



# QUARTERLY STATEMENT

AS OF MARCH 31, 2008

OF THE CONDITION AND AFFAIRS OF THE

## Memphis Managed Care Corp

NAIC Group Code 0000 (Current Period) , NAIC Company Code 00000 (Prior Period) Employer's ID Number 621539163

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

Country of Domicile US

Licensed as business type:

Life Accident and Health [ ] Property/Casualty [ ] Hospital, Medical and Dental Service or Indemnity [ ]  
Dental Service Corporation [ ] Vision Service Corporation [ ] Other [ ]  
Health Maintenance Organization [ X ] is HMO Federally Qualified? Yes ( ) No (X)

Incorporated/Organized July 7, 1993 Commenced Business January 1, 1994

Statutory Home Office 1407 Union Ave, Memphis, Tennessee 38104  
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 1407 Union Ave, Memphis, Tennessee 38104  
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1407 Union Ave, Memphis, Tennessee 38104  
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 1407 Union Ave, Memphis, Tennessee 38104  
(Street and Number, City or Town, State and Zip Code)  
(Area Code) (Telephone Number)

Internet Website Address N/A

Statutory Statement Contact Jim Proctor (Name) 901-515-3003 (Area Code) (Telephone Number) (Extension)  
jproctor@mmcc-Tlc.com (E-Mail Address) (Fax Number)

### OFFICERS

Steven Burkett (President & CEO)  
Jeff Brandon (Secretary)

### OTHER OFFICERS

### DIRECTORS OR TRUSTEES

Peggy Allen  
Jeff Brandon  
Steven Burkett  
Brenda Jeter  
Veronica T Mallet, MD  
Stuart Polly, MD  
Sylvester Reeder

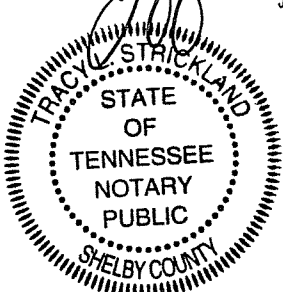
State of Tennessee }  
County of Shelby } SS

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, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

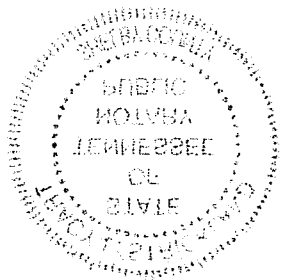
Steven H Burkett  
Steven Burkett  
President & CEO

Jeff Brandon  
Jeff Brandon  
Secretary

Subscribed and sworn to before me this  
30 day of May, 2008  
Tracy Strickland  
MY COMMISSION  
October 13, 2010



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



STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp

**ASSETS**

	Current Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Col. 1 minus Col. 2)	
1. Bonds .....	894,437		894,437	814,032
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ ..... 6,504,692 ), cash equivalents (\$ ..... ) and short-term investments (\$ ..... ) .....	6,504,962		6,504,962	6,437,119
6. Contract loans (including \$ ..... premium notes) .....				
7. Other invested assets .....	1,200,609		1,200,609	1,200,609
8. Receivables for securities .....				
9. Aggregate write-ins for invested assets .....				
10. Subtotals, cash and invested assets (Line 1 to Line 9) .....	8,600,008		8,600,008	8,451,760
11. Title plants less \$ ..... charged off (for Title insurers only) .....				
12. Investment income due and accrued .....	23,322		23,322	8,027
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection .....				
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....				
13.3 Accrued retrospective premiums .....				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers .....				1,391,737
14.2 Funds held by or deposited with reinsured companies .....				
14.3 Other amounts receivable under reinsurance contracts .....				
15. Amounts receivable relating to uninsured plans .....	1,391,736		1,391,736	
16.1 Current federal and foreign income tax recoverable and interest thereon .....				
16.2 Net deferred tax asset .....				
17. Guaranty funds receivable or on deposit .....				
18. Electronic data processing equipment and software .....				
19. Furniture and equipment, including health care delivery assets (\$ ..... ) .....				
20. Net adjustment in assets and liabilities due to foreign exchange rates .....				
21. Receivables from parent, subsidiaries and affiliates .....	3,000	3,000		
22. Health care (\$ ..... ) and other amounts receivable .....	791,039	791,039		1,234,159
23. Aggregate write-ins for other than invested assets .....				
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 10 to Line 23) .....	10,809,105	794,039	10,015,066	11,085,683
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26. Totals (Line 24 and Line 25) .....	10,809,105	794,039	10,015,066	11,085,683
<b>DETAILS OF WRITE-INS</b>				
0901. ....				
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....				
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above) .....				
2301. ....				
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above) .....				

## LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded) .....				
2. Accrued medical incentive pool and bonus amounts .....				
3. Unpaid claims adjustment expenses .....				
4. Aggregate health policy reserves .....				
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserve .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....				
9. General expenses due or accrued .....	27,897		27,897	853,392
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....				
12. Amounts withheld or retained for the account of others .....	7,508		7,508	7,633
13. Remittances and items not allocated .....				
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....				162,451
16. Payable for securities .....				
17. Funds held under reinsurance treaties with (\$ ..... authorized reinsurers and \$ ..... unauthorized reinsurers) .....				
18. Reinsurance in unauthorized companies .....				
19. Net adjustments in assets and liabilities due to foreign exchange rates .....				
20. Liability for amounts held under uninsured plans .....	621,643		621,643	756,509
21. Aggregate write-ins for other liabilities (including \$ ..... current) .....				
22. Total liabilities (Line 1 to Line 21) .....	657,048		657,048	1,779,985
23. Aggregate write-ins for special surplus funds .....	XXX	XXX		
24. Common capital stock .....	XXX	XXX		
25. Preferred capital stock .....	XXX	XXX		
26. Gross paid in and contributed surplus .....	XXX	XXX	3,699,498	3,699,498
27. Surplus notes .....	XXX	XXX		
28. Aggregate write-ins for other than special surplus funds .....	XXX	XXX		
29. Unassigned funds (surplus) .....	XXX	XXX	5,658,521	5,606,199
30. Less treasury stock, at cost:				
30.1 ..... shares common (value included in Line 24 \$ .....)	XXX	XXX		
30.2 ..... shares preferred (value included in Line 25 \$ .....)	XXX	XXX		
31. Total capital and surplus (Line 23 to Line 29 minus Line 30) .....	XXX	XXX	9,358,019	9,305,697
32. Total Liabilities, capital and surplus (Line 22 and Line 31) .....	XXX	XXX	10,015,067	11,085,682
<b>DETAILS OF WRITE-INS</b>				
2101. ....				
2102. ....				
2103. ....				
2198. Summary of remaining write-ins for Line 21 from overflow page .....				
2199. Totals (Line 2101 through Line 2103 plus Line 2198) (Line 21 above) .....				
2301. ....	XXX	XXX		
2302. ....	XXX	XXX		
2303. ....	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page .....	XXX	XXX		
2399. Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above) .....	XXX	XXX		
2801. ....	XXX	XXX		
2802. ....	XXX	XXX		
2803. ....	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page .....	XXX	XXX		
2899. Totals (Line 2801 through Line 2803 plus Line 2898) (Line 28 above) .....	XXX	XXX		

## STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year to Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months .....	XXX		503,137	2,054,603
2. Net premium income (including \$ ..... non-health premium income) .....	XXX			
3. Change in unearned premium reserves and reserve for rate credits .....	XXX			
4. Fee-for-service (net of \$ ..... medical expenses) .....	XXX			
5. Risk revenue .....	XXX			
6. Aggregate write-ins for other health care related revenues .....	XXX			
7. Aggregate write-ins for other non-health revenues .....	XXX			10,537,867
8. Total revenues (Line 2 to Line 7) .....	XXX			10,537,867
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....				
10. Other professional services .....				
11. Outside referrals .....				
12. Emergency room and out-of-area .....				
13. Prescription drugs .....				
14. Aggregate write-ins for other hospital and medical .....				
15. Incentive pool, withhold adjustments and bonus amounts .....				
16. Subtotal (Line 9 to Line 15) .....				
<b>Less:</b>				
17. Net reinsurance recoveries .....				
18. Total hospital and medical (Line 16 minus Line 17) .....				
19. Non-health claims (net) .....				
20. Claims adjustment expenses, including \$ ..... cost containment expenses .....				
21. General administrative expenses .....		20,318	(885,539)	(3,297,410)
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....				
23. Total underwriting deductions (Line 18 through Line 22) .....		20,318	(885,539)	(3,297,410)
24. Net underwriting gain or (loss) (Line 8 minus Line 23) .....	XXX	(20,318)	885,539	13,835,277
25. Net investment income earned .....		135,889	276,816	1,250,062
26. Net realized capital gains (losses) less capital gains tax of \$ .....				
27. Net investment gains (losses) (Line 25 plus Line 26) .....		135,889	276,816	1,250,062
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ .....) (amount charged off \$ .....)] .....				
29. Aggregate write-ins for other income or expenses .....				
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Line 24 plus Line 27 plus Line 28 plus Line 29) .....	XXX	115,571	1,162,355	15,085,339
31. Federal and foreign income taxes incurred .....	XXX			
32. Net income (loss) (Line 30 minus Line 31) .....	XXX	115,571	1,162,355	15,085,339
<b>DETAILS OF WRITE-INS</b>				
0601. ....	XXX			
0602. ....	XXX			
0603. ....	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX			
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above) .....	XXX			
0701. RECORD REVENUE FROM SALE OF ASSETS .....	XXX			10,537,867
0702. ....	XXX			
0703. ....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX			
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above) .....	XXX			10,537,867
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page .....				
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above) .....				
2901. ....				
2902. ....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....				
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above) .....				

STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp  
**STATEMENT OF REVENUE AND EXPENSES (continued)**

CAPITAL AND SURPLUS ACCOUNT	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year .....	9,305,697	30,209,840	30,209,838
34. Net income (loss) from Line 32 .....	115,572	1,162,355	15,085,339
35. Change in valuation basis of aggregate policy and claims reserves .....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....			
37. Change in net unrealized foreign exchange capital gain or (loss) .....			
38. Change in net deferred income tax .....			
39. Change in nonadmitted assets .....	(63,311)	(566,201)	1,190,520
40. Change in unauthorized reinsurance .....			
41. Change in treasury stock .....			
42. Change in surplus notes .....			
43. Cumulative effect of changes in accounting principles .....			
44. Capital Changes:			
44.1 Paid in .....			
44.2 Transferred from surplus (Stock Dividend) .....			
44.3 Transferred to surplus .....			
45. Surplus adjustments:			
45.1 Paid in .....			
45.2 Transferred to capital (Stock Dividend) .....			
45.3 Transferred from capital .....			
46. Dividends to stockholders .....			(37,180,000)
47. Aggregate write-ins for gains or (losses) in surplus .....			
48. Net change in capital and surplus (Line 34 to Line 47) .....	52,261	596,154	(20,904,141)
49. Capital and surplus end of reporting period (Line 33 plus Line 48) .....	9,357,958	30,805,994	9,305,697
<b>DETAILS OF WRITE-INS</b>			
4701. ....			
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page .....			
4799. Totals (Line 4701 through Line 4703 plus Line 4798) (Line 47 above) .....			

## CASH FLOW

	1	2
	Current Year To Date	Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....		
2. Net investment income .....	120,594	1,459,721
3. Miscellaneous income .....		10,537,867
4. Total (Line 1 through Line 3) .....	120,594	11,997,586
5. Benefit and loss related payments .....		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	52,751	(7,325,016)
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....		
10. Total (Line 5 through Line 9) .....	52,751	(7,325,016)
11. Net cash from operations (Line 4 minus Line 10) .....	67,843	19,322,604
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....		31,020,139
12.2 Stocks .....		
12.3 Mortgage loans .....		
12.4 Real estate .....		
12.5 Other invested assets .....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....		214,577
12.7 Miscellaneous proceeds .....		
12.8 Total investment proceeds (Line 12.1 through Line 12.7) .....		31,234,716
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....		11,396,369
13.2 Stocks .....		
13.3 Mortgage loans .....		
13.4 Real estate .....		
13.5 Other invested assets .....		146,577
13.6 Miscellaneous applications .....		
13.7 Total investments acquired (Line 13.1 through Line 13.6) .....		11,542,946
14. Net increase or (decrease) in contract loans and premium notes .....		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....		19,691,770
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....		
16.2 Capital and paid in surplus, less treasury stock .....		
16.3 Borrowed funds .....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5 Dividends to stockholders .....		37,180,000
16.6 Other cash provided (applied) .....		(1,045,719)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....		(38,225,719)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17) .....	67,843	788,655
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	6,437,119	5,648,464
19.2 End of period (Line 18 plus Line 19.1) .....	6,504,962	6,437,119

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001 .....		
20.0002 .....		
20.0003 .....		
20.0004 .....		
20.0005 .....		
20.0006 .....		
20.0007 .....		
20.0008 .....		
20.0009 .....		
20.0010 .....		

