

QUARTERLY STATEMENT
OF THE
Preferred Health Partnership of Tennessee, Inc.

of
Knoxville
in the state of
Tennessee

TO THE
Insurance Department
OF THE STATE OF
Tennessee

FOR THE QUARTER ENDED
September 30, 2008

2008



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

NAIC Group Code	1253 <small>(Current Period)</small>	1253 <small>(Prior Period)</small>	NAIC Company Code	95749	Employer's ID Number	62-1546662
Organized under the Laws of	Tennessee		State of Domicile or Port of Entry	Tennessee		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]	Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[X] No[] N/A[]	Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]			
Incorporated/Organized	01/01/1994		Commenced Business	01/01/1994		
Statutory Home Office	1420 Centerpoint Blvd. <small>(Street and Number)</small>		Knoxville, TN 37932 <small>(City, or Town, State and Zip Code)</small>			
Main Administrative Office	1420 Centerpoint Blvd. <small>(Street and Number)</small>					
	Knoxville, TN 37932 <small>(City or Town, State and Zip Code)</small>		(865)670-7282 <small>(Area Code) (Telephone Number)</small>			
Mail Address	1420 Centerpoint Blvd. <small>(Street and Number or P.O. Box)</small>		Knoxville, TN 37932 <small>(City, or Town, State and Zip Code)</small>			
Primary Location of Books and Records	1420 Centerpoint Blvd. <small>(Street and Number)</small>					
	Knoxville, TN 37932 <small>(City, or Town, State and Zip Code)</small>		(865)670-7282 <small>(Area Code) (Telephone Number)</small>			
Internet Website Address						
Statutory Statement Contact	Melissa R Anderson <small>(Name)</small>		(865)670-7282 <small>(Area Code)(Telephone Number)(Extension)</small>			
	manders1@covhlth.com <small>(E-Mail Address)</small>		(865)470-7461 <small>(Fax Number)</small>			

OFFICERS

Name	Title
Douglas E. Haaland	Chief Operating Officer
Jeffery S. Collake	Chief Financial Officer
Jeffery S. Collake	Secretary

OTHERS

DIRECTORS OR TRUSTEES

Thomas Rowe Bell Daniel J. David MD Marvin H. Eichorn Kenneth Frederick Luckman MD Michael Earl Mitchell MD Francis H. Olmstead Jr. Dean M. Turner MD	Kenneth Truman Creed Michael McKay Dudley Randolph Murphree Lowry MD Cletus Joseph McMahon Jr. MD David A. Nowiski Anthony L. Spezia Sandra L. Mathy
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State of Tennessee
 County of Knox ss

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

(Signature)	(Signature)	(Signature)
Douglas E. Haaland	Jeffery S. Collake	Jeffery S. Collake
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
Chief Operating Officer	Chief Financial Officer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me this _____ day of _____, 2008

- a. Is this an original filing? _____
 b. If no, 1. State the amendment number _____
 2. Date filed _____
 3. Number of pages attached _____

Yes[X] No[]

 (Notary Public Signature)

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	63,913,952		63,913,952	54,143,000
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....742,625), cash equivalents (\$.....0) and short-term investments (\$.....0)	742,625		742,625	2,411,620
6. Contract loans (including \$.....0 premium notes)				
7. Other invested assets				
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	64,656,577		64,656,577	56,554,620
11. Title plants less \$.....0 charged off (for Title insurers only)				
12. Investment income due and accrued	688,312		688,312	757,046
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 \$.....0 earned but unbilled premiums)				
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon				
16.2 Net deferred tax asset	6,202,129	6,202,129		
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software				
19. Furniture and equipment, including health care delivery assets (\$.....0)				
20. Net adjustments in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates				
22. Health care (\$.....0) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	191,126		191,126	224
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	71,738,144	6,202,129	65,536,015	57,311,890
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	71,738,144	6,202,129	65,536,015	57,311,890
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301. A/R Risk Share				
2302. A/R State Admin	191,126		191,126	224
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	191,126		191,126	224

