



**COMPANY INFORMATION PAGE (JURAT)
Health Risk-Based Capital
For the Year Ending December 31, 2009**

(A) Company Name Preferred Health Partnership of Tennessee, Inc.
 (B) NAIC Group 0119 (C) NAIC Company Code 95749 (D) Employer's ID Number 62-1546662
 (E) Organized under the Laws of the State of TN

Contact Person for Health Risk-Based Capital:

(F) First Name Murray (G) Middle Name (H) Last Name Gipe

(I) Mail Address of Contact Person 1420 Centerpoint Blvd.

(J) City Knoxville (K) State TN (L) Zip 37932

(M) Phone Number 502-580-1548

(N) E-mail Address of RBC Contact Person mgipe@humana.com

(O) Date Prepared 02/15/2010

(P) Preparer (if different than Contact)

First Name Middle Last Name

(Q) Is this an Original, Amended or Refiling? (O,A,R) Original

(Q1) If Amended, Amendment Number

(R) Were any items that come directly from the annual statement entered manually to prepare this filing? (Yes or No) No

(S) Was the entity in business for the entire reporting year? Yes

Officers Name: Michael B. McCallister Joan O. Lenahan James H. Bloem

Officers Title: President & CEO VP & Corporate Secretary Sr. VP, CFO & Treasurer

Each says that they are the above described officers of the said insurer, and that this risk-based capital report is a true and fair representation of the company's affairs and has been completed in accordance with the NAIC instructions, according to the best of their information, knowledge and belief, respectively.

(Signature)

(Signature)

(Signature)

XR001

AFFILIATED COMPANIES RISK

	Type of Affiliate	Type Code	Basis	(1) RBC	(2) Count
(1)	Directly Owned Insurer Subject to RBC.....	1	Affiliate's RBC*	0	0
(2)	Indirectly Owned Insurer Subject to RBC.....	2	Affiliate's RBC*	0	0
(3)	Directly Owned MCO Subject to RBC.....	3	Affiliate's RBC*	0	0
(4)	Indirectly Owned MCO Subject to RBC.....	4	Affiliate's RBC*	0	0
(5)	Investment Subsidiary.....	5	Affiliate's RBC*	0	0
(6)	Holding Company Excess of Subsidiaries.....	6	0.300	0	0
(7)	Directly Owned Alien Insurer.....	7	1.000	0	0
(8)	Indirectly Owned Alien Insurers.....	8	1.000	0	0
(9)	Investment In Parent.....	9	0.300	0	0
(10)	Other Affiliates.....	10	0.300	0	0
(11)	Fair Value Excess Affiliate Common Stock	11	Total of Type Codes 1 through 5 of XR002, Col. 13	0	0

* Capped at carrying value on the parent's statement

XR003

Preferred Health Partnership of Tennessee, Inc.

CROSSCHECKING FOR AFFILIATED INVESTMENTS
Schedule D, Part 6, Section 1

		Preferred Stock			
		Annual Statement Line Number	(1) Annual Statement Total Preferred Stock	(2) Total From RBC Report	(3) Difference
(1)	Parent.....	0199999	.....0	.....0	.....0
(2)	U.S. P&C Insurers.....	0299999	.....0	.....XXXX	.....XXXX
(3)	U.S. Life Insurers.....	0399999	.....0	.....XXXX	.....XXXX
(4)	U.S. Health Entity.....	0499999	.....0	.....XXXX	.....XXXX
(5)	Total P&C, Life and Health Insurers.....		.....0	.....0	.....0
(6)	Alien Insurer.....	0599999	.....0	.....0	.....0
(7)	Non-Insurer Which Controls Insurers.....	0699999	.....0	.....0	.....0
(8)	Investment Subsidiary.....	0799999	.....0	.....0	.....0
(9)	Other Affiliates.....	0899999	.....0	.....0	.....0
(10)	Subtotal	0999999	0	0	0

		Common Stock			
		Annual Statement Line Number	(1) Annual Statement Total Common Stock	(2) Total From RBC Report	(3) Difference
(11)	Parent.....	1099999	.....0	.....0	.....0
(12)	U.S. P&C Insurers.....	1199999	.....0	.....XXXX	.....XXXX
(13)	U.S. Life Insurers.....	1299999	.....0	.....XXXX	.....XXXX
(14)	U.S. Health Entity.....	1399999	.....0	.....XXXX	.....XXXX
(15)	Total P&C, Life and Health Insurers.....		.....0	.....0	.....0
(16)	Alien Insurer.....	1499999	.....0	.....0	.....0
(17)	Non-Insurer Which Controls Insurers.....	1599999	.....0	.....0	.....0
(18)	Investment Subsidiary.....	1699999	.....0	.....0	.....0
(19)	Other Affiliates.....	1799999	.....0	.....0	.....0
(20)	Subtotal	1899999	0	0	0

XR004

OFF-BALANCE SHEET RISK (See instructions for explanation)

	Annual Statement Source	(1) Book/Adjusted Carrying Value	Factor	(2) RBC Requirement
(1) Loaned to Others – Conforming Securities Lending Program.....	General Interrogatories Part 1 Line 22.5	.....0	0.002	.....0
(2) Loaned to Others – Securities Lending Programs - Other.....	General Interrogatories Part 1 Line 22.6	.....0	0.010	.....0
(3) Subject to Repurchase Agreements.....	General Interrogatories Part 1 Line 23.21	.....0	0.010	.....0
(4) Subject to Reverse Repurchase Agreements.....	General Interrogatories Part 1 Line 23.22	.....0	0.010	.....0
(5) Subject to Dollar Repurchase Agreements.....	General Interrogatories Part 1 Line 23.23	.....0	0.010	.....0
(6) Subject to Reverse Dollar Repurchase Agreements.....	General Interrogatories Part 1 Line 23.24	.....0	0.010	.....0
(7) Pledge as Collateral.....	General Interrogatories Part 1 Line 23.25	.....0	0.010	.....0
(8) Assets Place Under Option Agreements.....	General Interrogatories Part 1 Line 23.26	.....0	0.010	.....0
(9) Letter Stock or Other Securities Restricted.....	General Interrogatories Part 1 Line 23.27	.....0	0.010	.....0
(10) On Deposit with State or Other Regulatory Body.....	General Interrogatories Part 1 Line 23.28	.....7,034,376	0.010	.....70,344
(11) Other.....	General Interrogatories Part 1 Line 23.29	.....0	0.010	.....0
(12) Total Noncontrolled Assets.....	Sum of Lines (1) through (11)	.....7,034,376		.....70,344
(13) Guarantees for Affiliates.....	Notes to Financial Statements Number 10E	.....0	0.010	.....0
(14) Contingent Liabilities.....	Notes to Financial Statements Number 14A(1)	.....0	0.010	.....0
(15) Total Miscellaneous Off-Balance Sheet Items	L(12) + L(13) + L(14)	.....7,034,376		.....70,344

