	IN						0
16. Iowa	IA						0
17. Kansas	KS						0
18. Kentucky	KY						0
19. Louisiana	LA						0
20. Maine	ME						0
21. Maryland	MD						0
22. Massachusetts	MA						0
23. Michigan	MI						0
24. Minnesota	MN						0
25. Mississippi	MS						0
26. Missouri	MO						0
27. Montana	MT						0
28. Nebraska	NE						0
29. Nevada	NV						0
30. New Hampshire	NH						0
31. New Jersey	NJ						0
32. New Mexico	NM						0
33. New York	NY						0
34. North Carolina	NC						0
35. North Dakota	ND						0
36. Ohio	OH						0
37. Oklahoma	OK						0
38. Oregon	OR						0
39. Pennsylvania	PA						0
40. Rhode Island	RI						0
41. South Carolina	SC						0
42. South Dakota	SD						0
43. Tennessee	TN						0
44. Texas	TX						0
45. Utah	UT						0
46. Vermont	VT						0
47. Virginia	VA						0
48. Washington	WA						0
49. West Virginia	WV						0
50. Wisconsin	WI						0
51. Wyoming	WY						0
52. American Samoa	AS						0
53. Guam	GU						0
54. Puerto Rico	PR						0
55. US Virgin Islands	VI						0
56. Northern Mariana Islands	MP						0
57. Canada	CAN						0
58. Aggregate Other Alien	OT						0
59. Totals		0	0	0	0	0	0

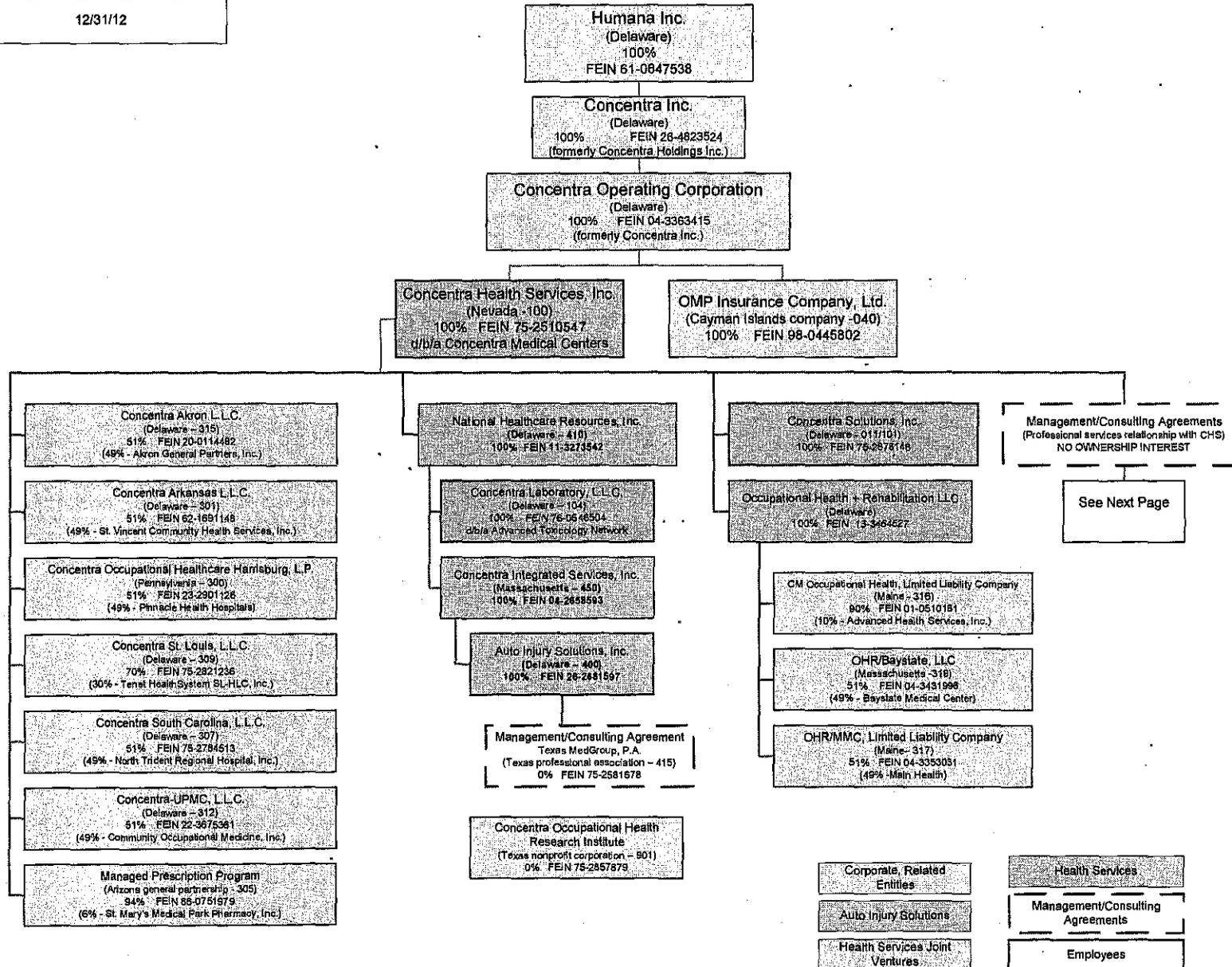
NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

12/31/12



40.1

See Next Page

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

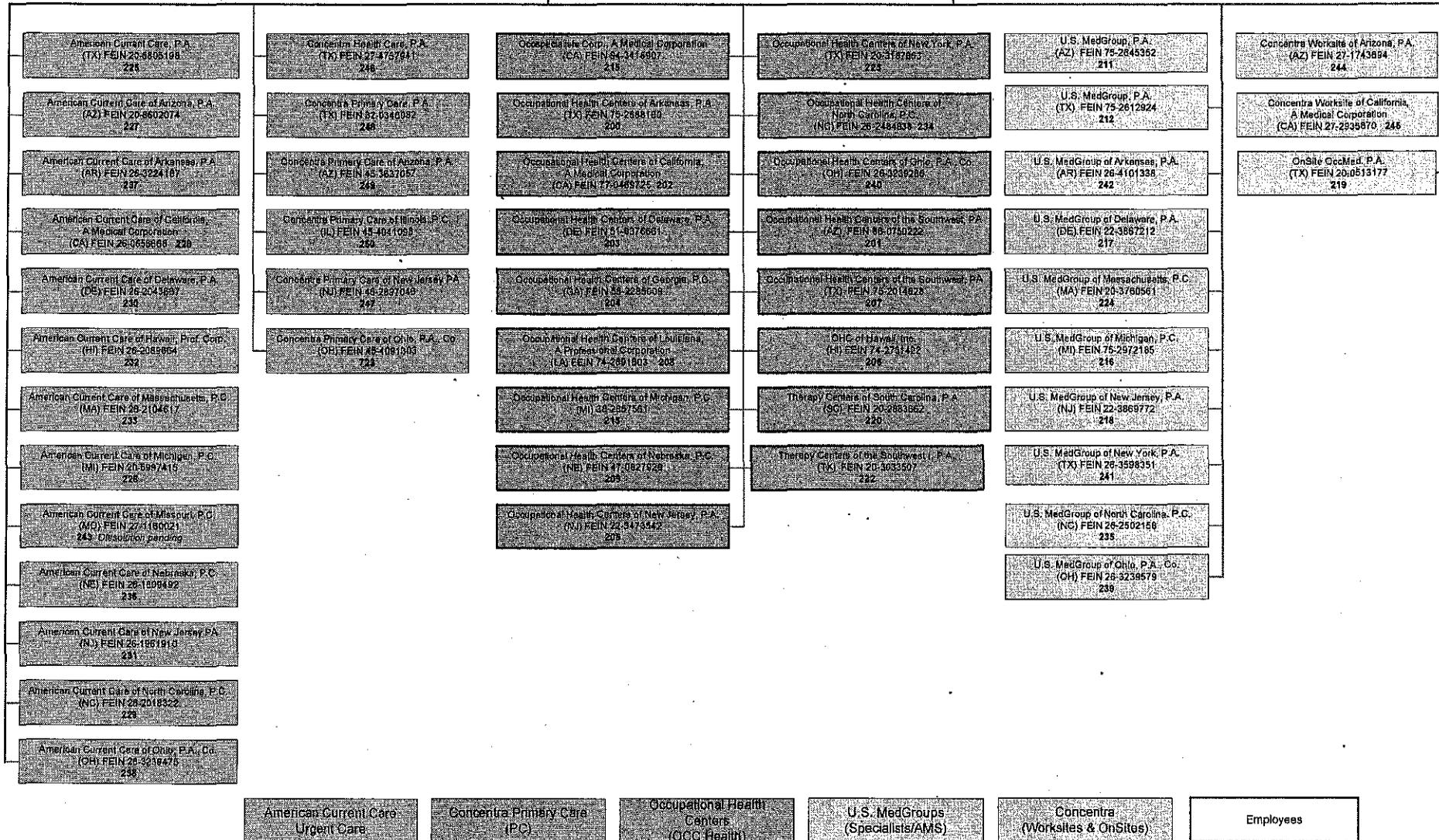
PART 1 - ORGANIZATIONAL CHART

12/31/12

Management/Consulting Agreements
(Professional services relationship with CHS)

NO OWNERSHIP INTEREST.