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded)				
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves	1,475,880		1,475,880	5,903,520
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	28,700		28,700	19,100
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15. Amounts due to parent, subsidiaries and affiliates	9,240,007		9,240,007	
16. Payable for securities				
17. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers)				
18. Reinsurance in unauthorized companies				
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Liability for amounts held under uninsured plans				
21. Aggregate write-ins for other liabilities (including \$.....0 current)	9,860,704		9,860,704	12,240,037
22. Total liabilities (Lines 1 to 21)	20,605,291		20,605,291	18,162,657
23. Aggregate write-ins for special surplus funds	X X X	X X X		
24. Common capital stock	X X X	X X X	1,000	1,000
25. Preferred capital stock	X X X	X X X		
26. Gross paid in and contributed surplus	X X X	X X X	61,379,848	61,379,848
27. Surplus notes	X X X	X X X		
28. Aggregate write-ins for other than special surplus funds	X X X	X X X		
29. Unassigned funds (surplus)	X X X	X X X	(16,450,124)	(22,231,615)
30. Less treasury stock, at cost:				
30.1 .....0 shares common (value included in Line 24 \$.....0)	X X X	X X X		
30.2 .....0 shares preferred (value included in Line 25 \$.....0)	X X X	X X X		
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	44,930,724	39,149,233
32. Total Liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	65,536,015	57,311,890
DETAILS OF WRITE-INS				
2101. Accrued Run-Out Costs	8,899,082		8,899,082	10,029,960
2102. Risk Share Audit Reserve				445,800
2103. Penalty Reserve				
2198. Summary of remaining write-ins for Line 21 from overflow page	961,622		961,622	1,764,277
2199. TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)	9,860,704		9,860,704	12,240,037
2301.	X X X	X X X		
2302.	X X X	X X X		
2303.	X X X	X X X		
2398. Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		
2801.	X X X	X X X		
2802.	X X X	X X X		
2803.	X X X	X X X		
2898. Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X		
2899. TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	X X X			
2. Net premium income (including \$.....0 non-health premium income)	X X X			
3. Change in unearned premium reserves and reserves for rate credits	X X X			
4. Fee-for-service (net of \$.....0 medical expenses)	X X X			
5. Risk revenue	X X X			
6. Aggregate write-ins for other health care related revenues	X X X	2,119,326	1,524,643	3,653,634
7. Aggregate write-ins for other non-health revenues	X X X			
8. Total revenues (Lines 2 to 7)	X X X	2,119,326	1,524,643	3,653,634
Hospital and Medical:				
9. Hospital/medical benefits		5,974		
10. Other professional services				
11. Outside referrals				
12. Emergency room and out-of-area				
13. Prescription drugs			(11,455)	(22,860)
14. Aggregate write-ins for other hospital and medical		(158,221)	(114,178)	(129,137)
15. Incentive pool, withhold adjustments and bonus amounts				
16. Subtotal (Lines 9 to 15)		(152,247)	(125,633)	(151,997)
Less:				
17. Net reinsurance recoveries				
18. Total hospital and medical (Lines 16 minus 17)		(152,247)	(125,633)	(151,997)
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$.....0 cost containment expenses			1,350,658	1,159,954
21. General administrative expenses			3,228,940	2,239,962
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23. Total underwriting deductions (Lines 18 through 22)		(152,247)	4,453,965	3,247,919
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	2,271,573	(2,929,322)	405,715
25. Net investment income earned		2,075,623	1,725,438	2,313,664
26. Net realized capital gains (losses) less capital gains tax of \$.....0		151,610	(47,678)	(71,466)
27. Net investment gains or (losses) (Lines 25 plus 26)		2,227,233	1,677,760	2,242,198
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29. Aggregate write-ins for other income or expenses				
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	4,498,806	(1,251,562)	2,647,913
31. Federal and foreign income taxes incurred	X X X	(4,578,730)	(425,531)	(107,346)
32. Net income (loss) (Lines 30 minus 31)	X X X	9,077,536	(826,031)	2,755,259
DETAILS OF WRITE-INS				
0601. Miscellaneous Income	X X X	392,878	1,524,643	3,653,634
0602. State Admin Income	X X X	1,726,448		
0603.	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	2,119,326	1,524,643	3,653,634
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401. Recoveries		(158,221)	(114,178)	(129,137)
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		(158,221)	(114,178)	(129,137)
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page				
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	39,149,233	33,552,546	33,552,546
34. Net income or (loss) from Line 32	9,077,536	(826,031)	2,755,259
35. Change in valuation basis of aggregate policy and claim reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0			
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax	(3,447,840)		(1,033,059)
39. Change in nonadmitted assets	151,795	2,944,586	3,874,487
40. Change in unauthorized reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital Changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus			
48. Net change in capital and surplus (Lines 34 to 47)	5,781,491	2,118,555	5,596,687
49. Capital and surplus end of reporting period (Line 33 plus 48)	44,930,724	35,671,101	39,149,233
DETAILS OF WRITE-INS			
4701. Change in Unrealized Valuation			
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance		
2.	Net investment income	2,295,967	2,594,584
3.	Miscellaneous income	2,119,326	3,653,634
4.	Total (Lines 1 to 3)	4,415,293	6,248,218
5.	Benefit and loss related payments	4,275,393	791,923
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	(3,425,893)	2,631,979
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	(4,578,730)	862,425
10.	Total (Lines 5 through 9)	(3,729,230)	4,286,327
11.	Net cash from operations (Line 4 minus Line 10)	8,144,523	1,961,891
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	91,223,458	21,056,223
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	Total investment proceeds (Lines 12.1 to 12.7)	91,223,458	21,056,223
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	101,036,976	24,306,582
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	Total investments acquired (Lines 13.1 to 13.6)	101,036,976	24,306,582
14.	Net increase (or decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	(9,813,518)	(3,250,359)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)		
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)		
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(1,668,995)	(1,288,468)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	2,411,620	3,700,088
19.2	End of period (Line 18 plus Line 19.1)	742,625	2,411,620

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

Description		Amount 1	Amount 2
20.0001		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year										
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	606,642								606,642	
8. Non-Physician	373,786								373,786	
9. Total	980,428								980,428	
10. Hospital Patient Days Incurred	23,295								23,295	
11. Number of Inpatient Admissions	6,430								6,430	
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	(152,247)								(152,247)	
18. Amount Incurred for Provision of Health Care Services	(152,247)								(152,247)	

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

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
<div style="border: 1px solid black; padding: 10px; display: inline-block;"> <p style="font-size: 2em; margin: 0;">N O N E</p> </div>						
0899999 Accrued Medical Incentive Pool And Bonus Amounts						

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital & medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid	(152,247)				(152,247)	
8. Other health						
9. Health subtotal (Lines 1 to 8)	(152,247)				(152,247)	
10. Healthcare receivables (a)						
11. Other non-health						
12. Medical incentive pools and bonus amounts						
13. Totals	(152,247)				(152,247)	

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

Notes to Financial Statement

1. Summary of Significant Accounting Policies

Not applicable

2. Accounting Changes and Corrections of Errors

Not applicable

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

Not applicable

5. Investments

Not applicable

6. Joint Ventures, Partnerships, and Limited Liability Companies

Not applicable

7. Investment Income

Not applicable

8. Derivative Instruments

Not applicable

9. Income Taxes

Not applicable

10. Information concerning Parent, Subsidiaries, and Affiliates

Not applicable

11. Debt

Not applicable

12. Retirement Plans, Deferred Compensation, Post employment benefits and Compensated Absences and Other Postretirement Benefit Plans.

Not applicable

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

Not applicable

14. Contingencies

Not applicable

15. Leases

Not applicable

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Not applicable

17. Sales, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities

A-B. Not applicable

C. Wash Sales
Not applicable

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

Not applicable

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

Notes to Financial Statement

Not applicable

20. September 11 Events

Not applicable

21. Events Subsequent

Due to recent fluctuations in the financial markets, Tennessee Department of Commerce and Insurance has required disclosure of the effects of October market changes on investments owned at the end of September 30, 2008.