OFF-BALANCE SHEET COLLATERAL

Asset Category	Annual Statement Source	(1) Book/Adjusted Carrying Value	Factor	(2) RBC Requirement
<u>Fixed Income Assets</u>				
<u>Bonds</u>				
(1) Class 01 – U.S. Government – Direct and Guaranteed	Company Records		0.000	.0
(2) Other Class 01 Bonds	Company Records		0.003	.0
(3) Total Class 01 Bonds	Line (1) + Line (2)	.0		.0
(4) Total Class 02 Bonds	Company Records		0.010	.0
(5) Total Class 03 Bonds	Company Records		0.020	.0
(6) Total Class 04 Bonds	Company Records		0.045	.0
(7) Total Class 05 Bonds	Company Records		0.100	.0
(8) Total Class 06 Bonds	Company Records		0.300	.0
(9) Total Bonds	L(3)+L(4)+L(5)+L(6)+L(7)+L(8)	.0		.0
<u>Equity Assets</u>				
<u>Preferred Stock - Unaffiliated</u>				
(10) Class 01 Unaffiliated Preferred Stock	Company Records		0.003	.0
(11) Class 02 Unaffiliated Preferred Stock	Company Records		0.010	.0
(12) Class 03 Unaffiliated Preferred Stock	Company Records		0.020	.0
(13) Class 04 Unaffiliated Preferred Stock	Company Records		0.045	.0
(14) Class 05 Unaffiliated Preferred Stock	Company Records		0.100	.0
(15) Class 06 Unaffiliated Preferred Stock	Company Records		0.300	.0
(16) Total Unaffiliated Preferred Stock	Sum of Lines (10) through (15)	.0		.0
(17) Common Stock	Company Records		0.150	.0
(18) Property & Equipment Assets	Company Records		0.100	.0
(19) Other Invested Assets	Company Records		0.200	.0
(20) Total	L(9)+L(16)+L(17)+L(18)+L(19)	0		0

XR006

FIXED INCOME ASSETS

	Annual Statement Source	(1) Bk/Adj Carrying Value	Factor	(2) RBC Requirement
BONDS				
(1) Class 01 – U.S. Government – Direct and Guaranteed	Sch D, Pt 1A, Sn 1, Col 6, Line 1.1	7,921,836		
(2) Total Class 01 Bonds	Sch D, Pt 1A, Sn 1, Col 6, Line 10. - Line 8.1	22,177,550		
(3) Other Class 01 Bonds	L(2) - L(1)	14,255,714	0.003	42,767
(4) Total Class 02 Bonds	Sch D, Pt 1A, Sn 1, Col 6, Line 10.2- Line 8.2	2,094,781	0.010	20,948
(5) Total Class 03 Bonds	Sch D, Pt 1A, Sn 1, Col 6, Line 10.3- Line 8.3	0	0.020	0
(6) Total Class 04 Bonds	Sch D, Pt 1A, Sn 1, Col 6, Line 10.4- Line 8.4	0	0.045	0
(7) Total Class 05 Bonds	Sch D, Pt 1A, Sn 1, Col 6, Line 10.5- Line 8.5	0	0.100	0
(8) Total Class 06 Bonds	Sch D, Pt 1A, Sn 1, Col 6, Line 10.6- Line 8.6	0	0.300	0
(9) Total Bonds		24,272,331		63,715
MISCELLANEOUS FIXED INCOME ASSETS				
(10) Cash	Page 2, Line 5, inside amount 1	390,599	0.003	1,172
(11) Cash Equivalents	Page 2, Line 5, inside amount 2	699,998		
(12) Less: Cash Equivalents, Bonds included in Schedule D, Part 1A	Sch E Pt 2, C6 L8399999 in part			
(13) Net Cash Equivalents	L (11) - L (12)	699,998	0.003	2,100
(14) Short-Term Investments	Page 2, Line 5, inside amount 3	3,792,230		
(15) Short-Term Bonds *	Sch DA, Pt 1, Col 8, Line 8399999	0		
(16) Exempt Money Market Mutual Funds *	Sch DA, Pt 1, Col 8, Line 8899999	306,372		
(17) Class One Money Market Mutual Funds *	Sch DA, Pt 1, Col 8, Line 8999999	3,485,858		
(18) Total Other Short-Term Investments	L(14) - L(15) - L(16) - L(17)	0	0.003	0
(19) Mortgage Loans - First Liens	Page 2, Col 3, Line 3.1	0	0.050	0
(20) Mortgage Loans - Other Than First Liens	Page 2, Col 3, Line 3.2	0	0.050	0
(21) Receivable for Securities	Page 2, Col 3, Line 8	0	0.050	0
(22) Aggregate write-ins for invested assets	Page 2, Col 3, Line 9	0	0.050	0
(23) Collateral Loans	Included in Page 2, Col 3, Line 7		0.050	0
(24) Other Long-Term Invested Assets	Included in Page 2, Col 3, Line 7		0.200	0
(25) Total Other Long-Term Invested Assets (Page 2, Col 3, Line 7)	L(23) + L(24)	0		
(26) Total Fixed Income Assets RBC	L(9) + L(10) + L(13) + L(18) + L(19) + L(20)+ L(21) + L(22) + L(23) + L(24)			66,987

* These bonds appear in Schedule D Part 1A Section 1 and are already recognized in the Bond portion of the formula.

XR007

EQUITY ASSETS

	Annual Statement Source	(1) Bk/Adj Carrying Value	Factor	(2) RBC Requirement
PREFERRED STOCK – UNAFFILIATED				
(1) Class 01 Preferred Stock.....	Sch. D, Part 2, Sn 1		0.003	.....0
(2) Class 02 Preferred Stock.....	Sch. D, Part 2, Sn 1		0.010	.....0
(3) Class 03 Preferred Stock.....	Sch. D, Part 2, Sn 1		0.020	.....0
(4) Class 04 Preferred Stock.....	Sch. D, Part 2, Sn 1		0.045	.....0
(5) Class 05 Preferred Stock.....	Sch. D, Part 2, Sn 1		0.100	.....0
(6) Class 06 Preferred Stock.....	Sch. D, Part 2, Sn 1		0.300	.....0
(7) Subtotal – Unaffiliated Preferred Stock..... (Should equal Page 2, Col 3, Line 2.1 less Sch D Sum, Col 1, L18)	Sum of Lines (1) through (6)	.....0		.....0
HYBRID SECURITIES – UNAFFILIATED				
(8) Class 01 Hybrid Securities.....	Sch. D, Pt 1A, Sn 1, Col 6, Line 8.1		0.003	.....0
(9) Class 02 Hybrid Securities.....	Sch. D, Pt 1A, Sn 1, Col 6, Line 8.2		0.010	.....0
(10) Class 03 Hybrid Securities.....	Sch. D, Pt 1A, Sn 1, Col 6, Line 8.3		0.020	.....0
(11) Class 04 Hybrid Securities.....	Sch. D, Pt 1A, Sn 1, Col 6, Line 8.4		0.045	.....0
(12) Class 05 Hybrid Securities.....	Sch. D, Pt 1A, Sn 1, Col 6, Line 8.5		0.100	.....0
(13) Class 06 Hybrid Securities.....	Sch. D, Pt 1A, Sn 1, Col 6, Line 8.6		0.300	.....0
(14) Subtotal - Hybrid Securities.....	Sum of Lines (8) through (13)	.....0		.....0
(15) Total Unaffiliated Preferred Stock and Hybrids.....	Line (7) + Line (14)	.....0		.....0
COMMON STOCK – UNAFFILIATED				
(16) Federal Home Loan Bank stock.....	Company Records		0.023	.....0
(17) Non-government money market funds.....	Sch D Pt 2 Sn 2 Col 6 Line 9399999	.....0	0.003	.....0
(18) Total Common Stock.....	Sch D, Summary, Col 1, Line 25	.....0		.....0
(19) Affiliated Common Stock.....	Sch D, Summary, Col 1, Line 24	.....0		.....0
(20) Other Unaffiliated Common Stock.....	L(18) - L(16) - L(17) - L(19)	.....0	0.150	.....0
(21) Total Unaffiliated Common Stock.....	L(16) + L(17) + L(20)	0		0