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

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

NONE

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



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

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
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**NONE**

**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE**

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 plus 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....						
2. Medicare Supplement .....						
3. Dental only .....						
4. Vision only .....						
5. Federal Employees Health Benefits Plan .....						
6. Title XVIII - Medicare .....	<b>NONE</b>					
7. Title XIX - Medicaid .....						
8. Other health .....						
9. Health subtotal (Line 1 to Line 8) .....						
10. Healthcare receivables (a) .....						
11. Other non-health .....						
12. Medical incentive pools and bonus amounts .....						
13. Totals .....						

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

**NOTES TO FINANCIAL STATEMENTS**

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1. Summary of Significant Accounting Policies  
No Change
  2. Accounting Changes and Corrections of Errors  
No Change
  3. Business Combinations and Goodwill  
No Change
  4. Discontinued Operations  
No Change
  5. Investments  
No Change
  6. Joint Ventures, Partnerships and Limited Liability Companies  
No Change
  7. Investment Income  
No Change
  8. Derivative Instruments  
No Change
  9. Income Tax  
No Change
  10. Information Concerning Parent, Subsidiaries and Affiliates  
No Change
  11. Debt  
No Change
  12. Retirement Plans, Deferred Compensation, Post Employment Benefits and Compensated Absences and other Postretirement Benefit Plans  
No Change
  13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi Re-organizations.  
No Change
  14. Contingencies  
No Change
  15. Leases  
No Change
  16. Information about Financial Instruments with off Balance Sheet risk and Financial; Instruments with concentrations of Credit Risk  
No Change
  17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
    - A. No Change
    - B. No Change
    - C. Memphis Managed Care Corporation did not engage in any wash sales for the quarter Ending March 31, 2008
  18. Gain or Loss to the company from Uninsured A&H Plans and Uninsured  
No Change
  19. Direct Premium Written/Produced by managing general agents/third party administrators.  
No Change
  20. September 11 Events  
No Change
  21. Other Items  
No Change
  22. Events Subsequent  
No Change
  23. Reinsurance
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**NOTES TO FINANCIAL STATEMENTS**

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- No Change
- 24. Retrospectively Rated Contracts  
No Change
- 25. Change in Incurred Claims and Claim Adjustment Expenses  
No Change
- 26. Intercompany Pooling Agreements  
No Change
- 27. Structured Settlements  
No Change
- 28. Health Care Receivables  
No Change
- 29. Participating Policies  
No Change
- 30. Premium Deficiency Reserves  
No Change
- 31. Anticipated Salvage & Subrogation  
No Change

**NOTES TO FINANCIAL STATEMENTS  
(Electronic Filing Only)**

4. Discontinued Operations

5. The amounts related to Discontinued Operations and the effect on the Company's Balance Sheet and Statement of Revenue and Expenses

Balance sheet

Assets

a. Line 5	Cash	\$ .....
b. Line 26	Totals	\$ .....

Liabilities, Surplus and Other Funds

c. Line 22	Total Liabilities	\$ .....
d. Line 31	Total Capital and Surplus	\$ .....
e. Line 32	Total	\$ .....

Statement of Revenue and Expenses

f. Line 2	Premiums	\$ .....
g. Line 22	Increase in aggregate reserves for accident and health (current year less prior year)	\$ .....
h. Line 31	Federal and foreign income taxes incurred	\$ .....
i. Line 26	Net realized capital gains (losses)	\$ .....
j. Line 32	Net Income	\$ .....

5. Investments

A. Mortgage Loans including Mezzanine Real Estate Loans

For mortgage loans, disclose the following information

	<u>Current Year</u>	<u>Prior Year</u>
4. As of year end, the Company held mortgages with investment, excluding accrued interest	<b>NONE</b>	\$ .....
a. Total interest due on mortgages with interest n		\$ .....
5. Taxes, assessments and any amounts advanced		\$ .....
6. Current year impaired loans with a related allowance		\$ .....
a. Related allowance for credit losses		\$ .....
7. Impaired mortgage loans without an allowance for credit losses		\$ .....
8. Average recorded investment in impaired loans		\$ .....
9. Interest income recognized during the period the loans were impaired		\$ .....
10. Amount of interest income recognized on a cash basis during the period the loans were impaired		\$ .....
11. Allowance for credit losses:		\$ .....
a. Balance at beginning of period		\$ .....
b. Additions charged to operations		\$ .....
c. Direct write-downs charged against the allowances		\$ .....
d. Recoveries of amounts previously charged off		\$ .....
e. Balance at end of period		\$ .....

B. Debt Restructuring

For restructured debt in which the company is a creditor, disclose the following:

1. The total recorded investment in restructured loans, as of year end	\$ .....	\$ .....
2. The realized capital losses related to these loans	\$ .....	\$ .....
3. Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructurings	\$ .....	\$ .....

9. Income Taxes

A. The components of the net deferred tax asset recognized in the Company's Assets, Liabilities, Surplus and Other Funds are as follows:

	<u>Current Year</u>	<u>Prior Year</u>
1. Total of gross deferred tax assets	\$ .....	\$ .....
2. Total of deferred tax liabilities	\$ .....	\$ .....
3. Net deferred tax asset	\$ .....	\$ .....
4. Deferred tax asset nonadmitted	\$ .....	\$ .....
5. Net admitted deferred tax asset	\$ .....	\$ .....
6. (Increase) decrease in nonadmitted asset	\$ .....	\$ .....

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**(Electronic Filing Only)**

10. Information Concerning Parent, Subsidiaries and Affiliates

E. Indicate the amount of any guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party that result in a material contingent exposure of the reporting entity's or any related party's assets or liabilities: \$ .....

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

A. Defined Benefit Plan

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, of said year.