40.2



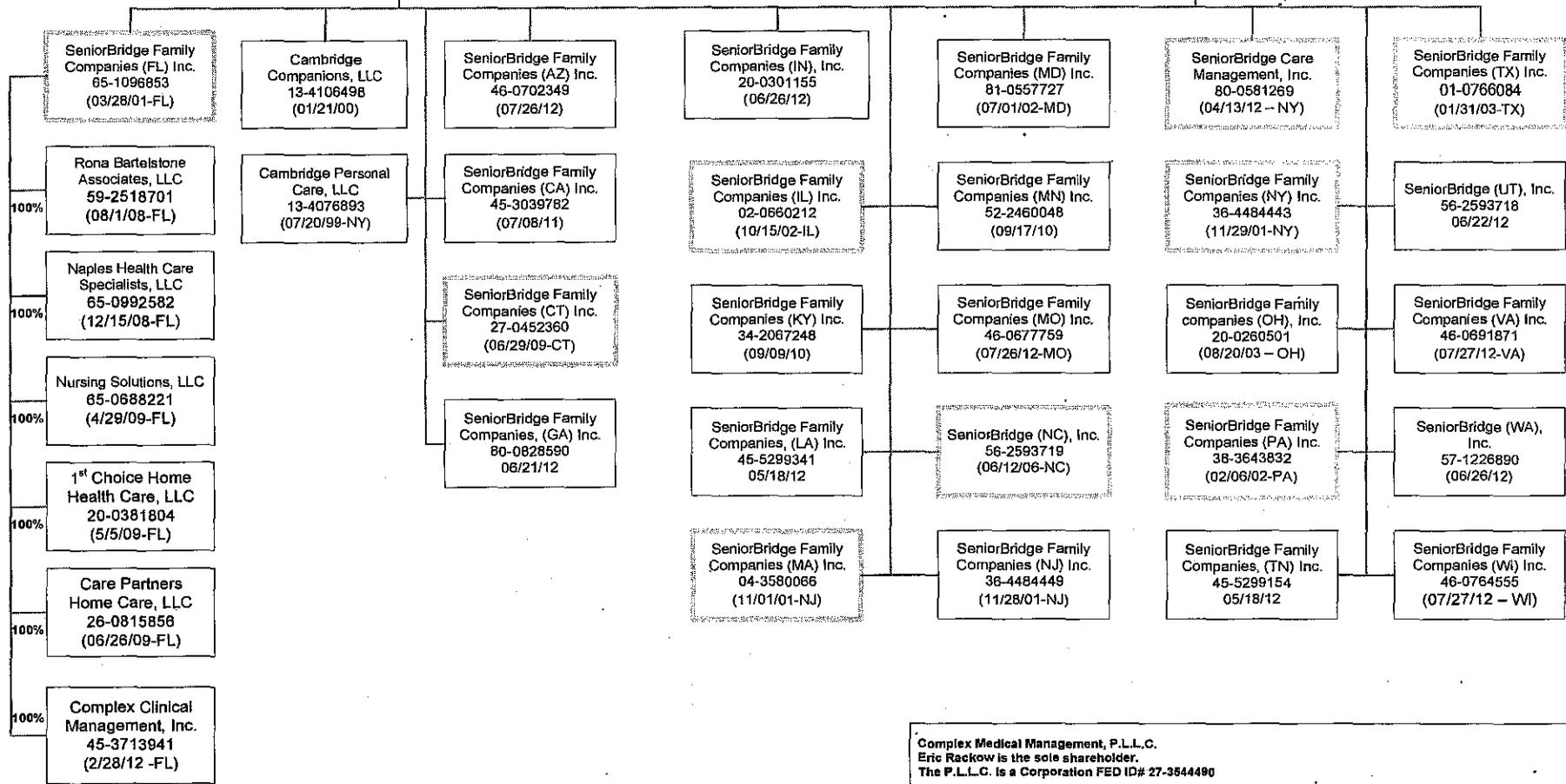
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

As of December 31, 2012

Humana Inc.
(Delaware)

SeniorBridge Family Companies, Inc.
13-4036798 (01/21/00-DE) Acq. 07/06/12



40.3

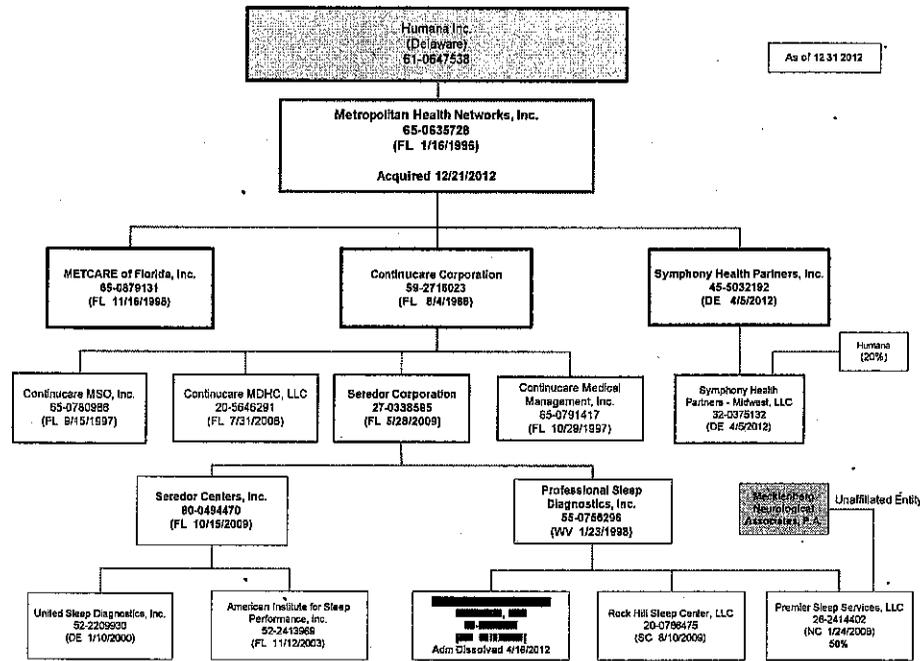
Companies with employees

Complex Medical Management, P.L.L.C.
Eric Rackow is the sole shareholder.
The P.L.L.C. is a Corporation FED ID# 27-3644480

Note: The formation of the PLLC allows SeniorBridge to hire (through the PLLC) physicians and nurses in the event that SeniorBridge determines that the performance of duties by its care managers may involve the practice of medicine and nursing.
This arrangement between SeniorBridge and the PLLC only applies to its operations within New York State.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