XR009

PROPERTY & EQUIPMENT ASSETS

	Annual Statement Source	(1) Bk/Adj Carrying Value	Factor	(2) RBC Requirement
(1) Properties occupied by the company.....	Page 2, Col 3, Line 4.1	.....0	0.100	.....0
(2) Encumbrances (Property occupied by the company).....	Page 2, Line 4.1, inside amount	.....0	0.100	.....0
(3) Properties held for the production of income.....	Page 2, Col 3, Line 4.2	.....0	0.100	.....0
(4) Encumbrances (Property held for production of income).....	Page 2, Line 4.2, inside amount	.....0	0.100	.....0
(5) Properties held for sale.....	Page 2, Col 3, Line 4.3	.....0	0.100	.....0
(6) Encumbrances (Property held for sale).....	Page 2, Line 4.3, inside amount	.....0	0.100	.....0
(7) Furniture and equipment.....	L(7.1) + L(7.2) (should equal Page 2, Col 3, Line 19)	.....0		
(7.1) HC delivery subject to statutory acct depreciation limits.....	Company Records		0.100	.....0
(7.2) All other furniture and equipment.....	Company Records		0.100	.....0
(8) EDP equipment and software.....	Page 2, Col 3, Line 18	.....0	0.100	.....0
(9) Total Property and Equipment	L(1)+L(2)+L(3)+L(4)+L(5)+L(6)+L(7.1) +L(7.2)+L(8)	0		0

XR010

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1)				
ISSUER NAME	Indiana BD BK			
		(2)		(3)
		Bk/Adj Carrying Value	Factor	Additional RBC
(1)	Class 2 Unaffiliated Bonds.....	1,267,854	0.010	12,679
(2)	Class 3 Unaffiliated Bonds.....		0.020	.0
(3)	Class 4 Unaffiliated Bonds.....		0.045	.0
(4)	Class 5 Unaffiliated Bonds.....		0.100	.0
(5)	Collateral Loans.....		0.050	.0
(6)	Mortgages.....		0.050	.0
(7)	Class 2 Preferred Stock.....		0.010	.0
(8)	Class 3 Preferred Stock.....		0.020	.0
(9)	Class 4 Preferred Stock.....		0.045	.0
(10)	Class 5 Preferred Stock.....		0.100	.0
(11)	Class 2 Hybrid Securities.....		0.010	.0
(12)	Class 3 Hybrid Securities.....		0.020	.0
(13)	Class 4 Hybrid Securities.....		0.045	.0
(14)	Class 5 Hybrid Securities.....		0.100	.0
(15)	Other Long-Term Invested Assets.....		0.100	.0
(16)	Unaffiliated Common Stock.....		0.150	.0
(17)	Total of Issuer = Lines (1) through (16)	1,267,854		12,679

XR011.1

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1)				
ISSUER NAME _____ Johnson City TN Health & Education _____				
		(2)		(3)
		Bk/Adj Carrying Value	Factor	Additional RBC
(1)	Class 2 Unaffiliated Bonds.....	826,928	0.010	8,269
(2)	Class 3 Unaffiliated Bonds.....		0.020	.0
(3)	Class 4 Unaffiliated Bonds.....		0.045	.0
(4)	Class 5 Unaffiliated Bonds.....		0.100	.0
(5)	Collateral Loans.....		0.050	.0
(6)	Mortgages.....		0.050	.0
(7)	Class 2 Preferred Stock.....		0.010	.0
(8)	Class 3 Preferred Stock.....		0.020	.0
(9)	Class 4 Preferred Stock.....		0.045	.0
(10)	Class 5 Preferred Stock.....		0.100	.0
(11)	Class 2 Hybrid Securities.....		0.010	.0
(12)	Class 3 Hybrid Securities.....		0.020	.0
(13)	Class 4 Hybrid Securities.....		0.045	.0
(14)	Class 5 Hybrid Securities.....		0.100	.0
(15)	Other Long-Term Invested Assets.....		0.100	.0
(16)	Unaffiliated Common Stock.....		0.150	.0
(17)	Total of Issuer = Lines (1) through (16)	826,928		8,269

XR011.2

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1) ISSUER NAME _____	(2) Bk/Adj Carrying Value	Factor	(3) Additional RBC
(1) Class 2 Unaffiliated Bonds.....		0.010	.0
(2) Class 3 Unaffiliated Bonds.....		0.020	.0
(3) Class 4 Unaffiliated Bonds.....		0.045	.0
(4) Class 5 Unaffiliated Bonds.....		0.100	.0
(5) Collateral Loans.....		0.050	.0
(6) Mortgages.....		0.050	.0
(7) Class 2 Preferred Stock.....		0.010	.0
(8) Class 3 Preferred Stock.....		0.020	.0
(9) Class 4 Preferred Stock.....		0.045	.0
(10) Class 5 Preferred Stock.....		0.100	.0
(11) Class 2 Hybrid Securities.....		0.010	.0
(12) Class 3 Hybrid Securities.....		0.020	.0
(13) Class 4 Hybrid Securities.....		0.045	.0
(14) Class 5 Hybrid Securities.....		0.100	.0
(15) Other Long-Term Invested Assets.....		0.100	.0
(16) Unaffiliated Common Stock.....		0.150	.0
(17) Total of Issuer = Lines (1) through (16)	0		0

XR011.3

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1) ISSUER NAME _____	(2) Bk/Adj Carrying Value	Factor	(3) Additional RBC
(1) Class 2 Unaffiliated Bonds.....		0.010	.0
(2) Class 3 Unaffiliated Bonds.....		0.020	.0
(3) Class 4 Unaffiliated Bonds.....		0.045	.0
(4) Class 5 Unaffiliated Bonds.....		0.100	.0
(5) Collateral Loans.....		0.050	.0
(6) Mortgages.....		0.050	.0
(7) Class 2 Preferred Stock.....		0.010	.0
(8) Class 3 Preferred Stock.....		0.020	.0
(9) Class 4 Preferred Stock.....		0.045	.0
(10) Class 5 Preferred Stock.....		0.100	.0
(11) Class 2 Hybrid Securities.....		0.010	.0
(12) Class 3 Hybrid Securities.....		0.020	.0
(13) Class 4 Hybrid Securities.....		0.045	.0
(14) Class 5 Hybrid Securities.....		0.100	.0
(15) Other Long-Term Invested Assets.....		0.100	.0
(16) Unaffiliated Common Stock.....		0.150	.0
(17) Total of Issuer = Lines (1) through (16)	0		0

XR011.4

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1) ISSUER NAME _____	(2) Bk/Adj Carrying Value	Factor	(3) Additional RBC
(1) Class 2 Unaffiliated Bonds.....		0.010	.0
(2) Class 3 Unaffiliated Bonds.....		0.020	.0
(3) Class 4 Unaffiliated Bonds.....		0.045	.0
(4) Class 5 Unaffiliated Bonds.....		0.100	.0
(5) Collateral Loans.....		0.050	.0
(6) Mortgages.....		0.050	.0
(7) Class 2 Preferred Stock.....		0.010	.0
(8) Class 3 Preferred Stock.....		0.020	.0
(9) Class 4 Preferred Stock.....		0.045	.0
(10) Class 5 Preferred Stock.....		0.100	.0
(11) Class 2 Hybrid Securities.....		0.010	.0
(12) Class 3 Hybrid Securities.....		0.020	.0
(13) Class 4 Hybrid Securities.....		0.045	.0
(14) Class 5 Hybrid Securities.....		0.100	.0
(15) Other Long-Term Invested Assets.....		0.100	.0
(16) Unaffiliated Common Stock.....		0.150	.0
(17) Total of Issuer = Lines (1) through (16)	0		0