	Adjustments				Adjusted Value of remaining 09/30/2008 Assets as of 10/31/2008
	October 2008 Activity				
Net Admitted Assets reported as of 09/30/2008	Sales	Realized Gain/(Loss)	Unrealized Gain/(Loss)		
Bonds	63,913,952	31,054,267	(2,882,408)	(529,741)	29,447,536
Stocks					
Preferred					
Common					
Mortgage Loans					
Other Invested Assets					
	<u>63,913,952</u>	<u>31,054,267</u>	<u>(2,882,408)</u>	<u>(529,741)</u>	<u>29,447,536</u>
			(1)	(2)	
Total Capital and Surplus reported on Quarterly Statement					<u>65,536,015</u>
Change in 9-30-2008 surplus as a result of realized and unrealized gains/ (losses) occurring October 2008 related to assets owned as of 9-30-08					<u>(3,412,149)</u>
Total Capital and Surplus restated for investment fluctuations during October 2008 related to assets owned as of 9-30-08					<u><u>62,123,866</u></u>
Percentage change in 9-30-08 surplus resulting from October 2008 realized and unrealized gains/(losses) on assets owned as of 9-30-08					<u><u>-9.48%</u></u>

22. Other Items

Not applicable

23. Reinsurance

Not applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable

25. Change in Incurred Claims and Claim Adjustment Expenses

Not applicable

26. Intercompany Pooling Arrangements

Not applicable

27. Structured Settlements

Not applicable

28. Health Care Receivables

Not applicable

29. Participating Policies

Not applicable

30. Premium Deficiency Reserves

Notes to Financial Statement

Not applicable

31. Anticipated Salvage and Subrogation

Not applicable

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[] No[] N/A[X]

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change:

- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[] No[X]
If yes, complete the Schedule Y - Part 1 - organizational chart.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[] 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. 12/31/2005
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2005
- 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). 12/28/2006
- 6.4 By what department or departments?
TENNESSEE DEPT OF COMMERCE AND INSURANCE - TENNCARE DIVISION
- 6.5 Have any financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]

- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 7.2 If yes, give full information

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[]
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:

- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$..... 0
- 13. Amount of real estate and mortgages held in short-term investments: \$..... 0

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[X] No[]

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		14,975,000
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		14,975,000
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes[] No[X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[] N/A[X]

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]

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

1 Name of Custodian(s)	2 Custodian Address
NORTHERN TRUST	PO BOX 75986 CHICAGO, IL 60675-5986

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes[] No[X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
108718	MARTIN AND COMPANY	TWO CENTRE SQUARE, SUITE 200, 625 S GAY ST
.....	.....	KNOXVILLE, TN 37902

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

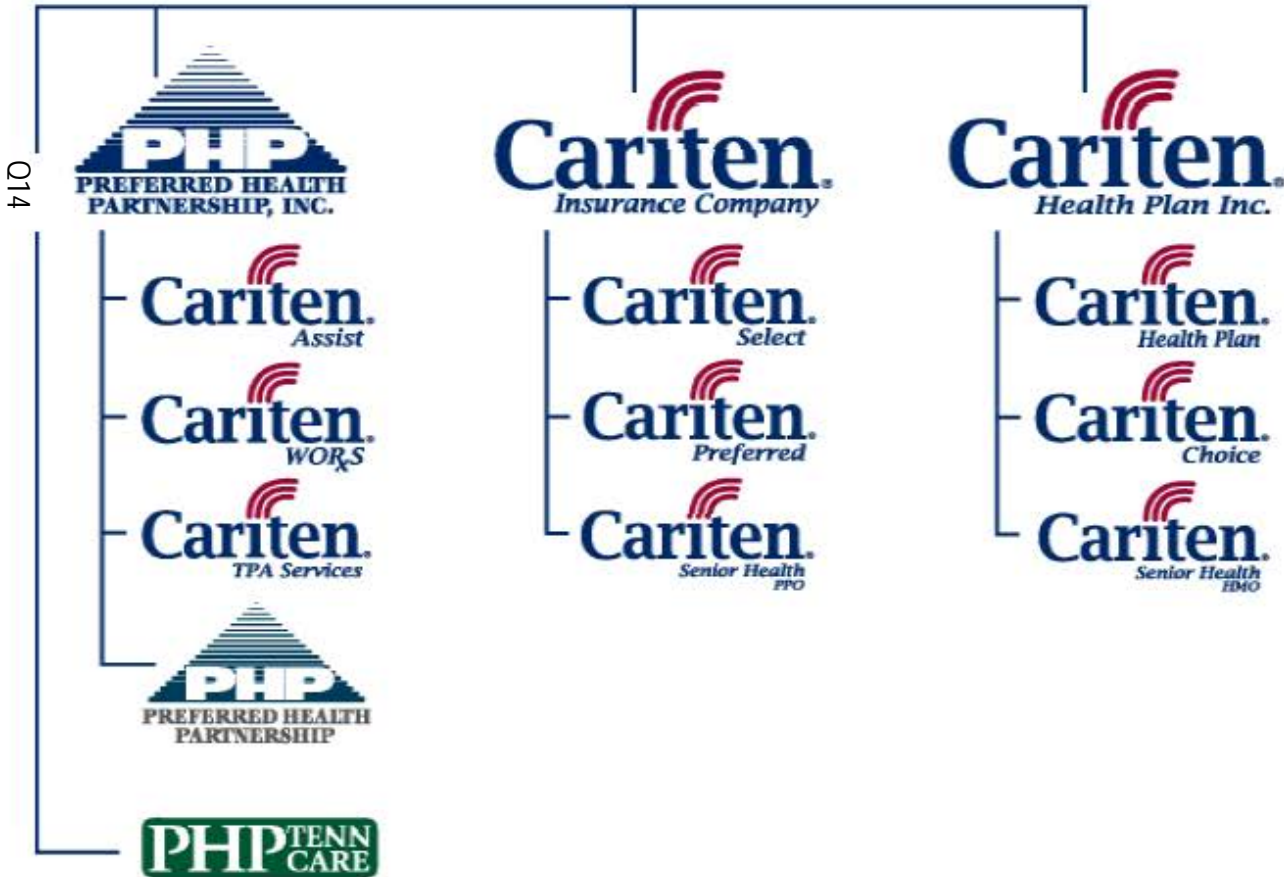
Yes[X] No[]

17.2 If no, list exceptions:

12 Schedule S Ceded Reinsurance NONE

13 Schedule T - Premiums and Other Consid. NONE

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



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

STATEMENT AS OF September 30, 2008 OF THE Preferred Health Partnership of Tennessee, Inc.