	Pension Benefits		Other Benefits	
	Current Year	Prior Year	Current Year	Prior Year
1. Change in benefit obligation				
a. Benefit obligation at beginning of year	\$ .....	\$ .....	\$ .....	\$ .....
b. Service cost	\$ .....	\$ .....	\$ .....	\$ .....
c. Interest cost	\$ .....	\$ .....	\$ .....	\$ .....
d. Contribution by plan participants	\$ .....	\$ .....	\$ .....	\$ .....
e. Actuarial gain (loss)	\$ .....	\$ .....	\$ .....	\$ .....
f. Foreign currency exchange rate changes	\$ .....	\$ .....	\$ .....	\$ .....
g. Benefits paid	\$ .....	\$ .....	\$ .....	\$ .....
h. Plan amendments	\$ .....	\$ .....	\$ .....	\$ .....
i. Business combinations, divestitures, curtailments, settlements and special termination benefits	\$ .....	\$ .....	\$ .....	\$ .....
j. Benefit obligation at end of year	\$ .....	\$ .....	\$ .....	\$ .....
2. Change in plan assets				
a. Value of plan assets at beginning of year	\$ .....	\$ .....	\$ .....	\$ .....
b. Actual return on plan assets	\$ .....	\$ .....	\$ .....	\$ .....
c. Foreign currency exchange rate changes	\$ .....	\$ .....	\$ .....	\$ .....
d. Employer contribution	\$ .....	\$ .....	\$ .....	\$ .....
e. Plan participants' contributions	\$ .....	\$ .....	\$ .....	\$ .....
f. Benefits paid	\$ .....	\$ .....	\$ .....	\$ .....
g. Business combinations, divestitures and settlements	\$ .....	\$ .....	\$ .....	\$ .....
h. Fair value of plan assets at end of year	\$ .....	\$ .....	\$ .....	\$ .....
3. Funded status				
a. Unamortized prior service cost	\$ .....	\$ .....	\$ .....	\$ .....
b. Unrecognized net gain or (loss)	\$ .....	\$ .....	\$ .....	\$ .....
c. Remaining net obligation or net asset at initial date of application	\$ .....	\$ .....	\$ .....	\$ .....
d. Prepaid assets or accrued liabilities	\$ .....	\$ .....	\$ .....	\$ .....
e. Intangible asset	\$ .....	\$ .....	\$ .....	\$ .....
4. Accumulated benefit obligation for non vested employees	\$ .....	\$ .....	\$ .....	\$ .....
5. Benefit obligation for non-vested employees				
a. Projected pension obligation	\$ .....	\$ .....	\$ .....	\$ .....
b. Accumulated benefit obligation	\$ .....	\$ .....	\$ .....	\$ .....
6. Components of net periodic benefit cost				
a. Service cost	\$ .....	\$ .....	\$ .....	\$ .....
b. Interest cost	\$ .....	\$ .....	\$ .....	\$ .....
c. Expected return on plan assets	\$ .....	\$ .....	\$ .....	\$ .....
d. Amortization of unrecognized transition obligation or transition asset	\$ .....	\$ .....	\$ .....	\$ .....
e. Amount of recognized gains and losses	\$ .....	\$ .....	\$ .....	\$ .....
f. Amount of prior service cost recognized	\$ .....	\$ .....	\$ .....	\$ .....
g. Amount of gain or loss recognized due to a settlement or curtailment	\$ .....	\$ .....	\$ .....	\$ .....
h. Total net periodic benefit cost	\$ .....	\$ .....	\$ .....	\$ .....

**NONE**

	Current Year	Prior Year
8. Weighted-average assumptions used to determine net periodic benefit cost as of Dec. 31:		
a. Weighted average discount rate	.....	.....
b. Expected long-term rate of return on plan assets	.....	.....
c. Rate of compensation increase	.....	.....

Weighted average assumptions used to determine projected benefit obligations as of Dec. 31:

d. Weighted average discount rate	.....	.....
e. Rate of compensation increase	.....	.....

11. Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans.

A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	\$ .....	\$ .....
b. Effect on postretirement benefit obligation	\$ .....	\$ .....

12. The defined benefit pension plan asset allocation as of the measurement date ..... and the target asset allocation, presented as a percentage of total plan assets were as follows:

	Current Year	Prior Year	Target Allocation
a. Debt Securities	..... %	..... %	..... % to .....
b. Equity Securities	..... %	..... %	..... % to .....
c. Real Estate	..... %	..... %	..... % to .....
d. Other	..... %	..... %	..... % to .....
e. Total	..... %	..... %	..... % to .....

13. The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

Years	Amount
1. ....	\$ .....
2. ....	\$ .....
3. ....	\$ .....
4. ....	\$ .....
5. ....	\$ .....
6. Thereafter Total	\$ .....

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

9. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses: \$ .....

14. Contingencies

A. Contingent Commitments

1. Total contingent liabilities: \$ .....

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

The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

1. Claims related ECO and bad faith losses paid during the reporting period \$ .....

2. Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

- A) 0-25 Claims
- B) 26-50 Claims
- C) 51-100 Claims
- D) 101-500 Claims
- E) More than 500 Claims

3. Indicate whether claim count information is disclosed per claim or per claimant.

- F) Per Claim
- G) Per Claimant

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**(Electronic Filing Only)**

15. Leases

A. Disclose the following items related to lessee leasing arrangements (refer to SSAP No. 22, Leases):

2. For leases having initial or remaining noncancelable lease terms in excess of one year:

a. At January 1, of said year, the minimum aggregate rental commitments are as follows:  
(whole dollars)

<u>Year Ending December 31</u>	<u>Operating Leases</u>
1. ....	\$ .....
2. ....	\$ .....
3. ....	\$ .....
4. ....	\$ .....
5. ....	\$ .....
6. Aggregate Total	\$ .....

B. When leasing is a significant part of the lessor's business activities in terms of revenue, net income, or assets, disclose the following information with respect to leases:

1. Lessor Leases:

c. Future minimum lease payment receivables under noncancelable leasing arrangements as of December 31, of said year are as follows:

<u>Year Ending December 31</u>	<u>Operating Leases</u>
1. ....	\$ .....
2. ....	\$ .....
3. ....	\$ .....
4. ....	\$ .....
5. ....	\$ .....
6. Aggregate Total	\$ .....

2. Leveraged Leases:

b. The Company's investment in leveraged leases re leveraged leases at December 31, of said year v

(whole dollars)

1. Income from leveraged leases before income
2. Less current income tax
3. Net income from leverage leases

NONE

from  
Prior Year

c. The components of the investment in leveraged li (whole dollars)

1. Lease contracts receivable (net of principal and interest on non-recourse financing)
2. Estimated residual value of leased assets
3. Unearned and deferred income
4. Investment in leveraged leases
5. Deferred income taxes related to leveraged leases
6. Net investment in leveraged leases

	<u>Current Year</u>	<u>Prior Year</u>
1. ....	\$ .....	\$ .....
2. ....	\$ .....	\$ .....
3. ....	\$ .....	\$ .....
4. ....	\$ .....	\$ .....
5. ....	\$ .....	\$ .....
6. ....	\$ .....	\$ .....