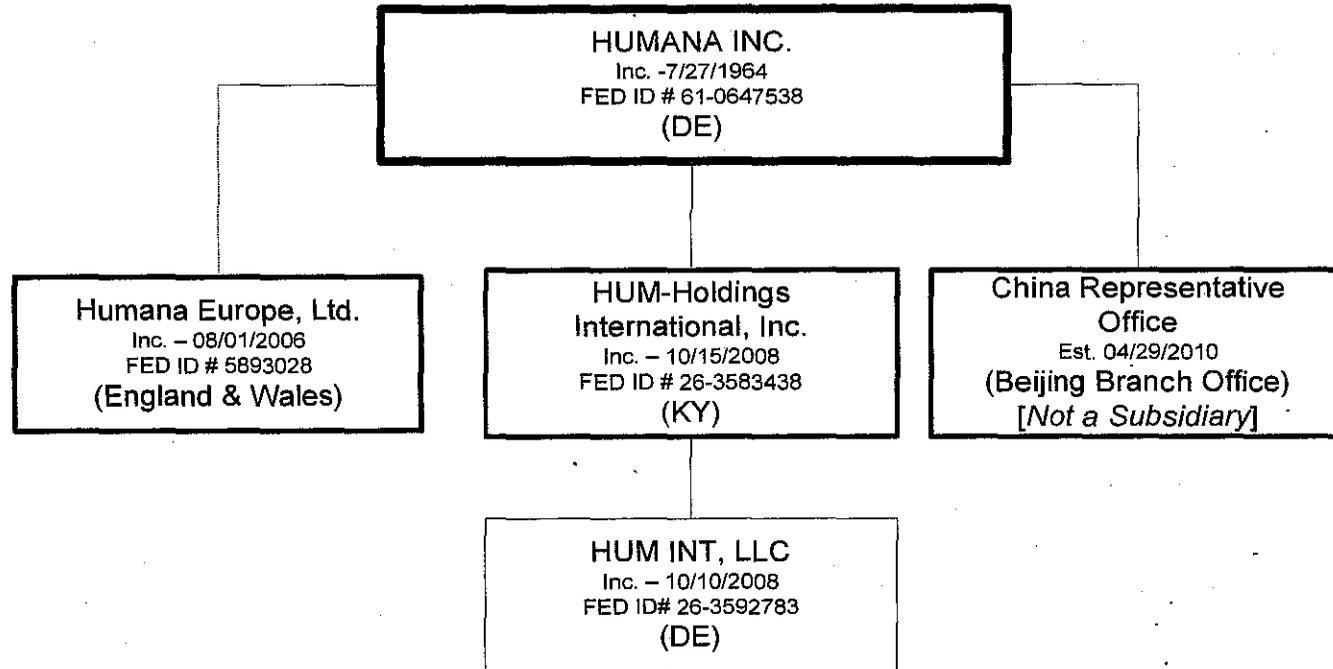


As of 12/31/2012

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

HUMANA INTERNATIONAL SUBSIDIARIES



ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00119	Humana Inc	00000	39-1514846				CareNetwork, Inc.	WI	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95885	61-1013183				Humana Health Plan, Inc.	KY	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	73288	39-1263473				Humana Insurance Company	WI	IA	CareNetwork, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95519	58-2209549				Humana Employers Health Plan of GA, Inc.	GA	IA	Humana Insurance Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	60219	61-1311685				Humana Insurance Company of Kentucky	KY	IA	Humana Insurance Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	54739	52-1157181				The Dental Concern, Inc.	KY	IA	HumanaDental, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	52028	36-3654697				The Dental Concern, Ltd.	IL	IA	HumanaDental, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95342	39-1525003				Humana Wisc. Health Org. Ins. Corp.	WI	IA	CareNetwork, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1223418				Health Value Management, Inc.	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	69671	61-1041514				Humana Health Ins. Co. of Florida, Inc.	FL	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95348	31-1154200				Humana Health Plan of Ohio, Inc.	OH	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95024	61-0994632				Humana Health Plan of Texas, Inc.	TX	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95270	61-1103898				Humana Medical Plan, Inc.	FL	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1241225				Humana Government Business, Inc.	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1232669				Managed Care Indemnity, Inc.	VT	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1343508				Humana MarketPOINT, Inc.	KY	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1239538				Humco, Inc.	KY	NIA	Humana Health Plan, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95721	66-0406896				Humana Health Plans of Puerto Rico, Inc.	PR	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	84603	66-0291866				Humana Insurance of Puerto Rico, Inc.	PR	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1364005				HumanaDental, Inc	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	70580	39-0714280				HumanaDental Insurance Company	WI	IA	HumanaDental, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1237697				Emphesys, Inc	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	88595	31-0935772				Emphesys Insurance Company	TX	IA	Emphesys, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-0647538			NYSE	Humana Inc	DE	UIP	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1316926				Humana Pharmacy, Inc.	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1383567				HJM-e-FL, Inc	FL	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	42-1575099				Competitive Health Analytics, Inc.	IL	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	71-0732385				Humana Health Plan Interests, Inc.	LA	NIA	Humana Insurance Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95642	72-1279235				Humana Health Benefit Plan of LA, Inc.	LA	IA	Humana Health Plan Interests, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1343791				Humana Innovation Enterprises, Inc.	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	20-1724127				Preservation on Main, Inc.	KY	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	26-0010657				CAC-Florida Medical Centers, LLC	FL	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95092	59-2598550				CarePlus Health Plans, Inc.	FL	IA	CPHP Holdings, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	75-2043865				Corphealth, Inc	TX	NIA	Humana Inc	Ownership	100.0	Humana Inc	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00119	Humana Inc	00000	30-0117876				CPHP Holdings, Inc	FL	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	61-1478012				American Tax Credit Corp GA Fund III, LLC	DE	OTH	See Footnote 1	Other	0.0	Humana Inc	1
00119	Humana Inc	00000	59-3715944				Availity, L.L.C.	DE	OTH	See Footnote 2	Board of Directors	0.0	Humana Inc	2
00119	Humana Inc	00000	61-1279716				CHA Service Company	KY	NIA	Humana Health Plan, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95158	61-1279717				CHA HMO, Inc	KY	IA	CHA Service Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	20-2620891				Healthcare E-Commerce Initiative, Inc	PR	OTH	See Footnote 4	Other	0.0	Humana Inc	4
00119	Humana Inc	00000	20-4835394				Humana Active Outlook, Inc	KY	NIA	Humana Inc	Ownership	100.0	Humana Inc	4
00119	Humana Inc	00000	20-1717441				Humana Govt. Network Services, Inc	DE	NIA	Humana Government Business, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	39-1769093				Independent Care Health Plan	WI	OTH	See Footnote 5	Other	100.0	Humana Inc	5
00119	Humana Inc	00000	20-3355580				Sensei, Inc	DE	OTH	See Footnote 6	Other	0.0	Humana Inc	6
00119	Humana Inc	00000	20-5309363				515-526W MainSt CondoCouncil of Co-Owners	KY	NIA	Preservation on Main, Inc	Ownership	100.0	Humana Inc	6
00119	Humana Inc	00000	20-8236655				Corphealth Provider Link, Inc	TX	NIA	Corphealth, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	33-0916248				DefenseWeb Technologies, Inc	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	12834	20-2888723				Humana Insurance Company of New York	NY	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	20-3364857				Humana MarketPOINT of Puerto Rico, Inc	PR	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	12908	20-8411422				Humana Medical Plan of Utah, Inc	UT	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	20-8418853				Humana Veterans Healthcare Services, Inc	DE	NIA	Humana Government Business, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95107	56-1796975				American Dental Plan of N. C., Inc	NC	IA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	11559	58-2302163				American Dental Providers of Ark., Inc	AR	IA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	52015	59-2531815				CompBenefits Company	FL	IA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	04-3185995				CompBenefits Corporation	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	59-1843760				Humana Dental Company	FL	NIA	CompBenefits Corporation	Ownership	100.0	Humana Inc	0
00119	Humana Inc	11228	36-3686002				Dental Care Plus Management Corporation	IL	IA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	58-2228851				CompBenefits Direct, Inc	DE	NIA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	60984	74-2552026				CompBenefits Insurance Company	TX	IA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	12250	63-1063101				CompBenefits of Alabama, Inc	AL	IA	HumanaCares, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	58-2198538				CompBenefits of Georgia, Inc	GA	IA	HumanaCares, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	36-3512545				Dental Care Plus Management Corp	IL	NIA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95161	76-0039628				DentiCare, Inc	TX	IA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	62-1245230				Kanawha HealthCare Solutions, Inc	TN	IA	Kanawha Insurance Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	65110	57-0380426				Kanawha Insurance Company	SC	IA	KMG America Corporation	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	20-1377270				KMG America Corporation	VA	NIA	Humana Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	65-0274594				HumanaCares, Inc	FL	NIA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	74-2352809				Texas Dental Plans, Inc	TX	IA	Humana Dental Company	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95754	62-1579044				Cariten Health Plan Inc	TN	IA	PHP Companies, Inc	Ownership	100.0	Humana Inc	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00119	Humana Inc	82740	62-0729865				Cariten Insurance Company	TN	IA	PHP Companies, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	10126	65-1137990				Humana AdvantageCare Plan, Inc.	FL	IA	Humana Medical Plan, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	60052	37-1326199				Humana Benefit Plan of Illinois, Inc.	IL	IA	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	26-3473328				Humana Health Plan of California, Inc.	CA	IA	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	62-1552091				PHP Companies, Inc.	TN	UDP	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	95749	62-1546662				Preferred Hlth Partnership of Tenn., Inc.	TN	OTH	PHP Companies, Inc.	Ownership	100.0	Humana Inc	19
00119	Humana Inc	00000	62-1250945				Preferred Health Partnership, Inc.	TN	NIA	PHP Companies, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	26-4522426				Humana WellWorks LLC	DE	NIA	Health Value Management, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	27-1323221				Humana Military Dental Services, Inc.	DE	NIA	Humana Government Business, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	26-4823524				Concentra Inc.	DE	NIA	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	14224	27-3991410				Humana Medical Plan of Michigan, Inc.	MI	IA	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	27-4660531				Humana Medical Plan of Pennsylvania, Inc.	PA	NIA	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	86-1050795				Hummingbird Coaching Systems LLC	OH	NIA	Corphealth, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	86-1050795				The Vitality Group, LLC	DE	OTH	See Footnote 7.	Ownership	25.0	Humana Inc	7
00119	Humana Inc	00000	27-4535747				Humana Vitality, LLC	DE	OTH	See Footnote 7.	Ownership	75.0	Humana Inc	7
00119	Humana Inc	00000	45-2254346				Humana Pharmacy Solutions, Inc.	DE	NIA	Humana Inc.	Ownership	100.0	Humana Inc	7
00119	Humana Inc	00000	45-3116348				HomeCare Health Solutions, Inc.	FL	NIA	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	20-1981339				M.D. Care, Inc.	CA	IA	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	77-0540040				Anvita, Inc.	DE	NIA	Humana Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	27-3387971				Arcadian Choice, Inc.	TX	NIA	Arcadian Management Services, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	12628	20-5089511				Arcadian Health Plan of Georgia, Inc.	GA	IA	Arcadian Management Services, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	11954	20-8688983				Arcadian Health Plan of Louisiana, Inc.	LA	IA	Arcadian Management Services, Inc.	Ownership	100.0	Humana Inc	0
00119	Humana Inc	13558	26-2800286				Arcadian Health Plan of New York, Inc.	NY	IA	Arcadian Management Services, Inc.	Ownership	100.0	Humana Inc	17
00119	Humana Inc	12999	26-0500828				Arcadian Health Plan of North Carolina, Inc.	NC	IA	Arcadian Management Services, Inc.	Ownership	100.0	Humana Inc	17
00119	Humana Inc	12151	20-1001348				Arcadian Health Plan, Inc.	WA	IA	Arcadian Management Services, Inc.	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	86-0836599				Arcadian Management Services, Inc.	DE	NIA	Arcadian Management Services, Inc.	Ownership	100.0	Humana Inc	17
00119	Humana Inc	12282	20-2036444				Arkansas Community Care, Inc.	AR	IA	Arcadian Management Services, Inc./Arcadia Health Plan, Inc.	Ownership	100.0	Humana Inc	18
00119	Humana Inc	00000	20-3585174				Valor Healthcare, Inc.	DE	NIA	Humana Government Business, Inc.	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	27-1649291				Harris, Rothenberg International Inc.	NY	NIA	Humana Inc.	Ownership	100.0	Humana Inc	17

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00119	Humana Inc.	00000	13-4036798				SeniorBridge Family Companies, Inc.	DE	NIA	Humana Inc.	Ownership	100.0	Humana Inc.	17
00119	Humana Inc.	00000	27-0200477				Ambulatory Care Solutions of Arkansas LLC	AR	NIA	Humana Government Business, Inc.	Ownership	100.0	Humana Inc.	17
00119	Humana Inc.	00000	26-4179617				Ambulatory Care Solutions of Ohio LLC	OH	NIA	Humana Government Business, Inc.	Ownership	100.0	Humana Inc.	17
00119	Humana Inc.	00000	37-1485812				Ambulatory Care Solutions, LLC	IN	NIA	Humana Government Business, Inc.	Ownership	100.0	Humana Inc.	17
00119	Humana Inc.	00000	65-0293220				54th Street Medical Plaza, Inc.	FL	NIA	CAC-Florida Medical Centers, LLC	Ownership	100.0	Humana Inc.	17
00119	Humana Inc.	00000	65-0851053				154th Street Medical Plaza, Inc.	FL	NIA	CAC-Florida Medical Centers, LLC	Ownership	100.0	Humana Inc.	17
00119	Humana Inc.	00000	46-1225873				Agile Technology Solutions, Inc.	DE	NIA	Humana Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	80-0072760				Certify Data Systems, Inc.	DE	NIA	Humana Inc.	Ownership	100.0	Humana Inc.	8
00119	Humana Inc.	00000	20-8602074				American Current Care of Arizona, P.A.	AZ	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	26-3224187				American Current Care of Arkansas, P.A.	AR	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	26-0656668				Amer Current Care of CA, A Med. Corp.	CA	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc.	17
00119	Humana Inc.	00000	26-2043667				American Current Care of DE, P.A.	DE	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc.	17
00119	Humana Inc.	00000	26-2089664				American Current Care of HI, Prof. Corp.	HI	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc.	17
00119	Humana Inc.	00000	26-2104617				American Current Care of MA, P.C.	MA	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc.	17
00119	Humana Inc.	00000	20-5997415				American Current Care of Michigan, P.C.	MI	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc.	17
00119	Humana Inc.	00000	27-1160021				American Current Care of Missouri, P.C.	MO	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc.	17
00119	Humana Inc.	00000	26-1809492				American Current Care of Nebraska, P.C.	NE	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	26-1961910				American Current Care of New Jersey PA	NJ	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc.	17
00119	Humana Inc.	00000	26-2018322				American Current Care of NC, P.C.	NC	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	26-3239475				American Current Care of Ohio, P.A., Co.	OH	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	20-5805198				American Current Care, P.A.	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	26-2681597				Auto Injury Solutions, Inc.	DE	NIA	Concentra Integrated Services, Inc.	Ownership	100.0	Humana Inc.	17
00119	Humana Inc.	00000	01-0510161				CM Occupational Health, L.L.C.	ME	NIA	See Footnote 8	Joint Venture	0.0	Humana Inc.	8
00119	Humana Inc.	00000	20-0114482				Concentra Akron, L.L.C.	DE	NIA	See Footnote 9	Joint Venture	100.0	Humana Inc.	9
00119	Humana Inc.	00000	62-1691148				Concentra Arkansas, L.L.C.	DE	NIA	See Footnote 10	Joint Venture	0.0	Humana Inc.	10
00119	Humana Inc.	00000	75-2510547				Concentra Health Services, Inc.	NV	NIA	Concentra Operating Corporation	Ownership	100.0	Humana Inc.	17