STATEMENT AS OF September 30, 2008 OF THE Preferred Health Partnership of Tennessee, Inc.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

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

RESPONSE

No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95749200836500003

2008

Document Code: 365

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2104. Reserve for At Risk Revenue	842,930	.....	842,930	1,643,136
2105. Unclaimed Property	118,692	.....	118,692	121,141
2197. Summary of remaining write-ins for Line 21 (Lines 2104 through 2196)	961,622	.....	961,622	1,764,277

SCHEDULE A - VERIFICATION

Real Estate

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

SCHEDULE B - VERIFICATION

Mortgage Loans

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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	54,143,000	51,260,404
2. Cost of bonds and stocks acquired	101,036,976	24,306,582
3. Accrual of discount	24,711	30,639
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	151,610	(71,466)
6. Deduct consideration for bonds and stocks disposed of	91,223,458	21,056,223
7. Deduct amortization of premium	218,887	326,935
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	63,913,952	54,143,000
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	63,913,952	54,143,000

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 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	77,389,912	46,650,000	66,110,944	(944,309)	48,903,043	77,389,912	56,984,659	51,004,490
2. Class 2 (a)	6,940,195			(10,901)	6,951,096	6,940,195	6,929,294	4,638,510
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	84,330,106	46,650,000	66,110,944	(955,210)	55,854,139	84,330,106	63,913,952	55,643,000
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	84,330,106	46,650,000	66,110,944	(955,210)	55,854,139	84,330,106	63,913,952	55,643,000

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

SI03	Schedule DA Part 1	NONE
SI03	Schedule DA Verification	NONE
SI04	Schedule DB Part F Section 1	NONE
SI05	Schedule DB Part F Section 2	NONE
SI06	Schedule E - Verification (Cash Equivalentents)	NONE
E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 2	NONE
E02	Schedule B Part 3	NONE
E03	Schedule BA Part 2	NONE
E03	Schedule BA Part 3	NONE

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)
Bonds - Political Subdivisions of States, Territories and Possessions									
499527AG4	KNOX CNTY HEALTH EDL		07/09/2008	NORTHERN TRUST	X X X	275,000	275,000.00		1FE
499527AH2	KNOX CNTY HEALTH EDL		07/10/2008	NORTHERN TRUST	X X X	100,000	100,000.00		1FE
499527AE9	KNOX CNTY HEALTH EDL		07/22/2008	NORTHERN TRUST	X X X	5,000,000	5,000,000.00		1FE
499527AF6	KNOX CNTY HEALTH EDL		07/10/2008	NORTHERN TRUST	X X X	1,050,000	1,050,000.00		1FE
499527AG4	KNOX CNTY HEALTH EDL		07/23/2008	NORTHERN TRUST	X X X	600,000	600,000.00		1FE
499527AH2	KNOX CNTY HEALTH EDL		07/17/2008	NORTHERN TRUST	X X X	500,000	500,000.00		1FE
499527AE9	KNOX CNTY HEALTH EDL		08/05/2008	NORTHERN TRUST	X X X	5,000,000	5,000,000.00		1FE
499527AG4	KNOX CNTY HEALTH EDL		08/13/2008	NORTHERN TRUST	X X X	2,900,000	2,900,000.00		1FE
499527AG4	KNOX CNTY HEALTH EDL		08/20/2008	NORTHERN TRUST	X X X	1,075,000	1,075,000.00		1FE
499527AF6	KNOX CNTY HEALTH EDL		08/21/2008	NORTHERN TRUST	X X X	1,250,000	1,250,000.00		1FE
499527AG4	KNOX CNTY HEALTH EDL		08/27/2008	NORTHERN TRUST	X X X	425,000	425,000.00		1FE
499527AH2	KNOX CNTY HEALTH EDL		08/28/2008	NORTHERN TRUST	X X X	175,000	175,000.00		1FE
499527AF6	KNOX CNTY HEALTH EDL		08/28/2008	NORTHERN TRUST	X X X	3,000,000	3,000,000.00		1FE
499527AE9	KNOX CNTY HEALTH EDL		09/02/2008	NORTHERN TRUST	X X X	5,000,000	5,000,000.00		1FE
499527AG4	KNOX CNTY HEALTH EDL		09/03/2008	NORTHERN TRUST	X X X	325,000	325,000.00		1FE
499527AH2	KNOX CNTY HEALTH EDL		09/04/2008	NORTHERN TRUST	X X X	100,000	100,000.00		1FE
499527AE9	KNOX CNTY HEALTH EDL		09/16/2008	NORTHERN TRUST	X X X	5,000,000	5,000,000.00		1FE
499527AG4	KNOX CNTY HEALTH EDL		09/17/2008	NORTHERN TRUST	X X X	5,000,000	5,000,000.00		1FE
499527AH2	KNOX CNTY HEALTH EDL		09/18/2008	NORTHERN TRUST	X X X	4,875,000	4,875,000.00		1FE
499527AF6	KNOX CNTY HEALTH EDL		09/18/2008	NORTHERN TRUST	X X X	5,000,000	5,000,000.00		1FE
2499999 Subtotal - Bonds - Political Subdivisions of States, Territories and Possessions					X X X	46,650,000	46,650,000.00		X X X
6099997 Subtotal - Bonds - Part 3					X X X	46,650,000	46,650,000.00		X X X
6099998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
6099999 Subtotal - Bonds					X X X	46,650,000	46,650,000.00		X X X
6599998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
7299998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
7399999 Subtotal - Preferred and Common Stocks					X X X		X X X		X X X
7499999 Total - Bonds, Preferred and Common Stocks					X X X	46,650,000	X X X		X X X