XR011.5

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1) ISSUER NAME _____	(2) Bk/Adj Carrying Value	Factor	(3) Additional RBC
(1) Class 2 Unaffiliated Bonds.....		0.010	.0
(2) Class 3 Unaffiliated Bonds.....		0.020	.0
(3) Class 4 Unaffiliated Bonds.....		0.045	.0
(4) Class 5 Unaffiliated Bonds.....		0.100	.0
(5) Collateral Loans.....		0.050	.0
(6) Mortgages.....		0.050	.0
(7) Class 2 Preferred Stock.....		0.010	.0
(8) Class 3 Preferred Stock.....		0.020	.0
(9) Class 4 Preferred Stock.....		0.045	.0
(10) Class 5 Preferred Stock.....		0.100	.0
(11) Class 2 Hybrid Securities.....		0.010	.0
(12) Class 3 Hybrid Securities.....		0.020	.0
(13) Class 4 Hybrid Securities.....		0.045	.0
(14) Class 5 Hybrid Securities.....		0.100	.0
(15) Other Long-Term Invested Assets.....		0.100	.0
(16) Unaffiliated Common Stock.....		0.150	.0
(17) Total of Issuer = Lines (1) through (16)	0		0

XR011.6

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1) ISSUER NAME _____	(2) Bk/Adj Carrying Value	Factor	(3) Additional RBC
(1) Class 2 Unaffiliated Bonds.....		0.010	.0
(2) Class 3 Unaffiliated Bonds.....		0.020	.0
(3) Class 4 Unaffiliated Bonds.....		0.045	.0
(4) Class 5 Unaffiliated Bonds.....		0.100	.0
(5) Collateral Loans.....		0.050	.0
(6) Mortgages.....		0.050	.0
(7) Class 2 Preferred Stock.....		0.010	.0
(8) Class 3 Preferred Stock.....		0.020	.0
(9) Class 4 Preferred Stock.....		0.045	.0
(10) Class 5 Preferred Stock.....		0.100	.0
(11) Class 2 Hybrid Securities.....		0.010	.0
(12) Class 3 Hybrid Securities.....		0.020	.0
(13) Class 4 Hybrid Securities.....		0.045	.0
(14) Class 5 Hybrid Securities.....		0.100	.0
(15) Other Long-Term Invested Assets.....		0.100	.0
(16) Unaffiliated Common Stock.....		0.150	.0
(17) Total of Issuer = Lines (1) through (16)	0		0

XR011.7

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1) ISSUER NAME _____	(2) Bk/Adj Carrying Value	Factor	(3) Additional RBC
(1) Class 2 Unaffiliated Bonds.....		0.010	.0
(2) Class 3 Unaffiliated Bonds.....		0.020	.0
(3) Class 4 Unaffiliated Bonds.....		0.045	.0
(4) Class 5 Unaffiliated Bonds.....		0.100	.0
(5) Collateral Loans.....		0.050	.0
(6) Mortgages.....		0.050	.0
(7) Class 2 Preferred Stock.....		0.010	.0
(8) Class 3 Preferred Stock.....		0.020	.0
(9) Class 4 Preferred Stock.....		0.045	.0
(10) Class 5 Preferred Stock.....		0.100	.0
(11) Class 2 Hybrid Securities.....		0.010	.0
(12) Class 3 Hybrid Securities.....		0.020	.0
(13) Class 4 Hybrid Securities.....		0.045	.0
(14) Class 5 Hybrid Securities.....		0.100	.0
(15) Other Long-Term Invested Assets.....		0.100	.0
(16) Unaffiliated Common Stock.....		0.150	.0
(17) Total of Issuer = Lines (1) through (16)	0		0

XR011.8

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1) ISSUER NAME _____	(2) Bk/Adj Carrying Value	Factor	(3) Additional RBC
(1) Class 2 Unaffiliated Bonds.....		0.010	.0
(2) Class 3 Unaffiliated Bonds.....		0.020	.0
(3) Class 4 Unaffiliated Bonds.....		0.045	.0
(4) Class 5 Unaffiliated Bonds.....		0.100	.0
(5) Collateral Loans.....		0.050	.0
(6) Mortgages.....		0.050	.0
(7) Class 2 Preferred Stock.....		0.010	.0
(8) Class 3 Preferred Stock.....		0.020	.0
(9) Class 4 Preferred Stock.....		0.045	.0
(10) Class 5 Preferred Stock.....		0.100	.0
(11) Class 2 Hybrid Securities.....		0.010	.0
(12) Class 3 Hybrid Securities.....		0.020	.0
(13) Class 4 Hybrid Securities.....		0.045	.0
(14) Class 5 Hybrid Securities.....		0.100	.0
(15) Other Long-Term Invested Assets.....		0.100	.0
(16) Unaffiliated Common Stock.....		0.150	.0
(17) Total of Issuer = Lines (1) through (16)	0		0

XR011.9

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1) ISSUER NAME _____	(2) Bk/Adj Carrying Value	Factor	(3) Additional RBC
(1) Class 2 Unaffiliated Bonds.....		0.010	.0
(2) Class 3 Unaffiliated Bonds.....		0.020	.0
(3) Class 4 Unaffiliated Bonds.....		0.045	.0
(4) Class 5 Unaffiliated Bonds.....		0.100	.0
(5) Collateral Loans.....		0.050	.0
(6) Mortgages.....		0.050	.0
(7) Class 2 Preferred Stock.....		0.010	.0
(8) Class 3 Preferred Stock.....		0.020	.0
(9) Class 4 Preferred Stock.....		0.045	.0
(10) Class 5 Preferred Stock.....		0.100	.0
(11) Class 2 Hybrid Securities.....		0.010	.0
(12) Class 3 Hybrid Securities.....		0.020	.0
(13) Class 4 Hybrid Securities.....		0.045	.0
(14) Class 5 Hybrid Securities.....		0.100	.0
(15) Other Long-Term Invested Assets.....		0.100	.0
(16) Unaffiliated Common Stock.....		0.150	.0
(17) Total of Issuer = Lines (1) through (16)	0		0

XR011.10

Preferred Health Partnership of Tennessee, Inc.

ASSET CONCENTRATION

(1)		(2) Book/Adjusted Carrying Value	Factor	(3) Additional RBC
ISSUER - GT	Combined Totals - All issuers			
(1)	Class 2 – Unaffiliated Bonds.....	2,094,782	0.010	20,948
(2)	Class 3 – Unaffiliated Bonds.....	.0	0.020	.0
(3)	Class 4 – Unaffiliated Bonds.....	.0	0.045	.0
(4)	Class 5 – Unaffiliated Bonds.....	.0	0.100	.0
(5)	Collateral Loans.....	.0	0.050	.0
(6)	Mortgages.....	.0	0.050	.0
(7)	Class 2 Preferred Stock.....	.0	0.010	.0
(8)	Class 3 Preferred Stock.....	.0	0.020	.0
(9)	Class 4 Preferred Stock.....	.0	0.045	.0
(10)	Class 5 Preferred Stock.....	.0	0.100	.0
(11)	Class 2 Hybrid Securities.....	.0	0.010	.0
(12)	Class 3 Hybrid Securities.....	.0	0.020	.0
(13)	Class 4 Hybrid Securities.....	.0	0.045	.0
(14)	Class 5 Hybrid Securities.....	.0	0.100	.0
(15)	Other Long-Term Invested Assets.....	.0	0.100	.0
(16)	Unaffiliated Common Stock.....	.0	0.150	.0
(17)	Total of Issuer = Lines (1) through (16)	2,094,782		20,948

XR011.GT

Preferred Health Partnership of Tennessee, Inc.