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-In-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00119	Humana Inc	00000	26-4823524				Concentra Inc	DE	NIA	Humana Inc	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	04-3363415				Concentra Operating Corporation	DE	NIA	Concentra Inc	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	04-2658593				Concentra Integrated Services, Inc	MA	NIA	National Healthcare Resources, Inc	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	76-0546504				Concentra Laboratory, L.L.C	DE	NIA	National Healthcare Resources, Inc	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	75-2857879				Concentra Occ Health Research Institute	TX	NIA	Concentra Health Services, Inc	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	23-2901126				Concentra Occ Healthcare Harrisburg, L.P.	PA	NIA	See Footnote 11	Joint Venture	0.0	Humana Inc	11
00119	Humana Inc	00000	75-2678146				Concentra Solutions, Inc	DE	NIA	Concentra Health Services, Inc	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	75-2784513				Concentra South Carolina, L.L.C	DE	NIA	See Footnote 12	Joint Venture	0.0	Humana Inc	12
00119	Humana Inc	00000	75-2821236				Concentra St. Louis, L.L.C	DE	NIA	See Footnote 13	Joint Venture	0.0	Humana Inc	13
00119	Humana Inc	00000	27-1743694				Concentra Worksite of Arizona, P.A	AZ	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	27-2935870				Concentra Worksite of CA, A Med. Corp	CA	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	22-3675361				Concentra-UPMC, L.L.C	DE	NIA	See Footnote 14	Joint Venture	0.0	Humana Inc	14
00119	Humana Inc	00000	86-0751979				Managed Prescription Program	AZ	NIA	Concentra Health Services, Inc	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	11-3273542				National Healthcare Resources, Inc	DE	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	94-3418907				Occspecialists Corp., A Medical Corp	CA	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	75-2688160				Occupational Health Centers of AR, P.A	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	77-0469725				Occ Health Centers of CA, A Med. Corp	CA	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc	17
00119	Humana Inc	00000	51-0376661				Occupational Health Centers of DE, P.A	DE	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	58-2285009				Occupational Health Centers of GA, P.C	GA	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	74-2891603				Occ Health Centers of LA, A Prof. Corp	LA	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	38-2857561				Occupational Health Centers of MI, P.C	MI	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	47-0827928				Occupational Health Centers of NE, P.C	NE	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	22-3473542				Occupational Health Centers of NJ, P.A	NJ	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	20-3187863				Occupational Health Centers of NY, P.A	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	26-2484838				Occupational Health Centers of NC, P.C	NC	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	26-3239286				Occ Health Centers of OH, P.A., Co	OH	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
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00119	Humana Inc	00000	86-0750222				Occ Health Centers of the Southwest, P.A.	AZ	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	75-2014828				Occ Health Centers of the Southwest, P.A.	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	74-2731442				OHC of Hawaii, Inc.	HI	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	04-3353031				OHR/Baystate, LLC	MA	NIA	See Footnote 15	Joint Venture	0.0	Humana Inc	15
00119	Humana Inc	00000	04-3353031				OHR/MMC, Limited Liability Company	ME	NIA	See Footnote 16	Joint Venture	100.0	Humana Inc	16
00119	Humana Inc	00000	98-0445802				OHP Insurance Company, Ltd	TX	NIA	Concentra Operating Corporation	Ownership	100.0	Humana Inc	17
00119	Humana Inc	00000	20-0513177				OnSite OccMed, P.A.	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	20-2883662				Therapy Centers of South Carolina, P.A.	SC	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	20-3033507				Therapy Centers of the Southwest I, P.A.	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	26-4101338				U.S. MedGroup of Arkansas, P.A.	AR	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	22-3867212				U.S. MedGroup of Delaware, P.A.	DE	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	20-3760561				U.S. MedGroup of Massachusetts, P.C.	MA	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	75-2972185				U.S. MedGroup of Michigan, P.C.	MI	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc	17
00119	Humana Inc	00000	22-3869772				U.S. MedGroup of New Jersey, P.A.	NJ	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc	17
00119	Humana Inc	00000	26-3598351				U.S. MedGroup of New York, P.A.	TX	NIA	See Footnote 17	Board of Directors	100.0	Humana Inc	17
00119	Humana Inc	00000	26-2502158				U.S. MedGroup of North Carolina, P.C.	NC	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	26-3239579				U.S. MedGroup of Ohio, P.A., Co.	OH	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	75-2612924				U.S. MedGroup, P.A.	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	75-2645352				U.S. MedGroup, P.A.	AZ	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	13-3464527				Occupational Health + Rehabilitation LLC	DE	NIA	Concentra Health Services, Inc	Ownership	100.0	Humana Inc	0
00119	Humana Inc	00000	27-4757941				Concentra Health Care, P.A.	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	32-0346082				Concentra Primary Care, P.A.	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	45-2897046				Concentra Primary Care of New Jersey PA	NJ	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17
00119	Humana Inc	00000	75-2891678				Texas MedGroup, P.A.	TX	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc	17

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

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00119	Humana Inc.	00000	45-3637057				Concentra Primary Care of Arizona, PA	AZ	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	45-4041098				Concentra Primary Care of Illinois, P.C.	IL	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	45-4091303				Concentra Primary Care of Ohio, P.A., Co.	OH	NIA	See Footnote 17	Board of Directors	0.0	Humana Inc.	17
00119	Humana Inc.	00000	13-4036798				SeniorBridge Family Companies, Inc.	DE	NIA	Humana Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	65-1096853				SeniorBridge Family Companies (FL), Inc.	FL	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	46-0702349				SeniorBridge Family Companies (AZ), Inc.	AZ	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	45-3039782				SeniorBridge Family Companies (CA), Inc.	CA	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	27-0452360				SeniorBridge Family Companies (CT), Inc.	CT	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	80-0828590				SeniorBridge Family Companies (GA), Inc.	GA	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	20-0301155				SeniorBridge Family Companies (IN), Inc.	IN	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	02-0660212				SeniorBridge Family Companies (IL), Inc.	IL	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	34-2067248				SeniorBridge Family Companies (KY), Inc.	KY	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	45-5299341				SeniorBridge Family Companies (LA), Inc.	LA	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	04-3580066				SeniorBridge Family Companies (MA), Inc.	MA	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	81-0557727				SeniorBridge Family Companies (MD), Inc.	MD	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	52-2460048				SeniorBridge Family Companies (MN), Inc.	MN	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	46-0677759				SeniorBridge Family Companies (MO), Inc.	MO	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	56-2593719				SeniorBridge (NC), Inc.	NC	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	36-4484449				SeniorBridge Family Companies (NJ), Inc.	NJ	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	36-4484443				SeniorBridge Family Companies (NY), Inc.	NY	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	20-0260501				SeniorBridge Family Companies (OH), Inc.	OH	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	38-3643832				SeniorBridge Family Companies (PA), Inc.	PA	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	45-5299154				SeniorBridge Family Companies (TN), Inc.	TN	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	01-0766084				SeniorBridge Family Companies (TX), Inc.	TX	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
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00119	Humana Inc.	00000	56-2593718				SeniorBridge (UT), Inc.	UT	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	46-0691871				SeniorBridge Family Companies (VA), Inc.	VA	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	57-1226890				SeniorBridge (WA), Inc.	WA	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	46-0764555				SeniorBridge Family Companies (WI), Inc.	WI	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	80-0581269				SeniorBridge Care Management, Inc.	NY	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	13-4106498				Cambridge Companions, LLC	NY	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	13-4076893				Cambridge Personal Care, LLC	NY	NIA	SeniorBridge Family Companies, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	59-2518701				Rona Bartelstone Associates, LLC	FL	NIA	SeniorBridge Family Companies (FL), Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	65-0992582				Naples Health Care Specialists, LLC	FL	NIA	SeniorBridge Family Companies (FL), Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	65-0688221				Nursing Solutions, LLC	FL	NIA	SeniorBridge Family Companies (FL), Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	20-0381804				1st Choice Home Health Care, LLC	FL	NIA	SeniorBridge Family Companies (FL), Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	26-0815856				Care Partners Home Care, LLC	FL	NIA	SeniorBridge Family Companies (FL), Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	45-3713941				Complex Clinical Management, Inc.	FL	NIA	SeniorBridge Family Companies (FL), Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	65-0635728				Metropolitan Health Networks, Inc.	FL	NIA	Humana Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	65-0879131				METCARE of Florida, Inc.	FL	NIA	Metropolitan Health Networks, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	59-2716023				Continuicare Corporation	FL	NIA	Metropolitan Health Networks, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	45-5032192				Symphony Health Partners, Inc.	DE	NIA	Metropolitan Health Networks, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	65-0780986				Continuicare MSO, Inc.	FL	NIA	Continuicare Corporation	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	20-5646291				Continuicare MDHC, LLC	FL	NIA	Continuicare Corporation	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	27-0338595				Seredor Corporation	FL	NIA	Continuicare Corporation	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	65-0791417				Continuicare Medical Management, Inc.	FL	NIA	Continuicare Corporation	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	32-0375132				Symphony Health Partners - Midwest, LLC	DE	NIA	80% Symphony Health Partners, Inc. / 20% Humana Inc.	Ownership	0.0		20
00119	Humana Inc.	00000	80-0494470				Seredor Centers, Inc.	FL	NIA	Seredor Corporation	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	55-0756296				Professional Sleep Diagnostics, Inc.	WV	NIA	Seredor Corporation	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	52-2209930				United Sleep Diagnostics, Inc.	DE	NIA	Seredor Centers, Inc.	Ownership	100.0	Humana Inc.	0
00119	Humana Inc.	00000	52-2413969				American Institute for Sleep Performance, Inc.	FL	NIA	Seredor Centers, Inc.	Ownership	100.0	Humana Inc.	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

**SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

Asterisk	Explanation
8	CM Occupational Health, Limited Liability Company is a Maine limited liability company. Occupational Health + Rehabilitation LLC has a 90% ownership interest and Advanced Health Services, Inc. has a 10% ownership interest.
9	Concentra Akron, L.L.C. is a Delaware limited liability company. Concentra Health Services, Inc. has a 51% ownership interest and Akron General Partners, Inc. has a 49% ownership interest.
10	Concentra Arkansas, L.L.C. is a Delaware limited liability company. Concentra Health Services, Inc. has a 51% ownership interest and St. Vincent Community Health Services, Inc. has a 49% ownership interest.
11	Concentra Occupational Healthcare Harrisburg, L.P. is a Delaware limited liability company. Concentra Health Services, Inc. has a 51% ownership interest and Pinnacle Health Hospitals has a 49% interest.
12	Concentra South Carolina, L.L.C. is a Delaware limited liability company. Concentra Health Services, Inc. has a 51% ownership interest and North Trident Regional Hospital, Inc. has a 49% ownership interest.
13	Concentra St. Louis, L.L.C. is a Delaware limited liability company. Concentra Health Services, Inc. has a 70% ownership interest and Tenet HealthSystem SL-HLC, Inc. has a 30% ownership interest.
14	Concentra-UPMC, L.L.C. is a Delaware limited liability company. Concentra Health Services, Inc. has a 51% ownership interest and Community Occupational Medicine, Inc. has a 49% ownership interest.
15	OHR/Baystate, LLC is a Massachusetts limited liability company. Occupational Health + Rehabilitation LLC has a 51% ownership interest and Bayside Medical Center has a 49% ownership interest.
16	OHR/MMC, Limited Liability Company is a Main limited liability company. Occupational Health + Rehabilitation LLC has a 51% ownership interest and Maine Health has a 49% ownership interest.
17	Professional Services Relationship/Agreement with Concentra health Services, Inc.
18	Ownership is 60% Arcadian Health Plan, Inc., 40% Arcadian Management Services, Inc.
19	Reporting company.
20	Ownership is 80% Symphony Health Partners, Inc. and 20% Humana Inc. of Symphony Health Partners ? Midwest, LLC.
21	Premier Sleep Services, LLC (50% is owned by an unaffiliated entity) and 50% is owned by Professional Sleep Diagnostics, Inc., which itself is owned 100% by Seredor Corporation, which itself is owned 100% by Continucare Corporation, which is owned 100% by Metropolitan Health Networks, Inc., which is owned 100% by Humana Inc.