QE04

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n Date	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.							
Bonds - U.S. Governments																					
31359MNU3	FNMA		07/10/2008	NORTHERN TRUST	X X X	1,510,944	1,500,000.00	1,516,466	1,507,740						1,506,896		4,048	4,048	35,000	08/01/2012	1FE
0399999 Subtotal - Bonds - U.S. Governments																					
Bonds - Political Subdivisions of States, Territories and Possessions																					
34074GAA2	FLORIDA HURRICANE CAT FUND		07/01/2008	MATURED	X X X	1,500,000	1,500,000.00	1,534,965	1,508,392		(8,392)		(8,392)		1,500,000				37,500	07/01/2008	1FE
499527AG4	KNOX CNTY HEALTH		07/02/2008	NORTHERN TRUST	X X X	2,000,000	2,000,000.00	2,000,000							2,000,000					01/01/2046	1FE
499527AH2	KNOX CNTY HEALTH		07/03/2008	NORTHERN TRUST	X X X	700,000	700,000.00	700,000							700,000					01/01/2046	1FE
499527AE9	KNOX CNTY HEALTH		07/08/2008	NORTHERN TRUST	X X X	1,625,000	1,625,000.00	1,625,000							16,250,000					01/01/2046	1FE
499527AF6	KNOX CNTY HEALTH		07/17/2008	NORTHERN TRUST	X X X	2,000,000	2,000,000.00	2,000,000							2,000,000					01/01/2046	1FE
499527AE9	KNOX CNTY HEALTH		07/29/2008	NORTHERN TRUST	X X X	2,500,000	2,500,000.00	2,500,000							2,500,000					01/01/2046	1FE
499527AH2	KNOX CNTY HEALTH		08/01/2008	NORTHERN TRUST	X X X	100,000	100,000.00	100,000							100,000					01/01/2046	1FE
499527AG4	KNOX CNTY HEALTH		08/06/2008	NORTHERN TRUST	X X X	1,450,000	1,450,000.00	1,450,000							14,500,000					01/01/2046	1FE
499527AH2	KNOX CNTY HEALTH		08/07/2008	NORTHERN TRUST	X X X	100,000	100,000.00	100,000							100,000					01/01/2046	1FE
499527AF6	KNOX CNTY HEALTH		08/07/2008	NORTHERN TRUST	X X X	1,325,000	1,325,000.00	1,325,000							1,325,000					01/01/2046	1FE
499527AE9	KNOX CNTY HEALTH		08/12/2008	NORTHERN TRUST	X X X	6,000,000	6,000,000.00	6,000,000							6,000,000					01/01/2046	1FE
499527AH2	KNOX CNTY HEALTH		08/14/2008	NORTHERN TRUST	X X X	5,000,000	5,000,000.00	5,000,000							5,000,000					01/01/2046	1FE
499527AF6	KNOX CNTY HEALTH		09/04/2008	NORTHERN TRUST	X X X	1,975,000	1,975,000.00	1,975,000							19,750,000					01/01/2046	1FE
499527AE9	KNOX CNTY HEALTH		09/09/2008	NORTHERN TRUST	X X X	4,000,000	4,000,000.00	4,000,000							4,000,000					01/01/2046	1FE
499527AF6	KNOX CNTY HEALTH		09/11/2008	NORTHERN TRUST	X X X	3,000,000	3,000,000.00	3,000,000							3,000,000					01/01/2046	1FE
499527AE9	KNOX CNTY HEALTH		09/24/2008	NORTHERN TRUST	X X X	10,500,000	10,500,000.00	10,500,000							10,500,000					01/01/2046	1FE
499527AG4	KNOX CNTY HEALTH		09/25/2008	NORTHERN TRUST	X X X	13,725,000	13,725,000.00	13,725,000							13,725,000					01/01/2046	1FE
499527AH2	KNOX CNTY HEALTH		09/25/2008	NORTHERN TRUST	X X X	100,000	100,000.00	100,000							100,000					01/01/2046	1FE
499527AF6	KNOX CNTY HEALTH		09/26/2008	NORTHERN TRUST	X X X	7,000,000	7,000,000.00	7,000,000							7,000,000					01/01/2046	1FE
2499999 Subtotal - Bonds - Political Subdivisions of States, Territories and Possessions																					
6099997 Subtotal - Bonds - Part 4																					
6099998 Summary Item from Part 5 for Bonds (N/A to Quarterly)																					
6099999 Subtotal - Bonds																					
6599998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)																					
7299998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)																					
7399999 Subtotal - Preferred and Common Stocks																					
7499999 Total - Bonds, Preferred and Common Stocks																					

QE05

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

E06 Schedule DB Part A Section 1 NONE

E06 Schedule DB Part B Section 1 NONE

E07 Schedule DB Part C Section 1 NONE

E07 Schedule DB Part D Section 1 NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
Cash on Deposit	First Tennessee Bank		4.000	1,908		195,859	229,080	363,344	X X X
Northern Trust	Chicago Illinois		4.900	41,963		4,926,942	6,179,050	379,281	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories		X X X	X X X						X X X
0199999 Totals - Open Depositories		X X X	X X X	43,870	9,732	5,122,801	6,408,130	742,625	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories		X X X	X X X						X X X
0299999 Totals - Suspended Depositories		X X X	X X X						X X X
0399999 Total Cash On Deposit		X X X	X X X	43,870	9,732	5,122,801	6,408,130	742,625	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash		X X X	X X X	43,870	9,732	5,122,801	6,408,130	742,625	X X X

E09 Schedule E Part 2 Cash Equivalents NONE

Supp1 Medicare Part D Coverage Supplement NONE

ACT Actuarial Statement NONE

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EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199999 Total individuals						
0299998 Premium due and unpaid not individually listed						
0299999 Total group		NONE				
0399999 Premiums due and unpaid from Medicare entities						
0499999 Premiums due and unpaid from Medicaid entities						
0599999 Accident and health premiums due and unpaid (Page 2, Line 12)						

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199998 Subtotal - Pharmaceutical Rebate Receivables - Not Individually Listed						
0199999 Subtotal - Pharmaceutical Rebate Receivables						
0299998 Subtotal - Claim Overpayment Receivables - Not Individually Listed						
0299999 Subtotal - Claim Overpayment Receivables						
0399998 Subtotal - Loans and Advances to Providers - Not Individually Listed						
0399999 Subtotal - Loans and Advances to Providers		NONE				
0499998 Subtotal - Capitation Arrangements Receivables - Not Individually Listed						
0499999 Subtotal - Capitation Arrangements Receivables						
0599998 Subtotal - Risk Sharing Receivables - Not Individually Listed						
0599999 Subtotal - Risk Sharing Receivables						
0699998 Subtotal - Other Receivables - Not Individually Listed						
0699999 Subtotal - Other Receivables						
0799999 Gross health care receivables						

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1-30 Days	3 31-60 Days	4 61-90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
Individually listed receivables							
Preferred Health Partnership Companies, Inc Cariten Insurance Company Cariten Health Plan, Inc.							0
0199999 - Total Individually Listed Receivables	0	0	0	0	0	0	0
0299999 - Receivables not individually listed							
0399999 - Total gross amounts receivable	0	0	0	0	0	0	0