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

For financial instruments with off-balance risk, an insurer shall disclose in the financial statements the following information by class of financial instrument:

1. The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk:

	<u>Assets</u>		<u>Liabilities</u>	
	<u>Current Year</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Prior Year</u>
a. Swaps	\$ .....	\$ .....	\$ .....	\$ .....
b. Futures	\$ .....	\$ .....	\$ .....	\$ .....
c. Options	\$ .....	\$ .....	\$ .....	\$ .....
d. Total	\$ .....	\$ .....	\$ .....	\$ .....

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

C. Wash Sales

2. The details by NAIC designation 3 or below of securities sold during the current reporting period and reacquired within 30 days of the sale date are:

<u>Bonds:</u>	<u>Number of Transactions</u>	<u>Book Value of Securities Sold</u>	<u>Cost of Securities Repurchased</u>	<u>Gain (Loss)</u>
a. NAIC 3	\$ .....	\$ .....	\$ .....	\$ .....
b. NAIC 4	\$ .....	\$ .....	\$ .....	\$ .....
c. NAIC 5	\$ .....	\$ .....	\$ .....	\$ .....
d. NAIC 6	\$ .....	\$ .....	\$ .....	\$ .....
<u>Preferred Stock:</u>				
e. NAIC P/RP3	\$ .....	\$ .....	\$ .....	\$ .....
f. NAIC P/RP4	\$ .....	\$ .....	\$ .....	\$ .....
g. NAIC P/RP5	\$ .....	\$ .....	\$ .....	\$ .....
h. NAIC P/RP6	\$ .....	\$ .....	\$ .....	\$ .....

STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**(Electronic Filing Only)**

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

A. ASO Plans:

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during:

	1	2	3
	-----	<u>Uninsured Portion of Partially Insured Plans</u>	<u>Total ASO</u>
a. Net reimbursement for administrative expenses (incl administrative fees) in excess of actual expenses	<b>NONE</b>	.....	\$.....
b. Total net other income or expenses (including interest to or received from plans)		.....	\$.....
c. Net gain or (loss) from operations		.....	\$.....
d. Total claim payment volume		.....	\$.....

B. ASC Plans

The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during said year:

	1	2	3
	<u>ASC Uninsured Plans</u>	<u>Uninsured Portion of Partially Insured Plans</u>	<u>Total ASC</u>
a. Gross reimbursement for medical cost incurred	\$.....	\$.....	\$.....
b. Gross administrative fees accrued	\$.....	\$.....	\$.....
c. Other income or expenses (including interest paid to or received from plans)	\$.....	\$.....	\$.....
d. Gross expenses incurred (claims and administrative)	\$.....	\$.....	\$.....
e. Total net gain or loss from operations	\$.....	\$.....	\$.....



STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp  
**NOTES TO FINANCIAL STATEMENTS - ITEM 1A**

1 State Prescribed Practices	2 Current	3 Prior	4 State of Domicile
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**NONE**

**NOTES TO FINANCIAL STATEMENTS - ITEM 5A02**

1 Percent Reduced	2 Investment Excluding Accrued Interest	3 Number of Mortgages
----------------------	---	-----------------------------

**NONE**

**NOTES TO FINANCIAL STATEMENTS - ITEM 13.10**

Description of Assets, Holder of Note and Other	1 Date Issued	2 Interest Rate	3 Par Value (Face Amount of Notes)	4 Carrying Value of Note	5 Principal and/or Interest Paid Current Year	6 Total Principal and/or Interest Paid	7 Unapproved Principal and/or Interest	8 Date of Maturity
---	------------------	--------------------	---	-----------------------------------	---	--	--	--------------------------

**NONE**

**NOTES TO FINANCIAL STATEMENTS - ITEM 13.11**

1 Year (Starting with Current Year)	2 Change in Year Surplus	3 Change in Gross Paid-in and Contributed Surplus
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**NONE**

STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp  
**NOTES TO FINANCIAL STATEMENTS - ITEM 19**

Name and Address of Managing General Agent or Third Party Administrator	FEIN	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premiums Written/Produced By
---	------	--------------------	---------------------------	---------------------------	---

NONE

**NOTES TO FINANCIAL STATEMENTS - ITEM 20F**

Description of State Transferable Tax Credits	State	Carrying Value	Unused Amount
---	-------	----------------	---------------

NONE

**NOTES TO FINANCIAL STATEMENTS - ITEM 20H**

CUSIP #	Name of Issuer	General Description	Book/Adjusted Carrying Value
---------	----------------	---------------------	------------------------------

NONE

**NOTES TO FINANCIAL STATEMENTS - ITEMS 22B and 22C**

Name of Reinsurer	Amount
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NONE

**NOTES TO FINANCIAL STATEMENTS - ITEM 27A**

1 Quarter	2 Estimated Pharmacy Rebates as Reported on Financial Statements	3 Pharmacy Rebates as Billed or Otherwise Confirmed	4 Actual Rebates Received Within 90 Days of Billing	5 Actual Rebates Received Within 91 to 180 Days of Billing	6 Actual Rebates Received More Than 180 Days After Billing
--------------	---	--	--	---	---

NONE

**NOTES TO FINANCIAL STATEMENTS - ITEM 27B**

1 Calendar Year	2 Evaluation Period Year Ending	3 Risk Sharing Receivable as Estimated in the Prior Year	4 Risk Sharing Receivable as Estimated in the Current Year	5 Risk Sharing Receivable Billed	6 Risk Sharing Receivable Not Yet Billed	7 Actual Risk Sharing Amounts Received in Year Billed	8 Actual Risk Sharing Amounts Received First Year Subsequent	9 Actual Risk Sharing Amounts Received Second Year Subsequent	10 Actual Risk Sharing Amounts Received - All Other
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NONE

**GENERAL INTERROGATORIES**

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

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

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes ( ) No ( ) N/A (X)  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 06/30/2005
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 03/24/2006
- 6.4 By what department or departments?  
.....
- 6.5 Have any financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes ( ) No ( ) N/A (X)
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes ( ) No ( ) N/A (X)
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes ( ) No (X)
- 7.2 If yes, give full information  
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes ( ) No (X)
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes ( ) No (X)
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....