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
88595	31-0935772	Empheysys Insurance Company					22,913				22,913	
00000	61-0647538	Humana Inc.	1,218,800,000	(304,000,000)			1,921,973,465				2,836,773,465	
73288	39-1263473	Humana Insurance Company	(572,000,000)				(629,440,491)				(1,201,440,491)	
00000	26-3473328	Humana Health Plan of California		25,000,000			(5,906,141)				19,093,859	
65110	57-0380426	Kanawha Insurance Co.					(89,783,364)				(89,783,364)	
60052	37-1326199	Humana Benefit Plan of Illinois					(14,740,155)				(14,740,155)	
10126	65-1137990	Humana AdvantageCare Plan					(10,656,320)				(10,656,320)	(1,817,830)
54739	52-1157181	The Dental Concern, Inc.					(5,319,482)				(5,319,482)	
70580	39-0714280	HumanaDental Insurance Company	(14,000,000)				(26,335,498)				(40,335,498)	
52028	39-3654697	The Dental Concern, Ltd.					(105,405)				(105,405)	
95348	31-1154200	Humana Health Plan of Ohio, Inc.					(17,694,368)				(17,694,368)	
95342	39-1525003	Humana WI Health Org. Insurance Corp.					(29,098,523)				(29,098,523)	
00000	27-3991410	Humana Medical Plan of Michigan, Inc.					428				428	
95519	58-2209549	Humana Employers Health Plan of GA, Inc.					(50,771,067)				(50,771,067)	
95270	61-1103898	Humana Medical Plan, Inc.	(430,000,000)				(652,339,022)				(1,082,339,022)	
69671	61-1041514	Humana Health Insurance Co FL, Inc.	(10,000,000)				97,503,111				87,503,111	
95754	62-1579044	Cariten Health Plan		80,000,000			(81,209,215)				(1,209,215)	
95885	61-1013183	Humana Health Plan, Inc.		60,000,000			(395,389,478)				(335,389,478)	
60219	61-1311605	Humana Insurance Company of Kentucky					(6,867,292)				(6,867,292)	
95024	61-0994632	Humana Health Plan of Texas, Inc.	(25,000,000)	10,000,000			(38,848,690)				(53,848,690)	
00000	66-0406896	Humana Health Plans of Puerto Rico, Inc.					15,191,693				15,191,693	
00000	66-0291866	Humana Insurance of Puerto Rico, Inc.					(15,269,738)				(15,269,738)	
00000	61-1232669	Managed Care Indemnity, Inc.	(10,000,000)				(11,738,503)				(21,738,503)	
95642	72-1279235	Humana Health Benefit Plan of LA, Inc.	(83,000,000)				(154,869,993)				(237,869,993)	
95092	59-2598550	CarePlus Health Plans, Inc.	(65,000,000)				(66,825,059)				(131,825,059)	
00000	26-0010657	CAC-Florida Medical Centers, LLC					(454,438)				(454,438)	
12634	20-2888723	Humana Insurance Company of New York	(9,800,000)				(16,965,366)				(26,765,366)	
82740	62-0729865	Cariten Insurance Company					45,309				45,309	
00000	20-1981339	MD Care, Inc.		20,000,000			(2,687,044)				17,312,956	
00000	61-1343508	Humana Marketpoint, Inc.					488,562,010				488,562,010	
00000	61-1316926	Humana Pharmacy, Inc.					(61,027,562)				(61,027,562)	
00000	61-1239538	Humco, Inc.					(478)				(478)	
00000	61-1383567	HUM-e-FL, Inc.					(2,237,506)				(2,237,506)	
00000	75-2043865	Corphealth, Inc.					(1,182,957)				(1,182,957)	
95158	61-1279717	CHA HMO					(273,426)				(273,426)	
00000	33-0916248	DefenseWeb Technologies, Inc.					(703,471)				(703,471)	
00000	00-5893028	Humana Europe, Ltd.					(350,552)				(350,552)	
12908	20-8411422	Humana Medical Plan of Utah		30,000,000			(8,356,030)				21,643,970	
00000	59-1843760	Humana/CompBenefits, Inc.					29,276,847				29,276,847	
95107	56-1796975	American Dental Plan of NC		1,000,000			(298,856)				701,144	
11559	58-2302163	American Dental Providers of AR					(85,440)				(85,440)	
52015	59-2531815	CompBenefits Company		10,000,000			(27,946,388)				(17,946,388)	1,817,830

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
00000	61-1241225	Humana Military Healthcare Services, Inc.					(38,380,066)				(38,380,066)	
60984	74-2552026	CompBenefits Insurance Company		15,000,000			(24,459,876)				(9,459,876)	
95161	76-0039628	DentiCare, Inc.					(10,827,306)				(10,827,306)	
00000	36-3512545	Dental Care Plus Mangement, Corp.					(2,377,311)				(2,377,311)	
11228	36-3686002	CompBenefits Dental, Inc.					(6,752,554)				(6,752,554)	
00000	27-4460531	Humana Medical Plan of Pennsylvania, Inc.		5,000,000			(35)				4,999,965	
12151	20-1001348	Arcadian Health Plan, Inc.		34,000,000			2,856,762				36,856,762	
12282	20-2036444	Arkansas Community Care, Inc.		3,000,000			(4,262,479)				(1,262,479)	
12628	20-5089611	Arcadian Health Plan of Georgia, Inc.					(1,343,959)				(1,343,959)	
11954	20-8688983	Arcadian Health Plan of Louisiana, Inc.					(2,460,237)				(2,460,237)	
12999	26-0500828	Arcadian Health Plan of NC, Inc.		5,000,000			(672,070)				4,327,930	
13558	26-2800286	Arcadian Health Plan of New York, Inc.		6,000,000			(250,205)				5,749,795	
12250	63-1063101	CompBenefits of Alabama					(364,916)				(364,916)	
00000	58-2198538	CompBenefits of Georgia, Inc.					(2,550,042)				(2,550,042)	
95749	62-1546662	Preferred Health Partnership of TN, Inc.					(21,120)				(21,120)	
00000	61-1237697	EmpheSys, Inc.					(4,782)				(4,782)	
00000	26-3583438	Humana Holdings International					(200,283)				(200,283)	
00000	26-3592783	HUM INT, LLC					(4,782)				(4,782)	
00000	20-1377270	KMG America Corporation					(184,935)				(184,935)	
00000	86-1050795	Hummingbird Coaching Systems, LLC					(529,689)				(529,689)	
00000	62-1245230	Kanawha Healthcare Solutions					(12,969)				(12,969)	
00000	27-4535747	HumanaVitality, LLC					(10,036,272)				(10,036,272)	
00000	45-2254346	Humana Pharmacy Solutions, Inc.					(4,250,408)				(4,250,408)	
00000	62-1552091	PHP Companies Incorporated					336,354				336,354	
00000	86-0836599	Arcadian Management Services, Inc.					6,832,020				6,832,020	
00000	13-4036798	SeniorBridge Family Companies, Inc.					503,989				503,989	
00000	42-1575099	Competitive Health Analytics, Inc.					(348,432)				(348,432)	
00000	77-0540040	Anvita, Inc.					(8,073,480)				(8,073,480)	
00000	65-1096853	SeniorBridge Family Companies (FL), Inc.					963				963	
00000	02-0660212	SeniorBridge Family Companies (IL), Inc.					1,863				1,863	
00000	26-4823524	Concentra Inc.					(1,104,751)				(1,104,751)	
00000	56-2593719	SeniorBridge (NC)					521				521	
00000	71-0732385	Humana Health Plan Interests, Inc.					(28,092)				(28,092)	
00000	36-4484449	SeniorBridge Family Companies (NJ), Inc.					506				506	
00000	36-4484443	SeniorBridge Family Companies (NY), Inc.					1,181				1,181	
00000	38-3643832	SeniorBridge Family Companies (PA), Inc.					540				540	
00000	01-0766084	SeniorBridge Family Companies (TX), Inc.					404				404	
00000	27-1649291	Harris, Rothenberg International, Inc.					(2,912,109)				(2,912,109)	
00000	80-0072760	Certify Data Systems, Inc.					(32,638)				(32,638)	
00000	39-1514846	CareNetwork, Inc.					(805,915)				(805,915)	
00000	61-1223418	Health Value Management, Inc.					(5,768,029)				(5,768,029)	
00000	61-1364005	HumanaDental, Inc.					(493,949)				(493,949)	

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
00000	61-1343791	Humana Innovation Enterprises, Inc.					(4,782)				(4,782)	
00000	20-1724127	Preservation on Main Inc.					4,946,578				4,946,578	
00000	37-1485812	Ambulatory Care Solutions LLC.					(350,000)				(350,000)	
00000	61-1279716	CHA Service Company					(4,782)				(4,782)	
00000	65-0293220	54th Street Medical Plaza, Inc.					(200,000)				(200,000)	
00000	20-4835394	Humana Active Outlook, Inc.					(48,995)				(48,995)	
00000	20-5309363	West Main Street Condominium Council Inc.					(4,782)				(4,782)	
00000	65-0851053	154th Street Medical Plaza, Inc.					(200,000)				(200,000)	
00000	04-3185995	CompBenefits Corporation					(498,742)				(498,742)	
00000	58-2228851	Compbenefits Direct					392,560				392,560	
00000	20-2620891	Green Ribbon Health, LLC					1				1	
00000	62-1250945	Preferred Health Partnership, Inc.					(45,941)				(45,941)	
00000	65-0274594	HumanaCares, Inc.					(11,802,076)				(11,802,076)	
00000	46-1225873	Agile Technology Solutions, Inc.					40				40	
00000	75-2510547	Concentra Health Services, Inc.					1,051				1,051	
9999999 Control Totals			0	0	0	0	0	0	XXX	0	0	0

42.2

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** 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.