UNDERWRITING RISK
Experience Fluctuation Risk

Line of Business	1 Comprehensive Medical	2 Medicare Supplement	3 Dental & Vision	4 Stand-Alone Medicare Part D Coverage	5 Other	6 Total
(1) † Premium	.0	.0	.0			.0
(2) † Title XVIII – Medicare	.0	XXX	XXX	XXX	XXX	.0
(3) † Title XIX – Medicaid	.0	XXX	XXX	XXX	XXX	.0
(4) † Other Health Risk Revenue	.0	XXX	.0			.0
(5) Underwriting Risk Revenue = L(1) + L(2) + L(3) + L(4)	.0	.0	.0	.0	.0	.0
(6) † Net Incurred Claims	(8,921,977)	.0	.0			(8,921,977)
(7) † Fee-for-Service Offset	.0	XXX	.0			.0
(8) Underwriting Risk Incurred Claims = L(6) – L(7)	(8,921,977)	.0	.0	.0	.0	(8,921,977)
(9) Underwriting Risk Claims Ratio = L(8)/L(5)	.0000	.0000	.0000	.0000	.0000	.0000
(10) Underwriting Risk Factor*	.0150	.0105	.0120	.0251	.0130	XXX
(11) Base Underwriting Risk RBC = L(5) x L(9) x L(10)	.0	.0	.0	.0	.0	.0
(12) Managed Care Discount Factor	1.000	1.000	1.000	1.000	1.000	XXX
(13) RBC after Managed Care Discount = L(11) x L(12)	.0	.0	.0	.0	.0	.0
(14) † Maximum per-individual Risk after Reinsurance	.0	.0	.0			XXX
(15) Alternate Risk Charge**	.0	.0	.0	.0	.0	XXX
(16) Alternate Risk Adjustment	.0	.0	.0	.0	.0	XXX
(17) Net Alternate Risk Charge***	.0	.0	.0	.0	.0	.0
(18) Net Underwriting Risk RBC (MAX{L(13),L(17)})	0	0	0	0	0	0

TIERED RBC FACTORS*					
	Comprehensive Medical	Medicare Supplement	Dental & Vision	Stand-Alone Medicare Part D Coverage	Other
\$0 - \$3 Million	0.150	0.105	0.120	0.251	0.130
\$3 - \$25 Million	0.150	0.067	0.076	0.251	0.130
Over \$25 Million	0.090	0.067	0.076	0.151	0.130
ALTERNATE RISK CHARGE**					
** The Line (15) Alternate Risk Charge is calculated as follows:					
LESSER OF:	\$1,500,000 or 2 x Maximum Individual Risk	\$50,000 or 2 x Maximum Individual Risk	\$50,000 or 2 x Maximum Individual Risk	\$150,000 or 6 x Maximum Individual Risk	\$50,000 or 2 x Maximum Individual Risk

† The Annual Statement Sources are found on page XR013.

* This column is for a single result for the Comprehensive Medical & Hospital, Medicare Supplement and Dental/Vision managed care discount factor.

*** Limited to the largest of the applicable alternate risk adjustments, prorated if necessary.

XR012

Preferred Health Partnership of Tennessee, Inc.

**UNDERWRITING RISK
Annual Statement Source**

Line of Business	1 Comprehensive Medical	2 Medicare Supplement	3 Dental & Vision	4 Stand-Alone Medicare Part D Coverage	5 Other	6 Total
(1) Premium.....	P7, C2, L1 + L2	P7, C3, L1 + L2	P7, C4 & C5, L1 + L2			
(2) Title XVIII – Medicare.....	P7, C7, L1 + L2	XXX	XXX	XXX	XXX	P7, C7, L1 + L2
(3) Title XIX – Medicaid.....	P7, C8, L1 + L2	XXX	XXX	XXX	XXX	P7, C8, L1 + L2
(4) Other Health Risk Revenue.....	P7, C2, L4	XXX	P7, C4 & C5, L4			
(6) Net Incurred Claims.....	P7, L17, C2+C7+C8	P7, C3, L17	P7, C4 & C5, L17			
(7) Fee-for-Service Offset.....	P7, C2, L3	XXX	P7, C4 & C5, L3			
(14) Maximum per individual Risk after Reinsurance	Gen Int Pt 2 L5.31 + 5.32	Gen Int Pt 2 L5.33	Gen Int Pt 2 L5.34			XXX

XR013

Preferred Health Partnership of Tennessee, Inc.

OTHER UNDERWRITING RISK

Other Underwriting Risk	Annual Statement Source	(1) Amount	Factor	(2) RBC Requirement
(19) Business with Rate Guarantees Between 15-36 Months - Direct Premium Earned	Gen Int Pt 2 9.21	.0	0.024	.0
(20) Business with Rate Guarantees Over 36 Months - Direct Premium Earned	Gen Int Pt 2 9.22	.0	0.064	.0
(21) FEHBP and TRICARE Claims Incurred	UI Pt 2, Col 6, Line 12.4	.0	0.020	.0
(22) Stop Loss and Minimum Premium	Company Records		0.250	.0
(22.1) Supplemental Benefits within Stand-Alone Medicare Part D Coverage	Company Records		0.210	.0
(22.2) Total Other Underwriting Risk	Sum of lines (19) through (22.1)			.0
Disability Income Premium				
(23) Noncancellable Disability Income - Individual Morbidity	Company Records			
(23.1) First 50 Million Earned Premium of L(23)		.0	0.350	.0
(23.2) Over 50 Million Earned Premium of L(23)		.0	0.150	.0
(23.3) Total Noncancellable Disability Income - Individual Morbidity	L(23.1) + L(23.2)			.0
(24) Other Disability Income - Individual Morbidity	Company Records			
(24.1) Earned Premium in L(24) [up to 50 Million less Premium in L(23.1)]		.0	0.250	.0
(24.2) Earned Premium in L(24) not included in L(24.1)		.0	0.070	.0
(24.3) Total Other Disability Income - Individual Morbidity	L(24.1) + L(24.2)			.0
(25) Disability Income - Credit Monthly Balance Plans	Company Records			
(25.1) First 50 Million Earned Premium of L(25)		.0	0.200	.0
(25.2) Over 50 Million Earned Premium of L(25)		.0	0.030	.0
(25.3) Total Disability Income - Credit Morbidity	L(25.1) + L(25.2)			.0
(26) Disability Income - Group Long-term	Company Records			
(26.1) Earned Premium in L(26) [up to 50 Million less Premium in L(25.1)]		.0	0.150	.0
(26.2) Earned Premium in L(26) not included in L(26.1)		.0	0.030	.0
(26.3) Total Disability Income - Group Long-term	L(26.1) + L(26.2)			.0
(27) Disability Income - Credit Single Premium with Additional Reserves	Company Records			
(27.1) Additional Reserves for Credit Disability Plans	Company Records			
(27.2) Additional Reserves for Credit Disability Plans, prior year	Company Records			
(27.3) Sub-total Disability Income - Credit Single Premium w/Addl Reserves	L(27) - L(27.1) + (L27.2)	.0		
(27.4) Earned Premium in L(27.3) [up to 50 Million less Premium in L(25.1)+ (26.1)]		.0	0.100	.0
(27.5) Earned Premium in L(27.3) not included in L(27.4)		.0	0.030	.0
(27.6) Total Disability Income - Credit Single Premium with Additional Reserves	L(27.4) + L(27.5)			.0
(28) Disability Income - Credit Single Premium without Additional Reserves	Company Records			
(28.1) Earned Premium in L(28) [up to 50 Million less Premium in Lines(25.1)+ (26.1)+(27.4)]		.0	0.150	.0
(28.2) Earned Premium in L(28) not included in L(28.1)		.0	0.030	.0
(28.3) Total Disability Income - Credit Single Premium without Additional Reserves	L(28.1) + (L28.2)			.0
(29) Disability Income - Group Short-term	Company Records			
(29.1) Earned Premium in L(29) [up to 50 Million less Premium in Lines(25.1)+ (26.1)+(27.4)+(28.1)]		.0	0.050	.0
(29.2) Earned Premium in L(29) not included in L(29.1)		.0	0.030	.0
(29.3) Total Disability Income - Group Short-term	L(29.1) + (L29.2)			0

XR014

Preferred Health Partnership of Tennessee, Inc.