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

	Current Year		Previous Year
	Current Period	Year to Date Total	Total
Member Months	291,172	914,822	1,243,200
REVENUES:			
1. TennCare Capitation	49,408,943	141,012,678	188,214,622
2. Investment	18,757	69,536	206,419
3. Other Revenue	0	0	0
IBNR / Capitation Revenue Receivable	(4,868,857)	22,292,866	24,064,994
Premium Tax	(23,192)	(183,739)	3,253,034
State Admin Revenue			
4. TOTAL REVENUES (Lines 1 to 3)	44,535,652	163,191,341	215,739,069
EXPENSES:			
Medical and Hospital Services:			
5. Capitated Physician Services	0	0	0
6. Fee-For-Service Physician Services	4,898,799	18,213,664	24,712,195
7. Inpatient Hospital Services	21,740,209	84,508,687	108,957,785
8. Outpatient Services	19,471	46,438	65,397
9. Emergency Room Services	2,570,525	10,906,316	15,195,927
10. Mental Health Services	13,170	27,692	22,659
11. Dental Services (Capitated & FFS)	718	2,200	3,076
12. Vision Services (Capitated , FFS & Opthamology)	242,880	638,260	825,503
13. Pharmacy Services (Capitated & FFS)	0	3	122
14. Home Health Services	294,826	685,913	900,434
15. Chiropractic Services	0	0	0
16. Radiology Services	87,574	258,553	343,156
17. Laboratory Services	5,493,545	20,562,912	26,737,123
18. Durable Medical Equipment Services	2,066,057	7,593,863	10,770,833
19. Transportation Services (Capitated)	1,621,378	4,332,338	4,599,149
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 (Provide Detail)	0	0	0
Surgery - Orthopedic - FFS Office	0	0	0
MCO Delegated Services	0	0	0
Allergy & Immunology FFS Office & Other	2,090,412	6,074,193	8,948,676
Counselors/Therapists	0	0	0
Otolaryngology - FFS Office	319,719	1,100,895	1,462,137
Anesthesiology - FFS Hosp & Other	703,128	2,092,621	2,833,024
Gastroenterology	12,910	34,257	61,654
Preventive Medicine	1,121,446	2,703,378	3,554,256
Ped Emergency Medicine - FFS Hospital	0	0	0
Miscellaneous	693,083	1,789,553	3,213,912
IBNR	0	0	0
Risk Share	0	0	0
24. Subtotal (Lines 5 to 23)	43,989,849	161,571,736	213,207,018
25. Reinsurance Expenses Net of Recoveries		0	0
LESS:			
26. Copayments		0	0
27. Subrogation	157,682	512,148	1,010,472
27a Recoveries	135,250	540,072	574,275
28. Coordination of Benefits		0	0
29. Subtotal (Lines 26 to 28)	292,932	1,052,220	1,584,747
30. TOTAL MEDICAL AND HOSPITAL (Lines 24 and 25 less 29)	43,696,917	160,519,516	211,622,271

Report #2A (Continued): TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES

	Current Year		Previous Year
	Current Period	Year to Date Total	Total
Administration:			
31. Compensation (Including Allocated Costs)	0	0	0
32. Marketing (Including Allocated Costs)	0	0	0
33. Premium Tax Expense	838,735	2,671,825	4,116,797
34. Occupancy, Depreciation and Amortization (Including Allocated Costs)	0	0	0
35. Other Administration (Provide detail)			
Printing	0	0	0
Rent/Utilities	0	0	0
Franchise, Excise & Property Taxes	0	0	0
Postage	0	0	0
Legal Fees	0	0	0
Liquidated Damages	0	0	0
Outside Services	0	0	0
Board & Committee Fees	0	0	0
Auditing, actuarial and other consulting services	0	0	0
Books & Subscriptions	0	0	0
Dues, Fees & Licenses	0	0	0
Education & Seminars	0	0	0
Meals & Entertainment	0	0	0
Office Supplies	0	0	0
Minor Equipment	0	0	0
Travel	0	0	0
Wellness Program	0	0	0
Leases & Rentals of equipment	0	0	0
Repairs/Maintenance Agreements	0	0	0
Telephone/Beepers/Cellular Phones	0	0	0
Temp/Contract Personnel	0	0	0
Provision for Loss Contracts	0	0	0
Risk Banding Reserve	0	0	0
Program Run Out Expense	0	0	0
State Admin Revenue	0	0	0
Miscellaneous Expense	0	0	0
Total DIRECT Expenses	838,735	2,671,825	4,116,797
Other ALLOCATED Expenses (Provide detail)			
Rent/Utilities	0	0	0
Printing	0	0	0
Postage	0	0	0
Legal Fees	0	0	0
Outside Services	0	0	0
Board & Committee Fees	0	0	0
Survey Fees	0	0	0
Telephone/Beepers/Cellular Phones	0	0	0
Books & Subscriptions	0	0	0
Minor Equipment	0	0	0
Computer Supplies	0	0	0
Dues, Fees & Licenses	0	0	0
Education & Seminars	0	0	0
Meals & Entertainment	0	0	0
Office Supplies	0	0	0
Travel	0	0	0
Miscellaneous Expense	0	0	0
Franchise, Excise & Property Taxes & Sales/Use Tax	0	0	0
Insurance	0	0	0
Leases & Rentals of equipment	0	0	0
Repairs/Maintenance Agreements	0	0	0
Relocation Expense Total	0	0	0
Training and Orientation Total	0	0	0
Temp/Contract Personnel	0	0	0
Covenant Management Fees	0	0	0
Total ALLOCATED Expenses	0	0	0
36. TOTAL ADMINISTRATION (Lines 31 to 36)	838,735	2,671,825	4,116,797
FIT & Excise Tax	0	0	0
37. Total Other Expenses:	0	0	0
38. TOTAL EXPENSES (Lines 30 and 37 and 37A)	44,535,652	163,191,341	215,739,068
39. NET INCOME (LOSS) (Line 4 less Line 38)	(0)	(0)	0