**GENERAL INTERROGATORIES (continued)**

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes (X) No ( )  
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 (c) Compliance with applicable governmental laws, rules and regulations;  
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:  
 .....  
 .....

9.2 Has the code of ethics for senior managers been amended? Yes ( ) No (X)

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
 .....  
 .....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes ( ) No (X)

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
 .....  
 .....

**FINANCIAL**

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ( ) No (X)

10.2 If yes, indicate the amounts receivable from parent included in the Page 2 amount: \$ .....

**INVESTMENT**

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? Yes ( ) No (X)  
 (Exclude securities under securities lending agreements.)

11.2 If yes, give full and complete information relating thereto:  
 .....  
 .....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ .....

13. Amount of real estate and mortgages held in short-term investments: \$ .....

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes ( ) No (X)

14.2 If yes, please complete the following:

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

15.1 Has the reporting entity entered into any hedging transactions reported on schedule DB? Yes ( ) No (X)

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes ( ) No ( )

If no, attach a description with this statement.

**GENERAL INTERROGATORIES (continued)**

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes ( ) No (X)

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

1 Name of Custodian(s)	2 Custodian Address
.....	.....
.....	.....
.....	.....

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....
.....	.....	.....
.....	.....	.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes ( ) No (X)

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

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

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
.....	.....	.....
.....	.....	.....
.....	.....	.....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes ( ) No (X)

17.2 If no, list exceptions:

.....  
.....

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
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**NONE**

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Business Only Year to Date							
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/Casualty Premiums	8 Total Column 2 Through Column 7	9 Deposit-Type Contracts
1. Alabama	AL N								
2. Alaska	AK N								
3. Arizona	AZ N								
4. Arkansas	AR N								
5. California	CA N								
6. Colorado	CO N								
7. Connecticut	CT N								
8. Delaware	DE N								
9. District of Columbia	DC N								
10. Florida	FL N								
11. Georgia	GA N								
12. Hawaii	HI N								
13. Idaho	ID N								
14. Illinois	IL N								
15. Indiana	IN N								
16. Iowa	IA N								
17. Kansas	KS N								
18. Kentucky	KY N								
19. Louisiana	LA N								
20. Maine	ME N								
21. Maryland	MD N								
22. Massachusetts	MA N								
23. Michigan	MI N								
24. Minnesota	MN N								
25. Mississippi	MS N								
26. Missouri	MO N								
27. Montana	MT N								
28. Nebraska	NE N								
29. Nevada	NV N								
30. New Hampshire	NH N								
31. New Jersey	NJ N								
32. New Mexico	NM N								
33. New York	NY N								
34. North Carolina	NC N								
35. North Dakota	ND N								
36. Ohio	OH N								
37. Oklahoma	OK N								
38. Oregon	OR N								
39. Pennsylvania	PA N								
40. Rhode Island	RI N								
41. South Carolina	SC N								
42. South Dakota	SD N								
43. Tennessee	TN N								
44. Texas	TX N								
45. Utah	UT N								
46. Vermont	VT N								
47. Virginia	VA N								
48. Washington	WA N								
49. West Virginia	WV N								
50. Wisconsin	WI N								
51. Wyoming	WY N								
52. American Samoa	AS N								
53. Guam	GU N								
54. Puerto Rico	PR N								
55. U.S. Virgin Islands	VI N								
56. Northern Mariana Islands	MP N								
57. Canada	CN N								
58. Aggregate Other Alien	OT XXX								
59. Subtotal	XXX								
60. Reporting entity contributions for Employee Benefit Plans	XXX								
61. Total (Direct Business)	(a)								
<b>NONE</b>									
<b>DETAILS OF WRITE-INS</b>									
5801.									
5802.									
5803.									
5898.	Summary of remaining write-ins for Line 58 from overflow page								
5899.	Total (Line 5801 through Line 5803 plus Line 5898) (Line 58 above)								

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

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

All entity members of a Holding Company Group that have acquired and/or disposed of any domestic entity (s) since filing the last annual or quarterly statement shall prepare a common schedule for inclusion in each of the individual quarterly statements

**PART 1 - ORGANIZATIONAL LISTING**

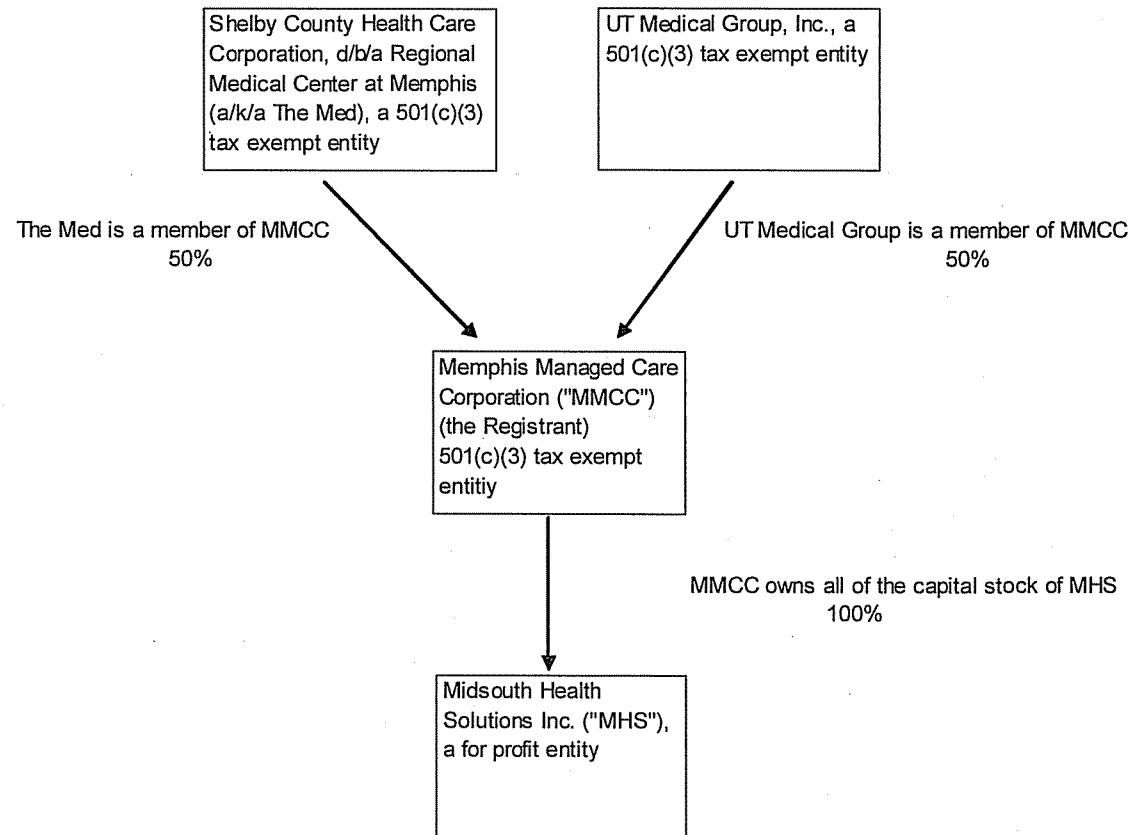
1 NAIC Group Code	2 Group Name	3 NAIC Company Code	4 State of Domicile	5 FEI Number	6 Name of Company
----------------------	-----------------	------------------------	------------------------	-----------------	----------------------