LONG-TERM CARE

Long-Term Care (LTC) Insurance Premium	Annual Statement Source	(1) Amount	Factor	(2) RBC Requirement
(30) Noncancellable LTC Premium – Rate Risk *	Company Records		0.100	0
(31) All LTC Premium - Morbidity Risk (to \$50 million)	Line (34.1) Column (1) up to 50 million	0	0.100	0
(32) LTC Premium (over \$50 million) - Morbidity Risk	Remainder of Line (34.1) Column (1) over 50 million	0	0.030	0
(33) Premium-based RBC	Col (2), Line (30) + Line (31) + Line (32)			0

Historical Loss Ratio Experience	Annual Statement Source	(1) Premiums	(2) Incurred Claims	(3) Col.(2)/(1) Loss Ratio §	(4) RBC Requirement
(34.1) Current Year	Company Records			0.000	
(34.2) Immediate Prior Year	Company Records			0.000	
(34.3) Average Loss Ratio	If loss ratios are used, [Column (3) Line (34.1) + Line (34.2)]/2, otherwise zero			0.000	
(35) Adjusted LTC Claims for RBC	If Column (3) Line (34.3) <> 0, then [Column (1) Line (31) + Line (32)] X Column (3), Line (34.3), else Column (2) Line (34.1)		0		
(35.1) Claims (to \$35 million) – Morbidity Risk †	Lower of Col. (2) Line (35) and \$35 million		0	0.000	0
(35.2) Claims (over \$35 million) – Morbidity Risk	Excess of col. (2) Line (35) over \$35 million		0	0.000	0
(36) LTC Claims Reserves ‡	Company Records			0.050	0
(37) Claims-based RBC	Col. (4), L (35.1) + L (35.2)				0
(38) LTC RBC	Col. (2), L (33) + Col. (4) L (36) + L (37)				0

* The factor applies to all Noncancellable premium.

† If Column (1), Line (34.1) is positive, then a factor of 0.250 is used. Otherwise, a higher factor of 0.370 is used.

‡ If Column (1), Line (34.1) is positive, then a factor of 0.080 is used. Otherwise, a higher factor of 0.120 is used.

§ If Column (1), Line (34.1) or (34.2) are less than or equal to zero or if Column (2), Line (34.1) or (34.2) are less than zero, the loss ratios are not used and Column (3), Line (34.3) is set to zero.

XR015

OTHER UNDERWRITING RISK

	Annual Statement Source	(1) Amount	Factor*	(2) RBC Requirement
Limited Benefit Plans (Individual and Group Combined)				
(39) Hospital Indemnity and Specified Disease.....	Included in Page 7, Col 9, Line 1 and 2, in part		0.035	.....0
(39.1) 50,000 if L(39) is greater than zero.....				.....0
(39.2) Total Hospital Indemnity and Specified Disease.....	L(39) + L(39.1)			.....0
(40) Accidental Death & Dismemberment.....	Included in Page 7, Col 9, Line 1 and 2, in part			
(40.1) First 10 Million Earned Premium of L(40).....		.....0	0.055	.....0
(40.2) Over 10 Million Earned Premium of L(40).....		.....0	0.015	.....0
(40.3) Maximum Retained Risk for any single claim.....	Company Records			
(40.4) Three times L(40.3).....		.....0		
(40.5) Lesser of L(40.4) or \$300,000.....				.....0
(40.6) Total AD&D.....	L(40.1) + L(40.2) + L(40.5)			.....0
(41) Other Accident.....	Included in Page 7, Col 9, Line 1 and 2, in part		0.050	.....0
(42) Premium Stabilization Reserves.....	Included in U&I, Part 2D, Col 1, Line 4	.....0	(0.500)	.....0
(43) Total, Other Underwriting Risk.....	L(22.2)+L(23.3)+ L(24.3)+L(25.3)+ L(26.3)+L(27.6)+L(28.3)+L(29.3)+ L(38)+L(39.2)+L(40.6)+L(41)+L(42)			.....0

* This is limited to the total Net Underwriting RBC on XR012, Col (6), Line (18) Less Col (4), and XR014, Col (2), Lines (22.2), (23.3), (24.3), (25.3), (26.3), (27.3), (28.3), (29.3), and XR015, Col (2), Line (33) and XR016 Col (2), Lines (39.2), (40.6), and (41).

Preferred Health Partnership of Tennessee, Inc.

UNDERWRITING RISK - Managed Care Credit Calculation

	Annual Statement Source	(1) Factor*	(2) Paid Claims	(3) Weighted Claims*	(4) Part D Weighted Claims**
Managed Care Claims Payments					
(1) Category 0 - Arrangements not Included in Other Categories	Exhibit 7, Pt 1, Col 1, Line 5, in part***	0.000	.0	.0	
(2) Category 1 - Payments Made According to Contractual Arrangements	Exhibit 7, Pt 1, Col 1, Line 6, in part***	0.150	(8,921,977)	.0	
(3) Category 2a - Subject to Withholds or Bonuses - Otherwise Category 0	Exhibit 7, Pt 1, Col 1, Line 7, in part***	0.000	.0	.0	
(4) Category 2b - Subject to Withholds or Bonuses - Otherwise Category 1	Exhibit 7, Pt 1, Col 1, Line 8, in part***	0.150	.0	.0	
(5) Category 3a - Capitated Payments Directly to Providers		0.600	.0	.0	
(5.1) Capitation Payments - Medical Group - Category 3a	Exhibit 7, Pt 1, Col 1, Line 1, in part***				
(5.2) Capitation Payments - All Other Providers - Category 3a	Exhibit 7, Pt 1, Col 1, Line 3, in part***				
(6) Category 3b - Capitated Payments to Regulated Intermediaries	Included in Exhibit 7, Pt 1, Col 1, Line 2***	0.600		.0	
(7) Category 3c - Capitated Payments to Non-Regulated Intermediaries	Included in Exhibit 7, Pt 1, Col 1, Line 2***	0.600		.0	
(8) Category 4 - Medical & Hospital Expense Paid as Salary to Providers		0.750	.0	.0	
(8.1) Non-contingent Salaries - Category 4	Exhibit 7, Pt 1, Col 1, Line 9, in part***		.0		
(8.2) Aggregate Cost Arrangements - Category 4	Exhibit 7, Pt 1, Col 1, Line 10, in part***		.0		
(8.3) Less Fee For Service revenue from ASC or ASO	Company Records				
(9) Sub-Total Paid Claims	Exhibit 7, Pt 1, Col 1, Line 13 - Line 11 - Line 8.3 - Line (12) - Line (13)		(8,921,977)	.0	
Stand-Alone Medicare Part D Coverage Claim Payments					
(10) Category 0 - No Federal Reinsurance or Risk Corridor Protection	Company Records	.XXX	.XXX		.XXX
(11) Category 1 - Federal Reinsurance but no Risk Corridor Protection	Company Records	.XXX	.XXX		.XXX
(12) Category 2a - No Federal Reinsurance but Risk Corridor Protection	Company Records	0.667			.0
(13) Category 3a - Federal Reinsurance and Risk Corridor Protection apply	Company Records	0.767			.0
(14) Sub-Total Paid Claims	Sum of Lines (10) through (13)		.0		.0
(15) Total Paid Claims	Sum of Lines (9) and (14)		(8,921,977)		
(16) Weighted Average Managed Care Discount				0.000	0.000
(17) Weighted Average Managed Care Risk Adjustment Factor				1.000	1.000

* This column is for a single result for the Comprehensive Medical & Hospital, Medicare Supplement and Dental managed care discount factor.

** This column is for the Medicare Part D Stand-Alone managed care discount factor.

*** Medicare Part D Stand-alone Business reported in Lines (1) through (13) would be excluded from these amounts.

XR017

Preferred Health Partnership of Tennessee, Inc.