MARCH FILING

Responses

- | | |
|---|---------------------------|
| 1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? |YES..... |
| 2. Will an actuarial opinion be filed by March 1? |SEE EXPLANATION..... |
| 3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? |YES..... |
| 4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required by March 1? |YES..... |

APRIL FILING

- | | |
|--|---------------|
| 5. Will Management's Discussion and Analysis be filed by April 1? |YES..... |
| 6. Will the Supplemental Investment Risks Interrogatories be filed by April 1? |YES..... |
| 7. Will the Accident and Health Policy Experience Exhibit be filed by April 1? |YES..... |

JUNE FILING

- | | |
|--|---------------------------|
| 8. Will an audited financial report be filed by June 1? |SEE EXPLANATION..... |
| 9. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? |SEE EXPLANATION..... |

AUGUST FILING

- | | |
|--|---------------------------|
| 10. Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1? |SEE EXPLANATION..... |
|--|---------------------------|

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.

MARCH FILING

- | | |
|--|---------------------------|
| 11. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? |NO..... |
| 12. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC? |NO..... |
| 13. Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC? |NO..... |
| 14. Will the Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? |NO..... |
| 15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1? |NO..... |
| 16. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1? |NO..... |
| 17. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1? |NO..... |
| 18. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1? |SEE EXPLANATION..... |
| 19. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1? |SEE EXPLANATION..... |
| 20. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed with electronically with the NAIC by March 1? |NO..... |

APRIL FILING

- | | |
|--|--------------|
| 21. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? |NO..... |
| 22. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC? |NO..... |
| 23. Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC? |NO..... |
| 24. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? |NO..... |
| 25. Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1? |NO..... |

AUGUST FILING

- | | |
|--|---------------------------|
| 26. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? |SEE EXPLANATION..... |
|--|---------------------------|

Explanation:

2. The Company has no active business or reserves.
8. The Company is exempt from filing audited financial statements.
9. The Company is exempt from filing audited financial statements.
10. The Company is exempt from filing audited financial statements.
11. This type of business is not written.
12. This type of business is not written.
13. This type of business is not written.
14. This type of business is not written.
15. This type of business is not written.
16. This type of business is not written.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

- 17. This type of business is not written.
- 18. No relief will be requested.
- 19. No relief will be requested.
- 20. This type of business is not written.
- 21. This type of business is not written.
- 22. This type of business is not written.
- 23. This type of business is not written.
- 24. This type of business is not written.
- 25. This type of business is not written.
- 26. The Company is exempt from filing audited financial statements.

Bar code:

11. 
9 5 7 4 9 2 0 1 2 3 6 0 5 9 0 0 0

12. 
9 5 7 4 9 2 0 1 2 2 0 5 0 0 0 0 0

13. 
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14. 
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16. 
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17. 
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21. 
9 5 7 4 9 2 0 1 2 3 0 6 0 0 0 0 0

22. 
9 5 7 4 9 2 0 1 2 2 1 1 5 9 0 0 0

23. 
9 5 7 4 9 2 0 1 2 2 1 3 0 0 0 0 0

24. 
9 5 7 4 9 2 0 1 2 2 1 6 5 9 0 0 0

25. 
9 5 7 4 9 2 0 1 2 2 1 7 0 0 0 0 0

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3+4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities	1,397,886	44.587	1,397,886		1,397,886	44.587
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies		0.000			0	0.000
1.22 Issued by U.S. government sponsored agencies		0.000			0	0.000
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)		0.000			0	0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations		0.000			0	0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations		0.000			0	0.000
1.43 Revenue and assessment obligations		0.000			0	0.000
1.44 Industrial development and similar obligations		0.000			0	0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA		0.000			0	0.000
1.512 Issued or guaranteed by FNMA and FHLMC		0.000			0	0.000
1.513 All other		0.000			0	0.000
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA		0.000			0	0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521		0.000			0	0.000
1.523 All other		0.000			0	0.000
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)		0.000			0	0.000
2.2 Unaffiliated non-U.S. securities (including Canada)		0.000			0	0.000
2.3 Affiliated securities		0.000			0	0.000
3. Equity interests:						
3.1 Investments in mutual funds		0.000			0	0.000
3.2 Preferred stocks:						
3.21 Affiliated		0.000			0	0.000
3.22 Unaffiliated		0.000			0	0.000
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated		0.000			0	0.000
3.32 Unaffiliated		0.000			0	0.000
3.4 Other equity securities:						
3.41 Affiliated		0.000			0	0.000
3.42 Unaffiliated		0.000			0	0.000
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated		0.000			0	0.000
3.52 Unaffiliated		0.000			0	0.000
4. Mortgage loans:						
4.1 Construction and land development		0.000			0	0.000
4.2 Agricultural		0.000			0	0.000
4.3 Single family residential properties		0.000			0	0.000
4.4 Multifamily residential properties		0.000			0	0.000
4.5 Commercial loans		0.000			0	0.000
4.6 Mezzanine real estate loans		0.000			0	0.000
5. Real estate investments:						
5.1 Property occupied by company		0.000	0		0	0.000
5.2 Property held for production of income (including \$ _____ of property acquired in satisfaction of debt)		0.000	0		0	0.000
5.3 Property held for sale (including \$ _____ property acquired in satisfaction of debt)		0.000	0		0	0.000
6. Contract loans		0.000	0		0	0.000
7. Derivatives		0.000	0		0	0.000
8. Receivables for securities		0.000	0		0	0.000
9. Securities Lending (Line 10, Asset Page reinvested collateral)		0.000	0	XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	1,737,286	55.413	1,737,286		1,737,286	55.413
11. Other invested assets		0.000			0	0.000
12. Total invested assets	3,135,172	100.000	3,135,172	0	3,135,172	100.000

SCHEDULE A – VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31 of prior year.....	0
2. Cost of acquired:	
2.1 Actual cost at time of acquisition (Part 2, Column 6).....	0
2.2 Additional investment made after acquisition (Part 2, Column 9).....	0
3. Current year change in encumbrances:	
3.1 Totals, Part 1, Column 13.....	0
3.2 Totals, Part 3, Column 11.....	0
4. Total gain (loss) on disposals, Part 3, Column 18.....	0
5. Deduct amounts received on disposals, Part 3, Column 15.....	0
6. Total foreign exchange change in book/adjusted carrying value:	
6.1 Totals, Part 1, Column 15.....	0
6.2 Totals, Part 3, Column 13.....	0
7. Deduct current year's other than temporary impairment recognized:	
7.1 Totals, Part 1, Column 12.....	0
7.2 Totals, Part 3, Column 10.....	0
8. Deduct current year's depreciation:	
8.1 Totals, Part 1, Column 11.....	0
8.2 Totals, Part 3, Column 9.....	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....	0
10. Deduct total nonadmitted amounts.....	0
11. Statement value at end of current period (Line 9 minus Line 10).....	0

NONE

SCHEDULE B – VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0
2. Cost of acquired:	
2.1 Actual cost at time of acquisition (Part 2, Column 7).....	0
2.2 Additional investment made after acquisition (Part 2, Column 8).....	0
3. Capitalized deferred interest and other:	
3.1 Totals, Part 1, Column 12.....	0
3.2 Totals, Part 3, Column 11.....	0
4. Accrual of discount.....	0
5. Unrealized valuation increase (decrease):	
5.1 Totals, Part 1, Column 9.....	0
5.2 Totals, Part 3, Column 8.....	0
6. Total gain (loss) on disposals, Part 3, Column 18.....	0
7. Deduct amounts received on disposals, Part 3, Column 15.....	0
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest:	
9.1 Totals, Part 1, Column 13.....	0
9.2 Totals, Part 3, Column 13.....	0
10. Deduct current year's other than temporary impairment recognized:	
10.1 Totals, Part 1, Column 11.....	0
10.2 Totals, Part 3, Column 10.....	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0
12. Total valuation allowance.....	0
13. Subtotal (Line 11 plus Line 12).....	0
14. Deduct total nonadmitted amounts.....	0
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14).....	0

NONE

SCHEDULE BA – VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year.....		0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 8).....	0	
2.2 Additional investment made after acquisition (Part 2, Column 9).....	0	0
3. Capitalized deferred interest and other:		
3.1 Totals, Part 1, Column 16.....	0	
3.2 Totals, Part 3, Column 12.....	0	0
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease):		
5.1 Totals, Part 1, Column 13.....	0	
5.2 Totals, Part 3, Column 9.....	0	0
6. Total gain (loss) on disposals, Part 3, Column 19.....		0
7. Deduct amounts received on disposals, Part 3, Column 16.....		0
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value:		
9.1 Totals, Part 1, Column 17.....	0	
9.2 Totals, Part 3, Column 14.....	0	0
10. Deduct current year's other than temporary impairment recognized:		
10.1 Totals, Part 1, Column 15.....	0	
10.2 Totals, Part 3, Column 11.....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....		0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....		0

NONE

SCHEDULE D – VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year.....		1,246,221
2. Cost of bonds and stocks acquired, Part 3, Column 7.....		1,404,545
3. Accrual of discount.....		3,779
4. Unrealized valuation increase (decrease):		
4.1 Part 1, Column 12.....	0	
4.2 Part 2, Section 1, Column 15.....	0	
4.3 Part 2, Section 2, Column 13.....	0	
4.4 Part 4, Column 11.....	0	0
5. Total gain (loss) on disposals, Part 4, Column 19.....		0
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7.....		1,250,000
7. Deduct amortization of premium.....		6,659
8. Total foreign exchange change in book/adjusted carrying value:		
8.1 Part 1, Column 15.....	0	
8.2 Part 2, Section 1, Column 19.....	0	
8.3 Part 2, Section 2, Column 16.....	0	
8.4 Part 4, Column 15.....	0	0
9. Deduct current year's other than temporary impairment recognized:		
9.1 Part 1, Column 14.....	0	
9.2 Part 2, Section 1, Column 17.....	0	
9.3 Part 2, Section 2, Column 14.....	0	
9.4 Part 4, Column 13.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....		1,397,886
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....		1,397,886

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	1,397,886	1,397,663	1,404,545	1,250,000
	2. Canada				
	3. Other Countries				
	4. Totals	1,397,886	1,397,663	1,404,545	1,250,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	0	0	0	0
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	0	0	0	0
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals	0	0	0	0
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States				
	9. Canada				
	10. Other Countries				
	11. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	13. Total Bonds	1,397,886	1,397,663	1,404,545	1,250,000
PREFERRED STOCKS					
Industrial and Miscellaneous (unaffiliated)	14. United States				
	15. Canada				
	16. Other Countries				
	17. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	0
	19. Total Preferred Stocks	0	0	0	0
COMMON STOCKS					
Industrial and Miscellaneous (unaffiliated)	20. United States				
	21. Canada				
	22. Other Countries				
	23. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	24. Totals	0	0	0	0
	25. Total Common Stocks	0	0	0	0
	26. Total Stocks	0	0	0	0
	27. Total Bonds and Stocks	1,397,886	1,397,663	1,404,545	