**NONE**



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

**PART 1 - ORGANIZATIONAL CHART**



**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December		
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions . . . . .		
2.2 Additional investment made after ac . . . . .		
3. Current year change in encumbrances . . . . .		
4. Total gain (loss) on disposals . . . . .		
5. Deduct amounts received on disposals . . . . .		
6. Total foreign exchange change in book/ad . . . . .		
7. Deduct current year's other than temporar . . . . .		
8. Deduct current year's depreciation . . . . .		
9. Book/adjusted carrying value at end of cur . . . . .		
Line 5 plus Line 6 minus Line 7 plus Line 8) . . . . .		
10. Deduct total nonadmitted amounts . . . . .		
11. Statement value at end of current period (Line 9 minus Line 10) . . . . .		

**NONE**

**SCHEDULE B - VERIFICATION**

Mortgage Loans

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

**NONE**

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

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

**NONE**

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year . . . . .	814,032	20,291,225
2. Cost of bonds and stocks acquired . . . . .		11,148,377
3. Accrual of discount . . . . .	80,405	
4. Unrealized valuation increase (decrease) . . . . .		146,577
5. Total gain (loss) on disposals . . . . .		31,020,139
6. Deduct consideration for bonds and stocks disposed of . . . . .		(247,992)
7. Deduct amortization of premium . . . . .		
8. Total foreign exchange change in book/adjusted carrying value . . . . .		
9. Deduct current year's other than temporary impairment recognized . . . . .		
10. Book/adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3 plus Line 4 plus Line 5 minus Line 6 minus Line 7 plus Line 8 minus Line 9) . . . . .	894,437	814,032
11. Deduct total nonadmitted amounts . . . . .		
12. Statement value at end of current period (Line 10 minus Line 11) . . . . .	894,437	814,032

STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a) .....	814,032			80,405	894,437			814,032
2. Class 2 (a) .....								
3. Class 3 (a) .....								
4. Class 4 (a) .....								
5. Class 5 (a) .....								
6. Class 6 (a) .....								
7. Total Bonds .....	814,032			80,405	894,437			814,032
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds and Preferred Stock .....	814,032			80,405	894,437			814,032

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

**SCHEDULE DA - PART 1**

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999 Totals .....	<b>NONE</b>				

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book / adjusted carrying value, December 31 of prior year .....		
2. Cost of short-term investments acquired .....		
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) ..		
5. Total gain (loss) on disposals .....	<b>NONE</b>	
6. Deduct consideration received on disposals .....		
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adju:		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9) .....		
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....		

**SCHEDULE DB - PART F - SECTION 1**

Replicated (Synthetic) Assets Open

Replicated (Synthetic) Asset					Components of the Replicated (Synthetic) Asset						
1 Replication RSAT Number	2 Description	3 NAIC Designation or Other Description	4 Statement Value	5 Fair Value	Derivative Instruments Open		Cash Instrument(s) Held				
					6 Description	7 Fair Value	8 CUSIP	9 Description	10 Statement Value	11 Fair Value	12 NAIC Designation or Other Description

**NONE**

**SCHEDULE DB - PART F - SECTION 2**

Reconciliation of Replicated (Synthetic) Assets Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year To Date	
	1 Number of Positions	2 Total Replicated (Synthetic) Assets Statement Value	3 Number of Positions	4 Total Replicated (Synthetic) Assets Statement Value	5 Number of Positions	6 Total Replicated (Synthetic) Assets Statement Value	7 Number of Positions	8 Total Replicated (Synthetic) Assets Statement Value	9 Number of Positions	10 Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory .....										
2. Add: Opened or Acquired Transactions .....										
3. Add: Increases in Replicated Asset Statement Value .....	XXX						XXX		XXX	
4. Less: Closed or Disposed of Transactions .....										
5. Less: Positions Disposed of for Failing Effectiveness Criteria .....										
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value .....	XXX						XXX		XXX	
7. Ending Inventory .....										

**NONE**

**SCHEDULE E - VERIFICATION**

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of short-term investments acquired .....		
3. Accrual of discount .....		
4. Unrealized valuation incre		
5. Total gain (loss) on disp	<b>NONE</b>	
6. Deduct consideration rec		
7. Deduct amortization of pi		
8. Total foreign exchange cl		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9) .....		
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....		

STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp

**SCHEDULE A - PART 2**

Showing All Real Estate ACQUIRED and Additions Made During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book / Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						

**NONE**

EO1

**SCHEDULE A - PART 3**

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs and Expenses Incurred
	2 City	3 State					9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11-9-10)	13 Total Foreign Exchange Change in R./A.C.V.							

**NONE**



STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp

**SCHEDULE B - PART 2**

Showing All Mortgage Loans ACQUIRED during the Current Quarter

1	Location		4	5	6	7	8	9
Loan Number	2 City	3 State	Loan Type	Date Acquired	Rate of Interest	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Value of Land and Buildings

**NONE**

E02

**SCHEDULE B - PART 3**

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment					14 Book Value/Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/ Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)					

**NONE**

**SCHEDULE BA - PART 2**

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Designation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									

**NONE**

**SCHEDULE BA - PART 3**

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Deposit	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B. /A. C. V. (9+10-11+12)	14 Total Foreign Exchange Change in B. /A. C. V.						