***Calculation of Category 2 Managed Care Factor**

	Annual Statement Source	(1) Amount
(18) Withhold & bonus payments, <i>prior year</i>	Company Records	.....
(19) Withhold & bonuses available, <i>prior year</i>	Company Records	.....
(20) MCC Multiplier - average withhold returned [L(18)/I(19)].....		.....0.000
(21) Withholds & bonuses available, <i>prior year</i>	Company Records	.....
(22) Claims payments subject to withhold, <i>prior year</i>	Company Records	.....
(23) Average withhold rate, prior year [L(21)/L(22)].....		.....0.000
(24) MCC Discount Factor, Category 2 Min{.25,[L(20)xL(23)]}		.....0.000

XR018

CREDIT RISK

	Annual Statement Source	(1) Amount	Factor	(2) RBC Requirement
Reinsurance Ceded				
(1) Recoverables on Paid Losses - 100% owned affiliates	Included in Sch S Pt 2 Col 6 Line 0499999			
(2) Recoverables on Paid Losses - Other affiliates	Included in Sch S Pt 2 Col 6 Line 0499999		0.005	.0
(3) Recoverables on Paid Losses - Non-affiliates	Sch S Pt 2 Col 6 Line 0599999	.0	0.005	.0
(4) Total Recoverables on Paid Losses	Lines (1) + (2) + (3) Sch S Pt 2 Col 6 Line 0699999	.0		.0
(5) Recoverables on Unpaid Losses - 100% owned affiliates	Included in Sch S Pt 2 Col 7 Line 0499999			
(6) Recoverables on Unpaid Losses - Other affiliates	Included in Sch S Pt 2 Col 7 Line 0499999		0.005	.0
(7) Recoverables on Unpaid Losses - Non-affiliates	Sch S Pt 2 Col 7 Line 0599999	.0	0.005	.0
(8) Total Recoverables on Unpaid Losses	Lines (5) + (6) + (7) (Sch S Pt 2 Col 7 Line 0699999)	.0		.0
(9) Unearned premiums - 100% owned affiliates	Included in Sch S Pt 3, Sn 2, Col 8 Line 0199999 + Line 0499999			
(10) Unearned premiums - other affiliates	Included in Sch S Pt 3, Sn 2, Col 8 Line 0199999+ Line 0499999		0.005	.0
(11) Unearned premiums - Non-affiliates	Included in Sch S Pt 3, Sn 2 Col 8 Line 0299999+ Line 0599999	.0	0.005	.0
(12) Total unearned premiums	Lines (9) + (10) + (11)	.0		.0
(13) Other Reserve Credits - 100% owned affiliates	Included in Sch S Pt 3, Sn 2, Col 9 Line 0199999+ Line 0499999			
(14) Other Reserve Credits - other affiliates	Included in Sch S Pt 3, Sn 2, Col 9 Line 0199999+ Line 0499999		0.005	.0
(15) Other Reserve Credits - Non-affiliates	Included in Sch S Pt 3, Sn 2 Col 9 Line 0299999+ Line 0599999	.0	0.005	.0
(16) Total Other Reserve Credits	Lines (13) + (14) + (15)	.0		.0
(17) Total Reinsurance RBC	L(4) + L(8) + L(12) + L(16)			.0
Capitations to Intermediaries				
(18) Total Capitations Paid Directly to Providers	XR017, Col (2) , Line (5)	.0		
(19) Less Secured Capitations to Providers	Company Records	.0		
(20) Capitations to Providers Subject to Credit Risk Charge	L(18) - L(19)	.0	0.020	.0
(21) Total Capitations to Intermediaries	XR017, Col (2), Line (6)+(7)	.0		
(22) Less Secured Capitations to Intermediaries	Company Records	.0		
(23) Capitations to Intermediaries Subject to Credit Risk Charge	L(21) - L(22)	.0	0.040	.0
(24) Capitation Credit Risk to RBC	L(20) + L(23)			0

XR019

CREDIT RISK

	Annual Statement Source	(1) Amount	Factor	(2) RBC Requirement
Other Receivables				
(25) Investment Income Receivable.....	Page 2, Col 3, Line 12	254,489	0.010	2,545
(26) Health Care Receivables.....	Exhibit 3, Col 7, Line 0799999	0		
(26.1) Pharmaceutical Rebate Receivables.....	Exhibit 3, Col 7, Line 0199999	0	0.050	0
(26.2) Claim Overpayment Receivables.....	Exhibit 3, Col 7, Line 0299999	0	0.050	0
(26.3) Loan and Advances to Providers.....	Exhibit 3, Col 7, Line 0399999	0	0.050	0
(26.4) Capitation Arrangement Receivables.....	Exhibit 3, Col 7, Line 0499999	0	0.050	0
(26.5) Risk Sharing Receivables.....	Exhibit 3, Col 7, Line 0599999	0	0.050	0
(26.6) Other Health Care Receivables.....	Exhibit 3, Col 7, Line 0699999	0	0.050	0
(27) Amounts Receivable relating to uninsured accident and health plans.....	Included in Page 2, Col 3, Line 15		0.050	0
(28) Amounts Due From Parents, Subs, and Affiliates.....	Page 2, Col 3, Line 21	0	0.050	0
(29) Aggregate Write-ins for other than invested assets.....	Page 2, Col 3, Line 23	0	0.050	0
(30) Total Other Receivables RBC.....	L(25) + Sum L(26.1) through L(29)			2,545
(31) Total Credit RBC.....	L(17) + L(24) + L(30)			2,545

BUSINESS RISK

	Annual Statement Source	(1) Amount	Factor*	(2) RBC Requirement
Administrative Expense Risk				
(1) Claims adjustment expenses	Page 4, Col 2, Line 20	0		
(2) General administrative expenses	Page 4, Col 2, Line 21	0		
(3) less the Net amount of ASC Revenue and Expenses included in Line 1 and Line 2	Company Records			
(4) less the Net amount of ASO Revenue and Expenses included in Line 1 and Line 2	Company Records			
(5) less Admin Expenses for Commission & Premium Taxes	Underwriting & Investment Exhibit Part 3, Line 3, in part			
(6) Administrative Expenses Base RBC				
(7) Proration of Admin Expense to Experience Fluctuation Risk	$L(1) + L(2) - L(3) - L(4) - L(5)$ $L(6) \times L(20) / (L(21) + L(22))$	0	0.070	0
Non-Underwritten and Limited-Risk				
(8) Administrative expenses for ASC arrangements	Company Records		0.020	0
(9) Administrative expenses for ASO arrangements	Company Records		0.020	0
(10) Medical costs paid through ASC arrangements (Including Fee-for-service received from other health entities)	Company Records		0.010	0
(11) Non-Underwritten and Limited-Risk Business RBC		0		0
Guaranty Fund Assessment-Risk				
(12) Premiums Subject to Guaranty Fund Assessment	Included in Sch T - Company Records		0.005	0
Excessive Growth Risk				
(13) UW Risk Revenue, Prior Year	2008 XR011 Col (6), Line (5) (manual entry)			
(14) UW Risk Revenue, Current Year	2009 XR012 Col (6), Line (5)	0		
(15) Net UW Risk RBC, Prior Year	2008 XR011 Col (6), Line (18) (manual entry)			
(16) Net UW Risk RBC, Current Year	2009 XR012 Col (6), Line (18)	0		
(17) RBC Growth Safe Harbor	$[L(14) / L(13) + .10] \times L(15)$	0		
(18) Excess of RBC Growth Over Safe Harbor	$\text{Max}\{0, L(16) - L(17)\}$	0		
(19) Excessive Growth Risk RBC	$.5 \times L(18)$			0

* The factor for the Administrative Expenses Base RBC is calculated as a weighted average, based on premium volume from XR012

	Annual Statement Source	Premium	Weight	Weighted Premium
(20) Experience Fluctuation Risk Revenue	XR012, Col (6), Line (5)	0		
(21) Premiums Earned	Page 4, Col 2, Line 2 + 3	0		
(22) Risk Revenue	Page 4, Col 2, Line 5	0		
(23) Tier 1 - \$0 to \$25 million of Line (20)		0	0.070	0
(24) Tier 2 - Amount over \$25 million of Line (20)		0	0.040	0
(25) Total Experience Fluctuation Risk Revenue	$L(23) + L(24)$	0		0
(26) Administrative Expenses Base RBC Factor	Col (2). Line (25)/Col (1), Line (25)			0.070

XR021

Preferred Health Partnership of Tennessee, Inc.