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments											
1.1 Class 1	1,727,254	1,397,886				3,125,140	100.0	3,148,418	100.0	3,125,140	
1.2 Class 2						0	0.0	0	0.0		
1.3 Class 3						0	0.0	0	0.0		
1.4 Class 4						0	0.0	0	0.0		
1.5 Class 5						0	0.0	0	0.0		
1.6 Class 6						0	0.0	0	0.0		
1.7 Totals	1,727,254	1,397,886	0	0	0	3,125,140	100.0	3,148,418	100.0	3,125,140	0
2. All Other Governments											
2.1 Class 1						0	0.0	0	0.0		
2.2 Class 2						0	0.0	0	0.0		
2.3 Class 3						0	0.0	0	0.0		
2.4 Class 4						0	0.0	0	0.0		
2.5 Class 5						0	0.0	0	0.0		
2.6 Class 6						0	0.0	0	0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. U.S. States, Territories and Possessions, etc., Guaranteed											
3.1 Class 1						0	0.0	0	0.0		
3.2 Class 2						0	0.0	0	0.0		
3.3 Class 3						0	0.0	0	0.0		
3.4 Class 4						0	0.0	0	0.0		
3.5 Class 5						0	0.0	0	0.0		
3.6 Class 6						0	0.0	0	0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Class 1						0	0.0	0	0.0		
4.2 Class 2						0	0.0	0	0.0		
4.3 Class 3						0	0.0	0	0.0		
4.4 Class 4						0	0.0	0	0.0		
4.5 Class 5						0	0.0	0	0.0		
4.6 Class 6						0	0.0	0	0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Class 1						0	0.0	0	0.0		
5.2 Class 2						0	0.0	0	0.0		
5.3 Class 3						0	0.0	0	0.0		
5.4 Class 4						0	0.0	0	0.0		
5.5 Class 5						0	0.0	0	0.0		
5.6 Class 6						0	0.0	0	0.0		
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)											
6.1 Class 1						0	0.0	0	0.0		
6.2 Class 2						0	0.0	0	0.0		
6.3 Class 3						0	0.0	0	0.0		
6.4 Class 4						0	0.0	0	0.0		
6.5 Class 5						0	0.0	0	0.0		
6.6 Class 6						0	0.0	0	0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
7. Hybrid Securities											
7.1 Class 1						0	0.0	0	0.0		
7.2 Class 2						0	0.0	0	0.0		
7.3 Class 3						0	0.0	0	0.0		
7.4 Class 4						0	0.0	0	0.0		
7.5 Class 5						0	0.0	0	0.0		
7.6 Class 6						0	0.0	0	0.0		
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. Parent, Subsidiaries and Affiliates											
8.1 Class 1						0	0.0	0	0.0		
8.2 Class 2						0	0.0	0	0.0		
8.3 Class 3						0	0.0	0	0.0		
8.4 Class 4						0	0.0	0	0.0		
8.5 Class 5						0	0.0	0	0.0		
8.6 Class 6						0	0.0	0	0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
9. Total Bonds Current Year											
9.1 Class 1	(d) 1,727,254	1,397,886	0	0	0	3,125,140	100.0	XXX	XXX	3,125,140	0
9.2 Class 2	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.3 Class 3	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.4 Class 4	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.5 Class 5	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.6 Class 6	(d) 0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.7 Totals	1,727,254	1,397,886	0	0	0	3,125,140	100.0	XXX	XXX	3,125,140	0
9.8 Line 9.7 as a % of Col. 6	55.3	44.7	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
10. Total Bonds Prior Year											
10.1 Class 1	3,148,418	0	0	0	0	XXX	XXX	3,148,418	100.0	3,148,418	0
10.2 Class 2	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.3 Class 3	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.4 Class 4	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.5 Class 5	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.6 Class 6	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.7 Totals	3,148,418	0	0	0	0	XXX	XXX	3,148,418	100.0	3,148,418	0
10.8 Line 10.7 as a % of Col. 8	100.0	0.0	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
11. Total Publicly Traded Bonds											
11.1 Class 1	1,727,254	1,397,886	0	0	0	3,125,140	100.0	3,148,418	100.0	3,125,140	XXX
11.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	XXX
11.7 Totals	1,727,254	1,397,886	0	0	0	3,125,140	100.0	3,148,418	100.0	3,125,140	XXX
11.8 Line 11.7 as a % of Col. 6	55.3	44.7	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	55.3	44.7	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12. Total Privately Placed Bonds											
12.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.7 Totals	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.8 Line 12.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

(a) Includes \$ _____ freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
 (b) Includes \$ _____ current year, \$ _____ prior year of bonds with Z designations and \$ _____ current year, \$ _____ prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.
 (c) Includes \$ _____ current year, \$ _____ prior year of bonds with 5* designations and \$ _____ current year, \$ _____ prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.
 (d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 1,727,254 ; NAIC 2 \$ _____ ; NAIC 3 \$ _____ ; NAIC 4 \$ _____ ; NAIC 5 \$ _____ ; NAIC 6 \$ _____

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments											
1.1 Issuer Obligations	1,727,254	1,397,886				3,125,140	100.0	3,148,418	100.0	3,125,140	
1.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0		
1.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0		
1.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0		
1.5 Totals	1,727,254	1,397,886	0	0	0	3,125,140	100.0	3,148,418	100.0	3,125,140	0
2. All Other Governments											
2.1 Issuer Obligations						0	0.0	0	0.0		
2.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0		
2.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0		
2.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0		
2.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. U.S. States, Territories and Possessions, Guaranteed											
3.1 Issuer Obligations						0	0.0	0	0.0		
3.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0		
3.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0		
3.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0		
3.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Issuer Obligations						0	0.0	0	0.0		
4.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0		
4.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0		
4.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0		
4.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Issuer Obligations						0	0.0	0	0.0		
5.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0		
5.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0		
5.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0		
5.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
6. Industrial and Miscellaneous											
6.1 Issuer Obligations						0	0.0	0	0.0		
6.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0		
6.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0		
6.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0		
6.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
7. Hybrid Securities											
7.1 Issuer Obligations						0	0.0	0	0.0		
7.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0		
7.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0		
7.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0		
7.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. Parent, Subsidiaries and Affiliates											
8.1 Issuer Obligations						0	0.0	0	0.0		
8.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0		
8.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0		
8.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0		
8.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues											
Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total From Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
9. Total Bonds Current Year											
9.1 Issuer Obligations	1,727,254	1,397,886	0	0	0	3,125,140	100.0	XXX	XXX	3,125,140	0
9.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	XXX	XXX	0	0
9.5 Totals	1,727,254	1,397,886	0	0	0	3,125,140	100.0	XXX	XXX	3,125,140	0
9.6 Lines 9.5 as a % Col. 6	55.3	44.7	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
10. Total Bonds Prior Year											
10.1 Issuer Obligations	3,148,418	0	0	0	0	XXX	XXX	3,148,418	100.0	3,148,418	0
10.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	XXX	0	0.0	0	0
10.5 Totals	3,148,418	0	0	0	0	XXX	XXX	3,148,418	100.0	3,148,418	0
10.6 Line 10.5 as a % of Col. 8	100.0	0.0	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations	1,727,254	1,397,886				3,125,140	100.0	3,148,418	100.0	3,125,140	XXX
11.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0	0	XXX
11.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0	0	XXX
11.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0	0	XXX
11.5 Totals	1,727,254	1,397,886	0	0	0	3,125,140	100.0	3,148,418	100.0	3,125,140	XXX
11.6 Line 11.5 as a % of Col. 6	55.3	44.7	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	55.3	44.7	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12. Total Privately Placed Bonds											
12.1 Issuer Obligations						0	0.0	0	0.0	XXX	0
12.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0	XXX	0
12.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0	XXX	0
12.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0	XXX	0
12.5 Totals	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.6 Line 12.5 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	502,229	502,229	0	0	0
2. Cost of short-term investments acquired	6,225,025	6,225,025			
3. Accrual of discount	0				
4. Unrealized valuation increase (decrease)	0				
5. Total gain (loss) on disposals	0				
6. Deduct consideration received on disposals	5,000,000	5,000,000			
7. Deduct amortization of premium	0				
8. Total foreign exchange change in book/adjusted carrying value	0				
9. Deduct current year's other than temporary impairment recognized	0				
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	1,727,254	1,727,254	0	0	0
11. Deduct total nonadmitted amounts	0				
12. Statement value at end of current period (Line 10 minus Line 11)	1,727,254	1,727,254	0	0	0

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE E - VERIFICATION BETWEEN YEARS

(Cash Equivalents)

	1	2	3
	Total	Bonds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year.....	1,399,968	1,399,968	0
2. Cost of cash equivalents acquired.....	21,699,217	21,699,217	
3. Accrual of discount.....	811	811	
4. Unrealized valuation increase (decrease).....	0		
5. Total gain (loss) on disposals.....	0		
6. Deduct consideration received on disposals.....	23,099,996	23,099,996	
7. Deduct amortization of premium.....	0		
8. Total foreign exchange change in book/adjusted carrying value.....	0		
9. Deduct current year's other than temporary impairment recognized.....	0		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	0	0	0
11. Deduct total nonadmitted amounts.....	0		
12. Statement value at end of current period (Line 10 minus Line 11)	0	0	0

(a) Indicate the category of such investments, for example, joint ventures, transportation equipment