**NONE**

STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
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**NONE**

E04

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

**SCHEDULE D - PART 4**

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

1 CUSIP Identifi- cation	2 Description	3 Foreign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designa- tion or Market Indi- cator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization) / 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.							

**NONE**

E05

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

STATEMENT AS OF MARCH 31, 2008 OF THE Memphis Managed Care Corp

**SCHEDULE DB - PART A - SECTION 1**

Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index	Date of Acquisition	Exchange or Counterparty	Cost/Option Premium	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income

**NONE**

**SCHEDULE DB - PART B - SECTION 1**

Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index	Date of Issuance/ Purchase	Exchange or Counterparty	Consideration Received	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis	Other Investment/ Miscellaneous Income

**NONE**

**SCHEDULE DB - PART C - SECTION 1**

Showing all Collar, Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value		Statement Value	Fair Value	Year to Date Increase (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure

**NONE**

**SCHEDULE DB - PART D - SECTION 1**

Showing all Futures Contracts and Insurance Futures Contracts at Current Statement Date

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
									10	11	12	
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	Recognized	Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure

**NONE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
						6	7	8	
Name	Location and Supplemental Information	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories									
Regions GO	TN					2,807,444	2,648,569	2,796,193	
Regions Claims	TN					64,089	73,206	73,984	
Regions Escrow	TN					2,000,000	2,000,000	2,000,000	
Regions Trust	TN					1,634,285	1,634,285	1,634,285	
0199999 - TOTAL - Open Depositories						6,505,818	6,356,060	6,504,462	
0399999 - TOTAL Cash on Deposit						6,505,818	6,356,060	6,504,462	
0599999 - TOTALS						6,505,818	6,356,060	6,504,462	

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due and Accrued	8 Amount Received During Year
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**NONE**





SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2008 OF THE Memphis Managed Care Corp

**MEDICARE PART D COVERAGE SUPPLEMENT**  
(Net of Reinsurance)

NAIC Group Code: 0000

NAIC Company Code: 00000

	1	2	3	4	5
	Individual Coverage		Group Coverage		Total Cash
	Insured	Uninsured	Insured	Uninsured	
1. Premiums Collected .....				XXX	XXX
2. Earned Premiums .....				XXX	XXX
3. Claims Paid .....				XXX	XXX
4. Claims Incurred .....				XXX	XXX
5. Reinsurance Coverage and Low Income (Claims Paid Net of Reimbursements App					
6. Aggregate Policy Reserves - Change ...				XXX	XXX
7. Expenses Paid .....				XXX	XXX
8. Expenses Incurred .....				XXX	XXX
9. Underwriting Gain or Loss .....				XXX	XXX
10. Cash Flow Result .....	XXX	XXX	XXX	XXX	

**NONE**

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



**Report #2A: TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES**

	Current Year		Previous Year
	Current Period	Year to Date Total	Total
Member Months	0	0	1,679,159
<b>REVENUES:</b>			
1 TennCare Capitation	0	0	335,229,520
2 Investment	0	0	1,250,062
3 Other Revenue	0	0	10,323,290
4 Total Revenue	0	0	346,802,871
<b>EXPENSES:</b>			
Medical and Hospital Services			
5 Capitated Physician Services	0	0	9,004,848
6 Fee for Service Physician Services	0	0	36,811,426
7 Inpatient Hospital Services	0	0	55,725,026
8 Outpatient Services	0	0	2,648,059
9 Emergency Room Services	0	0	22,221,413
10 Mental Health Services	0	0	23,783
11 Dental Services	0	0	126,867
12 Vision Services	0	0	2,014,602
13 Pharmacy Services	0	0	(294)
14 Home Health Services	0	0	8,772,271
15 Chiropractic Services	0	0	0
16 Radiology Services	0	0	11,244,606
17 Laboratory Services	0	0	7,908,286
18 Durable Medical Equipment Services	0	0	1,099,913
19 Transportation Services	0	0	1,474,165
20 Outside Referrals	0	0	0
21 Medical incentive Pool and Withhold Adjustments	0	0	0
22 Occupancy Depreciation and Amortization	0	0	0
23 Other Medical and Hospital Services	0	0	110,038,861
24 <b>IBNR</b>	0	0	45,584,673
25 <b>Subtotal</b>	0	0	314,698,503
26 Reinsurance Expense Net of Recoveries	0	0	277
<b>LESS:</b>			
27 Copayments	0	0	0
28 Subrogation			
29 Coordination of Benefits			
30 <b>Subtotal</b>	0	0	0
<b>30 TOTAL MEDICAL, HOSPITAL &amp; IBNR</b>	0	0	314,698,780
<b>Administration</b>			
31 Compensation	0	0	6,923,535
32 Marketing	0	0	0
33 Interest Expense	0	0	0
34 Premium Tax Expense	0	0	7,784,457
35 Occupancy Depreciation and Amortization	0	0	605,167
36 Other Administration	0	0	1,705,593
<b>37 TOTAL ADMINISTRATION</b>	0	0	17,018,752
<b>38 TOTAL EXPENSES</b>	0	0	331,717,532
<b>39 NET INCOME (LOSS)</b>	0	0	15,085,339



STATEMENT AS OF March 31, 2008 OF THE MEMPHIS MANAGED CARE CORP.

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Non Admitted'	7 Admitted
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**NONE**



STATEMENT AS OF March 31, 2008 OF THE MEMPHIS MANAGED CARE CORP.

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Non Admitted	7 Admitted
0199999 Pharmaceutical Rebate Receivables						
0299999 Claim Overpayment Receivables		-	-	671,396	671,396	-
0399999 Loans and Advances to Providers				119,642	119,642	-
0499999 Capitation Arrangement Receivables						
0599999 Risk Sharing Receivables						
0699999 Other Receivables						-
0799999 Gross Health Care Receivables	-	-	-	791,038	791,038	-





STATEMENT AS OF March 31, 2008 OF THE MEMPHIS MANAGED CARE CORP.

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Non Admitted'	Admitted	
						7 Current	8 Non-Current
Med-MRI	0	0	0	0	0	0	0
Medplex	0	0	0	3,000	3,000	0	0
The Health Loop	0	0	0	0	0	0	0
Midsouth Health Solutions	0	0	0	0	0	0	0
01999999 Individual Listed Receivables	0	0	0	3,000	3,000	0	0
02999999 Receivables Not individually Listed							
03999999 Total Gross amounts Receivable	0	0	0	3,000	3,000	0	0