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

	Current Year		Previous Year
	Current Period	Year to Date Total	Total
Member Months	0	0	0
REVENUES:			
1. TennCare Capitation	0	0	0
2. Investment	820,345	2,227,233	2,242,197
3. Other Revenue	392,878	392,878	3,653,634
IBNR / Capitation Revenue Receivable	0	0	0
Premium Tax	0	0	0
State Admin Revenue	1,726,448	1,726,448	0
4. TOTAL REVENUES (Lines 1 to 3)	2,939,671	4,346,559	5,895,831
EXPENSES:			
Medical and Hospital Services:			
5. Capitated Physician Services	0	0	0
6. Fee-For-Service Physician Services	0	0	0
7. Inpatient Hospital Services	5,974	5,974	0
8. Outpatient Services	0	0	0
9. Emergency Room Services	0	0	0
10. Mental Health Services	0	0	0
11. Dental Services (Capitated & FFS)	0	0	0
12. Vision Services (Capitated , FFS & Opthamology)	0	0	0
13. Pharmacy Services (Capitated & FFS)	0	0	(22,860)
14. Home Health Services	0	0	0
15. Chiropractic Services	0	0	0
16. Radiology Services	0	0	0
17. Laboratory Services	0	0	0
18. Durable Medical Equipment Services	0	0	0
19. Transportation Services (Capitated)	0	0	0
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 (Provide Detail)			
Surgery - Orthopedic - FFS Office	0	0	0
MCO Delegated Services	0	0	0
Allergy & Immunology FFS Office & Other	0	0	0
Counselors/Therapists	0	0	0
Otolaryngology - FFS Office	0	0	0
Anesthesiology - FFS Hosp & Other	0	0	0
Gastroenterology	0	0	0
Preventive Medicine	0	0	0
Ped Emergency Medicine - FFS Hospital	0	0	0
Miscellaneous	0	0	0
IBNR	0	0	0
Risk Share	0	0	0
24. Subtotal (Lines 5 to 23)	5,974	5,974	(22,860)
25. Reinsurance Expenses Net of Recoveries	0	0	0
LESS:			
26. Copayments	0	0	0
27. Subrogation	0	0	0
27a Recoveries	28,702	158,221	129,137
28. Coordination of Benefits	0	0	0
29. Subtotal (Lines 26 to 28)	28,702	158,221	129,137
30. TOTAL MEDICAL AND HOSPITAL (Lines 24 and 25 less 29)	(22,728)	(152,247)	(151,998)

Report #2A (Continued): TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES

	Current Year		Previous Year
	Current Period	Year to Date Total	Total
Administration:			
31. Compensation (Including Allocated Costs)	139,015	608,633	9,567,364
32. Marketing (Including Allocated Costs)	0	2,915	6,290
33. Premium Tax Expense	0	0	0
34. Occupancy, Depreciation and Amortization (Including Allocated Costs)	0	0	1,167,298
35. Other Administration (Provide detail)			
Printing	27,604	135,167	143,605
Rent/Utilities	0	0	0
Franchise, Excise & Property Taxes	0	0	0
Postage	37,629	126,337	166,199
Legal Fees	(3,503)	(6,009)	11,542
Liquidated Damages	(419,300)	(284,932)	(552,350)
Outside Services	92,032	337,302	361,459
Board & Committee Fees	0	0	0
Auditing, actuarial and other consulting services	0	0	0
Books & Subscriptions	362	3,526	4,522
Dues, Fees & Licenses	0	660	41,550
Education & Seminars	0	0	0
Meals & Entertainment	81	140	393
Office Supplies	918	2,549	6,339
Minor Equipment	0	4,097	4,662
Travel	0	0	218
Wellness Program	0	0	0
Leases & Rentals of equipment	0	0	0
Repairs/Maintenance Agreements	39,760	61,849	40,784
Telephone/Beepers/Cellular Phones	0	0	0
Temp/Contract Personnel	96,922	251,182	110,034
Provision for Loss Contracts	(4,427,640)	(4,427,640)	0
Risk Banding Reserve	0	0	0
Program Run Out Expense	0	0	0
State Admin Revenue	(1,630,107)	(8,728,201)	(14,235,271)
Miscellaneous Expense	(1,772,880)	(1,919,616)	(1,314,246)
Total DIRECT Expenses	(7,819,107)	(13,832,041)	(4,469,609)
Other ALLOCATED Expenses (Provide detail)			
Rent/Utilities	0		559,297
Printing	0		86,004
Postage	0		411,526
Legal Fees	0		364,930
Outside Services	0		1,451,036
Board & Committee Fees	0		103,436
Survey Fees	0		67,776
Telephone/Beepers/Cellular Phones	0		336,105
Books & Subscriptions	0		98,831
Minor Equipment	0		74,367
Computer Supplies	0		0
Dues, Fees & Licenses	0		106,331
Education & Seminars	0		61,782
Meals & Entertainment	0		24,456
Office Supplies	0		108,760
Travel	0		68,986
Miscellaneous Expense	4,455,592	13,832,041	167,635
Franchise, Excise & Property Taxes & Sales/Use Tax	0		109,936
Insurance	0		298,828
Leases & Rentals of equipment	0		49,082
Repairs/Maintenance Agreements	0		527,522
Relocation Expense Total	0		2,248
Training and Orientation Total	0		0
Temp/Contract Personnel	0		477,238
Covenant Management Fees	0		2,313,414
Total ALLOCATED Expenses	4,455,592	13,832,041	7,869,525
36. TOTAL ADMINISTRATION (Lines 31 to 36)	(3,363,515)	0	3,399,916
FIT & Excise Tax	(4,065,715)	(4,578,730)	(107,346)
37. Total Other Expenses:	(4,065,715)	(4,578,730)	(107,346)
38. TOTAL EXPENSES (Lines 30 and 37 and 37A)	(7,451,958)	(4,730,977)	3,140,572
39. NET INCOME (LOSS) (Line 4 less Line 38)	10,391,629	9,077,536	2,755,259