Schedule A - Part 1

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	3 Codes			6 NAIC Designation	7 Actual Cost	8 Fair Value		10 Par Value	11 Book/ Adjusted Carrying Value	12 Change in Book / Adjusted Carrying Value			13 Interest				14 Dates			
		3 Code	4 F o r e i g n	5 Bond CHAR			8 Rate Used to Obtain Fair Value	9 Fair Value			12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Foreign Exchange Change In B./A.C.V.	16 Rate of	17 Effective Rate of	18 When Paid	19 Admitted Amount Due & Accrued	20 Amount Rec. During Year	21 Acquired	22 Stated Contractual Maturity Date
Bonds - U.S. Governments - Issuer Obligations																					
912828-EN-6	UNITED STATES TREASURY GOVERNMENT	SD			1	1,404,545	111,8130	1,397,663	1,250,000	1,397,886		(6,659)		4,500	0.350	MN	7,303		11/14/2012	11/15/2015	
0199999	Bonds - U.S. Governments - Issuer Obligations					1,404,545	XXX	1,397,663	1,250,000	1,397,886	0	(6,659)	0	0	XXX	XXX	XXX	7,303	0	XXX	XXX
Bonds - U.S. Governments - Residential Mortgage-Backed Securities																					
Bonds - U.S. Governments - Commercial Mortgage-Backed Securities																					
Bonds - U.S. Governments - Other Loan-Backed and Structured Securities																					
0599999	Bonds - U.S. Governments - Subtotals - U.S. Governments					1,404,545	XXX	1,397,663	1,250,000	1,397,886	0	(6,659)	0	0	XXX	XXX	XXX	7,303	0	XXX	XXX
Bonds - All Other Governments - Issuer Obligations																					
Bonds - All Other Governments - Residential Mortgage-Backed Securities																					
Bonds - All Other Governments - Commercial Mortgage-Backed Securities																					
Bonds - All Other Governments - Other Loan-Backed and Structured Securities																					
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																					
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																					
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																					
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities																					
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																					
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																					
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																					
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities																					
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations																					
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities																					
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Commercial Mortgage-Backed Securities																					
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Other Loan-Backed and Structured Securities																					
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations																					
Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities																					
Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities																					
Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities																					
Bonds - Hybrid Securities - Issuer Obligations																					
Bonds - Hybrid Securities - Residential Mortgage-Backed Securities																					
Bonds - Hybrid Securities - Commercial Mortgage-Backed Securities																					
Bonds - Hybrid Securities - Other Loan-Backed and Structured Securities																					
Bonds - Parent, Subsidiaries and Affiliates - Issuer Obligations																					
Bonds - Parent, Subsidiaries and Affiliates - Residential Mortgage-Backed Securities																					
Bonds - Parent, Subsidiaries and Affiliates - Other Loan-Backed and Structured Securities																					
7799999	Bonds - Total Bonds - Subtotals - Issuer Obligations					1,404,545	XXX	1,397,663	1,250,000	1,397,886	0	(6,659)	0	0	XXX	XXX	XXX	7,303	0	XXX	XXX
8399999 Subtotals - Total Bonds																					
						1,404,545	XXX	1,397,663	1,250,000	1,397,886	0	(6,659)	0	0	XXX	XXX	XXX	7,303	0	XXX	XXX

E10

Schedule D - Part 2 - Section 1

NONE

Schedule D - Part 2 - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

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 Stated Contractual Maturity Date
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year (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.						
Bonds - U.S. Governments																				
912828-AP-5	UNITED STATES TREASURY GOVERNMENT		11/15/2012	MATURITY		1,250,000	1,250,000	1,233,807	1,246,221		3,779		3,779		1,250,000		0	0	50,000	11/15/2012
0590999	Bonds - U.S. Governments					1,250,000	1,250,000	1,233,807	1,246,221	0	3,779	0	3,779	0	1,250,000	0	0	0	50,000	XXX
Bonds - All Other Governments																				
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)																				
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)																				
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																				
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
Bonds - Hybrid Securities																				
Bonds - Parent, Subsidiaries, and Affiliates																				
8399997	Bonds - Subtotals - Bonds - Part 4					1,250,000	1,250,000	1,233,807	1,246,221	0	3,779	0	3,779	0	1,250,000	0	0	0	50,000	XXX
8399999	Bonds - Subtotals - Bonds					1,250,000	1,250,000	1,233,807	1,246,221	0	3,779	0	3,779	0	1,250,000	0	0	0	50,000	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																				
Preferred Stocks - Parent, Subsidiaries, and Affiliates																				
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																				
Common Stocks - Parent, Subsidiaries, and Affiliates																				
Common Stocks - Mutual Funds																				
Common Stocks - Money Market Mutual Funds																				
						1,250,000	XXX	1,233,807	1,246,221	0	3,779	0	3,779	0	1,250,000	0	0	0	50,000	XXX

Schedule D - Part 5

NONE

Schedule D - Part 6 - Section 1

NONE

Schedule D - Part 6 - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Preferred Health Partnership of Tennessee, Inc.

SCHEDULE DA - PART 1

Showing all **SHORT-TERM INVESTMENTS** Owned December 31 of Current Year

1	2	Codes		5	6	7	8	Change In Book/Adjusted Carrying Value				13	14	Interest					21			
		3	4					9	10	11	12			15	16	17	18	19		20		
CUSIP Identification	Description	Code	Fo rel gn	Date Acquired	Name of Vendor	Maturity Date	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Par Value	Actual Cost	Amount Due And Accrued Dec. 31 of Current Year On Bond Not In Default	Non-Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest		
Bonds - U.S. Governments Issuer Obligations																						
Bonds - U.S. Governments - Residential Mortgage-Backed Securities																						
Bonds - U.S. Governments - Commercial Mortgage-Backed Securities																						
Bonds - U.S. Governments - Other Loan-Backed and Structured Securities																						
Bonds - All Other Governments - Issuer Obligations																						
Bonds - All Other Governments - Residential Mortgage-Backed Securities																						
Bonds - All Other Governments - Single Class Mortgage-Backed/Asset-Backed Securities																						
Bonds - All Other Governments - Other Loan-Backed and Structured Securities																						
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																						
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																						
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																						
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities																						
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																						
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																						
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																						
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities																						
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions - Issuer Obligations																						
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions - Residential Mortgage-Backed Securities																						
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions - Commercial Mortgage-Backed Securities																						
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions - Other Loan-Backed and Structured Securities																						
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations																						
Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities																						
Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities																						
Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities																						
Bonds - Hybrid Securities - Issuer Obligations																						
Bonds - Hybrid Securities - Residential Mortgage-Backed Securities																						
Bonds - Hybrid Securities - Commercial Mortgage-Backed Securities																						
Bonds - Hybrid Securities - Other Loan-Backed and Structured Securities																						
Bonds - Parent, Subsidiaries and Affiliates Bonds - Issuer Obligations																						
Bonds - Parent, Subsidiaries and Affiliates Bonds - Residential Mortgage-Backed Securities																						
Bonds - Parent, Subsidiaries and Affiliates Bonds - Commercial Mortgage-Backed Securities																						
Bonds - Parent, Subsidiaries and Affiliates Bonds - Other Loan-Backed and Structured Securities																						
Parent, Subsidiaries and Affiliates - Mortgage Loans																						
Parent, Subsidiaries and Affiliates - Other Short-Term Invested Assets																						
Mortgage Loans																						
Exempt Money Market Mutual Funds																						
09248U-70-0	BLACKROCK LIQUIDITY FDS -FED FUNDS-IN			12/13/2012	VARIOUS		1,727,254						1,727,254									
8899999	Exempt Money Market Mutual Funds						1,727,254	0	0	0	0	XXX	1,727,254	0	0	XXX	XXX	MON		17	0	
Class One Money Market Mutual Funds																						
Other Short-Term Invested Assets																						
9199999 Total Short-Term Investments							1,727,254	0	0	0	0	XXX	1,727,254	0	0	XXX	XXX	XXX	17	0		

E17

Schedule DB - Part A - Section 1
NONE

Schedule DB - Part A - Section 2
NONE

Schedule DB - Part B - Section 1
NONE

Schedule DB - Part B - Section 2
NONE

Schedule DB - Part D
NONE

Schedule DL - Part 1
NONE

Schedule DL - Part 2
NONE

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

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	
NONE								
8699999 Total Cash Equivalents						0	0	0

SCHEDULE E PART 3 - SPECIAL DEPOSITS

States, etc.	1 Type of Deposits	2 Purpose of Deposits	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR					
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA					
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA					
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV					
30. New Hampshire	NH					
31. New Jersey	NJ					
32. New Mexico	NM					
33. New York	NY					
34. North Carolina	NC					
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK					
38. Oregon	OR					
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN	B 001	1,397,886	1,397,663		
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA					
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY					
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR					
55. US Virgin Islands	VI					
56. Northern Mariana Islands	MP					
57. Canada	CAN					
58. Aggregate Other Alien	OT	XXX	0	0	0	0
59. Total	XXX	XXX	1,397,886	1,397,663	0	0
DETAILS OF WRITE-INS						
5801.						
5802.						
5803.						
5898. Sum of remaining write-ins for Line 58 from overflow page	XXX	XXX	0	0	0	0
5899. Totals (Lines 5801 - 5803 + 5898) (Line 58 above)	XXX	XXX	0	0	0	0

ALPHABETICAL INDEX

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SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended December 31, 2012

(To Be Filed by March 1)
PART 1 - INTERROGATORIES

MAR 01 2013

Dept of Commerce & Insurance
 Financial Affairs/Analytical Section

1. The reporting insurer is a member of a group of insurers or other holding company system: yes no If yes, do the amounts below represent
 1) total gross compensation paid to each individual by or on behalf of all companies that are part of the group: Yes ;
 or 2) allocation to each insurer: Yes .
2. Did any person while an officer, director, or trustee of the reporting entity, receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes No
3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement? Yes No

PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

1 Name and Principal Position	2 Year	Annual Compensation				6 Totals
		3 Salary	4 Bonus	5 All Other Compensation		
Bruce D. Broussard President and Chief Executive Officer	2012	900,000	0	2,870,666	3,770,666	
	2011	41,538	0	2,220	43,758	
	2010	0	0	0	0	
1. James E. Murray Director	2012	750,000	0	6,599,036	7,349,036	
	2011	702,478	0	8,384,346	9,086,825	
	2010	676,088	0	862,469	1,538,557	
2. James H. Bloem Senior Vice President, Chief Financial Officer & Treasurer	2012	625,000	0	3,618,043	4,243,043	
	2011	573,250	0	3,727,917	4,301,167	
	2010	550,058	0	694,320	1,244,378	
3. William J. Tait Vice President	2012	344,153	0	1,412,472	1,756,625	
	2011	373,012	0	611,464	984,476	
	2010	368,189	0	549,357	917,545	
4. Bruce D. Perkins President, Health and Well-being Services Segment	2012	451,236	0	1,298,137	1,749,373	
	2011	432,787	0	2,213,973	2,646,759	
	2010	419,333	0	544,401	963,734	
5. Thomas J. Liston President, Retail Segment	2012	406,154	0	676,603	1,082,757	
	2011	369,039	0	2,570,143	2,939,182	
	2010	354,999	0	1,446,780	1,801,779	
6. Brian P. LeClaire Senior Vice President and Chief Service and Information Officer	2012	365,000	0	602,954	967,954	
	2011	333,154	0	561,504	894,658	
	2010	292,819	0	316,436	609,255	
7. George Renaudin Vice President and Division Leader - Southern Division	2012	324,193	50,000	572,737	946,929	
	2011	253,168	50,000	608,047	911,214	
	2010	250,080	0	342,925	593,005	
8. Larry D. Savage Regional Chief Executive Officer - Midwest	2012	328,846	0	583,163	912,009	
	2011	319,427	0	812,176	1,131,603	
	2010	296,021	0	195,335	491,356	
9. J. Gregory Cantron Vice President and Chief Compliance Officer	2012	222,643	0	639,156	861,800	
	2011	216,034	0	688,672	904,706	
	2010	211,957	0	209,405	421,362	

PART 3 - DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation	2 Compensation Paid or Deferred for Services as Director	3 All Other Compensation Paid or Deferred	4 Totals