Calculation of Total Risk-Based Capital After Covariance

		(1) RBC Amount
H0 - ASSET RISK - AFFILIATES W/RBC		
(1) Off-Balance Sheet Items	XR005, Off-Balance Sheet Page - L(15)	70,344
(2) Directly Owned Insurer Subject to RBC	XR003, Affiliates Page - L(1)	0
(3) Indirectly Owned Insurer Subject to RBC	XR003, Affiliates Page - L(2)	0
(4) Directly Owned MCO Subject to RBC	XR003, Affiliates Page - L(3)	0
(5) Indirectly Owned MCO Subject to RBC	XR003, Affiliates Page - L(4)	0
(6) Directly Owned Alien Insurer	XR003, Affiliates Page - L(7)	0
(7) Indirectly Owned Alien Insurers	XR003, Affiliates Page - L(8)	0
(8) Total H0	Sum L(1) through L(7)	70,344
H1 - ASSET RISK - OTHER		
(9) Investment Subsidiary	XR003, Affiliates Page - L(5)	0
(10) Holding Company Excess of Subs	XR003, Affiliates Page - L(6)	0
(11) Investment in Parent	XR003, Affiliates Page - L(9)	0
(12) Other Affiliates	XR003, Affiliates Page - L(10)	0
(13) Fair Value Excess Affiliate Common Stock	XR003, Affiliates Page - L(11)	0
(14) Fixed Income Assets	XR006, Off-Balance Sheet Collateral, L(9) + L(19) + XR007, Fixed Income Assets Page - L(26)	66,987
(15) Replication & Mandatorily Convertible Securities	XR008, Replication/MCS Page - L(9999999)	0
(16) Unaffiliated Preferred Stock and Hybrid Securities	XR006, Off-Balance Sheet Collateral, L(16) + XR009, Equity Assets Page - L(15)	0
(17) Unaffiliated Common Stock	XR006, Off-Balance Sheet Collateral, L(17) + XR009, Equity Assets Page - L(21)	0
(18) Property & Equipment	XR006, Off-Balance Sheet Collateral, L(18) + XR010, Prop/Equip Assets Page - L(9)	0
(19) Asset Concentration	XR011, Grand Total Asset Concentration Page - L(17)	20,948
(20) Total H1	Sum L(9) through L(19)	87,935
H2 - UNDERWRITING RISK		
(21) Net Underwriting Risk	XR012, Underwriting Risk Page - L(18)	0
(22) Other Underwriting Risk	XR014, Underwriting Risk Page - L(22.2)	0
Disability Income	XR014, Underwriting Risk Page - L(23.3)+L(24.3)+L(25.3)+L(26.3)+L(27.6)+L(28.3)+L(29.3)	0
(23) Long-Term Care	XR015, Underwriting Risk Page - L(38)	0
(24) Limited Benefit Plans	XR016, Underwriting Risk Page - L(39.2)+L(40.6)+L(41)	0
(25) Premium Stabilization Reserve	XR016, Underwriting Risk Page - L(42)	0
(26) Total H2	Sum L(21) through L(26)	0

XR022

Calculation of Total Risk-Based Capital After Covariance

		(1) RBC Amount
H3 - CREDIT RISK		
(28)	Total Reinsurance RBC.....	XR019, Credit Risk Page - L(17) .....0
(29)	Intermediaries Credit Risk RBC.....	XR019, Credit Risk Page - L(24) .....0
(30)	Total Other Receivables RBC.....	XR020, Credit Risk Page - L(30) .....2,545
(31)	Total H3.....	Sum L(28) through L(30) .....2,545
H4 - BUSINESS RISK		
(32)	Administrative Expenses RBC.....	XR021, Business Risk Page - L(7) .....0
(33)	Non-Underwritten and Limited Risk Business RBC.....	XR021, Business Risk Page - L(11) .....0
(34)	Premiums Subject to Guaranty Fund Assessments.....	XR021, Business Risk Page - L(12) .....0
(35)	Excessive Growth RBC.....	XR021, Business Risk Page - L(19) .....0
(36)	Total H4.....	Sum L(32) through L(35) .....0
(37)	RBC After Covariance.....	$H0 + \text{Square Root of } (H1^2 + H2^2 + H3^2 + H4^2)$ .....158,316
(38)	Authorized Control Level RBC*	.5 x RBC after Covariance 79,158

XR023

CALCULATION OF TOTAL ADJUSTED CAPITAL

	Annual Statement Source	(1) Amount	Factor	(2) Adjusted Capital
Company Amounts				
(1) Capital and Surplus.....	Page 3, Col 3, Line 31	24,958,197	1.000	24,958,197
Subsidiary Adjustments				
(2) AVR - Life Subsidiaries.....	Affiliate's statement		1.000	0
(3) Dividend Liability - Life Subsidiaries.....	Affiliate's statement		0.500	0
(4) Tabular Discounts - P&C Subsidiaries.....	Affiliate's statement		(1.000)	0
(5) Non-Tabular Discounts - P&C Subsidiaries.....	Affiliate's statement		(1.000)	0
(6) Total Adjusted Capital, Post-deferred Tax.....				24,958,197
SENSITIVITY TEST:				
(7) DTA Value for Company.....	Page 2, Col 3, Line 16.2	49,340	1.000	49,340
(8) DTL Value for Company.....	Page 3, Col 3, Line 10.2	0	1.000	0
(9) DTA Value for Insurance Subsidiaries.....	Company Records		1.000	0
(10) DTL Value for Insurance Subsidiaries.....	Company Records		1.000	0
(11) Total Adjusted Capital, Pre-deferred Tax (sensitivity)	L(6)-L(7)+L(8)-L(9)+L(10)			24,908,857

COMPARISON OF TOTAL ADJUSTED CAPITAL TO RISK-BASED CAPITAL

	Abbreviation	(1) Amount	(2) Result
(1) Total Adjusted Capital, Post-Tax		24,958,197	
(2) Company Action Level = 200% of Authorized Control Level.....	CAL	158,316	
(3) Regulatory Action Level = 150% of Authorized Control Level.....	RAL	118,737	
(4) Authorized Control Level = 100% of Authorized Control Level.....	ACL	79,158	
(5) Mandatory Control Level = 70% of Authorized Control Level.....	MCL	55,411	
(6) Level of Action, if Any	NONE		
THE FOLLOWING NUMBERS MUST BE REPORTED IN THE FIVE YEAR HISTORY EXHIBIT ON THE INDICATED LINE			
Total Adjusted Capital on Line 14 of the Five-Year Historical Data Page.....		24,958,197	
Authorized Control Level Risk-Based Capital on Line 15 of the Five-Year Historical Data Page		79,158	

TREND TEST

	Annual Statement Source		
(7) Total Revenue.....	Page 4, Line 8	0	
(8) Underwriting Deductions.....	Page 4, Line 23	(8,921,977)	
(9) Combined Ratio.....	Line (8)/Line (7)	0.000	
(10) RBC Ratio.....	Line (1)/Line (4)	31,529.595	
(11) Trend Test Result.....	If Line (10) is between 200% and 300% and Line (9) > 105%, then "Yes", otherwise "No"		NO
(12) Level of Action, if any, including Trend Test		NONE	

XR025