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

	Current Year		Previous Year
	Current Period	Year to Date Total	Total
Member Months	291,172	914,822	1,243,200
REVENUES:			
1. TennCare Capitation	49,408,943	141,012,678	188,214,622
2. Investment	839,102	2,296,769	2,448,616
3. Other Revenue	392,878	392,878	3,653,634
IBNR / Capitation Revenue Receivable	(4,868,857)	22,292,866	24,064,994
Premium Tax	(23,192)	(183,739)	3,253,034
State Admin Revenue	1,726,448	1,726,448	0
4. TOTAL REVENUES (Lines 1 to 3)	47,475,323	167,537,900	221,634,900
EXPENSES:			
Medical and Hospital Services:			
5. Capitated Physician Services	0	0	0
6. Fee-For-Service Physician Services	4,898,799	18,213,664	24,712,195
7. Inpatient Hospital Services	21,746,183	84,514,661	108,957,785
8. Outpatient Services	19,471	46,438	65,397
9. Emergency Room Services	2,570,525	10,906,316	15,195,927
10. Mental Health Services	13,170	27,692	22,659
11. Dental Services (Capitated & FFS)	718	2,200	3,076
12. Vision Services (Capitated , FFS & Opthamology)	242,880	638,260	825,503
13. Pharmacy Services (Capitated & FFS)	0	3	(22,738)
14. Home Health Services	294,826	685,913	900,434
15. Chiropractic Services	0	0	0
16. Radiology Services	87,574	258,553	343,156
17. Laboratory Services	5,493,545	20,562,912	26,737,123
18. Durable Medical Equipment Services	2,066,057	7,593,863	10,770,833
19. Transportation Services (Capitated)	1,621,378	4,332,338	4,599,149
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 (Provide Detail)	0	0	0
Surgery - Orthopedic - FFS Office	0	0	0
MCO Delegated Services	0	0	0
Allergy & Immunology FFS Office & Other	2,090,412	6,074,193	8,948,676
Counselors/Therapists	0	0	0
Otolaryngology - FFS Office	319,719	1,100,895	1,462,137
Anesthesiology - FFS Hosp & Other	703,128	2,092,621	2,833,024
Gastroenterology	12,910	34,257	61,654
Preventive Medicine	1,121,446	2,703,378	3,554,256
Ped Emergency Medicine - FFS Hospital	0	0	0
Miscellaneous	693,083	1,789,553	3,213,912
IBNR	0	0	0
Risk Share	0	0	0
24. Subtotal (Lines 5 to 23)	43,995,823	161,577,710	213,184,158
25. Reinsurance Expenses Net of Recoveries	0	0	0
LESS:			
26. Copayments	0	0	0
27. Subrogation	157,682	512,148	1,010,472
27a Recoveries	163,952	698,293	703,413
28. Coordination of Benefits	0	0	0
29. Subtotal (Lines 26 to 28)	321,634	1,210,441	1,713,884
30. TOTAL MEDICAL AND HOSPITAL (Lines 24 and 25 less 29)	43,674,189	160,367,269	211,470,274

Report #2A (Continued): TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES

	Current Year		Previous Year
	Current Period	Year to Date Total	Total
Administration:			
31. Compensation (Including Allocated Costs)	139,015	608,633	9,567,364
32. Marketing (Including Allocated Costs)	0	2,915	6,290
33. Premium Tax Expense	838,735	2,671,825	4,116,797
34. Occupancy, Depreciation and Amortization (Including Allocated Costs)	0	0	1,167,298
35. Other Administration (Provide detail)	0	0	0
Printing	27,604	135,167	143,605
Rent/Utilities	0	0	0
Franchise, Excise & Property Taxes	0	0	0
Postage	37,629	126,337	166,199
Legal Fees	(3,503)	(6,009)	11,542
Liquidated Damages	(419,300)	(284,932)	(552,350)
Outside Services	92,032	337,302	361,459
Board & Committee Fees	0	0	0
Auditing, actuarial and other consulting services	0	0	0
Books & Subscriptions	362	3,526	4,522
Dues, Fees & Licenses	0	660	41,550
Education & Seminars	0	0	0
Meals & Entertainment	81	140	393
Office Supplies	918	2,549	6,339
Minor Equipment	0	4,097	4,662
Travel	0	0	218
Wellness Program	0	0	0
Leases & Rentals of equipment	0	0	0
Repairs/Maintenance Agreements	39,760	61,849	40,784
Telephone/Beepers/Cellular Phones	0	0	0
Temp/Contract Personnel	96,922	251,182	110,034
Provision for Loss Contracts	(4,427,640)	(4,427,640)	0
Risk Banding Reserve	0	0	0
Program Run Out Expense	0	0	0
State Admin Revenue	(1,630,107)	(8,728,201)	(14,235,271)
Miscellaneous Expense	(1,772,880)	(1,919,616)	(1,314,246)
Total DIRECT Expenses	(6,980,372)	(11,160,216)	(352,812)
Other ALLOCATED Expenses (Provide detail)			
Rent/Utilities	0	0	559,297
Printing	0	0	86,004
Postage	0	0	411,526
Legal Fees	0	0	364,930
Outside Services	0	0	1,451,036
Board & Committee Fees	0	0	103,436
Survey Fees	0	0	67,776
Telephone/Beepers/Cellular Phones	0	0	336,105
Books & Subscriptions	0	0	98,831
Minor Equipment	0	0	74,367
Computer Supplies	0	0	0
Dues, Fees & Licenses	0	0	106,331
Education & Seminars	0	0	61,782
Meals & Entertainment	0	0	24,456
Office Supplies	0	0	108,760
Travel	0	0	68,986
Miscellaneous Expense	4,455,592	13,832,041	167,635
Franchise, Excise & Property Taxes & Sales/Use Tax	0	0	109,936
Insurance	0	0	298,828
Leases & Rentals of equipment	0	0	49,082
Repairs/Maintenance Agreements	0	0	527,522
Relocation Expense Total	0	0	2,248
Training and Orientation Total	0	0	0
Temp/Contract Personnel	0	0	477,238
Covenant Management Fees	0	0	2,313,414
Total ALLOCATED Expenses	4,455,592	13,832,041	7,869,525
36. TOTAL ADMINISTRATION (Lines 31 to 36)	(2,524,780)	2,671,825	7,516,713
FIT & Excise Tax	(4,065,715)	(4,578,730)	(107,346)
37. Total Other Expenses:	(4,065,715)	(4,578,730)	(107,346)
38. TOTAL EXPENSES (Lines 30 and 37 and 37A)	37,083,694	158,460,364	218,879,641
39. NET INCOME (LOSS) (Line 4 less Line 38)	10,391,629	9,077,536	2,755,259